



ARABCOM 2009 Telecom Summit



## Complete Approach and Partners relationship for a Viable Mobile TV Project

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- 1. Mobile TV - overview, business models**
- 2. Technology issues**
- 3. Partnership relations**

## WHO ARE WE?

- **Solid experience in DVB-H Mobile complete value chain from head end to demodulator ICs**
- **Highly interoperable and reliable equipment already deployed in different networks around the world**

## BUSINESS LINES

### ➤ Digital Headends:

- IPTV gateways for live TV
- DVB-T/H headends

### ➤ Turnkey Solutions Digital Broadcast

### ➤ Conditional Access

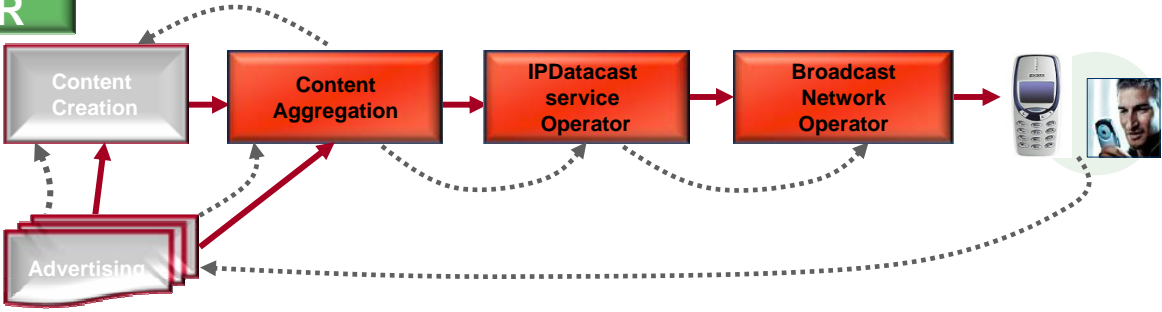
### ➤ ICs for Digital Broadcast Demodulation

