

TELEVISION JAMAICA AND DIGITAL SWITCH OVER

By Mr. Gary Allen, CEO of RJRGLEANER Communications Group

At our recently held 74th Annual General Meeting of Radio Jamaica Limited, the usual profile of shareholders made up of a broad cross-section of Jamaicans raised many questions about the impending Digital Switch Over, DSO for local Over-The -Air (OTA), also call free-to-air television stations.

It was an engaging session, in which some wanted to know why this high-cost change is being pursued and what opportunities are to be gained. On the matter of the high-cost concern, we were able to advise that prices of the new standard TV sets and converter boxes, have been declining; the latter's price dropping to a third of where they were 12 – 15 months ago.

Among other key things the audience later understood, was the fact that the current analogue TV transmission equipment used by broadcasters, like Television Jamaica, TVJ, were obsolete and companies are winding down further manufacturing of them. In the same way, some cameras and editing systems of 20 years ago are no longer being made, the reality is that only a few, analogue broadcast transmitter manufacturers remain in operation.

We know only too well the implications of this, as we faced the reality a few years ago of only being able to source analogue studio spare parts on e-Bay, as they were no longer being manufactured. Today, getting new analogue TV transmitters is like finding a new black and white TV set being sold in a modern retail store! So, if we do not switch, we will neither have the equipment nor their parts to use; and consumers will eventually be unable to receive their Over the Air TV service from us.

At a meeting in 2012, where no broadcaster was present, 2015 was announced as the date for DSO. On hearing, broadcasters, including TVJ objected to it.

At that time, some of us still had analogue equipment that was being paid for and some being depreciated. If there was an early date for change, millions would have had to be written off from investments made. At that time too, there was still



uncertainty about which standard would have been best, even which generation of the 'American' standard.

Almost a decade later when Information Minister Fayval Williams announced the start of DSO as January 2022 and the standard for Jamaica as the Advanced Television Standards Committee (ATSC 3.0) – the American Standard – it was easy for TVJ to embrace it. The newer standard for the United States was chosen; it now had almost all, if not more features than the best of the other standards, including that it was designed to optimize interoperability with Internet Protocol (IP) platforms/networks which are the long-term future of global communications.

The RJRGLEANER Communications Group embraced the announcement and set about ensuring that our TVJ over the air station was not only in compliance, but in a leadership role for the switch over. Hence, on January 31, 2022, TVJ took Jamaica to the point where it became the third country in the World to switch on operation of an ATSC 3.0 transmission network – meeting the timeline announced by the government, less than a year before.

As we explained to shareholders the full transition process means that we must gather content in digital formats, edit and present them in digital formats, transport it to over twenty (20) sites, so that it can be provided to customers at home digitally. That means changing the full workflow and distribution chain, from us, right to the consumers' screens, from analogue to digital.

The government had said from the outset that unlike in many other countries undertaking DSO, it does not have resources to pay broadcasters to switch over, nor to provide subsidies to consumers to replace TV sets with digital ones or converter boxes to work with their analogue sets. Their argument has been that whereas in other countries the demand by telecommunications operators to pay for broadcast spectrum to be repurposed for their use, gave governments revenues from which some could be shared with broadcasters, this does not obtain in Jamaica – they indicated that they have no "digital dividend" from that source to share.

So, we have been rowing our own boat, trying to raise the financial resources, in tough post-COVID economic conditions, to execute DSO and keep connected our most vulnerable Jamaicans who have no other source than from over the air operators for accessing local TV service FREE of charge. This is how they keep abreast

nationally and globally, without access to the Internet in many communities and without financial resources to pay for data and internet services where available.

TVJ is making this change firstly, because that is the only way we can continue to provide broadcast TV services to Jamaicans, as only digital TV services will exist in a short while. In addition, if consumers are to receive quality audio and video service, in the digital age, this has to be done through digital broadcasts, not the old analogue systems.

In our plans, we aim to optimize what TV consumers will receive. First, with this change each broadcaster will be able to provide a package of multiple free channels to each householder that gets a new antenna, a new ATSC 3.0 digital TV set or a Set Top Box (STB) able to convert the digital signal to their current TVs. Instead of getting a single TV channel from each broadcaster, they will be able to provide multiple channels FREE. TVJ's initial plans will deliver, TVJ, TVJ Sports Network, Jamaica News Network and Reggae Entertainment Television, along with the Public Broadcasting Corporation of Jamaica services, plus at least two new services FREE to the consumer. On your regular TV set, you will now get your programme guide for each channel, be able to receive emergency warning messages, have the capability of receiving some data (in some instances educational material), as well as have data on what you were watching in each hour fed back to TVJ so that viewing habits and audience sizes, can be shared with advertisers to help them make decisions about how best to reach their target audiences.

Some small advertisers will now be able to advertise to their surrounding communities only, based on the location of the transmitters serving them and our stations could start receiving incremental advertising revenues from those who did not have a chance to advertise to their immediate target audiences in this way before. They would have had to advertise nationally in order to provide goods or service to only their community.

