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Introduction (1)

❑ Migration to DTT a enormous challenge for many countries

❑ Challenge is made particularly hard in developing countries by the extent of the funding required:

    ❑ Dual illumination

    ❑ New broadcaster technology

    ❑ New channels to drive take-up

    ❑ Consumer education programmes

    ❑ Need for new end-user equipment in the home (STBs)

Introduction (2)

❑ Governments and broadcasters hard-pressed to provide this funding

❑ The need for a central co-ordinating office, in the form of a Digital Migration Office could be seen as another demand on scarce financial resources

❑ However, if managed properly, the DMO can be a mechanism to reduce wastage and ensure the effective utilisation of scarce resources

Introduction (3)

❑ The DMO can do things broadcasters and government alone cannot easily achieve:

    ❑ Co-operation of different parts of the value chain e.g. broadcasters, manufacturers, retailers etc

    ❑ Harnessing of industry expertise

    ❑ Consensus agreement on standards etc

❑ Investment in a DMO is therefore a worthwhile consideration for territories undergoing migration, particularly in a horizontal market where there are a number of different players

Case Study: South Africa's Digital Dzonga

❑ Digital Dzonga has been formed to oversee the migration of terrestrial TV services from analogue to digital in SA

❑ It is overseen by an Advisory Council made up of 13 non-executive members representing most parts of the DTT value chain

❑ Has been in full existence since June 2008

❑ Commitment from government to fund (or co-fund?) until 2016

❑ First staff joining early 2009

Case Study (2)

❑ The terms of reference set the following main objectives:

    ❑ Provide strategic guidance to the Minister and government

    ❑ Develop an implementation plan and coordinate and monitor the implementation plan

    ❑ Provide a forum for discussion and decisions by digital migration stakeholders on all matters related to the migration

    ❑ Undertake communication with the public on broadcasting digital migration

    ❑ Address conformance issues

Case Study (3)

❑ The concept of a Digital Dzonga has its roots in proposals made by industry to government in 2006:

Recommendation by the DMWG, Nov 2006

"Government should establish a joint body with industry to develop an action plan for the switch-off of analogue television broadcasting, to monitor the switchover process and promote consumer awareness".

Case Study (4)

Although modelled on examples of DMOs from other territories, Digital Dzonga is structured to allow it to meet SA's unique needs

| DTG - Defining Digital standards specification | DMOL - Managing technical platform | Digital UK - Selling digital transition | Help Scheme - for vulnerable viewers |

South African Digital Dzonga envisaged to provide a one-stop shop

Case Study (5)

❑ Rationale for Dzonga based on:

    ❑ Scale and complexity of switch-over – 9m households, large geographic area, high levels of poverty and illiteracy

    ❑ Involvement of multiple stakeholders

    ❑ Need for co-ordinated roll-out and switch-off among different broadcasters and networks

    ❑ Need for strong, uniform communication to public to meet government deadlines

Case Study (6)

❑ What is Dzonga currently doing?

    ❑ In six months, there have been three significant areas of work:

        ☞ Formation of working groups to allow for greater participation and representation

        ☞ Interventions on the STB spec in interests of ensuring cost-effective and consumer friendly DTT roll-out

        ☞ Finalised report on SA readiness to launch and implementation plan – first definitive roadmap to launch

    ❑ Each of these activities demonstrates the value to be added by a DMO

Case Study (7)

Working Groups

❑ Have formed 5 working groups, open to any company with a direct interest in DTT, to facilitate collaboration and collective decision making:

❑ Communications

❑ Technology and Standards

❑ Help and Support

❑ Monitoring and Research

❑ Broadcast Infrastructure

Case Study (8)

<u>Working Groups</u>

❑ A very positive response to the Dzonga's call for applications for membership of its WGs

❑ A wide range of interests will be represented on the WGs, giving the Dzonga access to a much broader range of expertise and interests

❑ The WGs will only start meeting from February onwards as the Council wanted to finalise its implementation plan beforehand

❑ But key focus areas for Q1 and Q2 have already been identified

Communications	Help & Support	Technology	Broadcast Infrastructure	Research
On air campaign addressing consumer misconceptions on HD TV sets and DTT Finalising communications agency contract and strategy Call centre brief and tender process	Undertaking best practice study and developing proposals on help scheme Develop proposals on subsidy scheme	To facilitate finalisation of rules of operation Develop proposals and/or tender on conformance scheme	To finalise TX roll out plan once frequency plan finalised	Consumer focus groups

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Case Study (9)

STB specification

❑ Held consultation session on the STB specification in August 08

  ❑ Resulted in a memorandum to the Minister

❑ Dzonga also a member of SABS drafting committee on spec - have, with other role players, worked hard to finalise spec

❑ Expecting completion of spec end March 09

Case Study (10)

STB specification

❑ Agreed minimum spec will be the base for STB deployment

- ❑ A conformance scheme will measure compliance to the spec and other standards

- ❑ A digital tick type scheme will guide retailers and consumers

- ❑ Aim is to drive down total migration costs by:

  - ❑ limiting unnecessary expenditure on non-compliant equipment

  - ❑ lowering burden on call centres, consumer support

  - ❑ ensuring controlled platform in a horizontal market in which all services will be received by all STBs

Case Study (11)

Roadmap to Launch

❑ Following the launch of the broadcaster DTT trials in November 2009, Dzonga held a consultation session on "Critical success factors for DTT launch".

   ❑ Report will be presented to the Minister in early 09

   ❑ Identifies a likely commercial launch date as late 2009

   ❑ Identifies two possible scenarios for commercial launch:

      ❑ A comprehensive launch

      ❑ A focused launch

Case Study (12)

Roadmap to Launch

❑ Report and Implementation plan provides the country's first definitive roadmap to launch, identifying tasks for the Dzonga itself and tasks for other bodies

❑ It is clear from the Dzonga report, that given the multitude of stakeholders involved, a DMO is required to "project manage" the migration process

ICASA	SABS	Broadcasters	Manufacturers	Signal Distributors	Government
Finalise regulations Issue frequency plan Issue licences to broadcasters	Finalise STB spec	Issue specs on UI and STB control Develop and test channels Undertake marketing	Produce STBs	Roll out TX network	Funding Provide clarity on manufacturing strategy and subsidy scheme

Case Study (13)

Roadmap to Launch

❑ Next steps in driving implementation:

    ❑ Resolving the fundamental success factors by Q1/Q2

        ❑ Regulatory processes

        ❑ Funding

❑ Launch can then happen 6 – 10 months later

❑ In meantime, focusing on conformance, subsidies and communication

Conclusion: Lessons learnt

❑ DMO a useful structure to:

    ❑ Co-ordinate various stakeholders, ensure buy-in, common vision and approach

    ❑ Limit costs of the total migration project by driving co-ordination, conformance and effective communication

    ❑ Play important role of "friend to the consumer"

❑ By bringing together a number of different parties, a DMO can do things other parties on their own can't easily achieve

Conclusion (2)

❑ Digital Dzonga very committed to fulfilling the mandate set for it

❑ Hopeful that we will be seeing a full launch of DTT in SA later this year

Thank you

Lara Kantor