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<td><strong>Date</strong></td>
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Paper No. 5
The current satellite broadcast situation in the East Asia.

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In this session, I would like to discuss about the current satellite broadcast situations in South Korea and Taiwan, which are taking principally an Open-Sky Policy on the foreign satellite broadcasts.

1. South Korea

1-1 Broadcast in South Korea

There are six categories of broadcast in South Korea

1) Nationwide terrestrial Broadcasters. Two channels of KBS (Korean Broadcasting System), MBC (Munhwa Broadcasting Corporation) and EBS (Educational Broadcasting System), are main Nationwide terrestrial Broadcasters. SBS (Seoul Broadcasting System), although it is local-based station, has an affiliate stations in the major cities, can be included in this category. The AFKN the American armed forces network, is also in service for the residents in Seoul.

2) Regional Terrestrial Broadcasters. There are eight regional terrestrial broadcast stations, one each in the eight major cities other than Seoul. The only independent station is located in Inchon, near Seoul, the rest of the seven stations are SBS affiliates.

3) Cable TV Broadcasters. Cable TV broadcasts started in South Korea on January 5, 1995. Cable TV stations were initially started in 53 districts, centering on major cities, across the country. Formal approval for Cable TV services for the remaining 24 areas, including rural, farming and fishing communities, was given in May, 1997. The Cable TV plan forms the core of the multi-channel service policy by the government. The number of the programs currently in service is about 40. The operators of these Cable TV stations do not have the liberty of selecting the programs for transmission unless it is self-produced. Thus most of the Cable TV stations are broadcasting the same programs.
4) Digital Satellite Broadcasters. South Korea begun their experimental satellite broadcasting in July 1996. However, among the 24 channels which were initially planned to be in service, because the New Broadcast Act bill, which will legally permit satellite services, has not yet cleared the parliament, only KBS and EBS, which are subjected to government directives, are conducting two-channel experimental broadcasts.

5) Regional Cable Broadcasters. There total of some 850 stations in the country. These Regional Cable broadcasters started from the community antenna reception for the regions with difficulties of reception of conventional terrestrial TVs. Later it developed in a uniquely Korean way. Currently, each entity broadcasts about 20 channels including reruns of the terrestrial TV programs. The subscription fee for the Regional Cable broadcast is 3,500 Korean won (US 2.6 dollars), which is about one fifth that of the Cable TV mentioned earlier, and now there are about 3.5 million household subscribers nationwide.

6) The direct reception of the non-domestic TV satellite broadcasters. South Korea also enjoys the direct reception of the satellite TV programs of the neighboring countries.

1-2 Reception of satellite TV for individual is unlimited.

In South Korea, after the lift of the ban in 1990, of the reception of Japanese Satellite broadcast, it has become by principle unlimited, for the individuals to enjoy direct reception of satellite broadcasts. South Korea can receive such satellite TV as Japan's NHK, and Hong Kong's Star TV, and according to a survey done by the Korean Broadcasting Institute, by April of 1994, as many as 430 thousand households were equipped with satellite reception antennas.

Here, a problem arise with the rerun of such non-domestic TV programs on the Cable TV. For the Regional Cable TV stations mentioned in 5), only the programs of the TV broadcasters authorized by the Broadcast Law can be retransmitted. Therefore it is illegal to rerun non-domestic Satellite TV programs. However, although the government every now and then, check for illegal retransmission, it is virtually given a tacit consent. Although the exact number is not determined, it is said that from a third to a half of the Regional Cable Stations are retransmitting non-domestic satellite programs such as Japan's NHK and Hong Kong's Star TV, and about 1.5 million households are subscribed to view such programs via Regional Cable TV stations. Also these days, encrypted satellite TV services such as Japan Satellite Broadcasting's WOWOW, Perfect TV, and Direct TV can be viewed in South Korea in the same way.
According to the Korea Cable Television Association, as of December 1, 1997, the number of households, able to view Cable TV mentioned in 3), stood at over 2.5 million, which is 28 per cent of all TV set-holding households. However, the number of actually paying the Cable TV subscription remained some 819 thousand, or 9.3 percent of TV viewing household.

These statistics prove that although the government dedicated the Cable TV to perform as the core of Multi-channel service policy, it is clear that the Cable TV stations remain in an inferior position. In order to gain back its popularity, there appeared Cable TV stations which retransmit non-domestic satellite TV programs.

