

PRESS RELEASE

The next generation ultra HD digital era requires solutions that integrate satellite technologies and terrestrial broadcasting

Brussels, 20 November 2014 – IP traffic is set to continue to increase with the emergence of new video applications and services and the emergence of ultra-high quality video. These trends will all drive user demand for more data anytime, anywhere, and on any device.

Video delivery requires several Zettabytes of data per year to reach users over the globe. To ensure an affordable, quality user experience and not one of frustration, experts in Europe warn that the EU needs to adopt a policy approach that is holistic and that pulls on the strengths of each transport and access technology.

“Users are already used to being able to watch video in high-definition, whether it’s on TV or online. With today’s Internet resources 45% of European viewers are already left out of the HD experience. Without hybrid solutions that integrate satellite and terrestrial solutions, that number will rise to 80% as ultra high-definition content becomes available. The policy goal must be to transcend stand-alone networks and delivery infrastructures to create user-driven hybrid networks that can provide high speed, reliable and affordable services everywhere and at any time, on fixed and mobile devices. This is the way to protect users from a new digital divide.” - Michel de Rosen, CEO of Eutelsat & Chairman of ESOA.

Speaking today at a policy debate organised by the European Satellite Operators Association (ESOA) and the European Broadcasting Union (EBU): *Innovation, Evolution & Convergence: Ensuring access to "next generation video" anytime, anywhere & on any device*, DG Connect Deputy Director General Roberto Viola said *“Ultra High definition Video is clearly a key driver of future user demand. Satellite and terrestrial broadcasting are the most efficient means of delivering it to users over a wide area. I hope that in Europe we will soon see the emergence of converged approaches that integrate satellite and terrestrial technologies that allow the provision of high speed Internet applications and high definition video services.”*

Opening the event at the European Parliament, ESOA Secretary General, Aarti Holla, noted that the BBC iPlayer is seven years old and although very popular, iPlayer consumption still only represents less than 3% of all BBC content viewing: *“The rise of on-demand video consumption already dominates terrestrial broadband networks. Satellite can facilitate the advanced viewing experience, whether live high quality or on-demand, by combining regular satellite broadcast and intelligent satellite caching. The new European Commission must take a bottom-up approach rather than prescribe specific technology solutions or spectrum requirements. This is key to realizing the 5G eco-system.”*

“With popular enticement for new programmes, series and major events still growing combined with enhanced viewing quality in the pipeline, TV is here to stay and is still fostering innovation in many different ways.

From a policy perspective this translates into a simple message: make sure that free-to-air TV reception remains available for all Europeans. Digital Terrestrial Television ensures dissemination of public service programmes to all Europeans at near zero-cost for the

viewer, and it hinges upon sufficient UHF radio spectrum. We cannot see our needs for UHF spectrum significantly decrease, even in the long term, and this is all the more clear with the development of ultra-high definition viewing standards which will require an cost effective production chain and for distribution appropriate spectrum capacity.” - Ingrid Deltenre, Director General, EBU.

“European’s citizens value choice, as much as they value quality, with their video content. Neither broadband nor broadcast on its own can deliver both choice and quality on its own. This is why hybrid solutions – that can use broadcast for mass-market, appointment-to-view, television events, and which can draw on broadband networks for the delivery of more niche content – is the more viable way forward.” - Paul Lee, Partner & Head of Research, Deloitte LLP.

“The challenge for telcos is to ensure a high quality experience for all of the standard Internet applications our customers expect while managing the explosive growth of online video.” - Freenasp Mobedjina, VP Group Strategy & Business Development, TeliaSonera.

Industry forecasts that over 500 million Ultra HD screens will be sold in Europe by 2025, that at least 55% of European consumers will own an Ultra HD TV; that over 1000 Ultra HD channels will be available and more than 400 million Ultra HD set-top boxes installed.

Analysts predict that on-demand HD-quality video throughout Europe requires 35 times more gigabytes of video per month than currently consumed in each household. On-demand Ultra HD will need 100 times than is currently consumed, the cost of which can be optimally met through hybrid solutions.

Hybrid solutions using the latest satellite technology and terrestrial solutions are best suited to provide the backbone of an ubiquitous, flexible, and future-proof digital space. Satellite networks are capable of providing an advanced TV experience on any screen, live and on-demand, accelerating the delivery of triple-play services and delivering-innovative video and public services to any home device anywhere.

Experts agreed that this discussion was an inherent part of the 5G debate and that EU R&D support is required under Horizon 2020 to develop standards for advanced compression systems and a true Ultra HD TV signal chain from the camera to the viewer with integrated network management and digital rights management.

The European Commission can also play a major role by fostering a standardized full Ultra HD TV ecosystem, which will bridge the gap between advanced media technologies and the production of European Ultra HD content. Ultra HD content is currently generated in the US as part of drama, and in some sports productions and in Japan where broadcasters already drive full Ultra HD TV.

NOTE TO EDITORS:

- 1) The policy debate: *Innovation, Evolution & Convergence: Ensuring access to "next generation video" anytime, anywhere & on any device*, was hosted by MEPs Lambert van Nistelrooij and Sabine Verheyen on 20th November at the European Parliament, as part of the 6th European Innovation Summit and European Satellite Day 2014. The policy debate brought together 150 key policymakers, experts and senior industry representatives from satellite, broadcast and mobile communities. Participants included **Sabine Verheyen** MEP, European Parliament, **Roberto Viola**, Deputy Director General, DG Connect, European Commission; **Michel de Rosen**; Chairman of ESOA & CEO of Eutelsat; **Ingrid Deltenre**, Director General, EBU; **Guillaume Klossa**, Director, EBU; **Freenasp Mobedjina**, Vice President, Group Strategy and Business Development, TeliaSonera; **Paul Lee**, Head of Research, Technology, Media and Telecommunications, Deloitte.
- 2) ESOA is the association of all European Satellite Operators and two leading satellite manufacturers, five space insurers & brokers and the world's most successful launch service provider. ESOA members include Airbus Defence & Space CIS (UK), Avanti (UK), Eurasiasat (FR), Eutelsat (FR), HellasSat (GR), Hispasat (ES), Inmarsat (UK), Intelsat (LU), SES (LU), Telenor (NO) and Telespazio (IT). ESOA also brings together Europe's
- 3) The European Broadcasting Union (EBU) is the world's foremost alliance of public service media organizations, with members in 56 countries in Europe and beyond. The EBU is a world-renowned benchmark of media industry knowledge and expertise, particularly in broadcast technology and innovation, training, research and European media law. The EBU operates EUROVISION and EURORADIO.
- 4) Europe is the world-leader in the commercial satellite business with four of the above operators being the largest operators in the world in terms of size and annual turnover. Other operators are important regional and national flagship operators.
- 5) ESOA's operators fly over 175 satellites (more than half of all communications satellites in orbit today). They offer satellite communications services – for TV broadcasting but also for emergency (disaster) & secure communications (troops abroad), connecting planes & ships at sea (incl. EU Project Atalanta), providing broadband Internet access to isolated users, enabling telemedicine & distance learning opportunities & most vitally connecting Europe to the rest of the world through GSM backhauling.
- 6) Satellite operators sustain the entire European Space industry (accounting for 60% of the European industry's turnover and accounting for 9 out of 10 Arianespace launches).

For further information, please visit www.esoa.net and www.nextgenvideo.eu

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