**enter**

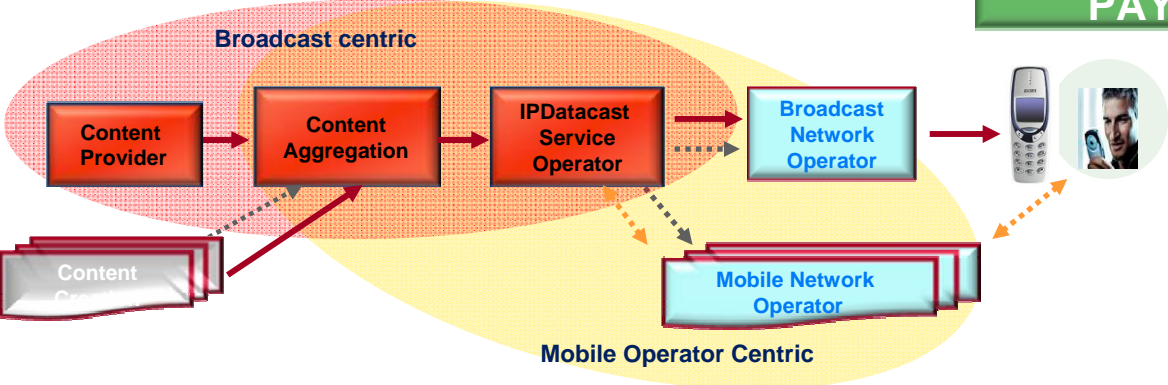
# BUSINESS MODELS



## FREE-TO-AIR

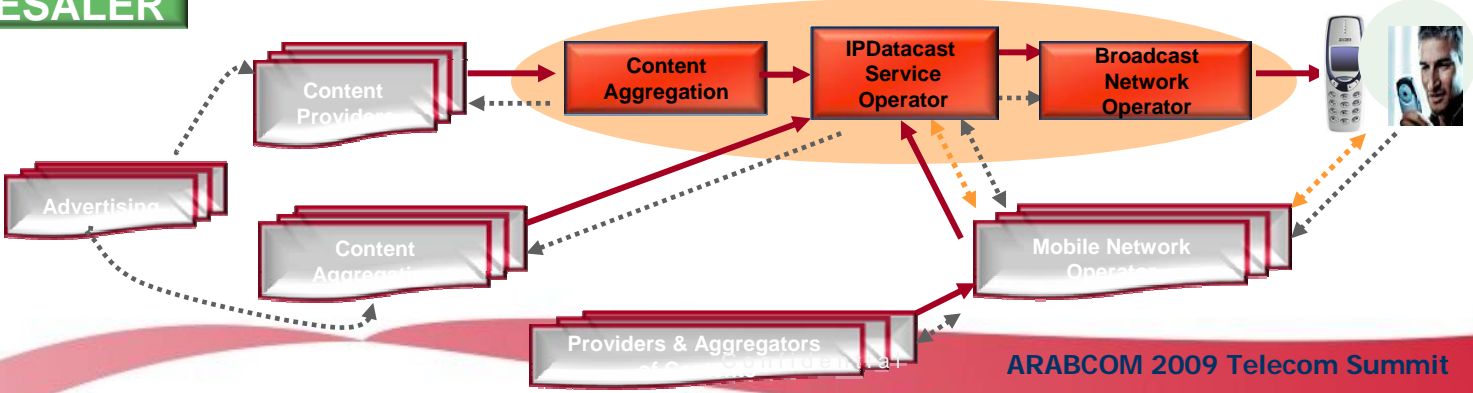


## PAY TV



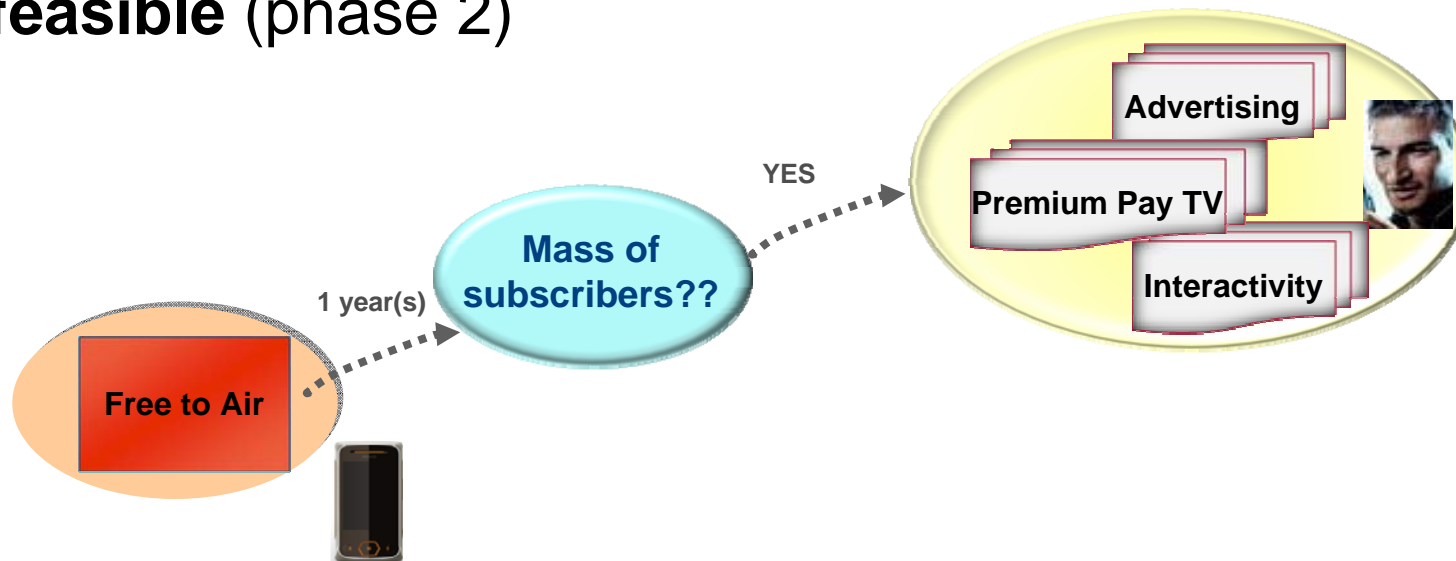
→ Content  
→ €flow  
- - - - -> Service & Interactive Purchasing

