

Ministry of Transport and Communications
Universitetsgatan 5, Helsingfors

February 13, 2012

Dear Ministry of Transport and Communications,

Turner Broadcasting System Europe Limited as the holder of several DTT licences in Finland and it is grateful for the opportunity to comment on the Scope and content of Media policy program.

Broadcaster's involvement in network capacity agreements

We do not agree with the need of an obligation for broadcasters to sign a network capacity agreement in order to operate a DTT service. We would anticipate a broadcaster negotiating and signing a distribution agreement with an operator and then expect the operator to settle the network agreement with the network owner. We believe this is the practice in other Nordic territories. It is our view that negotiating and signing a network agreement by a broadcaster demands further time and resources for a task that the broadcaster is de facto not directly involved in. As a result, Turner believes that this kind of network capacity agreements unnecessarily complicates the entry to the Finnish DTT market compared to the other Nordic territories.

Service costs to Finnish Communications Regulatory Authority

We fail to see the reason for paying such a large amount as 16,000€ per channel to Finnish Communications Regulatory Authority for "supervision fee of television and radio operations" and we would like to get clarification as to what does this amount cover. We anticipate this fee to cover an administration fee, but fail to see what it covers beyond this, in particular for a channel that has not launched yet.

Turner paid Silver SD 16,000€ fee to distribute in F-mux, but no operator was able to launch this service. It is Turner's opinion that it would be reasonable to be reimbursed for this amount or, alternatively, having the opportunity to transfer the fee to another channel (as for instance CNN International if this service was granted a SD licence for the F-Mux).

Overall we consider this cost a further contribution to the increase of the entry threshold to the Finnish DTT market compared to the other Nordic markets; a situation that goes against the idea of having a more common Nordic market with low entry thresholds between the territories.

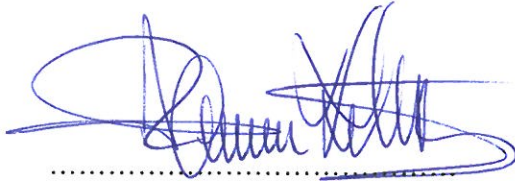
DTT market conditions from a pay-tv broadcaster's point of view

We see the Finnish DTT market as very uncertain for a pay-tv broadcaster. However, it's a market with significant share Nordic households, and we therefore believe on the potential of pay-tv broadcasting. The conflict is however, that the broadcaster cannot be sure of the amount of subscriber revenue, when applying for a DTT licence. This is not the case on other Nordic countries. We believe that the broadcaster should have a guarantee that it has been granted a DTT license in order to launch the channel. Having said that, to be granted a license is not a guarantee for receiving a wide distribution, which again contribute to the revenue uncertainty. We believe that a significant reason to this situation is the very fragmented DTT market with many network owners and many operators causing a poor position for pay-tv

broadcasters to generate a distribution business. We would very much like to invest in the Finnish market (e.g. through localisation of our channels by dubbing our children channels, subtitling of our classic movies channel TCM, investing in local content, etc.) as we do in the other Nordic territories, but the present uncertainty of the revenue generated through DTT unfortunately makes such investments extremely difficult. In general we believe that the Finnish viewers could have a much wider content selection if the market mechanisms work more smoothly on the Finnish DTT market.

We remain available to discuss these issues and work with the Government.

Kind Regards,



.....
Ramon Zwartkruis
Director of Distribution

**Turner Broadcasting System, Nordic and Baltic
NonStop Television AB**

Visiting address: Östhammarsgatan 68, Stockholm

Postal address: Box 271 34, 102 52 Stockholm, Sweden. Phone: +46 8 400 100 00