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Professor Richard Snape
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Dear Professor Snape

Media type diversity and innovative service creation efficiency are mandated in today's converging world.

I see commercial convergence in many places. Banks and TV stations are selling mobile phones and services. Telephone networks are offering insurance and rock videos. Car manufacturers are selling unified messaging telecommunications services. Yet mostly these are not new services, just existing services offered through different but existing distribution channels. I find it hard to put my finger on a wealth of innovative new services delivered through new distribution channels, but I can also not see us getting there without horrible delays due to confusing and unbalanced ("asymmetric") legislation. Unfortunately, the devil is in the detail.

The legislation and governing bodies across broadcast and communications legislation create a framework today that will prevent the introduction of many new services. Whilst much new legislation has become technology-neutral, the combined effect over the years has created policing and business opportunity confusion. This not only impedes entrants into the broadcast and communications markets but more importantly impedes existing players to compete more creatively and efficiently.

I am not only advocating removing obstacles to media type diversity, but removing obstacles to media growth in general and importantly what is included in the definition of media.

For instance, mobile telephone technology is in a leadership position to become the prime customer access focal point for commerce. In fact one could argue that this is a global trend, and that it could become a very efficient medium for useful information and personal and commercial transactions. There is a very real opportunity for Australia to lead in this area in services. But this will first require a good look at whether legislation will impede it, because in the process mobile telephony will need to borrow many service concepts from broadcasting – concepts covered under the existing Broadcasting Services Act.

In another case, so-called broadcast datacasting has existed in many forms for many years, and it is possible to specifically develop such services to specific markets escaping broadcast licence classification today by manoeuvering consciously around or moving unconsciously past the legal definitions (see below).

I appreciate some complexity of these issues having laboured over the Telecommunications Act over some years in a bid to get to market with one product or another in the shortest possible time (or just get to market).

I also expect that by achieving something even vaguely close to a nirvana of simplified, coherent legislation the real "convergence" will be catalysed – the unholy rush or convergence towards "ownership" of the customer by many different industries via whatever means is available.

If I can lastly add my voice to the chorus of concerns raised by the community radio broadcasting licencees, without drastically averting attention on my main points above.

In the late 20th century we are on the cusp of bandwidth and service explosion globally. Why then do we have an anachronistic situation where not-for-profit community broadcasters have to live on the end of a 6 month noose? It seems that existing broadcasters have been given far more than adequate bandwidth at no cost, yet community broadcasters with simple and geographically-limited intentions are given an egg timer. Any social bonus produced (at no tangible cost to the Government) by such temporary-licenced community broadcasters is measured currently as zero. Yet often they provide a real service to their patrons and to the communities they serve. When a "real" broadcaster comes along with money, the commercial value of the spectrum suddenly exceeds the social value. I hope that with the ridiculous amount of wireline and wireless bandwidth planned for the future that some real social bonus is set aside in a pool and returned via an appropriate and fair mechanism to any not-for-profit community broadcaster operating legally in the form of guaranteed access.

Further comments on mobile telephony

New technology has the capability to make a mockery of legislation, and to catch established industry players unaware. Surely this is one good weapon to use to create a competitive and efficient democracy (eg.

- For some time a small company, Netscape challenged Microsoft by catching them unaware. There are arguable and industry-specific reasons why they couldn't continue their challenge;

- Most of the GSM-based mobile telephone carriers are providing information services to their subscribers via mobile text messaging, as have the paging industry to their subscribers before them. Most have publicly stated their intentions to develop these point-to-point broadcast services. Have they escaped the attention of which authority? They could be claimed as a "higher-level service" under the Telecommunications Act, and therefore do not need tariffs, but perhaps they might rightly be considered a "subscription narrowcasting service" under Section 21 of the Broadcasting Act. ).

It is quite acceptable to believe that within 2 to 5 years, many mobile telephones will have the necessary computer power and componentry to receive point to multipoint broadcasts and display live or recorded digital video on a miniature colour LCD. This could be delivered over digital mobile telephone networks or perhaps even via separate transmission networks using the "digital audio broadcasting" (DAB) standard as adopted by Australia, Eureka-147. DAB defines not only audio content but various forms of data and program content, thus allowing efficient point to multipoint information delivery to all subscribers within a metropolitan region. Several "second-tier" GSM handset manufacturers have previously announced the development of combined GSM/DAB handsets. Practically speaking, a mobile subscriber within 4 years could be watching a downloaded video-based promotion of the nightly news. The mobile phone will be able to tell the subscriber if they will make it home to see it or not, in which case offering the subscriber the option of viewing the whole segment or some part of it. This will be possible before reaching the next "generation" of mobile phone networks and handsets.

If Australia heads down the path that many overseas countries are heading now with UMTS (the so-called 3rd Generation mobile telephony), we will likely see even greater changes beyond 5 years. In practice it is very difficult to see beyond two years in telecommunications from today.

My view is that it is inevitable that the existing media will want access to those people currently viewed as "mobile subscribers" because it is the most personal form of information delivery. Voice is information after all.

Already mobile telephony has moved from a simple convenience to a lifestyle reflector. This is too important a change to be ignored by commerce for too long. Indeed, one new phone expected on the market shortly is labelled as a "mobile media mode" phone, carries thousands of email, telephone and fax numbers and addresses, and provides access to a realm of information services in much more user-friendly way (so it is claimed).

Mobile telephony ownership may soon challenge TV's dominance per capita. TV viewing time may still eclipse that of mobile usage time per capita, but as a far more personal (and trusted) device it represents a more powerful commercial force. Carriers may well end up running a customer access business that, by the way, happens to allow voice calls to take place. Their revenue growth coming from an information/transaction revenue share model with the commercial entities they partner.

Claims of fact herein can be supported by references upon request.

Yours sincerely,

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