

Table 1. Overview/Comparison of the Presentations

| | Cave | Cowie | Clark |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. UK History/current state | <u>Telecom</u> Licensing/entry BT Price caps/Price structure USO Fair competition <u>Interconnection</u> Unbundling Historical cost Incremental cost Price-cap system <u>Evaluation</u> | <u>Broadcast/Digital TV</u> DTT, DSAT, also via Cable Players/BskyB 's strength Regulators (multiple bodies) <u>Vertical integration</u> Content Channels Delivery means (Ter., Sat., Cable) Delivery mode (Free, conditional, STB) Bottlenecks (gov. & private) | <u>Regulation system</u> Technological and business environment (Convergence) Objectives(5) Regulatory bodies(22) (Q. re. coordination/jurisdiction) <u>Evaluation</u> Telecom: economic, ex ante Broadcast: culture/content, ex post <complaint-driven> |
| 2. Regulation/deregulation (with convergence) | Telecom law vs. competition law Ex ante regulation (prescriptive) vs. anticipated ex post penalty (prospective) Sector-specific regulation to general competition, "Normalization" | Weakened regulation (convergence) Light touch vs. interventionist <u>BBC 's view:</u> compulsory licensing publication of gateway tech. functional interoperability, standards | Single regulator vs. two regulators <u>Likely outcome</u> Competition regulator (under DTI) Content regulator (under DCMS) |
| 3.The key issue of access (essential facilities, and resources services, gateway, bottleneck) | Trade-off of (1)giving reward to risk taking and (2)opening up and forming a level playing field | | |
| | Telecom LLU STB(difficult) | Critical to 1999 EU Review dynamic, fast changes of technology multi-faced relations w. STB | |

Table 2. The "Access" Issue - A proposal

A. What to regulate?

(Identification of the target of regulation)

- Functional division of communication services
(as opposed to division with respect to providers) service component
- Based on the characteristics of services
 1. "Horizontal" division
 - classification of a service based on its location in the network considered as a planar graph (nodes and links)
 - examples : access, local exchange, broadcast, inter-exchange, control (signaling), etc.
 2. "Vertical" division
 - classification of a service based on its location in the network considered as stack of functional layers (coincides with the direction of the payment for services, formation of value added)
 - examples : infrastructure and spaces for infrastructure, transmission cables/fibers, IP services, one-stop shopping ("platform" services), WWW contents providers
 3. Horizontal and vertical division
 - classification of a service into a cell of two-dimensional arrays

(Table 3)

B. How to regulate?

1. Baseline: Open and equal access
2. Choice of regulation object (target)
 - competition or monopoly with regulation
3. Open accounting
4. Relief (exception): A provider can apply for a relief by:
 - (1) choosing a time period for relief, and
 - (2) accepting a profit tax during the time period, where the tax rate is predetermined depending on the length of the relief period.(The rate becomes higher as the length becomes longer.)

Table 3. Functional Division of Telecommunications and Broadcast Services

| | | | | | | | | | | |
|----------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------|--------------------------|------------------------------|----------|---------------------------------|----------------|
| A. Network Components (Horizontal Components) B. Layers Components (Vertical Components) | | Subscribers | Access routes | Access Nodes | Trunk Routes | Trunk Nodes | Control Nodes | Contents | | |
| | | Supply | One-way (Broadcast) | Two-way (Communication) | (Subscribers Switch, Broadcasting Station) | | | | Nodes | |
| | | Wireless | Wired | Fixed | Mobile | Short-distance, Wired | Long-distance, Wireless | Wired | Wireless | |
| | | | | | | | | | | |
| Services | Customer Services (Agent) | Platform One-stop-shopping services (b i l l i n g) | | | | | | | | |
| | Information | WWW sites | | | | | | | WWW sites | |
| | Production/Supply | | | | | | | | Production of Programs | |
| | Transmission | "Broadcasting" | Telephone Services (Point-Point Connection) , Private Services, Conference Services (Multi-point Connection) | | | | | | | |
| | | Cable TV | Internet Services (E-mail、WWW) | | | | | | | |
| Network | Network | Subscribers' Numbers • IP Address Administration | | | | | | | Traffic Administration, Control | |
| | Administration and Operations | Signaling | Channel Administration | | | | | | Roaming | "Multiplexing" |
| | | | Voice Transmission | | Video Transmission, | | | | | |
| | | Bit Stream Transmission | Transmission of Packets, Frames, and Cells | | | | | | | |
| Equipment and Infra-stru cture | Equipment | Customers' Premise Equipment | Subscribers' Switch, Routers | | | Trunk Switches, Routers | | | | |
| | | TV and Radio | Wireless Communications Equipment | | | | Multiplexers | | | |
| | | Personal Computers, Headend | | | | | | | Studios and Broadcast | |
| | | Equipment | STB | | | | | | | |
| | | Antennas, Transponders | Terrestrial Broadcasting Equipment | | | | | | | |
| | Transmission Media | Radio Spectrum | Coaxial Cables | Copper Cables | Spectrums | Radio Spectrum | | | | |
| | | Optical fibers | Optical Fibers | | | | | | | |
| | Infrastructures | Satellites | Communication Poles (Pole Attachment Spaces) | | | | Conduit (Underground/seabed) | | Satellites | |
| | | Tunnels | | | | | | | | |
| | Common Spaces | Orbital Spaces | Orbital Spaces | | | | | | | |
| | | On Ground/Underground Spaces | | | | Underground/Seabed Space | | | | |