## WHOLESALER



## Mobile TV fast roll-out solution

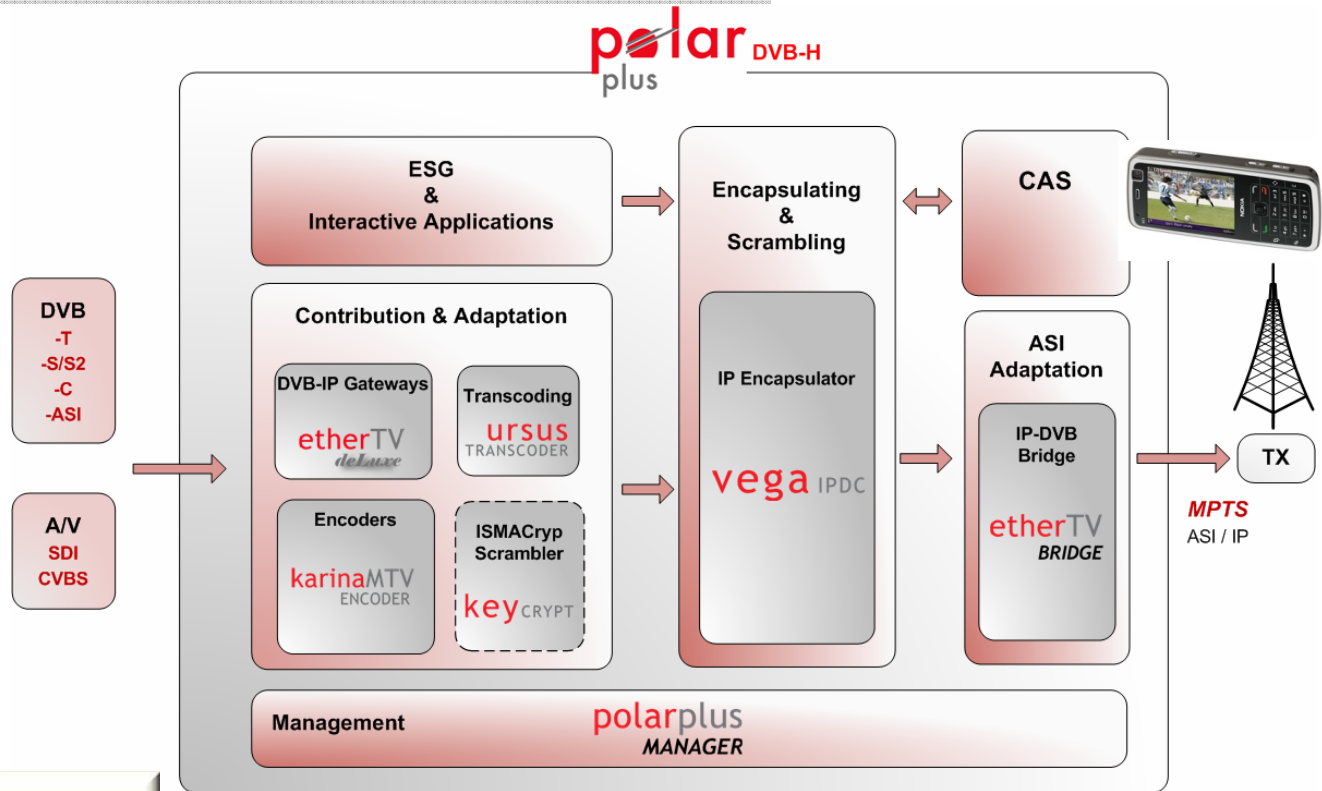
- ✓ **Mobile TV** could start as **Free-to-Air/Free-to-View** to achieve a **critical subscriber mass** (phase 1) - only then is a business model based on a combination of **advertising, interactivity and premium pay-TV** feasible (phase 2)



# Mobile TV – technology issues

# DVB-H Headend:

- Headend**
- Contribution
  - Encoding / Transcoding
  - IPDC Encapsulation
  - Encryption
  - ESG
  - Interactivity
  - Service/Content Protection & Purchase/User Management
  - Management System