In an article by Chosun Ilbo newspaper dated June 13, 1997, it is reported that the Ministry of Information and Telecommunication of South Korea conducted an inspection on 53 Cable TV stations and discovered that 49 stations were equipped with tuners to receive total of six non-domestic satellite TV broadcasting without the government approval. The two NHK satellite channels, three Star TV channels, one CNN. And as many as 800 thousand people were viewing these illegal retransmission.

The Ministry of Information and Telecommunications, having said that although the reception of such satellite TV programs is unlimited for the individual, the Cable TV stations must be aware that the retransmission on their stations will cause complicated problems concerning the copy-right issues, and thus ordered the Cable TV stations to remove their illegally installed tuners. Also it was implemented that for those Cable TV stations which does not abide by the order of the Ministry, will be charged fines and could result in the termination of service. Though strict measures were declared by the Ministry, so far, there has been no report of such punitive action against the Cable TV stations and it still seem to remain a tacit consent.

The Cable Television Act only permits the Cable TV stations to receive the TV programs supplied by the licensed program-distributors. The non-domestic satellite TV programs are regarded as non-licensed distributors and therefore, the Cable TV broadcasters do not have the right to retransmit them in their stations.

1-3 Prohibition of the entrance of Japanese culture in South Korea

A complicated issue concerning the reception of Satellite TV programs in South Korea, is the prohibition of the entrance of Japanese culture. For example Japanese movies, with an exception of the works for some international film festivals, are banned from viewing and the same applies with Japanese music. It is prohibited for any person to sing Japanese song in South Korea.

On the other hand in Japan, the viewers can enjoy Korean movies and it is not rare to see Korean singers appear in Japanese TV singing in their mother tongue.

The prohibition derives from the bitter history of the 36 years of
Japanese ruling South Korea, from 1910 to the end of the World War Two.

Before I go on, I would like to clarify the terminology of the NHK's satellite broadcast service. The term DTH (Direct To Home) is generally more familiarly used. However NHK begun its service using the DBS (Direct Broadcasting Satellite) and has resulted in abbreviating it to BS. So from now on I would like to refer the NHK satellite broadcast service as BS.

When NHK begun its experimental transmission of the BS in 1984 both South Korea and Taiwan protested as it being a "Cultural Invasion via satellite broadcast". The Japanese government and NHK in response, claimed that the BS is only directed for Japanese domestic viewers, and should it be received by Taiwan and South Korea, it is not by intention but by a mere spill over of the satellite signal. In order to avoid misunderstandings, NHK adjusted the beam to minimize the spill over. Another reason that NHK took this precaution is because within the BS programs, there are materials which were bought from broadcasters of such country as the United States, and many of them only holds copy rights within Japan.

The complaints from South Korea and Taiwan in a way, made NHK realize that though involuntarily, BS services are being viewed as an international satellite broadcast. Also it resulted in deceleration of the development of the international satellite broadcast services by NHK in the Asia-pacific region.

One cannot refrain from feeling that a certain contradiction exists in the broadcasting policy of South Korea, where on one hand prohibits the entrance of Japanese culture, and on the other, hundred thousands of viewers enjoy the retransmission of illegally received NHK BS programs in Cable and Regional Cable stations.

1-4 Digital satellite Broadcast plan on the standstill.

South Korea launched its first telecommunication-broadcast combined satellite MUGUNGHWA-1 in August 1995, the launch MUGUNGHWA-2 followed in January 1996. The government initially planned to begin 24 channel digital satellite broadcast services, using the total of 6 transponders on the two satellites, by July 1996. However, only KBS and EBS, which are subject to government directives, are conducting two-channel experimental broadcasts because the New Broadcast Act Bill, which authorize permission for satellite services has not yet cleared the parliament.

Each MUGUNGHWA satellite is equipped with 12 ku-band telecommunication transponders (with 14w output power), and 3 broadcast transponder (with 120 w output power). The beam-coverage include the whole Korean Peninsula, Shanghai, Shandong and Dongbei provinces of China and some western part of Japan. For example in Northern Kyushu, one only needs a 45 centimeter antenna, the same size as the ones used in South Korea, to receive the signals. In this respect, in Japan, satellite broadcast via MUGUNGHWA could be
regarded as "cross-border" foreign satellite broadcast.

