# Further information on proposed updates to the Ofcom DTT Reference Parameters for DVB-T2/MPEG4 transmission standards

I wrote to you on 16 January 2009 requesting your views on the choice of which MPEG-4 Advanced Video Coding (AVC) level to include when Ofcom revises the DTT Reference Parameters later this year to permit use of DVB-T2 and MPEG-4. Can I firstly thank all of you who have replied, it has been very helpful to have substantive replies from such a wide cross-section of the industry. We recognise the importance and urgency of this matter, especially with regard to some critical decisions that the DVB-T2 programme must now make. I am, therefore, now writing to provide you with an update on our position in the light of the responses we have received.

The responses we received provided a range of views on how Ofcom should proceed. I have summarised the key themes that emerged from this correspondence below.

#### Trade off of risk

Virtually all responses identified the risk trade off that including 1080p50 now would represent. All responses agreed that the decision is difficult and whatever is decided will carry with it both significant benefits as well as significant risks.

#### Future proof the platform

The main argument for including 1080p50 was identified as the significant longer term benefits of future proofing the platform. The main point was that short term delay appears in this case a reasonable trade off for longer term benefits.

## Significantly delay launch

The core argument against inclusion of 1080p50 now was that it would delay the launch of consumer receiver equipment (and, therefore, the launch of the platform) by at least 12 to 18 months. A delay of this magnitude would also place significant risk on the continuing viability of the DVB-T2 implementation programme.

### Rejection of alternatives

There was little support for any of the three alternative options proposed. The only exceptions were several responses which considered SVC possible if sufficient testing was undertaken and a few comments supportive of a grace period if it was long enough to cover the life cycle of equipment (typically in region of 7+ years).

The majority of responses from manufacturers were that they would interpret any AVC requirements we set in the DTT Reference Parameters as being the de facto minimum requirement for AVC – even though they acknowledge that this would not be mandatory and may not be adopted for some time. If AVC level 4.2 were to be adopted, manufacturers reported that they would then feel compelled to bring only 1080p50-compatible products to market. This would have the effect of delaying availability of DVB-T2 / MPEG-4 products by at least one year, possibly more, and would probably result in a material cost uplift. Equally, any signal that AVC level 4.2 would be added in the short to medium term<sup>1</sup> would have a

<sup>&</sup>lt;sup>1</sup> We view the short and medium term here as being less than or comparable to the expected life of DVB-T2 consumer reception equipment (either STB or IDTV).

similar effect of compelling inclusion of the higher specification in receiver products for fear of liability later on.

Based on the views we received from stakeholders and further consideration of the issue internally, we now feel that while the setting of an AVC level of 4.2 at this point is desirable, its adoption would also represent a significant risk to the early launch of the DVB-T2 platform. We have therefore decided to adopt an AVC level of 4.0 in the reference parameters (and therefore not include 1080p50 as a permissible video format).

We would expect that this decision would continue for at least the medium term<sup>1</sup>, and that we would include this as our recommended option when we formally consult on the Reference Parameters later in the year (when we have greater certainty on the choice of transmission mode). We will, obviously, greatly value your input to this process too.

In the meantime I hope this letter provides you with additional clarity and assists the overall DVB-T2 programme in meeting both its near and longer term goals.

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Ofcom