



DTT Multiplex Operators Limited LCN Policy

Version 4.0, 17th March 2010

This Policy supersedes all previous versions

1 INTRODUCTION

- 1.1 DTT Multiplex Operators Limited (“DMOL”) is the body which is responsible for the allocation of Logical Channel Numbers (LCNs) on the Digital Terrestrial Television (DTT) platform. After any such allocations have been made by DMOL, the LCN continues to belong to DMOL and to be subject to its discretion and applicable policy. In recognition of this, each DMOL member will include in all new agreements concluded by it for the supply of DTT capacity (which, for the avoidance of doubt, does not include variations, amendments or change control processes to existing agreements) the clause set out in the Appendix to this Policy.
- 1.2 This document states DMOL’s current policy (the “Policy”) for allocating LCNs on the DTT platform. It replaces Version 1.0 of the DMOL LCN Policy that was published in November 2004 and the Version 2.0 published on 17 May 2005.
- 1.3 The Policy conforms with the requirements of the Communications Act 2003 and Ofcom’s Code of Practice on Electronic Programme Guides published in July 2004 (the “Ofcom EPG Code”). Within this regulatory framework, DMOL’s objective will be to apply the Policy in such a way as it considers to be for the long-term benefit of the DTT platform and in the interests of viewers (in each case as determined by DMOL members in accordance with the Policy).
- 1.4 For the avoidance of doubt, previous decisions of DMOL regarding the allocation of LCNs prior to the adoption of this Policy will not be considered relevant in the interpretation of this Policy.

2 SERVICES AVAILABLE ON DTT

DMOL allocates LCNs to a wide range of different services on the DTT platform, e.g. television, radio, interactive and data download. For the sake of convenience, all services are referred to within this Policy as ‘channels’ and those who provide such services are referred to as ‘channel providers’.

3 LOGICAL CHANNEL NUMBER (LCN) REQUESTS

- 3.1 Any DMOL Member which intends an additional channel to be launched on its DTT multiplex (whether or not it is the channel provider) should advise DMOL between twelve and six weeks before the intended launch of the channel of its request for a new LCN to be allocated.
- 3.2 In order to be allocated an LCN, a channel provider must supply DMOL (through its multiplex operator) with a copy of the broadcasting licence (or equivalent authorisation) permitting the broadcast of the channel on the DTT platform in the UK.



- 3.3 The channel provider should state (through its multiplex operator):
- (i) which genre it considers most appropriate for the new channel (see section 4 below);
 - (ii) whether it considers that the channel is a “public service channel” (see section 6 below);
 - (iii) whether it considers that the channel qualifies as an Associated channel (see section 7 below);
 - (iv) whether the channel is a pay or subscription channel or a free to air channel; and
 - (v) the date on which the channel is intended to be launched.
- 3.4 The channel provider is requested at its cost to provide all such information as DMOL is likely to require, or specifically requests, in order for DMOL properly to consider an allocation in accordance with the Policy. The channel provider should take steps to ensure that all information provided by it or on its behalf is accurate, complete and up-to-date.
- 3.5 If DMOL agrees that the channel is an Associated channel, an LCN will be allocated in accordance with sections 4 and 7 of the Policy. If DMOL agrees that the channel is a public service channel, an LCN will be allocated in accordance with sections 4 and 6 of the Policy. If the channel is neither a public service channel nor an Associated channel, an LCN will be allocated in accordance with sections 4 and 5 of the Policy.
- 3.6 Requests for an LCN made on a speculative basis (i.e. channels without confirmed genre and intended launch date) will not be considered, but DMOL will have due regard to confidentiality requirements and will permit the use of ‘working channel names’.
- 3.7 A request for an LCN must be approved by DMOL prior to a multiplex operator submitting a service change request to DMOL.
- 3.8 If a channel provider does not launch a channel:
- (i) within 4 weeks of the intended launch date which was notified to DMOL, DMOL reserves the right at its discretion to withdraw any LCN which DMOL has allocated to the channel; or
 - (ii) within 3 months of the intended launch date which was notified to DMOL, any LCN which was allocated to the channel shall be withdrawn.

4 GENRES

4.1 Genres are the basis for the grouping of channels on the DTT platform. The genres available for allocation of LCN's within the DTT platform are, at the time of adoption of this Policy, the following:

- General entertainment (TV)
- High Definition (TV)
- Children (TV)
- News (TV)
- Adult (TV)
- Text and MHEG services
- Local (TV)
- Radio

DMOL may allocate LCN's for 'not for direct public access' Interactive, Data and Test services where, at its discretion, it considers it appropriate to do so.

4.2 DMOL may from time to time, in the context of a review of its Policy or otherwise, add, subtract, amend or merge genres (including creating new types of genre) In order to do so, DMOL may at its discretion, following consultation with a channel provider, move channels where necessary to accommodate such a change of genres.

