21 June 2018

Department of Communications and the Arts

Email: VASTreview@communications.gov.au.

FETCH TV- SUBMISSION TO THE DEPARTMENT OF COMMUNICATIONS AND THE ARTS
REVIEW OF THE VIEWER ACCESS SATELLITE TELEVISION SERVICE (VAST)

Fetch TV welcomes the opportunity to make a submission to this review.

About Fetch TV

Fetch TV launched commercially in 2010 and is an Australian subscription pay television provider. Fetch TV currently has approximately 650,000 subscribers in Australia.

Fetch TV partners with leading internet service providers Optus, the iiNet Group (iiNet, Internode, and Westnet), and Vocus (Dodo and iPrimus) together with retailers Harvey Norman, JB Hi Fi, Bing Lee and The Good Guys to provide subscribers with an entertainment service delivered to the TV over a broadband connection to a set top box.

The Fetch platform is accessible via the "Gen 3" "Mighty" Set Top Box (PVR STB) which includes 1 terabyte of recording storage capacity, 4 tuners, Wi-Fi enabled, 4K enabled and available with a mobile companion app. The Fetch "Mini" or puck has broadly the same features as the "Mighty", but no recording capability. Fetch TV has developed and owns all of our own intellectual property relevantly relating to the STB including the middleware, UI and industrial design. The STB is manufactured for Fetch TV on an OEM basis. These features give us particular agility in the development of the Fetch Service and the STB, provide cost efficiencies and give FetchTV significant insight into STB capability and functionality.

The content line-up on the Fetch Service includes an in-home movie store with over 7,500 titles including the latest new releases, a TV store with leading TV shows to purchase, leading SVOD services Netflix and Stan, all Free to Air and subscription Catch-Up TV services, Pay Per View (PPV access to UFC, apps including YouTube, as well as the option to add subscription entertainment channel packs from major content providers. Our website is fetchtv.com.au

fetch

Fetch TV Pty Ltd
Level 13, 100 Arthur Street, North Sydney, NSW, 2060, Australia. **ABN:** 36 130 669 500
Phone: +61 (0)2 8014 5180 **Fax:** +61(0)2 9929 7339 **Web:** fetch.com.au

Submission

Of the questions which the issues paper has requested stakeholders consider, we believe that Fetch can most usefully provide some information on the question 7. That is, to what extent should future delivery mode allow flexibility to utilize new technology to provide access to terrestrial television services. This question is of itself raised because of the changes in the media landscape – since 2010 and those which can be anticipated to continue.

The key change in the media landscape is the fact that the average Australian household now has the ability to access an enormously increased range of audio-visual content, the nature and delivery of which is expanding continuously. In particular, the explosion of on-demand content is significant. The FTA networks and the national broadcasters are placing an ever-increasing emphasis upon their on-demand offerings which do not merely replicate content available on the broadcast channels. By way of example, Handmaid's Tale on SBS was available on SBS On Demand before it was broadcast. Fetch's understanding is that the broadcasters are continuing to build out and enhance their on-demand offerings in a way that leads to the conclusion that households which are only access a broadcast signal will not be getting the full range of what free to air television now comprises.

In Fetch's view, the existing VAST set top boxes have limited functionality and the existing satellite-based delivery of VAST services provides access to only a very limited sub-set of the now enormous variety of audio-visual content available to the average Australian household. Satellite based technology for content delivery remains a relevant, but some respects, a legacy technology.

A solution for offering access to remote, regional and mobile households would seek to provide a solution that is more future proof and offers the consumer the ability to access a wider range of content delivered in different ways, from the one set top box. Important changes in circumstances include the availability of the NBN.

In considering what a future proof solution might be, it should be borne in mind that across the whole of the VAST user population both now and in the future, there will continue to be different levels of access to different delivery platforms (e.g., terrestrial, satellite, IP etc.).

For the Department's consideration is a solution that replaces the existing VAST STBs with a hybrid IP enabled set top box containing dual tuners: DVB-T and DVB-S.

The purpose of the dual tuners caters for FTA delivered by satellite and for receiving terrestrial signals if and when they become available – or a combination of both methods of delivery, depending on the channel signal.

The IP enabled STB offers the user the ability to access a broader suite of content using the STB – SVOD providers such as Netflix and Stan, subscription channels as well as the important catch-up services such as iView. Moreover, FTA signals can also be delivered over IP (assuming networks are making their streams of the FTA channels available).

Where there is no sufficient bandwidth available for the IP STB (e.g., pre-NBN), the STB can be developed to operate and be updated (for example, when upgrades to the firmware of the EPG) using a modest 3G mobile signal.

We're aware that there are a multipolicy of possible solutions to replace or succeed the existing VAST STBs. Fetch is very willing to provide further input on the matter of possible replacement technology and Fetch TV remains keenly interested in this discussion and ready and willing to contribute further in future.

Yours sincerely

SCOTT LORSON
CEO
FETCH TV