The Japanese government since April 1995, has adopted an Open-Sky policy and guarantees the freedom of the individual to directly receive satellite TV programs such as that of MUGUNGHWA. Also with a permission by the Post and Telecommunication ministry, Cable TV stations can retransmit these programs.

It is a general tendency for any country that, each launch of a satellite or beginning of satellite broadcast services of ones country, acts as stimulants for the mass-media and to seem to influence the nationalism of the people.

We should utilize the international satellite broadcast to promote mutual understandings, nevertheless, it is lamentable to say that it is going to an opposite direction. In July 1996 after the launch of MUGUNGHWA satellite, then president Kim Young Sam visited KBS for the first time in presidential history, and encouraged the staff by saying " We are now living in an non-boarder information era where the competition for broadcasting is unlimited. We must strive to produce a high quality programs to keep up the technical standard."

1-5 Korea Channel Project also on the standstill

In order to start transmissions of Korean TV programs abroad, the Korean government founded The Korea International Broadcasting Foundation on 17 of April, 1996. The Korea International Broadcasting Foundation in its intention to promote understandings of Korean politics, economy and culture, has planned a project with the name of Korea Channel using satellite, to transmit programs from Korea to other countries. It was initially planned to begin its service to the United States by the end of 1996. However conflicting cable TV stations in the West coast of the United States, which regularly receive and broadcast KBS programs, protested to the Korean government in December 1996, claiming that the government project ignores their existence. Because of such protest from the Korean cable TV operators in the United States, the Korea Channel project has not yet been realized. The plan for the transmission to the Asian region which was to be proceeded after that of the United States, is inevitably suffering a standstill. Korea Channel project was also counting on the support of the business circle of the country. Now that South Korea is in its economic crisis, the Korea Channel project seem to remain in its deadlock.

1-6 Possible new development under the new Kim Dae Jung government

Kim Dae Jung took over the government amidst a serious economic crisis. Now that South Korea has accepted the support of the IMF (International Monetary Fund) rescue package, it is inevitable for South Korea to adopt more open policy. The change will not only apply for the economic policy but also should influence the broadcast policy.

Consequently there are some movement which in away foreshadows the
drastic change in the broadcast policy of South Korea. In February this year, Mr. Rupert Murdoch of the News Corporation, visited the elected Kim Dae Jung (before the swearing in as the President). Mr. Murdoch explained that he now owns 15 percent of the stock of the DSM (Digital Satellite Multimedia, an affiliate of DACOM the second telephone and telex company) and that from July, 1999, will start satellite broadcast services using the American satellite ORION-3. This satellite broadcast service will accommodate up to 75 channels. Mr. Murdoch then asked the President’s cooperation to facilitate the realization of this project.

According to Chosun Ilbo newspaper dated February 14, 1998, Kim Dae Jung responded saying that he will do all he can to eliminate hurdles and intends to deregulate the foreign investment law for the foreign broadcasting enterprises. This satellite broadcast project that Mr. Murdoch is referring, is entirely commercial based and has no relations with the MUGUNWHA satellite project, and it is first in its kind.

DSM will lease 10 transponders on the ORION-3 satellite which is to be launched in October 1998. The coverage area of the ORION-3 will be wider than that of MUGUNWHA. It will include such North-East Asian country region as the Korean Peninsula, Japan, North East China, and Sakhalin.

In order for this plan to realize, South Korea must establish the New Broadcast Act as soon as possible which involves such new changes. The prospect of some government sources says that the new law should be passed on to the parliament by mid April and should be promulgated by June the latest. After the New Broadcasting Act is in its effect, the MUGUNWHA which is the first on the waiting-list should receive permission and then possibly ORION-3.

Mr. Murdoch, already owning the Star TV of Hong Kong, and merged JSkyB with PerfecTV to compete in the Japanese broadcast market, obviously will play an important role in changing the now government-dependent broadcast policy of South Korea.

2. Taiwan

2-1 Broadcast in Taiwan.

1) Terrestrial Broadcasters. For almost a quarter of a century, the three Kuomintang-backed broadcasters, TTV (Taiwan Television Company), CTV (China Television Company), and CTV (Chinese Television Company), dominated the terrestrial television broadcast in Taiwan. These three stations virtually served as spokespersons for the ruling Kuomintang Party under martial law.

