

Glossary

Access control	Relates to conditional access systems (which are analogous to computer operating systems). Access control systems are analogous to computer applications software, which in pay-TV are primarily geared towards the provision of interactive applications/services, eg home shopping, Internet connection etc. See also Mediaguard and Mediahighway and VideoGuard .
ADSL	Asymmetric digital subscriber line: a relatively new telecommunications technology in the process of being to be introduced into the UK which can greatly increase the bandwidth capacity of the standard copper telephone wire (as used by BT) going to individual homes, though the capacity of the return path to the local exchange is increased to a far lesser extent.
Analogue	The system currently used for transmitting TV and radio signals, in which a radio frequency is modulated in a manner analogous to the variations of pictures or sound.
API	Applications program interface: the software (or 'middleware') which allows interactive and access control systems to work with the underlying conditional access systems.
ASTRA	A group of satellites in geostationary orbit used to transmit TV broadcasts (including those of BSkyB and Vivendi/Canal+) to European countries, which are owned and operated by Societ� Europ�ene des Satellites, a Luxembourg-based company.
Broadband cable	Systems with a frequency bandwidth capacity large enough to carry a large number (for example, 25 or more) of TV channels.
BSkyB	British Sky Broadcasting Group plc, the major UK DTH operator and a main party to this merger inquiry.
Cable operator	A company which has been granted a licence to build and manage a cable TV network. The main UK cable operators are NTL , CWC and Telewest.
Cable TV	The distribution of TV programmes by means of cable to individual premises (for example, homes, pubs and hotels). See also cable operator .
Canal+	A major operator of pay-TV services in France and other European countries, in which Vivendi has a 49 per cent stake.
Conditional access	The encryption system (mainly software) and subscriber management services used for managing access to broadcast services by controlling the descrambling of signals in consumers' receivers. The system allows an operator to enable or disable receivers in accordance with subscriptions paid. See also access control , a related applications system.
CWC	One of the three main UK cable operators , the main shareholder of which is Cable & Wireless plc, a major telecommunications operator based in the UK.
Decoder	A group of electrical components which have the ability to 'unscramble' a 'scrambled' signal, to enable viewers to watch the service to which they have subscribed.
Digital broadcasting	Transmission system using technology whereby sounds and pictures for broadcast are processed electronically and converted into binary digits. The system is suitable for terrestrial, satellite and cable transmission.

Digital compression	Electronic technique for reducing the number of binary digits necessary to convey information. For broadcasting, this reduces the amount of information which needs to be transmitted in order to provide acceptable sound and picture quality.
Dish	An antenna shaped like a dish, which is used to receive TV signals from a satellite.
DST	Digital satellite TV.
DTH	Direct-to-home: transmission of TV from a satellite direct to premises (for example, homes, pubs and hotels) served by a single satellite dish, as distinct from transmission via a cable system.
DTT	Digital terrestrial TV.
Encryption	Method whereby the messages needed to descramble a broadcast signal are made secret so that they can be received only by those consumers fulfilling the conditions for access, usually through payment of a subscription fee.
EPG	Electronic programme guide, which gives a listing of channels/programmes (eg on pay-TV systems), from which viewers can select a given channel/programme.
Franchise	Cable franchise: the right to install and operate a cable TV system in a given area of more than 1,000 homes. ITV franchise: the right to broadcast a Channel 3 (free-to-air TV) service in a particular geographic area. Both types of franchise rights are bestowed by the licences granted by the ITC .
Free-to-air TV	TV financed by either an annual licence fee (BBC channels) or by revenue from on-screen advertisements (commercial Channels 3, 4 and 5, but not by subscription. Normally received direct from ground-based transmitters.
ITC	The Independent Television Commission: the public body currently responsible for regulating commercially-funded TV broadcasting in and from the UK, including on Channels 3 (ITV), 4 and 5, public teletext and a range of cable, local delivery, DTT and satellite broadcasting services (but not the BBC or S4C, the fourth channel in Wales).
Licence	A document conferring the right to broadcast (under the Broadcasting Act), to transmit signals over the air by electromagnetic radiation (under the Wireless Telegraphy Acts), or to convey signals by any form of telecommunications (under the Telecommunications Act).
Mediaguard and Mediahighway	The conditional access and interactive software/ access control systems owned by SECA , which is 50 per cent owned by Canal+ .
Multi-channel package	A bundle or group (or tier) of channels available to pay-TV subscribers.
Multiplex	The combination of several programme services (and possibly additional services) within a given frequency channel or group of channels: applies primarily to digital broadcasting and DTT .
MVDS	Multipoint Video Distribution Service: distribution of broadband communications using microwave spectrum frequencies and terrestrial transmitters.
NDS	NDS Group plc (including NDS Ltd): a partially-owned subsidiary of News Corporation, which owns the licensing rights for both the Videocrypt (analogue) and VideoGuard (digital) encryption/conditional access systems.

