[GB] Licences for Digital Terrestrial Television Awarded by Regulator

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The Independent Television Commission, the UK's regulatory authority for broadcasting, on 24 June awarded licences for multiplexes (blocks of frequencies) for digital terrestrial television. A group of three licences was awarded to British Digital Broadcasting (BDB), a consortium comprised at the time of the application of Carlton Communications, the Granada Group and BSkyB. A competing application from Digital Television Network (DTN) was unsuccessful.

The Commission had to apply a number of criteria set out in the Broadcasting Act 1996. It considered that the DTN application included more innovative programme proposals which would appeal to a wide range of different audiences. However, that application had a less optimistic business plan and this was dependent on it raising further debt, whereas BDB could obtain internal funding. However, the BDB application raised serious competition concerns, a point emphasised in advice received from OFTEL, the telecommunications regulator, because of BSkyB's strength in the UK pay-tv market. The licence was thus made conditional on BSkyB's withdrawal as a shareholder from the BDB consortium, though it would continue to supply programmes. This withdrawal has been agreed by the shareholders.

The Commission also awarded the guaranteed multiplex for the existing Channels 3 and 4 to Digital 3 and 4 representing the existing broadcasters.

Decision of the ITC concerning licences for digital terrestrial television, 24 June 1997

http://www.itc.co.uk/factfile/dttnr.htm

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