A big break through was made when FTV (Formosa Television), the first non-Kuomintang backed TV station in Taiwan, started their operation on June 11, 1997. Now with the appearance of FTV, the number of the terrestrial TV broadcasters counts to four.
2) **Cable TV.** Based on the Cable Television Law, in November 1994, the authorities started screening the license applications of 208 candidate companies, and in August 1996, 138 stations in Taiwan's 51 districts were granted permission to conduct cable broadcast. In this way the Cable TV was formally recognized as a sector of its broadcast industry. Later on, many of the Cable TV operators merged and expanded their business scale, as a result, most of the Cable TV operators belong to one group or other.

2-2 **The characteristics of Cable TV in Taiwan.**

Taiwan's Cable Television have enjoyed a successful business by retransmitting the non-domestic satellite broadcast programs. For example, in 1988 rather contradicting the government's claim to NHK BS as a "cultural invasion", the Cable TV stations in Taiwan retransmitted almost all of the live transmission of NHK BS's coverage of Seoul Olympics and created a so called Cable Television Boom in the country.

The people in Taiwan, regardless of understanding the Japanese language or not, viewed NHK BS programs with fascination. Also at the start of the Star TV broadcast, the retransmission of their programs in the Cable TV was in a matter of days. At the beginning, these retransmission of non-domestic satellite TV programs were regarded as piracy, however after the enforcement of the Cable Television Law, most of the programs retransmitted are distributed through authorized agents and thus the number of the cases of illegal broadcasting violating the copy rights, has declined.

Taiwan's Cable television offers the viewer almost all the satellite broadcast television programs available in the Asian Region, such as America's CNN, Discovery channel, China's CCTV, and NHK. It could be said that Taiwan is adopting the most number of non-domestic satellite broadcast Televisions in Asia.

Although the Cable-Television Act states that the percentage of domestic Taiwanese programs should exceed more than 20 percent of the total broadcast time, the act has not been implemented severely and the situation remains unattended.

2-3 **Satellite distribution of domestic programs, reach the neighboring countries.**

Currently, about 30 program distributors are using satellite in order to transmit the material to the Cable TV stations.

Taiwan, for not being a member of the United Nations, is not subject to the allocation of satellite orbits by the ITU (International Telecommunication Union). Therefore the program-distributors are obliged to use such foreign satellite as PANAMSAT-2 and APSTAR-1 to distribute programs to the Taiwanese Cable TV stations. As a result, the programs of Taiwan could be viewed by the
Chinese communities in such neighboring regions as Hong Kong, Southern part of China, and South East Asia. Also some distributors use Japan's SUPERBIRD-B enabling Japanese viewers to enjoy their programs in Japan as well. Consequently Taiwan is playing the role of cross-border television and this in a way contributes to the country's security. Now in Taiwan, it is estimated that about 75 percent of the 5.2 million Television-set holding households, are subscribed to Cable Television.

3 Comparison between broadcasting of South Korea and Taiwan.

When comparing the broadcasting of South Korea and Taiwan from the third-person point of view by a Japanese, the major difference that one can note between the two countries is South Korea's prevailing government controlling power over the broadcasting business. It is very evident, for example, in the issue surrounding the Cable TV, the core of government's multi-channel policy. It was the government which started from planning, up to fixing the start-date of the broadcasting and made adjustment to tax systems in order for the enterprises not to suffer from excessive business losses.

Taiwan, on the other hand, because the Cable TV has been categorized as illegal, the Cable operators had always had to fight against the authorities in order for them to continue their business. The concept of government protection was nonexistent.

In my point of view, Taiwan's Cable Television has more variety and the content of the programs is more diverse. It is also promising that the Taiwanese authorities even allows the free transmission of CCTV, the station of their political opponent. It proves its firm confidence in their Establishment.

4 Relationship between NHK BS and South Korea and Taiwan

When NHK begun its experimental service of direct-to-home satellite broadcasting, the transmission was only intended for Japanese viewers, and was different in its characteristics to "cross-border television". As I mentioned earlier, NHK, in response to some claims made by South Korea and Taiwan for "cultural invasion" adjusted the beam to minimize the spill-over.

However, quite the contrary to the claims by each government, the general public welcomed the NHK BS televisions and many as a result installed antennas. Even after the adjustment of the beam by NHK, the viewers in South Korea and Taiwan kept watching the NHK BS programs via retransmission on Cable TVs. This phenomena has confused NHK.