4.3 If DMOL does not agree with the channel provider's view of which genre is most appropriate for the channel, DMOL will place the channel either in the existing genre which it considers to be most appropriate for the channel or, if it considers it to be necessary, in a newly created or amended genre. Factors which DMOL will take into account when deciding where to place a channel may include, but are not limited to:

- (i) scheduling, event and synopsis information;
- (ii) the specific nature of the channel, e.g. text and radio channels differ from full video and audio television channels and are likely to merit their own distinct genres rather than be listed according to the predominant genre of their content; and
- (iii) any other information that DMOL considers relevant.

4.4 DMOL may identify pay and subscription channels from free-to-air channels by a symbol appearing against the pay channel's name.

5 ALLOCATION OF LOGICAL CHANNEL NUMBERS WITHIN GENRES

5.1 Unless sections 6 or 7 apply, DMOL will allocate the next available number at the end of the genre in which it has decided to place the channel. Where a genre becomes full, it may be necessary to create an overspill section for that genre elsewhere on the LCN map until DMOL decides to review the Policy and/or the channel listings made in accordance with the Policy.

5.2 Where DMOL is considering the allocation of LCNs to more than one channel at the same time:

- (i) the applicability of sections 6 and 7 below to one or more of the channels;
- (ii) the order in which LCN applications were received by DMOL; and

(iii) the intended launch date

will be taken into account.

6 LISTING OF PUBLIC SERVICE CHANNELS

6.1 'Public service channels' are those channels identified as such in accordance with Section 310 of the Communications Act 2003. When allocating LCNs to public service channels, DMOL will seek to give "appropriate prominence" to these channels in the appropriate genre in accordance with paragraphs 2-4 of the Ofcom EPG Code. Notably paragraph 3 clarifies that Ofcom:

"does not propose to be prescriptive about what appropriate prominence means, as there are many possible ways in which EPGs could display information about programmes included within the PSB services".

6.2 Public service channels vary, e.g. in terms of launch date, content and target audience, and this may merit DMOL taking different approaches to determining what constitutes "appropriate prominence" in some cases. DMOL anticipates taking the following into account, inter alia, when allocating LCNs to public service channels:

- (i) the nature and content of the channel; and
- (ii) the launch date of the channel onto the DTT platform.

DMOL will ensure that its approach to affording appropriate prominence to public service channels is objectively justifiable and has regard to the interests of citizens and the expectations of consumers, in accordance with the provisions set down in the Ofcom EPG Code. DMOL envisages that public service channels will be placed at, or near, the head of the relevant genres listed in Section 4 above, subject to the application of factors 6.2 (i) - (ii) above. This paragraph will only apply to vacant LCNs.

7 ASSOCIATED CHANNELS

7.1 DMOL considers that it is in the best interests of viewers that channels which are Associated with another channel or other channels on the DTT platform are more closely grouped together on the DTT platform. It is DMOL's intention that the Policy will operate over time to achieve this benefit for the viewer. A channel is "Associated" with another channel or other channels if it is manifestly linked to, and falls within the same genre (as identified in paragraph 4.1) as, the other channel(s).

7.2 DMOL anticipates taking the following non exhaustive list of criteria into account when deciding whether a channel is manifestly linked to an existing channel:

- (i) the way in which the channels are branded;
- (ii) whether the channels are under common control; and/or
- (iii) the degree of existing or intended cross-promotion between the channels.

7.3 Subject to DMOL's obligations to afford appropriate prominence to public service channels, where there is a vacant LCN, DMOL will apply the following order of priority in determining to which channel (including both those which are already on the DTT platform and those



which have submitted a request in accordance with paragraph 3 by the time the LCN becomes vacant) it will offer the vacant LCN:

- (i) a channel which is Associated with the channel which is immediately above the vacant LCN;
- (ii) a channel which is Associated with the channel which is immediately below the vacant LCN;
- (iii) a channel which is Associated with the channel which is immediately above the channel above the vacant LCN;
- (iv) a channel which is Associated with the channel which is immediately below the channel below the vacant LCN; then
- (v) unless DMOL considers that it would be in the best interests of viewers to allocate the vacant LCN to a different Associated channel, the channel nearest to the vacant LCN which is Associated with another channel or other channels above the vacant LCN.

7.4 Where an Associated channel is allocated an LCN in accordance with the Policy, at the request of the relevant channel provider, DMOL will consider reallocating:

- (i) to the Associated channel, the LCN allocated to the other channel with which it is Associated; and
- (ii) to the other channel with which it is Associated, the LCN allocated to the Associated channel

provided that the channels are no further than 4 LCN positions away from each other and that doing so will result in LCN's being listed in an order which is more likely in DMOL's opinion to reflect viewer's expectations. This is likely to be limited to situations involving time-shifted channels (eg ITV2 and ITV2+1) or channels within the name of which there is an implied listings order (eg ITV2 and ITV3).

