

December 7, 2005

Mr. M.H. Au, Director-General
Office of the Telecommunications Authority
29/F, Wu Chung House
213 Queen's Road East
Wan Chai
Hong Kong



Dear Mr. Au,

I write on behalf of the Cable and Satellite Broadcasting Association of Asia (CASBAA), in response to OFTA's Consultation Papers on license and spectrum allocation for broadband wireless access services in Hong Kong.

Headquartered in Hong Kong, CASBAA is an industry association with members and activities in 14 Asia Pacific markets. The Association is dedicated to the promotion of multi-channel television via cable, satellite, broadband and wireless video networks across the Asia-Pacific region and represents some 120 corporations, which in turn serve more than 3 billion people. Member organizations include I-Cable, Galaxy Satellite Broadcasting, PCCW's now Broadband TV, HK Broadband Network, Celestial Pictures, STAR Group, Time Warner, Turner Broadcasting International Asia Pacific, Sony Pictures Television International, Discovery Networks Asia, National Geographic Channel Asia, HBO Asia, MTV Networks Asia-Pacific, AsiaSat, APT Satellite, IBM, Nokia, Sun Microsystems, HSBC, Standard Chartered Bank, PricewaterhouseCoopers and Boeing Space Systems.

Hong Kong is a regional hub for the international broadcasting sector. It has won this role because of the supportive environment it offers for a dynamic industry which is constantly mutating, in both technical and commercial senses. Key attributes which the S.A.R. has offered the industry include its excellent infrastructure, well-established rule of law, and professional, even-handed regulatory approach. The industry brings great economic as well as "branding" benefits to the S.A.R., employing thousands of Hong Kongers as well as expatriates. The presence of this "shopfront" industry in the S.A.R. advertises the city's role as a regional hub, and is a living testament to the vitality of the "one-country, two-systems" concept.

Clearly, reliable access to internationally-used frequency spectrum is of key importance to the broadcasting industry. CASBAA has been advised by several of its broadcasting member companies that they are quite concerned at possible interference between their use of fixed satellite services in the C-band and extended C-band, and potential operations of wireless broadband services in the same or neighboring frequencies.

We therefore strongly urge the TA to exercise great caution in reallocating frequencies used by international broadcasters to conduct services that are essential to the S.A.R.'s status as a broadcasting hub. At a minimum, an expanded and comprehensive interference analysis should be conducted; CASBAA's member companies stand ready to work with OFTA in conducting such an analysis. If the analysis documents the potential for significant interference, OFTA should consider using other frequencies for broadband wireless access.

CASBAA's concern is founded on facts: we understand that internationally and domestically there have been documented cases of interference between wireless broadband services, which have contributed to the industry's concern:

- Internationally, allocation of frequencies used by C-band satellite broadcasters to a mobile service in the Sydney area resulted in widespread disruption of services and the need for extensive and expensive mitigating measures.
- Domestically, STAR Group has documented in its submission to the TA examples of interference between its services and BWA services during trials that took place in July-November 2005.

CASBAA submits that there are unique aspects to the operating environment for fixed satellite services in Hong Kong, which the TA should fully take into account:

- Use of the C-band for satellite television broadcasting is more common in Hong Kong and Southern Asia than in other parts of the world, because of the sensitivity of other bands (Ku and Ka) to heavy rainfall which is common in this region.
- The density of land use in Hong Kong and the close proximity of satellite earth stations to inhabited areas make it impractical to seek mitigation of interference by creation of restricted zones (for wireless broadband) around satellite earth stations. (This contrasts with the example of the USA, where satellite facilities are more isolated and geographic mitigation is therefore more practical.)
- Hong Kong is already a thoroughly wired city, and the marginal value of wireless broadband may be less than in other jurisdictions. Hong Kong is, however, a media hub, where the importance of satellite transmissions by C-band is correspondingly more important.

Finally, as the representative of the international broadcasting industry, CASBAA urges the TA in the strongest possible terms to look carefully at possible effects on broadcasters using Hong Kong as a hub for services destined to be received elsewhere in Asia. While OFTA is not the primary licensing authority for such services, their importance to Hong Kong's role as a broadcasting hub merits attentive consideration of their needs.

Sincerely yours,



Simon Twiston Davies
CEO, CASBAA

Cc: John Tsang, Secretary for CITB