

## 2. Summary of Application

Applicants are invited to submit a summary of their application to provide members of the public with an overview of their proposals. It should be no longer than two typed A4 pages.

### Our Team

Boxer is a joint venture between Boxer TV-Access AB ("Boxer Sweden") and Communicorp Group Limited ("Communicorp") specifically established, with the support of BT Communications Ireland Limited ("BT"), to spearhead the promotion, support and take-up of DTT in Ireland. This joint venture is targeting Ireland and other countries in the European-wide campaign towards analogue switch-off.

We are committed to providing a service that offers the most popular TV and radio channels at a price people can afford, while delivering a world-class technical and consumer-oriented service. This application demonstrates how Boxer meets this challenge in a way that will be of real benefit and offer new choice to viewers of all ages and backgrounds throughout Ireland.

Boxer Sweden is the only DTT operating company in the world that has already successfully delivered analogue switch-off and this has been achieved in Sweden; a vastly larger and more complex network than the proposed one for Ireland across a far more topographically challenging landscape.

### Our Vision

The way that TV signals are transmitted is changing and this change opens a new world of choice for consumers in Ireland. DTT will replace the existing analogue TV service and Boxer aims to become Ireland's commercial DTT operator. Our vision is that the new DTT service will provide a whole range of additional viewing options for analogue TV viewers, while also giving satellite and cable consumers a welcome and attractive competitive option.

Our research tells us that the critical success factor for DTT in Ireland is flexibility. Consumers want more control and convenience and we have made these principles the foundations of our application. Consumers have also told us that they are in very different states of readiness for analogue switch-off, so Boxer will let them take up digital technology at their own pace, while ensuring no one gets left behind.

### Our Consumer-Driven Philosophy

Boxer's approach to this application has primarily been consumer-driven from the very beginning. Consumers have told us of their hopes and fears around digital TV, their likely behaviours at analogue switch-off, their tastes and their preferences.

Boxer will offer an innovative digital TV and radio service tailored specifically to the Irish market. Three breakthroughs in terms of pay TV marketing will make our proposition unique. Firstly, we will offer entry-level pricing below €10 a month. Secondly, we will allow viewers to top-up their channel selections 'a la carte'. Finally, and most importantly, we will offer consumers the ability to access our pay channels on a 'pay-as-you-go' basis, which puts previously expensive content within the reach of mainstream viewers and gives Irish consumers control of their TV expenditure.

Through an in-depth understanding of consumer needs and our established relationships with content providers, we will make DTT the first choice in a digital TV age. In a world where a surplus of specialist and niche channels are delivered by satellite and cable services, we are confident that DTT will deliver quality content in a more focused and cost effective way.

## Our Service-Oriented Approach

Boxer possesses the financial resources and expertise to take on the role of commercial DTT operator in Ireland. As part of its commitment to excellence in service and consumer delivery, Boxer will invest in excess of €115m in world-class broadcast network and multiplexing services capable of achieving a minimum 92% population coverage by analogue switch-off in 2012. We also plan to spend over €30m to provide a support service to assist consumers with all aspects of the new DTT service.

Boxer's unique and flexible products will initially be offered to the Irish market as three value-priced packages; Boxer Starter Pack, Boxer Pack, Boxer Premium Pack. Crucially, all of these packages will be available on a Pay-As-You-Go basis, never available in Ireland before. Boxer forecasts to attract 215,000 customers and deliver revenues in excess of €50m by 2013. Boxer will break even by year 5, representing 15% of the addressable market.

We aim to innovate around the services we carry and will work to provide content that sits with our philosophy of high quality, accessible and engaging programming. In particular, we will reach agreement with international broadcasters for the creation of bespoke Irish versions of their programming content, a move which will meet with high approval from Irish TV viewers.

Clearly Boxer recognises the potential of DTT to bring interactive services and other value-added services to every household in the country. Our focus in the short term is firmly on providing continuity of existing services coupled with attractive entry points that drive the take-up of DTT. We believe that a rich mix of linear TV channels will be the main draw, with Irish radio content providing further value as an integral feature of the DTT service.

## Our Role as DTT Champion

Boxer possesses the experience and expertise to be the DTT Champion. The company has been created as an entirely independent organisation, unencumbered by the agendas of existing players in the Irish market. We believe that only an independent organisation, working in close partnership with RTÉ and other stakeholders, will be in a position to create the conditions for analogue switch-off.

The Irish market is currently in the first phase of evolution to digital, characterised by expensive, inflexible, pay TV packages of similar range and pricing. The incumbent players see digital TV as an opportunity to increase price, further exploit existing rights and consolidate their duopoly. Boxer will bring an obvious and necessary fresh dynamic to this environment.

Boxer Sweden is already Europe's most successful commercial DTT operator and played a leading role in Sweden's analogue switch-off. In Ireland, this expertise is complemented by Communicorp's detailed knowledge of the local market and its strong track record for rapidly launching new services and technologies.

## Conclusion

Boxer's approach for establishing DTT in Ireland is simple and straightforward. We are adopting a proven business model, involving a broad alliance of local retailers and service providers and offering a high quality, innovative, value for money service to households all over the country.

Boxer has the knowledge, experience, commitment and enthusiasm to make the roll-out of DTT services in Ireland a major success. We understand fully the challenge we face in turning our vision of a digital future into reality. We have complete confidence in our ability to deliver on that promise.

Applicants shall also confirm the number of applications they are submitting in total, any conditions attached to their application(s) and any arrangements that must be completed before the applicant would be in a position to accept a contract, were it successful in its application.

Boxer has submitted a set of three applications for DTT Multiplexes A, B and C. The applications are each conditional on all of the others being successful so as to allow Boxer to have a comprehensive service offering and so as to be able to realise essential economies of scale.

When the parties have entered into a Shareholders Agreement concerning the joint control of Boxer, it will be necessary to notify the arrangements to the Competition Authority as a media merger. When cleared it will then be referred to the Minister for Enterprise Trade and Employment.

The parties are confident that approval will be obtained swiftly and in a manner that allows Boxer to accept contracts allowing it to realise the proposed schedule for the launch of the business.

