

[CH] Teleclub not Allowed to Use “d-box” Technology in Switzerland

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*Patrice Aubry
RTS Radio Télévision Suisse, Geneva*

Teleclub SA will have to drop "d-box" technology from its plans for digital television and use an open interface converter instead. In a decision delivered on 5 June 2001, the Swiss Federal Council rejected the appeal entered by Teleclub SA against a decision of the Federal Department of the Environment, Transport, Energy and Communications (DETEC). The Federal Council said that "d-box" technology imposes a closed encryption system that constitutes a threat to the diversity of what is on offer and of opinions, thereby compromising the principle of integration incumbent on television broadcasters.

Teleclub SA, a 40% owned subsidiary of the German Kirch group, was planning to broadcast its pay-television programmes digitally using "d-box" technology. Using this system, programmes can be decoded using a special reception device - the set-top box - which was to be distributed free of charge to the subscribers of the encrypted channel. The set-top box makes it possible to transform the digital signal sent by satellite into an analogue signal that the television set can receive. The rights for the encrypting code are held by the company BetaResearch, a 100% owned subsidiary of the Kirch group.

According to the DETEC, this technology imposes a closed system on subscribers, as it uses a single encryption system. This system allows reception of only those programmes encrypted using the Kirch group's coding key, so that subscribers wishing to receive programmes encrypted differently or broadcast by a different television channel, would be obliged to acquire a second settop box, unless that broadcaster concluded a licence contract with BetaResearch. Thus, "d-box" technology restricts the public's free choice of digital pay-television programmes. The Federal Council therefore upheld the DETEC's decision requiring the use of an open interface and the internationally-recognised Multicrypt encryption and access system. The open interface of this system enables viewers to receive programmes encrypted in different ways using the same set-top box.

Lastly, the Federal Council noted that this position was in line with that adopted by the European Parliament which, in a European Parliament legislative resolution on the proposal for a European Parliament and Council directive on access to, and interconnection of, electronic communication networks and associated facilities (COM(2000) 384 - C5-0433/2000 - 2000/0186(COD)), was proposing to require programme broadcasters to use open interfaces in order to guarantee the

diversity of what was on offer and of opinions, and to guarantee the principle of integration imposed upon television.

Pressemitteilung des Eidgenössischen Justiz- und Polizeidepartements vom 6. Juni 2001

http://www.admin.ch/cp/d/3b1e5985_1@fwsrvq.bfi.admin.ch.html

Press release by the Federal Department of Justice and the Police of 6 June 2001