7.5 A channel provider may elect not to move an Associated channel into a vacant LCN unless DMOL requires the channel to be moved in order properly to implement the Policy. In the event that the channel provider makes such an election and the channel is not moved, the next eligible Associated channel will be selected following the order of priority set out in paragraph 7.3 above.

8 EVOLUTION OF CHANNELS

8.1 DMOL accepts that any channel may evolve over time (including by way of change of name and change of content) and that, in such circumstances, the channel provider may wish to retain the existing LCN for that channel. However, where any channel evolves to such an extent that DMOL considers that it should no longer be considered to be the same channel (in which case, the channel shall be a "New Channel"), DMOL shall inform the channel provider that it must either:

- (i) restore the New Channel to the extent necessary to satisfy DMOL that it is still the same channel as that in respect of which the original application for an LCN was made; or

- (ii) apply for a new LCN for the New Channel in accordance with the Policy. If the channel provider does not comply with a notice issued by DMOL under this section, DMOL shall withdraw the allocation of the LCN to that channel. In particular, DMOL intends to use this provision to prevent channel providers from swapping channels on a particular LCN and to prevent any trading or sale of LCN positions between channel providers.

8.2 In considering whether or not a channel has evolved into a New Channel, DMOL will take into account the following non-exhaustive factors:

- (i) whether the nature of a significant proportion of the content of the channel and the name of the channel have changed. If this is the case, unless there are very clear factors to show that the channel is not a New Channel, the channel will be considered to have evolved into a New Channel;
- (ii) the extent to which the type of content of the channel has changed (in particular, but not limited to, during peak-time hours);
- (iii) whether, as a result of the change of the type of content of the channel, there is a more appropriate genre for the channel within the current LCN channel map;
- (iv) the channel provider's service portfolio on other UK TV platforms.

9 VACATED LOGICAL CHANNEL NUMBERS

9.1 Where a channel is withdrawn from its LCN for any reason the LCN will normally remain empty and channel providers will not be able to request them (except for the purpose of public service channels and Associated channels). A channel provider may cease to make a channel available on an LCN for a limited period of time without that channel being considered to have been withdrawn provided that DMOL considers that the channel provider does intend to make that channel available again within a reasonable period of time.

9.2 Where there are vacated LCNs in a genre, following a review of the Policy, channel providers (via their multiplex operator) may be offered an option to:

- (i) move a channel to a new LCN suggested by DMOL in accordance with the new Policy; or
- (ii) leave a channel at its current LCN (unless DMOL requires the channel to be moved in order properly to implement the Policy).

10 CHARGES

10.1 DMOL reserves the right to levy a charge in respect of the allocation and use of any LCNs and to suspend or withdraw the allocation or use of LCN's if any such charges are not properly paid in accordance with DMOL's payment terms.

11 INFORMATION PROVISION AND MONITORING

11.1 DMOL is not obliged to monitor the content of the channels which are on the DTT platform in order to ensure that they continue to comply with any representations made to DMOL by the channel provider about the channel or to investigate allegations brought by channel providers about such ongoing compliance. However, DMOL reserves the right at its



discretion to monitor the content of channels and to investigate allegations brought by other channel providers.

- 11.2 Channel providers shall at their cost provide all such information as DMOL requests in order to enable it:
- (i) to conduct any monitoring or investigations which DMOL at its discretion wishes to conduct; and/or
 - (ii) to provide viewers with scheduling information.

Channel providers must take steps to ensure that all information provided by it or on its behalf is accurate, complete and up-to-date.

12 REVIEWS

- 12.1 DMOL will carry out periodic reviews of the Policy which are likely to be every two years, or earlier at the discretion of DMOL.
- 12.2 Following a review of the Policy reasonable notice, and where possible not less than 3 months, will be given to channel providers who will be affected by any change.

13 ARRIVING AT DECISIONS REGARDING LCN ALLOCATION

- 13.1 All DMOL decisions regarding LCN allocations shall be put to a vote of DMOL directors appointed under Article 46 of DMOL's Articles of Association and passed if supported by a majority of such directors.

Appendix

"Notwithstanding any other provision of [this Agreement], [the Broadcaster] recognises that it has no entitlement to any particular logical channel number on any EPG and that logical channel numbers on the commonly accepted EPG are allocated by [DMOL] at its discretion in accordance with its policy from time to time. [Multiplex owner] shall ensure that a request is submitted to [DMOL] for a logical channel number for [the Service] and that there is liaison with [DMOL] in order to place [the Service] at the logical channel number allocated by [DMOL] to [the Service]. The parties agree that this Clause [●] comprises [Multiplex owner's] only obligation in relation to the allocation of logical channel numbers."