

[LT] Competition among Cable-TV-Operators

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The Radio and Television Commission of Lithuania (RTCL), which licenses and controls the activities of all private radio and television broadcasters, adopted a decision to prepare and approve the encrypting procedure for Cable TV and multichannel micro-wave distribution systems (MMDS - digital terrestrial broadcasting) after evaluating the economic and legal situation.

Due to historical circumstances, in Vilnius and Kaunas

- the two biggest towns in Lithuania - a few cable TV operators are acting without competing among themselves, as they cover different geographic territories. MMDS-operators, who provide the same services, are the only competitive alternatives, however due to technological peculiarities they can offer just a limited variety of programmes.

At present MMDS operators are re-broadcasting unencrypted TV programmes, which annoys Cable TV operators, who say that when a signal is not encrypted and the number of MMDS antennas cannot be inspected, favourable conditions for the unsanctioned connection to the MMDS network are created. According to the cable TV operators the share of illegal MMDS subscribers amounts to 40 or 70 per cent of all legal Cable TV and MMDS subscribers. This situation harms both Cable TV and MMDS operators on the one hand, and holders of copyright and neighbouring rights on the other.

According to the MMDS operators the extent of piracy is not as bad and the phenomenon is successfully dealt with, sometimes involving even legal officials. So according to them there is no necessity to encrypt the signal; otherwise this would make their service more expensive and hinder them from competing with Cable TV operators.

After the above mentioned decision was adopted, a MMDS operator, which provides services in Vilnius and Vilnius region, applied to the Commission to initiate a tender for a Cable TV licence, covering the whole town of Vilnius via fibre-optic cable to enable him to compete with the already licensed Cable TV operators operating in different parts of the town. The RTCL invited a tender for the Cable TV licence, covering the whole town of Vilnius, although the Cable TV operators acting in Vilnius asked the Commission to cancel or at least suspend the tender and allow them to expand their networks up to the town limits.

At present the decision of the RTCL reads that Cable TV operators can apply for expanding their licensed territories up to the town limits, and the tender for the whole town territory will take place in November.

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Decision on the preparation and approval of the encrypting procedure for Cable TV and multichannel micro-wave distribution systems (MMDS digital terrestrial broadcasting)