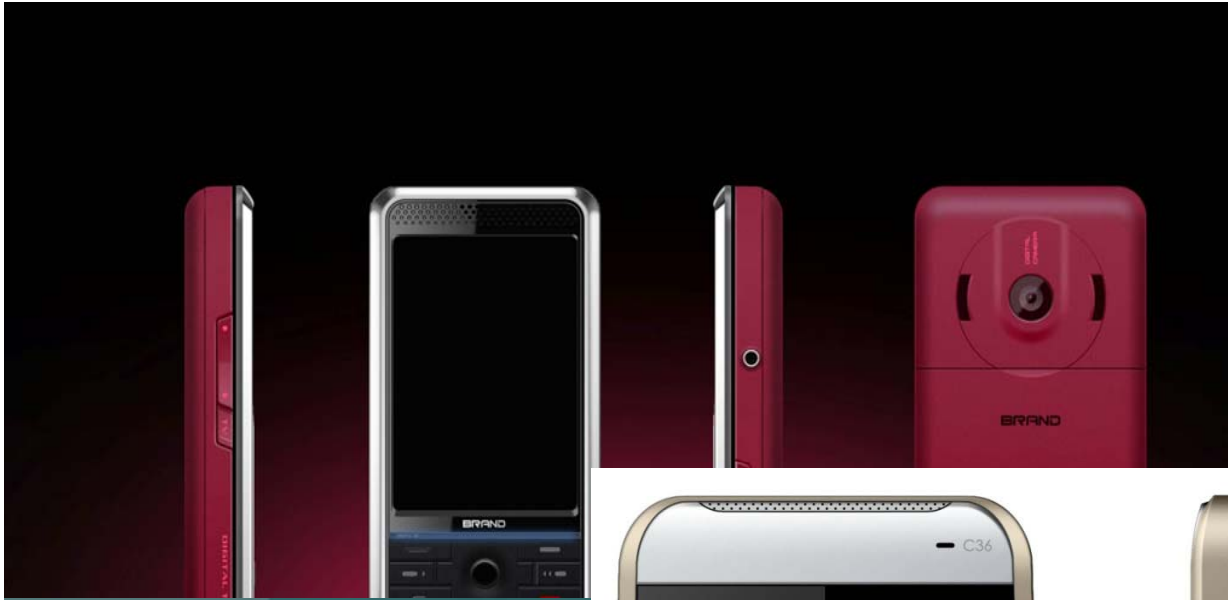


- | Transmission           | End-user terminals |
|------------------------|--------------------|
| • Distribution Network |                    |
| • Broadcasting Network |                    |

compatible all terminals - support different ESG & encryption standards

## Mobile TV success

# What about the TV handsets?



# Mobile TV – Partner Relations

## Real biz case – DVB-H deployment African country

### State broadcaster has DVB-H license, builds infrastructure

- FTA (Free-to-Air) service to all citizens
- Head-end compatible all terminals (different ESG)
- Hierarchical modulation (share mux with DTT)
  
- **Advantages**
- Fast uptake, compatible terminal only entry barrier
- Mass market reduce prices, more attractive for advertising
- **Disadvantages**
- Terminals not compatible payTV
- DTT receivers from some manufacturers lower sensitivity (DVB-H signals appear as noise)