NTL	NTL plc, one of the three main UK cable operators .
NVOD	Near-video-on-demand: programming such as films which are run several times on one day with slightly different start times, and which require large amounts of bandwidth/multiple channels. See also VOD .
News International	The media company which has a 40 per cent shareholding in BSkyB (and which itself is owned by News Corporation).
OFTEL	Office of Telecommunications. The licensing and monitoring body established by the Telecommunications Act 1984, headed by the Director General of Telecommunications.
Open	The interactive services package available to DTH/BSkyB subscribers, offering home shopping, home banking etc. Open is a joint venture (Open Interactive Limited, a subsidiary of BiB Holdings Limited) between BSkyB , BT, HSBC and Matsushita.
Pay-TV	TV for which viewers pay a subscription, ie all non free-to-air transmissions, including cable TV , DTH and DTT .
Pay-to-basic ratio	The ratio of the number of subscribers taking premium channels to the number of subscribers taking basic channels.
Penetration	The measurement of the take-up of cable TV services. The number of subscribers is expressed as a percentage of the homes passed and marketed.
Platform	Television delivery system, ie cable TV , DTH (satellite) and DTT .
PPV	Pay-per-view: a TV service where viewers pay for each individual programme they watch (typically films or in some cases sporting events).
Premium channel	Higher-quality/priced channel available to viewers only for an additional subscription over and above the basic tier/service usually comprising sports or feature films.
SDN	S4C Digital Networks Limited: a company which has been granted licence rights to half of one of the UK digital multiplexes , and which is one-third owned by NTL .
SECA	A technical services company which is jointly owned by Vivendi/Canal+ and Bertelsmann, and which owns the exploitation rights to the Mediaguard conditional access technology.
Simulcrypt	Software which allows interoperability between different conditional access software/systems, such as VideoGuard and Mediaguard .
Smart card	A card about the size of a standard credit card, which includes an electronic chip, and which—when inserted into the set-top box—forms part of a conditional access and access control system.
SSSL	Sky Subscriber Services Limited: the BSkyB subsidiary which has a VideoGuard licence from NDS for digital channels retailed by BSkyB and which distributes smart cards to UK/Republic of Ireland subscribers. Satellite Encryption Services Limited, also a BSkyB subsidiary, provides equivalent services for analogue channels. Both provide conditional access services to channels other than BSkyB .
Terrestrial broadcasting	Sound and picture transmissions (both analogue and digital) through the earth's atmosphere using ground-based networks of transmitters and masts.

UMTS	Universal mobile telecommunications system: European version of third generation mobile telephony, which allows broadband reception.
VideoGuard	The conditional access system used by BSkyB , and which is owned by NDS/News International , the main shareholder in BSkyB .
Vivendi	Vivendi SA: a French-based company which has utilities, transport, media and other business interests, and which is a main party to this merger inquiry. The Vivendi group is used in this report to include Vivendi, Canal+ and its associates, and SECA .
VOD	Video-on-demand. A telephone line or cable-based service by which consumers may view on their TV sets in the home, at any time they want to, films they have chosen from a wide range of available titles.
Window	The time period for which films are available for broadcast on any particular medium, for example the video rental, PPV and pay-TV windows.