

GMM GRAMMY, RS EYE DIGITAL TV

Await auction of non-satellite service licences

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THE NATION

The Kingdom's two music and entertainment giants are keen on taking part in an auction of commercial operating licences for digital terrestrial broadcasting after the National Broadcasting and Telecommunications Commission's proposal comes into affect this year.

"We have been waiting for more than a decade to operate our own free TV station. This would be the right time for our company to enter the digital TV broadcasting business," said Paiboon Damrongchaitham, chairman of GMM Grammy.

He added that his company was ready for this change as the company had invested millions of dollars in satellite TV business over the past couple of years.

GMM Grammy has expanded into satellite TV through a subsidiary named GMM Z, which is responsible for marketing and sales of set-top boxes, and management of home shopping and sports entertainment.

Meanwhile RS chief executive officer Surachai Chetchotisak, commenting on this issue for the first time, noted that the new regulation separates licences for digital terrestrial television broadcasting into four classes of providers: for networks, facilities, content and application services. Thus a content provider like RS will be allowed to join the auction for service providers like the six existing free-TV broadcasters.

Pornpan Techarungchaikul, chief operating officer at RS, said such a licence would cost about Bt1 billion. The company believes it is reasonable to invest in this business. However, the government and the NBTC must ensure that set-top boxes to access digital TV channels will be accessible and affordable by all households, she added.

Apart from the two content providers, six television stations plan to join the bidding for different operating licences. These include Bangkok Entertainment Company's ThaiTV3, Bangkok Broadcasting and Television's Channel 7 and MCOT's Modernine TV, which have commercial interests.

National Broadcasting Television (NBT, formerly known as Channel 11), the Army's TV5 and Thai Public Broadcasting Service (ThaiPBS) will focus on the auction of operating licences for public services.

The NBTC is now also considering a proposal to offer four classes of radio and TV operators' licences. If approved, the licences will be put to a series of public hearings that are expected to take three months.

Under this proposal, the first licence class would be for network providers, such as for transmission systems. The second class is for facility providers such as for signal uplink and downlink stations, while the third is for radio and TV service providers, such as free-TV operators and content providers. The last licence would be for providers of application services, such as for content.