

# Private broadcasters, DD, telcos and the terrestrial TV dilemma

MUMBAI: There was once a treasured medium. Everyone – 300 million when it started and -800-odd million two decades ago – flocked to it everyday. Every evening and more so on Sunday mornings they gathered around the one eyed God in their homes. They switched it on manually – and later with a remote device – waited for the picture to appear on the glass screen to be transported to another universe. Where they could laugh, learn, cry, enjoy unencumbered. In the comfort of the home.

For years, terrestrial television run by the state owned broadcaster Doordarshan – and later by its parent Prasar Bharati - was our main source of information, entertainment, and education. We Indians used to carp and crib that it gave us one sided information, did not entertain us enough, delivered low quality images, was too rigidly controlled. But the reality is it did engage the nation – at least three generations - during different periods since 1960 when TV was flagged off in India – in internet-before times, in prior-to-liberalisation times.

And yes it did present a platform to a preferred few, to churn out content, which would become the opium for many. Allegations of nepotism, favouritism, corruption were hurled at the powers that be in the portals of Doordarshan and in the ministry of information and broadcasting as a few producers became rich. As did the paanwala

below Mandi House who directed and passed on the scripts and proposals of producers to the higher ups or so it was rumoured

Doordarshan was a God supreme. Impenetrable. Ubiquitous. And all pervasive. It reached out to every nook and cranny of this nation of ours thanks to the lavish spread of transmitters. In TV set and electricity poor regions of heart land India, its magnetic appeal was so great, that villagers would bring out a generator, which would crank out power, and supply it to a single TV as an entire community sat enthralled before it. In urban India, streets used to be deserted as cities' denizens huddled around it in worship like awe.

The Doordarshan of today has the same reach. But not the appeal. The terrestrial network has over the years become a very poor shadow of its earlier muscular self. Indians have fled to cable TV, DTH TV, online and OTT linear services on their mobile phones. A new crop of Gods has emerged – Star India, Zee TV, Sun TV, Sony Pictures, Viacom18, Youtube, Facebook, Hotstar, Voot, dittoTV, Netflix – and they are obsessing a nation wanting to be entertained.

An archaic government diktaat – passed under the Cable TV Regulations Act- forces both cable TV and DTH networks to carry DD channels at no cost to government, even as other services struggle to pay top dollar to get carriage.

The spectrum that Doordarshan occupies for its terrestrial transmissions nationally is extremely valuable. And the Modi-led government probably realizes this. Hence, the recent release of the consultation paper by the Telecom Regulatory Authority of India that seeks to understand how private players could be allowed in the terrestrial broadcasting space. Auctioning it or allowing public private sector participation could provide tens of thousands of crore to the exchequer. And possibly to the ailing Doordarshan, which depends on government dole and tax payer money for its continued

existence. Prasar Bharati CEO Jawahar Sircar has been tearing his hair out but has admitted that he has found it very difficult to bring a sense of discipline to its vast employee force nationally. He has said that he is sitting on a gold mine with Prasar Bharati but he has confessed the culture in the organization has made it very difficult to mine and yield profits.

Globally, broadcasters in most markets have migrated to digital using one of the four technical standards: DVB-T (European), ATSC (American), ISDBT (Japanese), and Chinese (DTMB). DD has been tentative about the migration; it has stayed put in standard analog mode with its 1,400 transmitters standing tall. It has installed only some 20-odd DVB-T transmitters; another 40-odd are planned; altogether 600 odd digital transmitters are to replace the current analog ones.

The cost of this migration is going to run into tens of thousands of crore as old archaic transmitters and analog work flows are converted to digital. It's something which Prime Minister Narendra Modi would definitely like to be done. But the question is: does it make economic sense under Doordarshan and Prasar Bharati?

DD is taking the slot sale route once again and inviting private producers to create content, sell the advertising air time, and pay it a flat fee. Sounds interesting, but it's not something that's attracting successful private sector producers by the truck load. Most of them are tied up with productions on private channels like ZeeTV, Sony, Star and Colors. The risk factor of producing something on DD is proving daunting for them. So only time will tell whether DD's private slot sale scheme will work or not. The previous attempt was a sheer disaster as at that time DD dished out oodles of cash to producers who did not really care about what they put out on air. They only pocketed their high margins, which they made, according to DD sources.

Does DD have a future on its own? Yes, its FreeDish DTH service has caught on like wildfire because of its low cost. But research has shown that some viewers are not staying loyal to it; they are rotating the small dish around to catch signals from other private providers. Also, overall, churn in the DTH space is pretty high as consumers have been service-hopping to avoid paying the high tab each of the operators is charging.

An issue that the government could think about is: why not privatise the analogue DD as well instead of just selling out slots? The reasons governments at the Centre in the past have held on to the public caster is because they wanted to have a media outlet through which their viewpoint could be heard, and also provide public service programmes to help those in the rural heartlands. But of what use is a network that fewer and fewer viewers are opting for is something those in power need to think about. Private newspapers and TV news channels are anyway behaving like handmaidens of the Narendra Modi-led government. And it could easily sell most of the DD network to private players while retaining some time slots for itself to propagate its views. Additionally, it could mandate leading Indian broadcasters to do really good public service TV programmes on their more popular channels even while paying them to do so. That could prove a cheaper proposition, than running a unwieldy behemoth.

So does it make sense to privatize the digital terrestrial television space? And who else apart from Doordarshan could venture into it? Prima facie it does: the world over DTT is holding its own against cable and satellite television. Of course, in India's case, the impact of mobile has been humungous with nearly a billion subscribers, and around 250 million mobile internet users.

The 4G LTE revolution has yet to hit India. The era of fast cheaper data and internet access is knocking on its doors. Things will change drastically when it does arrive. Among the major players in

this segment everyone has been watching to turn on the data juice are: Reliance, Airtel, Idea, Vodafone. 4G LTE and DTT can easily be married to each other thus allowing users to watch terrestrial television on their tablets and phones while on the move. All it requires is a dongle or a chip to be inserted into the smart HD-ready handsets. And viola, you could get a clutch of digital channels.

And that brings us to the answer of who could get into DTT – obviously the telcos, and primarily Reliance Industries, which is bidding to revolutionise India's mobile habits. Yes, its Jio venture is heavily laden with debt, but even that is a drop in the ocean, compare to what the megacorp makes from its oil and gas businesses. Then possibly Airtel; the company is already in the DTH platform space. The Tata group: it operates a platform along with Rupert Murdoch's Sky. The ZeeTV-Essel group which has a strong presence in cable TV, DTH, OTT, and broadcasting. Star India, which has stuck to being a content creator, but its parent Twenty First Century Fox has deep and rich experience in DTH, and terrestrial TV.

However, a note of caution here: they will get in only if it is economically feasible. On the face of it, the RoI will take a long time – a very long time. Unless innovative models are resorted to. One of these could be to have the private sector bid for either cities, states or regions. This will help distribute the capital risk among several players, each of who could take up a city or a region for their individual DTT service.

The DTT solution could take some time finding. And it may well be buried because of the rapid strides that online content consumption is making. But at least a start has been made.

