

Subtitling, Sign Language and Audio Description Services on Digital Terrestrial Television

A response to the DCMS Review from the Satellite and Cable Broadcasters' Group

September 2000

The Satellite and Cable Broadcasters Group (SCBG) includes a number of companies who have chosen to support the development of Digital Terrestrial Television (DTT) by using it as an additional method of distributing their programme services. Members of the Group have an additional interest in this consultation because of the questions posed in paragraph 22 of the consultation document which have major implications for the satellite and cable broadcasting companies.

This submission is a distillation of the views of the members of the Satellite and Cable Broadcasters' Group (see Annex for list of member companies). While this paper represents a broad consensus about most issues, individual companies may have expanded on certain points in their own supplementary submissions.

Should the targets be changed or are they about right?

If the targets remain unchanged should there be a further review and, if so, when?

First, we would like to state that we share the Government's aims in providing access to television services to the widest possible audiences. Our member companies have invested enormous sums of money developing brands that have to compete for every single viewer in a very competitive market place. Having the widest possible audience base – including people with sensory disabilities – is of great importance to us. However, it must also be recognised that the level of return on investment made by many companies is often low and does not allow for increased costs of providing programme services. In addition with the advent of digital television and the growth in the number of channels some companies have found audience shares and revenues decreasing leaving little scope for additional expenditure on services.

At this point in our submission we think it should be made clear that the "targets" are in fact licence conditions laid down by the ITC enforced with little or no flexibility considering the difficulties that many of our members have faced in meeting them.

We are also concerned about the technological difficulties that have been encountered in developing audio description and closed signing. A satisfactory approach to closed signing has not yet been developed and we understand that the interim technological approach to audio description is available to less than 100 users. This latter case, in particular, can in no way justify the levels of investment that are being made by the broadcasters in service provision. Until the technological limitations have been overcome it is arguable that the current targets should actually be revised down rather than up.

We do not know the level of take up of DTT by people with sensory disabilities.

However, it should be recognised that the latest published figures from OnDigital (31 March 2000) show that there were only 673,000 subscribers to their DTT service. Given the low numbers of viewers and the small audience share of some of the channels we believe that the already challenging targets should not be revised upwards until a much greater adoption of DTT has taken place.

In addition we believe the Government should carry out a full Regulatory Impact Assessment of the costs of providing subtitling, sign language and audio description before making any upward revision of the current targets.

Any further review of the targets should take place in the context of the review of analogue switch-off that the Government will need to undertake within the next 4-5 years.

What are the costs of delivering and receiving services?

Would the quality of subtitling be affected if targets were increased?

Estimates of the costs of providing these services vary but our members report the costs being in the following ranges per broadcast hour:

Subtitling	£200-500
Sign Language	£500-2000
Audio Description	£700-2000

The costs obviously vary depending on the types of programme broadcast and the different genres of individual channels. The annual cost for a channel will also vary depending on the use of new programming and archive material.

Any company required to subtitle its output would obviously wish to do so at the lowest cost commensurate with meeting the technical standards for subtitling laid down in guidance from the Independent Television Commission.

Should there be different targets for different broadcasters perhaps based on audience share of channels?

Should new channels be exempt from targets or have lower targets at first?

Different subtitling targets already exist for different types of broadcasters, and one of the principle factors underpinning these distinctions is the number of viewers who can receive and actually watch the services on offer. The five existing free-to-air public service terrestrial channels, at one end of the spectrum, have access to almost every home in the country, command huge audience shares and carry commensurately higher subtitling requirements as part of their public service remits; most niche cable, satellite and digital terrestrial services, at the other end, are in far fewer homes and regularly register 0.1% or less of UK audience share, and therefore carry no, or far less an obligation to provide subtitling.

Furthermore there is a key difference between the existing analogue terrestrial services simulcasting on DTT and new services using digital as an additional means of distribution. Cable or satellite broadcasters without gifted access to analogue spectrum operate in a different economic environment to the terrestrial broadcasters

in which every single additional subscriber or viewer has to be attracted through our own marketing efforts. In this context any additional regulatory requirements placed on a particular form of distribution must be considered a potential barrier to entry.

Given this context we welcome the Government's consideration of a new channel exemption or the setting of lower targets, but not as a quid pro quo for additional requirements elsewhere. We also believe that by reducing the potential barriers to entry this would support the Government's desire for the greatest range of consumer choice and the early complete changeover to digital television.

Should broadcasters who broadcast several channels be able to bundle their subtitling output between channels in order to meet an overall target?

There may be circumstances in which it might be helpful for a broadcaster to be able to bundle their subtitling requirements between channels but this might also disadvantage single channel broadcasters who could not benefit from the additional flexibility of bundling.

Which programmes or channels should be priority for subtitling, signing and audio description?

We have no view on what the priorities are for subtitling, signing and audio description. This is an issue that is best answered by people with sensory disabilities themselves. One possible approach would be for the Government to commission research – perhaps using a version of the “People’s Panel” – to determine suitable priorities.

How should equipment costs to the consumer best be met?

The membership of the SCBG is composed of companies who hold ITC licences to broadcast television channels using a range of distribution methods. Equipment costs are not the principal responsibility of channel providers and most of our members have little or no involvement with equipment manufacture.

