



Mobile digital television: The coming handheld revolution will transform the way we consume television

London 9th September: The emergence of mobile television is likely to have far reaching implications for broadcasters, operators and TV consumers over coming years. With so much potentially at stake for broadcasters, content rights-holders and mobile phone operators, a fierce battle is looming for a slice of this new market.

A new report from Screen Digest, 'Mobile Digital Television – The Coming Handheld Revolution' predicts that over the next decade consumption and use of television is likely to be totally transformed in the same way that mobile phones have revolutionized the telecommunications industry over the last decade.

Mobile digital television (MDTV) services exist today in South Korea and are now a short way off in Europe and North America. Trials are currently underway worldwide using a variety of different transmissions standards and commercial MDTV services are expected in North America and other Asian countries in 2006, with full commercial launches in Europe in 2007.

However, there are a number of hurdles to clear before wide-scale roll-out can take place. MDTV network infrastructure costs are likely to be very high, as they must match cellular phone coverage targets. This has major implications for players and the overall industry structure. Europe also faces spectrum availability problems and large scale MDTV deployment is unlikely to occur until after 2009 when analogue terrestrial television begins to be switched off – liberating spectrum for MDTV. Substantial European take-off is predicted after 2009.

At the same time, a standards battle is brewing, with three main transmissions standards vying for dominance:

DVB-H – an open standard developed by the DVB. Live services are due to launch in 2006.

MediaFlo – a proprietary standard developed by Qualcomm of the US. Currently under development with commercial services expected to go live in 2006 / 2007.

T-DMB – an updated version of the DAB (Digital Audio Broadcast) system, is currently on air in South Korea.

Dermot Nolan, author of the report, believes that a standards war is virtually guaranteed – which could cause delays and consumer confusion in service uptake. He believes though, that based on previous pay-tv platform wars, the DVB-H standard stands the strongest chance of emerging triumphant in the next few years.

The report also suggests that Europe is in serious peril of falling behind other global markets in the mobile television race. This is due to the absence of regulatory frameworks, an inability to agree on standards and difficulties in securing a suitable pristine spectrum allocation for either DVB-H or T-DMB throughout Europe.

In the US a major MDTV standards battle is inevitable between DVB-H and MediaFLO. Major cellular carriers in the United States are undecided but traditionally tilt towards open standards, which would tend to favour DVB-H.

Projections for handset volumes take account of these global variations in standards adoption and technology roll-out. On this basis, it is expected that over the period 2005-2012 Asia will dominate the global market for MDTV handsets with a 43% market share, followed by the US with 32% market share and Europe trailing in third place with 25% of all cellular MDTV handsets. By 2012 it is predicted that 255m MDTV cellular handsets will be shipped worldwide.

Television service propositions will have to be live, short-form, localised, personalised, and specifically pitched to the mobile screen. Viable genres include mass-market channels, news, live sports, business, comedy, children's, 'mobisodes' (MDTV tailored episodes) and adult services. At the same time, graphics rendition and presentation of live video services will have to be completely reinvented for the MDTV screen.

Operation of MDTV services is likely to be governed by major competition policy considerations. To date this area has largely been ignored by broadcasters, cellular carriers, and network operators. It is likely to determine the entire industry structure and its impact cannot be discounted.

Editors' Notes

The data, forecasts and analysis contained in this press release are taken from the latest Screen Digest report - Mobile Digital Television (MDTV): The Coming Handheld Revolution. To find out more about this please contact sales@screendigest.com or call +44 20 7424 2820

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For further information on this report or to arrange interviews, please contact:

Fay Hamilton

fay.hamilton@screendigest.com

Tel: +44 20 7424 2820

www.screendigest.com

Dan Stevenson

dan.stevenson@screendigest.com

Tel: +44 20 7424 2820