



Radio Spectrum Policy Programme  
Public Consultation  
Commission paper of 4 March 2010

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**RESPONSE TO**  
**THE PUBLIC CONSULTATION**

The purpose of the consultation by the Commission is to propose a multi-annual radio spectrum policy programme to the European Parliament and the Council and to make proposals which should lead to concrete measures by 2015.

Pearle\*, which is the European trade federation representing over 4,000 live performance commercial and non-commercial enterprises in Europe, welcomes the invitation of the European Commission to respond to this public consultation.

The consultation paper lists several topics for consideration, such as : the economic recovery and growth; Social inclusion, services for citizens; Effective coordination at international level and negotiations with third countries; Refarming and competition. In our answer below we will address these points. We will refrain from elaborating on the issues Environmental and health protection; Space exploration, transport safety.

1. Introduction: general remarks

Pearle\* notes that the issues which are proposed for consideration take into account the challenges that Europe is facing following the economic crisis and the objectives the EU has set itself in the Europe 2020 Strategy, through the three mutually reinforcing priorities: smart growth (knowledge and innovation), sustainable growth (a resource efficient, greener and more competitive economy) and inclusive growth (fostering a high-employment economy).

Against this background we wish to submit our views on the multi-annual Radio Spectrum Policy Programme and the measures to follow from that by 2015.

In Pearle\*'s opinion, if the European Commission aims at an inclusive and holistic approach it should deliver a well-balanced programme taking into consideration the views of all stakeholders.

The Radio spectrum summit on 22 and 23 March 2010 co-organised by the European Commission and European Parliament discussed some of the policy orientations in preparation of the radio spectrum policy

programme. As Pearle\* addressed during a question and answer time at the summit users in the live performance sector would like to see an initiative from the European Commission and the European Parliament which addresses the particular challenges that PMSE users are facing in the context of the exploitation of the digital dividend and take into account the technical considerations on the best approach to ensure the continuation of the PMSE services in the UHF as described in the CEPT Report 32 of 30 October 2009<sup>1</sup>.

## 2. Issues for consideration

### 2.1. Economic recovery and growth

The digital dividend is an opportunity for the ICT sectors in Europe to develop commercial activities and create economic growth and added value in the coming years estimated at €250 billion annually. It aims at universal broadband access for all citizens and business in Europe whether in urban or rural areas and the deployment of new services.

Whereas growth may be realised through further accessing the radio spectrum for the ICT sectors, for other sectors such as the live performance sector the radio spectrum is an essential tool as it uses wireless microphones in theatres or events to transmit the sound of human voice to audiences. This fact creates the tension between those users which need spectrum to provide content and those users which focus on the transmission level to develop their services.

A future radio spectrum policy programme should match needs of content users and other users, by focusing on **coordination and planning, efficient use** of the spectrum and by developing supporting measures for **research and innovation**.

The EU 2020 strategy states that smart growth needs to go hand in hand with employment. If the EU aims at employing 75% of the workforce aged between 25 and 64 it should take into consideration employment figures<sup>2</sup> in different sectors. The live performance sector employs nearly 4 million jobs (almost twice the size of the telecom, IT and consumer electronics<sup>3</sup>). In addition it generates revenue and employment in other sectors such as the hotel, restaurant and tourism sector (est. more than 5 million jobs), commerce (est. more than 10 million jobs), and other services which all benefit from the economics of live entertainment. A theatre threatened to be closed because it can no longer run its shows, an event or festival not able to take place, automatically effects a whole local economy. Unlike many other industries, or manufacturing of devices, live performance is "made in Europe" and cannot be delocalised to other parts of the world.

The entertainment sector is a growing sector, not in the least when it comes to events which mobilise large groups of young people to all parts of Europe to see their favourite bands or groups, but equally so to enjoy quality shows in theatres (whether commercial or non-commercial). Investment in live

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<sup>1</sup> CEPT Report 32 in response to the mandate on "technical considerations regarding harmonisation options for the digital dividend in the European Union" – "Recommendation on the best approach to ensure the continuation of existing Program Making and Special Events (PMSE) services in the UHF (470-862 MHz), including the assessment of the advantage of an EU-level approach"

<sup>2</sup> European Foundation for the Improvement of Living and Working conditions – « dynamics of European sectoral social dialogue », 2009.