First of all, for many programs on BS, NHK only hold copy rights for domestic broadcast. These programs does not clear the rights to be transmitted outside of Japan. And after being criticized as "cultural invasion", it was an honest feeling of NHK that the retransmission of NHK programs on Cable TVs be
stopped.

The problem still remains in that the NHK BS TV is non-encrypted. It was a policy by NHK that its broadcast be received throughout Japan. The international understanding is that any un-encrypted signals are considered free to receive.

In order to solve the problem, NHK begun its encrypted transmission services on PANAMSAT 2, selling programs 12 hours (later 18 hours) a day to Cable Television companies. NHK encouraged Taiwan to receive this encrypted services and to stop illegal reception and retransmission of NHK BS programs. As a result, in Taiwan, apart from some hotels, the direct reception for retransmission purpose has decreased dramatically.

As for the situation in South Korea, it remains unattended. It is almost impossible for NHK to recommend switching to the reception of PANAMSAT 2 because South Korea prohibits Japanese culture. Therefore NHK cannot tackle this problem adopting regular tactics.

Here, I would like to mention about NHK's new satellite broadcast service, "NHK World TV" which begun its service on April 1, this year. Apart from the BS television directed only for domestic viewers, NHK has only conducted 18 hours a day analog distribution on PAS-2 to the Asia-Pacific regions. Replacing this former services, on April 1, NHK begun distributing total of two digital satellite channels: one non-encrypted, mainly news programs on "NHK World TV", and one more encrypted "NHK World Premium". "NHK World TV" can be seen free of charge and is transmitted 18 hours a day both in PAL and NTSC, whereas "NHK World Premium" is aimed to sell programs and is replacement of the former 18 hour daily distribution service.

With the start of the "NHK World TV", NHK has finally joined in the international satellite broadcasting business. In order to receive the signal one needs a big parabolic antenna of 3 meters in diameter, and with this impeding factor, the prospect for the number individuals receiving "NHK World TV" might not be so high.

5 Ideal is reciprocal satellite broadcasting links

With drastic increase of cross-border satellite broadcast services, it is inevitable that problems arise surrounding how to regulate them. For example, recently Japan's Ministry of Post and Telecommunications called out to the counterparts of eight countries of Asia-Pacific regions to establish a working group to supervise the programs being broadcasted. Its goal is to establish an international guideline concerning cross-border satellite televisions. China is not included in the group. For the previous meetings, the opinions split where on one hand, country such as Australia claims that such guideline is unnecessary, and on the other hand, country such as India says it is necessary to control programs
involving sex and violence. The following meeting was to take place in Seoul in June, but due to a serious economic situation in the country, it is not yet confirmed whether it is actually going to take place.

Lately watching Television, I have seen two good examples of ideal mutual understandings via reciprocal exchange of programs. The first was in December last year of the flash reports of the votes counted at the Korean Presidential Election. It was a special program by KBS. NHK BS on-aired this live KBS program for 4 hours with simultaneous Japanese interpretation from 11 pm until 3 am, when Kim Dae Jung was elected President. It was the first time that Japan has broadcasted the Presidential election vote counts flash of the neighboring country this long. I think it helped to promote understanding in the political situation of Korea for the Japanese viewers.

The second was the broadcast of the Swearing in ceremony of the newly elected Korean President Kim Dae Jung on February 25 this year. NHK BS broadcasted the whole one hour of the new President's address again with Japanese simultaneous interpretation. It was very moving to hear the president once sentenced to death for conspiracy charges on Kwangju Incident, made a speech.

These two examples are not exactly a cross-border satellite TV. NHK took in the KBS live program to be transmitted domestically on BS. But again, one must be always aware that NHK BS televisions can be viewed in South Korea as I mentioned before. Should NHK make any incorrect commentary, the South Korean viewers can easily check the contents.

In the near future, broadcast programs such as I mentioned right now, might be on-aired on South Korean satellite broadcasts and may be further transmitted to the Asia-Pacific region. Or reverse, South Korea broadcasts cross-border programs by NHK, throughout the nation. I am certain that the reciprocal link of cross-border satellite broadcast will function to enhance the international understandings. This is the wonderful part of television and the biggest advantage of the cross-border television transmission.