Another interesting feature is that this technology is now able to be delivered to some mobile phones and tablets FREE of data charges. Indeed, some of our television executives were in Detroit, Michigan earlier this year to get updates on the inclusion of TV receiver sets in cars for passengers to receive this service in their vehicles. That feature will expand viewership of TV in markets like ours where people spend hours in traffic on our roads, especially in morning and afternoon periods.



It was the discussion of this new digital broadcasting environment for our TV stations and what it means for consumers that generated so much interest for our shareholders. It was also this understanding which gained their support for our calls for an ENABLING environment to be created for this aspect of the media evolution to take place.

Consider this; a few years ago, shareholders were advised that TVJ had purchased a new world-class Outside Broadcast Truck that was used in the production of English Premier League matches for a short while. It was to facilitate multi-camera, High Definition (HD) television productions, with superior graphics, multiple slow-motion options, exceptional audio capture among other features in the field. Although with the incentive that exists for local film producers under our permit from Jamaica Promotions Corporation, JAMPRO we did not need to pay import duty on the truck, valued at hundreds of millions of dollars, we nevertheless had to pay over \$50M in Special Consumption Taxes, SCT on it!

That is a real experience which has led TVJ to call on the authorities to create an enabling environment for DSO – one that rebates and removes Special and General Consumption Taxes on all equipment broadcasters acquire and import to make DSO happen.

We also call on the authorities to remove import duties and consumption taxes on TV sets and Set Top Boxes that consumers will have to acquire to continue to receive their local television service.

We ask that the authorities waive all spectrum and regulatory fees on broadcasters who are undertaking this switch over process for the switch over period and for the first ten years after analogue switch off, so that we can provide consumers with a full range of new digital services that broadcasters have to fund from our own coffers.

It is our view that since the government has mandated this change within a certain timeframe, government should within that same timeframe lead by example and purchase its new digital TV sets or set top boxes to replace or convert signals for TV sets in its ministries, government offices, police stations, tax offices, schools, hospitals and other health facilities island-wide, thereby demonstrating that it is committed to the switch over it has mandated, and it is committed to do so within its own stipulated timeframe.

As I explained to our shareholders, all of us as stakeholders know that the January 2023 Analogue Switch Off date that was set cannot be achieved. With global logistics delays affecting manufacturing and delivery of all types of equipment, that date could no longer be met. In any event, few countries have been able to set one date and achieve it, unless it was fully funded by the government. Even in some small island states that require the use of only one transmitter, it has taken longer than a year for the consumers to change their sets or get converter boxes. Indeed, when the USA named its first ASO date, it had to extend the deadline twice before it eventually achieved the mark. This was between 2009 and 2014. They were not operating in a pandemic. There was no global supply chain issue.

So, broadcasters and the authorities need to agree a new timeframe and advise consumers. However, the new timetable must remain an urgent timetable because analogue networks will crumble without the switch to the equipment used for modern, indeed NEXTGEN broadcasting as the ATSC 3.0 standard is being called. It has been so branded because not for another generation or two is it envisaged that the fundamental base of TV transmission technology will change this radically and consumers gain so many new options and benefits.

I raised two other points with our shareholders which they readily embraced and so I commend them to the authorities. The ATSC 3.0 format has strong applications for “edu-casting” (using datacasting over the new network for educational purposes). We therefore encourage the government to seek developmental funding support to help put an ATSC television set or a regular TV with an ATSC converter box, in the home of every student on the Programme of Advancement Through Health and Education, PATH. That would allow educational material to be shared with them in digital format, across this broadcast network (not requiring data or internet connectivity). Educational material could be shared in this way to get to many of those children who cannot afford to purchase that material or access it at school every day. This dramatic widening of access alone would deliver significant benefits to the neediest in education. Widening the access to public broadcasting, by carrying that channel on our network could also increase the positive impact of public service programming on communities and the society as a whole, give a fillip to the cultural industries and spawn new segments of development in that sector. The grandiose talk of developing material from Jamaica’s world-demanded cultural cache, could finally get good traction.

Lastly, our Group proposes that the authorities consider and offer incentives to broadcast equipment manufacturers who could set up factories in Jamaica, to make or assemble broadcast, TV and set top box equipment for use in OUR market and for export to the Caribbean, North, Central and South America where the demand for ATSC 3.0 equipment is poised to explode. Jamaica could become a manufacturing hub in this hemisphere for such exports, meeting our TV market needs, creating employment and earning foreign exchange from the industry. This is an opportunity to improve economic growth while transforming a crucial media and communications sector.

This exciting prospect is good for television. If the policy approaches are not set right, it could have a negative impact on some radio services in the country. However, that is an examination to be done at another time, since only TV is being switched at this point.

So, TVJ is ready to offer consumers multiple high-quality channels FREE of charge, even as we are also ready to offer other channels in partnership with other content producers. We are ready to demonstrate our ongoing commitment to our country and to the cultural industries based in Jamaica but always reaching out to impact and impress the rest of the world!