<sup>3</sup> [www.digitaleurope.org](http://www.digitaleurope.org)

performance actually generates triple and even quadruple<sup>4</sup> the value in other sectors, whether in the immediate supplying sectors (manufacturing industry of wireless equipment, recording companies, merchandising, stage and other ancillary services) or the income that it generates for bars, restaurants, (cultural) tourism<sup>5</sup>, etcetera. Telecom operators often target at such events to reach young consumers and sell their services.

Hence, PMSE demand for spectrum is expected to continue to rise in the medium term, which may even lead to increasing constraints in the spectrum supply.

If spectrum allocation is coordinated at European level, one of the priority areas should be to foresee some **protection** for the temporary use of spectrum **for PMSE** purposes, and more particularly for applications guaranteeing high quality professional live performance events. In other words there should be a **specific frequency management** for PMSE usage. The CEPT advises a **"controlled" access** to the spectrum, which could be achieved by administrations through **individual licensing regimes**.

Secondly, priority should be given to support **research and innovation** in order to allow for manufacturers of wireless technology to improve the efficiency of equipment. This should include research and innovation for current content users of the spectrum, for as the current 800 MHz is technically considered to be the best frequency range for human voice to be transmitted, offering the best quality performance. Quality is the driver in the sector. Therefore the best possible transmission of the voice through wireless microphones is necessary. Not only artists would not accept a delay in the transmission of their voice, the audience would be highly dissatisfied. So far experiments and research have not provided any satisfying alternatives. A programme, allowing for further research is necessary for manufacturers of wireless services in particular in collaboration with other sectors.

The internal market principles including free movement of services and people are guidance for the development of an EU coordinated approach. For the live performance sector which considers itself as a primary user of radio spectrum, a **coordinated approach** at EU level including some **harmonisation** would serve the sector in particular for live performance companies touring within Europe, as well as for venues which are close to the border of another Member States who may suffer from interference in case of different spectrum uses. For PMSE users across Europe the interleaved spectrum (white spaces) remains the principal spectrum.

Concretely the sector should know which frequency ranges can be used across Europe in order to allow for a maximum planning, whereby **interference is to be** to the maximum potential avoided.

## 2.2. Social inclusion, services for citizens

Wireless communications allow for citizens in any part of a country to access information and for governments to provide safety and protection. In principle, Pearle supports these aims.

The EU has an important role to play to increase the access to wireless communication in underserved areas in Europe in order to promote **social inclusion**. In this context deploying the radio spectrum in those areas could be prioritised to achieve the highest possible reach. The live performance which also

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<sup>4</sup> Wyndham report, UK – West End theatres have an economic impact of more than 1£ billion compared with £250 million tickets sold

<sup>5</sup> In 2005, estimates from the World Tourism Organization anticipated that by the year 2020 Europe would be the world top receiving region with 717 million visitors

provides creative content online is in this context positive about the objective to achieve full access of wireless communication services across Europe.

Whilst seeking for affordable access for all citizens, similarly the live performance sector aims at keeping the access to shows and performances at democratic prices. This is often also requested by governments in their cultural policies as the cultural offer should be as much as possible accessible for all. This means, that any additional burden on its vulnerable cost side immediately effects the already low (or no) profit margins in this sector. Even for the most commercial productions in the West End in London a major musical may well need a year to recover its initial investment<sup>6</sup>. In this regard the live performance sector is related to the public sector for it has other aims than purely commercial ones. Although the size of the sector in terms of estimated employment, consumer reach and SMEs involved, the revenues are not comparable to other industries, due to the particular economic pattern of the live performance sector. Even if you have seen a show or a concert several times, the previous one is never an exact copy of the last one, and the costs do not (exponentially) decrease due its labour-intensive nature and high production investment start up. Governments have always acknowledged this, by having a specific cultural policy, equally so as it is the case for health or other public sectors, whose mission is not primarily about generating revenue but **ensuring safety, cohesion, citizenship, environmental awareness and cultural values to society**.

