

# Small Screen, Big Action

Broadcasters like to use big sporting events, like the World Cup, to launch new technologies and they hope that the next big thing will be television on your mobile phone. Pamela Whitby looks at the prospects

It is just moments before the opening game of the World Cup between South Africa and Mexico and a group of young South Africans, who could not afford tickets, have gathered at a friend's house in a township outside Johannesburg. Shortly before kick-off there is a power failure and as the television image of roaring fans fades to black, there is a collective shriek of frustration.

But worry not, help is at hand.

One member of the group has a mobile phone that happens to be embedded with a chip that can receive free-to-air analogue broadcast signals. And since South Africa's free-to-air broadcasting corporation, the SABC, has rights to broadcast the tournament, in just a flick of a switch the group of youngsters is able to watch the game.

While this may sound like marketing hype of a company trying to flog mobile chips in emerging markets, Diana Jovin, Telegent's vice-president of



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marketing insists: "For the first time in the history of the World Cup, people really can have mobile access to the content because the technology is available in a low-cost device." According to Jovin, since 2007 the United States based company has shipped 80 million chips into emerging markets. So in spite of what people might think, she argues that mobile TV is actually quite prevalent in Africa, "but it depends on what flavour".

Information, communication and technology companies love to talk in terms of 'world firsts', so it is worth restating that Telegent's product enables mobile handsets to receive free-to-air (FTA) signals. This existing broadcast standard, which has been around for 60 years, is different to DVB-H –

or digital videobroadcasting for handhelds. This was developed in the early days of mobile TV when the industry felt it would be impossible to maintain picture quality on handsets, or to keep power consumption low enough for people to watch hours of television without the battery dying – hence the development of a mobile specific standard – DVB-H. It is the allocation of these licences that has faced a number of delays and South Africa is no exception. The International Telecommunications Union (ITU) has set a date of 2015 for digital migration and as part of this process Icasa, South Africa's communications regulator, is required to issue these DVB-H licences.

While it now seems possible that these DVB-H licences will be issued in time for the World Cup it is unlikely that interested

parties will be able to capitalise on the opportunity because they will not have had time to seed the market with DVB-H ready handsets. This is something of a blow for MultiChoice, the

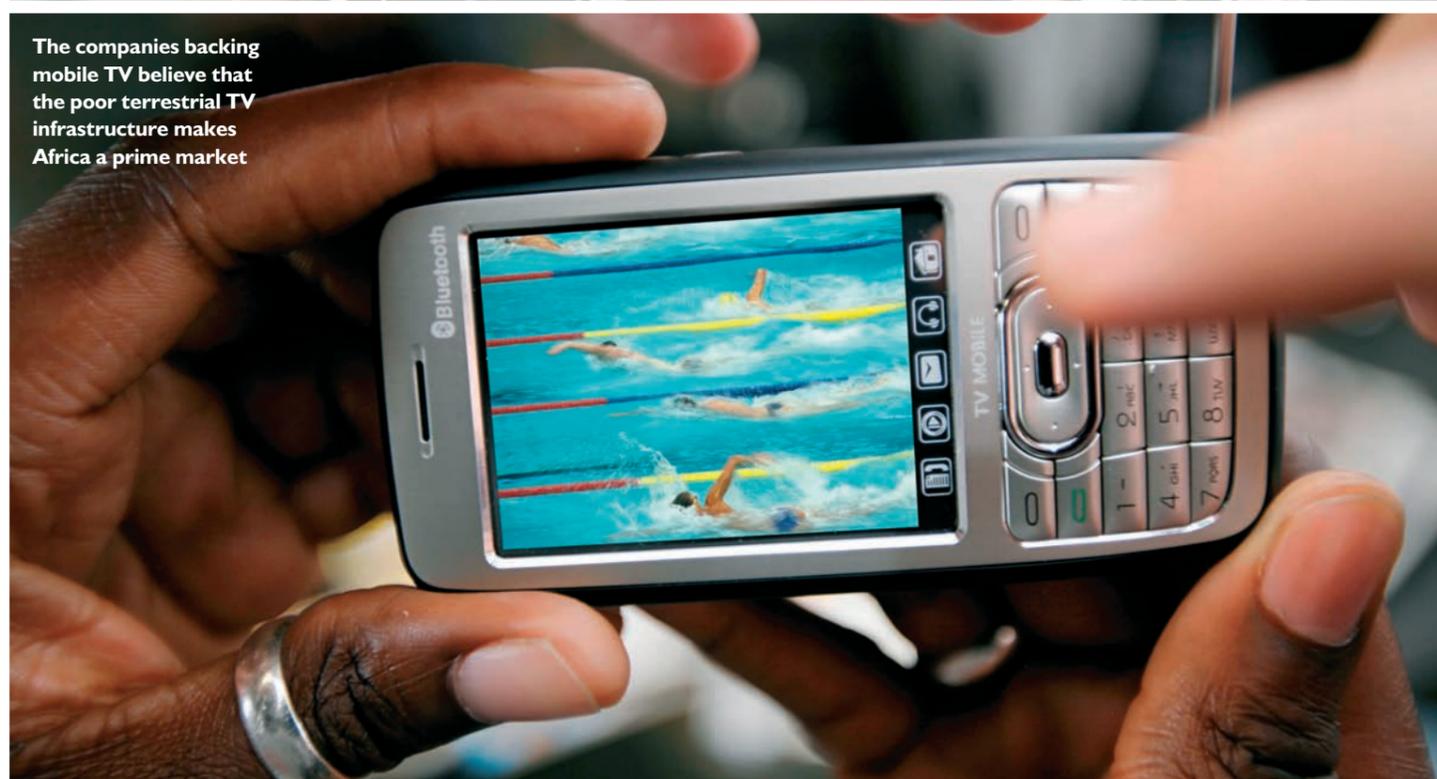
biggest pay-TV satellite operator in sub-Saharan Africa. It has built a test DVB-H broadcast network and is working in partnership with Nokia and MTN on a new brand known as DStv Mobile. This service is commercially available in Ghana, Kenya, Namibia and Nigeria, which have not been beset by regulatory delays.

