

Digital TV operators heave sigh of relief as NBTC eases up

THE NATION

THAILAND'S digital TV industry is expected to see brighter prospects without layoffs next year, after the National Broadcasting and Television Commission (NBTC) regulator announced measures to help the industry to survive.

Suphap Kleekajai, chairman of Digital Television Association of Thailand, said that digital TV operators had decided to lay off staff due to the high costs of digital TV licences and multiplex (MUX) expenses, combined with a declining TV audience as a result of technology disruption.

He is in total agreement with the NBTC's recent announcement of relief measures, which include switching the television frequency to the telecommunication frequency, and using the proceeds from telecommunication wave auctions to assist the digital TV industry so that it will use these funds to improve news content and TV programmes without needing further layoffs.

Favourable measures

Previously, NBTC had set the frequency for 48 TV channels, with some of the frequency used for community TV and public TV. However, some that had announced their intention to produce public TV programmes cancelled their plans. In the meantime, the existing digital TV operators have paid 70 per cent of their total licensing fees, and will

have until 2022 to pay the remainder.

In response to the NBTC measures, including waiving the unpaid 30 per cent of licence fees (totalling about Bt10 billion) and reducing multiplex expenses by 50 per cent, digital TV stocks rose yesterday. Mono Technology (MONO) climbed Bt0.05 to Bt1.87 per share, while RS advanced Bt0.80 to Bt16.30, BEC World (BEC) rose Bt0.10 to Bt5.40 per share, and Workpoint Entertainment (WORK) increased Bt1 to Bt29.50 per share. MCOT edged up Bt0.05 to Bt9.30 per share and GMM Grammy (GRAMMY) had no change with a Bt7.15 close per share. But Nation Broadcasting Corporation Plc dropped Bt0.02 to close at Bt0.40 per share.

If the Cabinet approves the NBTC measures allowing TV Digital operators to reduce their MUX fees to 2022, it would strengthen the sector, said KTB Securities (Thailand) in a research note.

The brokerage house expects BEC to gain most from these measures, followed by MCOT, GRAMMY, RS, WORK and MONO.

On Monday, NBTC announced that it will auction the 700MHz band, with part of the proceeds being used to subsidise the digital TV operators. The NBTC will also use its own funds to continue to subsidise half of the broadcasting network rental fees of digital TV licence holders to 2022 from the current 2020 ending.