

May 7, 2014

Information and Communications Technology Authority
3rd Floor, Alissta Towers
85 North Sound Road
Grand Cayman
CAYMAN ISLANDS
Via e-mail consultations@icta.ky

V. Ltd. to Call for Inputs on The Future of Lo

Re: Response of WestStar TV, Ltd. to Call for Inputs on The Future of Local Television Broadcasting (Ref: CD 2014-1)

Dear Sir or Madam:

WestStar TV, Ltd. ("<u>WestStar</u>") hereby responds to the Information and Communications Technology Authority's ("<u>ICTA</u>") *Call for Inputs on The Future of Local Television Broadcasting* (the "<u>Consultation</u>"),¹ regarding potential changes to the subscription television service licensees' obligations to provide "Local Television" service in the Cayman Islands.

WestStar appreciates the opportunity to provide input to ICTA's inquiry, and thanks ICTA staff for their work in this area. As ICTA is aware, WestStar provides facilities-based, digital cable television and telecommunications services in the Cayman Islands. Since it began in 1993, the company, at great expense, has provided a wide selection of entertainment, news, children's, sports, religious, educational and HD programming as well as world-class Internet and telecommunications services to residential and enterprise customers in the Cayman Islands. It also offers the only overthe-air ("OTA") broadcast channel available everywhere in the Cayman Islands: Cayman 27. Additional information about WestStar is available at: www.weststar.ky.

With respect to the questions posed by ICTA in the Consultation, WestStar submits the following comments:

1. Licensees Should Be Required to Provide for Over-the-Air Programming Access (Response to Question 7)

See ICTA, Call for Inputs on The Future of Local Television Broadcasting, Ref: CD 2014-1 (issued 8 April 2014).



In the Consultation, ICTA asks "How should Local Television be provided to Customers?" As ICTA points out, licensees have an obligation to provide local content free of charge to any person who wants to view it. Currently, each licensee can do this by providing local television broadcast either via a wired *or* wireless network. However, due to the historic nature of its license, only WestStar currently provides an OTA wireless television channel in the Cayman Islands through its Cayman 27 channel. That channel provides residents with breaking news, local weather and hurricane information, sports, political discourse, movies, and other local content. Cayman 27's service is far reaching, and clearly promotes both the public interest generally, and public safety specifically. It serves not only WestStar's customers, but all residents, tourists, and other visitors to the country that have the capability of receiving its broadcasted OTA signal.

Given the public interest and public safety importance that OTA channels provide, especially with respect to public access to local television programming, WestStar respectfully submits that ICTA should require <u>all</u> licensed subscription television broadcasters to provide for OTA programming access capable of reception in all areas of the country, prior to the operation of a cable television network. Such an obligation would ensure that both residents and non-residents, customers and non-customers, continue to have access to locally produced, OTA programming, thereby benefiting the public interest.

2. Licensees Should Be Required to Provide Three Hours Per Day of Local Content (Response to Question 4)

The Consultation asks for comment on how many hours per day of local content should each licensee provide. WestStar respectfully submits that the public interest is served by continuing to require licensees to provide a minimum amount of local content.

ICTA should modify what constitutes "local content," and should retain the original definition that such content had in 1992. WestStar believes that ICTA's definition of local content "must include such items as local talk shows, educational, cultural and religious programming, live sporting events, government information services and live coverage of the proceedings of the government." WestStar believes that the existing definition needs to be more detailed to ensure that the *intention* of the

See Consultation, Question 7, at 13.

³ *Id.*, ¶ 62.

⁴ See Consultation, Question 4.a., at 10.

⁵ *Id.*, ¶ 11.



local content requirement is met, while also being flexible enough to allow licensees to determine what type of "local content" to broadcast. WestStar does not recommend adopting a model such as those adopted in the U.K., Canada, or the Bahamas with respect to public service broadcasting requirements. The television markets in those countries are vastly different than that in the Cayman Islands, and should not be given any influence on how the Cayman Islands should address local content requirements. Absent any identified specific problems with respect to the nature of local content in the Cayman Islands, WestStar believes that some change in what constitutes local content is warranted, and there may be a need for a particular (and subjective) "test" to determine that licensees are meeting their obligations at this time.

WestStar agrees with ICTA's analysis that the production of local content is expensive. The more hours per day that original local content is required, the more expensive it will be to produce and provide that content by the licensees, which will necessarily impact their ability to offer other types of programming services and to retain the flexibility to meet ever-changing consumer needs.

To balance these competing interests, WestStar respectfully submits that each licensee should be required to offer a minimum of three (3) hours per day of local content consistent with the definition set forth in Paragraph 11 of the Consultation. ICTA should, however, dictate the form of such programming (news, sports, weather, etc.), the timing of such programming, and impose limitations on the use of rebroadcasting of such programming. In the absence of a specific problem that ICTA seeks to address, the public interest would best be served by providing the licensees with the flexibility to determine the form and timing of such content themselves, so long as every resident has access to at least three (3) hours of such programming per day.

3. Licensees Should Be Allowed to Meet the Proposed OTA and Local Content Requirements Through Arrangements Made With Other Licensees (Response to Question 5)

The Consultation contemplates a number of ways for licensees to fund local programming requirements, including through the establishment of a consortium to fund a single local television channel. WestStar agrees that a flexible approach is needed to ensure that licensees can meet the above-discussed proposals.

Specifically, WestStar respectfully submits that cable television operators should be allowed to meet the above-proposed OTA and local programming requirements

See Consultation, ¶¶ 26-34.

[™] Id., ¶ 52.



through the purchase of local programming from other licensees. Such a framework will ensure that the licensees can determine amongst themselves how to best allocate resources in order to most efficiently and effectively meet ICTA's local programming requirements. This will guarantee that the public interest and safety obligations of all of the licensees are met in the most effective way possible. The public would have access to a minimum of three (3) hours of local programming. It should make no difference if that local programming is produced by the customer's cable carrier, another licensee or a local producer. In summary, Cayman licensees should have the option to retransmit the local content produced by other licensees in order to meet both the OTA obligation, as well as the three (3) hour local content obligations proposed above, rather than being required to each meet those obligations independently of one another.

WestStar appreciates the opportunity to respond to ICTA's inquiry on local television programming requirements. Please do not hesitate to contact the undersigned should you have any questions regarding these comments or require further information concerning the issues raised herein.

Respectfully submitted,

Jeremy Elmas