This means that there is an urgent need for radio spectrum policy to include priorities ensuring cultural diversity. Cultural entitlement is one of the basic rights of citizens and the EU has committed itself when ratifying the Unesco-convention on the diversity of cultural expressions in 2006 to guarantee in Europe the most diverse cultural offer possible.

In addition, when it comes to use for **safety or security activities**, it is essential to note that wireless microphone technology is crucial to guarantee safety of the artists and the public and to facilitate a smooth running of an event. Technicians (backstage and frontstage), stewards, front-of-house and other staff do need these applications to be able to conduct their jobs properly.

Therefore the sector needs to be able to use spectrum when setting up a show, rehearsing and performing. A smart and efficient use of the spectrum at days and moments of the day and for the number of channels it is needed, can therefore improve the use of the scarce spectrum amongst users.

### 2.3. Effective coordination at international level and negotiations with third countries

An **EU coordinated approach**, from the view of a stakeholder, would be favourable when negotiating at international level. Globally the entertainment sector is growing. International reknown artists, bands and shows are touring from one continent to the other to compensate for the decreasing physical sales of records. Every year new theatres and performing arts venues are built in the world which demonstrate the interest (for example the 2007 built Abu Dabhi performing arts center) are astonishing. All these venues are equipped for events using wireless microphone technologies. An enhanced coordination of spectrum use at international level would definitely serve the sector. Europe, as a leading player in the world to support the implementation of the Unesco-convention on cultural diversity, should include in its negotiations with third countries a priority aiming at ensuring a most diverse cultural offer. As more than hundred states in the world have signed up to this Unesco-convention this is an issue of interest across the world.

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<sup>6</sup> See response of Pearle to the consultation on "Transforming the digital dividend opportunity into social benefits and economic growth in Europe" – 2 September 2009

## 2.4. Refarming and competition

The radio spectrum, in particular the 800 Mhz band, has been used for a number of decades by the live performance sector. New users are seeking authorisation of the same frequency range. Given the particularity of the sector, the product that it delivers, the need for use of the spectrum in terms of guaranteeing safety within the show and the demand for high quality of transmission of voice in a theatre or other location, and as explained above the highly labour-intensive sector, it is impossible for the live performance sector to compete with other sectors. The EU and its Member States must grant **exception** to the sector to be subject to trading of rights.

An exception for cultural purposes is one part of the solution. The EU should however also aim at avoiding that this would lead to **fragmentation** of the spectrum use between Member States thereby hindering the full exploitation of the sector's use of the spectrum. In principle, the sector can plan ahead of a show the necessary use of spectrum, in which case it is possible to use **as efficiently as possible** non-used spectrum in live performance at certain moments. **Flexibility** with regard to the authorisation should be accompanied by a guaranteed access and interference-free spectrum.

## 3. Conclusion

The multiannual radio spectrum policy programme, should favour a European coordinated approach aiming at a proportionate level of harmonisation, thereby allowing enough flexibility for Member States to respond to specific needs.

Competitiveness and added value are just one element in supporting economic growth. Employment, local economy, cultural and social inclusion, are equally important priority areas. The EU and Member States should therefore carefully balance public interest against economic goals.

Access to culture is as much important as access to information, education, health and public safety. The multi-annual spectrum policy programme must take this into account and provide for exceptions for this use.

The digital dividend must gradually, wisely and efficiently be shared amongst users. In the event happening that wireless microphones technologies need to develop other devices for other frequencies supporting programmes should be available to research, test, pilot, start up, depreciate old materials and purchase new equipment which can only be realistically happen in a term frame of 10 to 15 years. Any abrupt change would be detrimental for the sector.

A specific strategy at EU level should be developed to ensure the continuation of existing Programme Making and Special Events (PMSE) events allowing to guarantee high quality of live performance events.