

# QVC's Response to Digital UK's Consultation on Reorganisation of the DTT LCN listing and changes to Digital UK's LCN Policy



December 2016

## Introduction

QVC is pleased to respond to this consultation. Our responses to each question are set out below.

### Responses to Consultation Questions

*Question 1: Do you believe that Option A would be a suitable new LCN listing structure for the DTT platform?*

Yes. It appears to reduce the possibility of more changes to LCN policy within the time horizon, which we welcome. QVC has previously raised issues over the use of the term 'genre' in the context of the DTT platform, where viewers are not able to directly access genres on a consistent basis. For example, HD is not a genre but a technical category, and theoretically it is possible that adult HD channels could sit alongside HD children's and news channels.

*Question 2: Do you believe that Option B would be a suitable new LCN listing structure for the DTT platform?*

Yes, as above

*Question 3: Do you have a preference for one option over the other?*

No preference.

*Question 4: Do you have any other comments on Digital UK's proposed changes to the LCN listing?*

See answer to Question 1 above.

*Question 5: Do you agree with Digital UK's proposed approach to the timing of any changes?*

Yes.

*Question 6: Do you agree with Digital UK's proposals regarding minimum broadcast hours?*

Yes.

***Question 7: Do you agree with Digital UK's proposed new launch process and timings?***

Yes.

***Question 8: Do you agree with Digital UK's proposed approach to LCN sharing?***

Yes.

***Question 9: Do you agree with Digital UK's definition of 'common control'?***

Yes.

***Question 10: Do you agree with Digital UK's proposal regarding the 'public service rule'?***

Yes.

***Question 11: Do you agree with Digital UK's proposal regarding the 'associated channels rule'?***

QVC has been a beneficiary of the 'associated channels rule' recently, but our position on this rule remains unchanged. We believe it acts as a barrier to new entrants and unfairly favours existing incumbents. Limiting the rule to channels either side of the vacated LCN does however result in a more dynamic market for LCN positions.

***Question 12: We would welcome stakeholders' views on the options for Stage 3 of the vacated LCN rules.***

The process should always be transparent and objective. We are concerned about the suggestion of a beauty contest because it increases the possibility of subjectivity and the prospect of challenge. A transactional model would satisfy the requirements of transparency and objectivity, but channel providers should also be given the option to recover their initial investment in an LCN if exiting; thereby creating a market for LCN's which operates very effectively on other platforms.

***Question 13: Do you agree with Digital UK's proposed timeline for channels to complete an LCN move following an allocation under the vacated channel rule?***

Yes.

***Question 14: Do you agree with Digital UK's proposals to amend the rules around channel providers reordering channels within their channel portfolio?***

Yes.

***Question 15: We welcome stakeholder views on whether public service channels should be permitted to reorder the channels they control within a genre.***

Yes, provided this is limited to public service channels and does not include associated channels.

***Question 16: Do you agree with Digital UK's proposals around channels changing their name and content?***

Yes.

***Question 17: Do you agree with Digital UK's proposal to retain but re-word the shuffle-up rule?***

Yes.

***Question 18: Do you agree with Digital UK's proposals around the treatment of streamed services?***

Yes.

***Question 19: Do you have any comments on the proposed new wording and structure of the LCN Policy, aside from issues you have mentioned in response to other consultation questions?***

No further comments.