

This is in relation as much to the original report as Lord Carters appearance in front of the HoC Business and Enterprise Committee.

A lot of press coverage of this has focused on the possibility of using the TV Licence fee to fund next generation roll-out to areas where the commercial market fails to go, or for part funding a USO that supports online video.

We at thinkbroadband believe that the TV licence fee should NOT be used to fund broadband services, while the BBC is an important online content producer in the UK it is far from being the online one. Services like Xbox Live and Sony Playstation Network are quickly becoming more popular, and for example run promotions where older games can be downloaded for a fee and these downloads are up to a massive 15Gigabtes, 1.5GB is common for a game demo on consoles. Additionally there are commercial operations such as iTunes, Lovefilm and others providing access to film downloads – if the BBC were to be asked to put funds into the pot then these commercial operators should to some extent too.

If the existing digital and analogue broadcast networks were to be dismantled then there would be a case for broadband networks, but IPTV is so inefficient that there is no way it could produce a value for money network able to deliver the same TV show to millions at the same time. Non-linear TV may be increasingly popular, but still peak time shows are watched by millions.

If there was to be any BBC money spent on broadband, installing a media server in every telephone exchange so that content could be served more cheaply and more reliably would be a better option. So long as capacity could be purchased on this for commercial operators it may prove feasible without too much BBC money. Operations such as Tiscali TV have operated a little like this for some years.

Andrew Ferguson
Editor – www.thinkbroadband.com