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PRESS RELEASE

RE: NEWS BROADCASTERS AGREE TO PAY REASONABLE CARRIAGE FEES AFTER DIGITISATION

New Delhi: October 18, 2012..... News broadcasters have agreed to pay reasonable carriage fees after the roll out of digitization following a meeting chaired by the TRAI Chairperson last week.

In the past, news broadcasters have been hugely concerned with the threat of unreasonable carriage fees continuing even after the roll out of digitisation. While placement fee has been specifically prohibited in the TRAI Notification, concerns have been regularly expressed about the lack of clarity with regard to carriage fees, whether it has to be paid at all after digitisation and if so, at what rates?

In a meeting chaired by TRAI Chairperson on 11th October, 2012 with representatives of the MSO Alliance, IBF and NBA to discuss the progress of digitization. ,among other things, the payment of carriage fees (inclusive of marketing fees, tiering fees, packaging fees or fees or charges under any other nomenclature) under the digitized regime was discussed at the meeting.

TRAI Chairperson mentioned the specific concerns of news broadcasters with regard to carriage fees in the digitised regime. He mentioned that his predecessor had indicated what reasonable carriage fees should be in a digitized regime. Hence, he stated that boundaries had been laid down and he would expect carriage deals with news broadcasters to be within these bounds. He also exhorted broadcasters and MSOs to enter into agreements on carriage fees within the next few days so that all is set by the time digitisation rolls out in the four metros from the 1st November, 2012

Keeping the above in mind, despite the earlier objection of news broadcasters to the payment of any carriage fees whatsoever, broadcasters are now agreeable to enter into agreements with MSOs for an initial period of one year, for the payment of carriage fees (inclusive of marketing fees, tiering fees, packaging fees or fees or charges under any other nomenclature) in the digitized areas, at a rate of 0.50 paisa to one rupee per set top box subscriber, per channel per year, which is the reasonable rate and boundary set by the former TRAI Chairperson and mentioned as such by the current TRAI Chairperson at the meeting on 11th October 2012. Letters have been issued to MSOs in this regard.

News broadcasters are grateful to the TRAI Chairperson for taking proactive action in resolving the vexatious issue of carriage in a statesmanlike manner.

Annie Joseph
Secretary General