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**für Verkehr und digitale Infrastruktur**

**Keynote (EN)**

**WorldDAB General Assembly**

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**Redezeit: 15 Minuten**  
**Es gilt das gesprochene Wort**

- Minister Ed Vaizey, thank you for the UK government perspective.
- Ladies and Gentlemen, I want to thank Patrick Hannon for the opportunity to speak in front of this global audience.
- On November 4<sup>th</sup>, 1986 the Federal Constitutional Court of Germany issued its 4<sup>th</sup> decision on broadcasting.
- This decision, together with its preceding decisions on broadcasting, has laid the groundwork for broadcasting in Germany, both public and private.
- One of the principles regards broadcasting and TV as a matter for the federal states.
- In turn, the Federal Government is in charge of telecommunications, which includes frequency planning.
- The decision of 1986 is a milestone in the development of private broadcasting in Germany.
- Since the 1980s, private broadcasting has become a success.
- However, public broadcasting is withdrawing from the AM bands today as listeners have moved to FM only.
- FM has become a victim of its own success, as public and private broadcasters are competing for the scarce resource of spectrum.

- DAB could resolve this conflict.
- However, the majority of private broadcasters in Germany oppose DAB.
- They claim their business model would be threatened by DAB.
- A simulcast on DAB and FM would increase costs while the number of listeners would stay the same.
- If they switched to DAB and left FM, costs would go up while the number of listeners would drop sharply.
- Another point is that refinancing of their programs and profit is achieved by advertising.
- Especially local and regional ads<sup>1</sup> play a big role in FM broadcasting.
- Localized contents would not be possible anymore on a single frequency network.
- They also point to the national multiplex that started 2011.
- Advertisers adhere to media analysis.
- Although commercial, nationwide programs started in 2011, no commercial digital-only-program is covered by media analysis today.
- Last but not least, commercial broadcasters claim that

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<sup>1</sup> Short for „advertisements“

the discussion is focused on DAB only.

- The numbers presented by public broadcasters prove private broadcasters wrong on some points.
- They have shown that DAB broadcasting is less expensive than FM broadcasting.
- The cost of one multiplex is divided over up to 15 programs.
- Second, if you don't go forwards you go backwards.
- That means a business model must be improved constantly, otherwise it will become outdated.
- As FM service cannot be developed further, a change of technology is inevitable.
- Solutions for localized content are available.
- One possibility is to consolidate local stations of a certain area in one multiplex.
- The number of listeners is key to the commercial aspect of broadcasting.
- Today, 10% of German households own at least one DAB+ receiver.
- We are confident this number will increase if listeners are attracted by good programs and services.

- Supplementary services like TPEG may become as important as the programs carried by DAB.
- Road safety will rely on data in the near future.
- For example, today's computer algorithms can predict the current position of the end of a traffic jam.
- Imagine this data is broadcasted to all cars on the road.
- As most modern cars are equipped with GPS receivers, they could detect if they approach a traffic jam.
- Motorists could be warned in order to avoid accidents.
- This is just one example for the potential of broadcasting safety-related traffic information.
- In April I announced that I would take the initiative, together with the federal states, and invite the market actors to join a "digital radio board".
- The goal is to shape the future of broadcasting.
- The board has met two times so far.
- The participants have agreed on three points by now:
- First, a concept regarding a project office will be developed.
- Second, the Federal Ministry of Transport and Digital Infrastructure will promote a "smart radio" rule at EU level.
- Third, different scenarios will be investigated in order to

assess their financial impact and possible gaps in funding.

- Let me explain the second point, the “smart radio” rule.
- The “smart radio” rule is based on the “smart radio” initiative led by the EBU.
- The goal is to set a rule that audio receivers have to be equipped with hybrid reception technology.
- This would ensure interoperability of receivers and lay the groundwork for digital reception.
  
- Some market actors understand “digital” not only as DAB, but also as connected and “smart”.
- I agree that we cannot ignore the development of the internet and IP broadcasting.
- However, IP broadcasting is not an option for mobile reception in the foreseeable future.
- One hour of listening causes at least 30 Mbytes of data traffic.
- The subscriber has to bear the costs of data traffic.
- Moreover, broadcast networks are less vulnerable to blackouts.
- Most broadcast transmitters have an emergency power unit.
- This makes them suitable to distribute mission critical

information.

- To conclude my remarks, DAB is essential for the future of broadcasting.
- It will be complemented by IP broadcasting.
- FM broadcasting will remain unaffected in the short term, but the future is uncertain.
- Supplementary services like TPEG will play an important role.
- I am convinced that cooperation and collaboration are the key to success.
  
- Ladies and Gentlemen, please help us to shape the future of broadcasting by means of constant improvement.
- This does not only refer to technology, but also to innovative programs, services and business models.
- Thank you very much for your attention.