MultiChoice knows only too well that the World Cup would have been the perfect opportunity to launch this service. As Ken Mchunu, MultiChoice manager of internal and external communications, points out: "Globally the success of mobile TV [and traditional pay TV] has always been driven by sports content and Africa is no different."

Yet to date take up of mobile TV in Africa



**The companies backing mobile TV believe that the poor terrestrial TV infrastructure makes Africa a prime market**



has been slow, which can be partly attributed to the failure to get DVB-H off the ground. But Jovin argues that all is not lost and there are, in fact, already a "tonne of FTA-ready handsets in Africa". So, by leveraging the existing analogue broadcast television ecosystem, operators can roll out services without the need for new infrastructure, additional spectrum and the licensing of content, she says. Claro, the biggest mobile

operator in Latin America, is doing just this by providing free-to-air mobile TV as a standard feature to its subscribers.

But Richard Broughton, a senior analyst tracking trends in the Middle East and Africa at research house Screen Digest, is not entirely convinced. "There is still some way to go before [any form of] mobile TV will be available to a mass market," he says.

But one thing is certain, once the images

of the tournament's magic moments have faded from big screens across the world, broadcasters, communications operators, multimedia and technology companies will be readying themselves for the next battle.

"Name any major global company across any of these sectors and they are here [in Africa]," says Andile Ncgaba who was director-general in the South African

department of communications from 1994 to 2003 and is now executive chairman of Dimension Data (Didata) Middle East & Africa. He also holds an 88 per cent stake in Convergence Partners, Didata's black economic empowerment partner, which recently signed a joint venture with satellite provider, Intelsat, to build and launch a new satellite for Africa.

Recognised, though at times controversial, expert in the field, Ncgaba points to a number of drivers for growing interest in Africa. Probably the most compelling is that mobile penetration over the past ten to 15 years has exceeded all expectations. Nearly half of the continent's billion-strong population own a mobile phone and projections are that this will grow to 800 million by 2015. Put in perspective, fixed line telephony (technology that has been around a lot longer) penetration sits at just ten per cent.

"If you consider the huge mobile landscape, the poor fixed infrastructure and the vast distances, then satellite starts to play a big role in what is called cellular backhaul [essentially the ability to bypass the terrestrial network to connect wireless networks in different areas and countries]," he continues.

Another major driver is the global process to move from analogue to digital terrestrial broadcasting. While some countries, especially in the developing world, may struggle to meet the ITU's deadline for digital switchover, it is only a matter of time before this happens. And when it does spectrum will be freed up to create opportunities for additional channels, content creation and possibly even the arrival of new broadcasters.

For Telegent's Jovin there is no doubt that Africa is a "very strategic market". In fact all the company's attention is focused on emerging markets. Demonstrating its commitment, Telegent is currently working on a hybrid digital and analogue feature for mobile that will replace its existing technology after digital switchover.

So what then are the challenges facing Africa? Ncgaba could not be more upbeat: "I like to talk about opportunities rather than challenges," he says. "In the short term the growth of mobile together with digital migration and the arrival of undersea cable are going to drive the use of technology – and especially satellite – in Africa like you have never seen it before".

With his finger in so many technology ventures, he had better believe it.

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