If the targets are increased, what will be the financial impact on broadcasters' programming?

We have already detailed the costs of subtitling, signing and audio description. Increasing targets is likely to have a proportional increase in costs to broadcasters, which will reduce the amount of money available for investment in, for example, original productions.

What are the opportunity costs to broadcasters in terms of alternative possible uses of spectrum in providing subtitling, signing and audio description services?

Providing these services limit a channel to being UK specific because to take the same channel into Europe would require the building of separate transmission suites at considerable cost. This is because audio description uses tracks that can be used for foreign language audio. DTT subtitling also limits the number of subtitle languages that can be added. Open on-screen signing cannot be shown in other

European countries. All of these requirements in effect limit the ability of UK based channels to export their services abroad.

Should the cable and satellite channels be required to provide these services? If so, should requirements apply to all cable and satellite services, or, for example, only to those with a large audience share or over a certain income threshold?

We would be extremely concerned about any proposals to extend the requirements on DTT channels to cable and satellite channels. There are now several hundred satellite television service (STS) licence holders in the UK representing small and large companies, broadcasting to a range of audiences both in the UK and elsewhere in the EU. Some of these channels are well established others are not, many of those with healthy revenues are still recouping their heavy initial investment costs.

It is often assumed that satellite and cable broadcasters are not providing any subtitling at all on their services. This is not the case. Despite the many obstacles a great deal of progress has been made in this area, for example Nickelodeon is already subtitling two-thirds of its output, Turner Classic Movies has completed the subtitling of over half the titles in its active film library and UK Gold currently subtitles 35% of its programmes. Sky One, the UK's most popular cable and satellite channel, is 40% subtitled and the most popular film channel, Sky Premier, is 45% subtitled. Furthermore, Sky Box Office pay-per-view services are now 100% subtitled.

We have already described the impact that digital broadcasting is having on audience shares. The strategy of many companies in dealing with this is to increase further the number of channels in order to create a brand "area" with more choice. This fragmentation of output helps to protect revenues but also increases costs to the broadcaster. Placing additional regulatory and financial burdens on broadcasters would affect the viability of many programme services.

In addition, the UK has become Europe's broadcasting capital with many international companies choosing to locate their European operations in this country. They have done so, in part, because of the UK's regulatory environment. Any additional requirements for cable and satellite broadcasters would affect all their international output as well as their domestic services. It is doubtful whether it would be possible to provide equivalent subtitling, signing and audio description services across Europe from companies based in this country. Further technical issues would arise if subtitling requirements were placed on channels that broadcast in languages such as Chinese.

Another issue of concern to SCBG members would be the imposition of a subtitling requirement on live news services. This would be extremely costly and would particularly affect specialist news providers.

An Access Fund for Broadcasting to People With Sensory Disabilities

As broadcasters who have been involved in this debate for a number of years we understand and appreciate the pressures on the Government to deliver more. The special interest groups also have a duty to their own constituencies to maintain the pressure for change. We respect their position. As commercial companies with responsibilities to our employees and shareholders we must operate in a cost-efficient manner.

It is the SCBG's view that these tensions will never be completely resolved between broadcasters and lobby groups and that the Government is in an invidious position in attempting to reconcile us all.

We believe that one approach to this problem might be through the creation of a fund for promoting access to television broadcasting for people with sensory disabilities. In effect this would be a stream of public service broadcasting funding for a specialist interest group. There is a very good precedent for such an approach in the £75 million granted by the Government each year to S4C for broadcasting to approximately 500,000 Welsh language speakers in Wales.

Such a new fund could be used in the following ways:

- to support the development of new technologies for signing and audio description
- to fund the audience research among people with disabilities
- to fund subtitling, signing and audio description on non-public service channels either through 100% grants or through co-funding
- to train new subtitlers, signers and audio describers
- to purchase the bandwidth necessary for the transmission of these services.

We have not identified a suitable source of funding for the Access Fund but given the principle of public funding has already been established we see no reason why this important part of the Government's social inclusion agenda should not be delivered in the same way.

There are two further issues that should be considered in this context.

ITC rules prevent the sponsorship of "Any other element of the programme service (including items of station presentation or continuity)." We believe there are potential sources of revenue for funding subtitling that are currently inaccessible for no obvious reason.

From discussion within the SCBG it has become apparent that in some circumstances a programme may be subtitled more than once by different broadcasters. If any public funding were to be made available for subtitling then there would be an opportunity for the subtitling rights to be put in a nationally available "pool" and travel with a programme should it be licensed to another channel.

As a group we hope that the DCMS will continue this dialogue on subtitling, sign language and audio description and that there will be further discussion of the practical details of any new proposals to extend these services.

ANNEX

Member Companies of the Satellite & Cable Broadcasters' Group (SCBG)

BSkyB

The Chinese Channel

CNBC

Discovery Communications Europe

HVC

MBC

MTV Networks Europe

National Geographic Channel

Nickelodeon UK

QVC International

Sci-Fi Channel Europe

Telewest & Flextech

The Travel Channel

Turner Broadcasting System Europe