## Real biz case – DVB-H deployment ME country

### State broadcaster DVB-H license and builds infrastructure

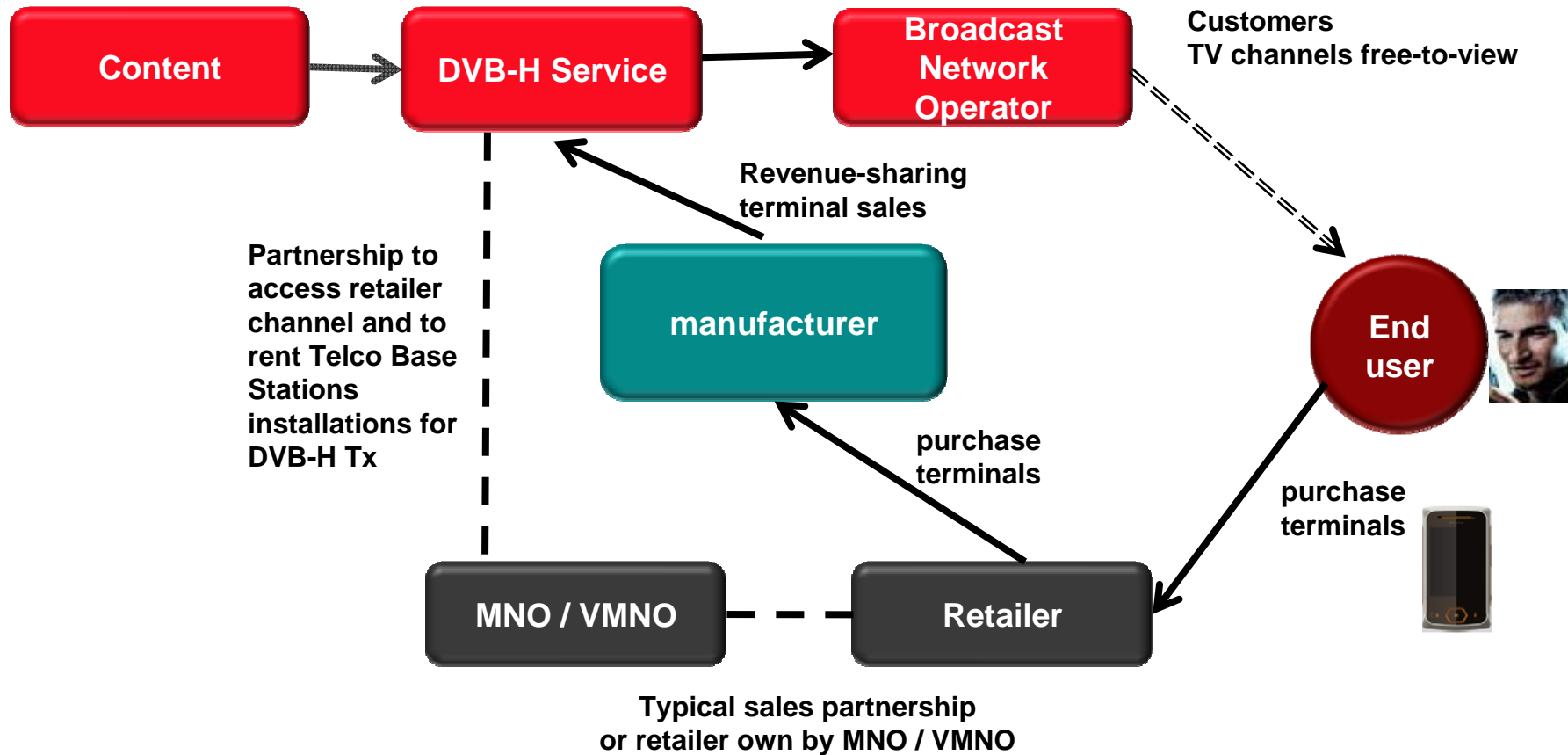
- Telco provides terminals
- FTV (Free to View) – meaning no monthly charge but only watch TV on approved DVB-H compatible terminals
- **Advantages**
  - Fast uptake, compatible terminal only entry barrier
  - Mass market reduce prices, more attractive for advertising
  - Revenue from terminal sales shared with broadcaster and Telco
  - Compatible terminals ready for payTV
- **Disadvantages**
  - Initial limit to choice of terminals
  - New Tx network necessary

## Real biz case – DVB-H deployment European country

- Infrastructure provider (Tx tower operator) has DVB-H license
- Build network, buy content, sell service to all national Telcos
- Combination of FTA and PayTV following OMA BCASST SCP standard
- **Advantages**
  - Infrastructure cost and risk reduced as many players involved
  - Large potential customer base
  - Telcos control commercial offering with own uSIM
- **Disadvantages**
  - Lack of OMA BCASST SCP compatible terminals
  - Integration of OMA BCASST SCP encryption is not trivial

# MONEY FLOWS

Advertising when mass market reached



# PARTNERSHIP FOR SUCCESS



## ADVANTAGES CONSORTIUM/WHOLESALE

- ✓ **Creates a self-financed new market for advertising and new channels (content):**
  - ✓ **Revenue-sharing with terminals**
  - ✓ **Income from broadcasters/content providers that want to take part in the “exclusive club” of mobile TV.**
- ✓ **Paving the way for future premium payTV services to generate extra ARPU (phase 2)**
- ✓ **Owners of “exclusive club”: the first broadcaster/content providers enter the Mobile TV business gain an advantage over later entrants.**

## ADVANTAGES MNO/VMNO

- ✓ **Exclusivity of the DVB-H service for a certain period.**
- ✓ **Complementary offer to those of voice and data.**
- ✓ **No need implement or improve network for 3G streaming - complementary delivery methods**
- ✓ **Increase subscribers by bundling offers**
- ✓ **Partners in phase 1 with no expenses. Co-marketing and attractive offers to customer**
- ✓ **Profits in phase 2 due to Premium (PayTV) + Interactive**
- ✓ **Brand promotion**

## ADVANTAGES FOR THE RETAILER/DISTRIBUTOR

- ✓ **Possibility negotiate exclusivity for sales of DVB-H mobile TV devices.**
- ✓ **Free content is generally a success.**
- ✓ **Sell new “TV with phone” instead of another terminal with extra features, people like new gadgets**



**Thank you for your attention**



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