

NEW CHANNEL, NEW ERA: INTRODUCING TEN HD

14 September 2007

Network Ten today announced Australia's first new commercial free-to-air television channel for the major mainland metro markets in more than 40 years*.

In December, TEN launches TEN-HD, offering more choice, in the highest possible broadcast quality, for free.

TEN-HD ushers in a whole new world of free TV entertainment in breath-taking High Definition (HD) Digital:

- For substantial periods of the day, TEN-HD will break away from TEN's primary channel, offering alternative programming and themed events focusing on, for example, Live Sport, Entertainment, Movies, Documentaries and Science Fiction
- Even better, TEN-HD's signature programs will be in stunning, full HD, delivering the highest possible picture and sound quality to viewers at home
- TEN-HD will provide more variety to free-to-air viewers than ever before

TEN is the only Australian network transmitting the globally-recognised pinnacle HD broadcast standard: 1920 pixels by 1080 lines interlaced (1080i) and 5.1 Dolby Surround Sound.

TEN's chief executive officer, Grant Blackley, said: "TEN-HD will excite and entertain audiences across Australia like never before.

"We are no longer bound by a single linear channel, and TEN-HD is a natural next step in our goal to make our content as widely available as possible to consumers."

Mr Blackley cited TEN Digital's online and mobile activities and the recently-concluded retransmission agreement with FOXTEL as examples of TEN's multi-platform distribution strategy.

"TEN has always been Australia's digital pioneer," Mr Blackley continued.

"We were the first network to start broadcasting in digital, the first to launch a High Definition demonstration service, and we remain the only Australian network transmitting in full HD and offering live HD sport.

"Now, we'll be first to market with a break-away HD channel, delivering unprecedented free entertainment choice to Australian consumers.

"While viewers will continue to be able to enjoy everything they know and love about TEN, they will also have an exciting new TEN channel in TEN-HD.

"Best of all, TEN-HD is free, with no ongoing fees to pay."

CONTENT

Many of TEN's leading shows are already in HD, comprising a substantial portion of the schedule including *AFL*, *Australian Idol*, *House*, *NCIS*, *Californication*, *9am with David & Kim* and *Totally Wild*.

All of TEN's current US shows** are supplied in HD, and increasingly TEN is commissioning local programs in that format. For example, from next year, *Neighbours* and the new docu-comedy series from the creators of *Kenny* will be shot in HD.

TEN-HD: CHANNEL HIGHLIGHTS

- 50 hours per week of programming viewers won't see on the main TEN channel
- 11 hours of time-shifted programming per week, including TEN's 5pm News
- Natural extensions of TEN's big-event franchises, such as *The Biggest Loser*, *Australian Idol*, *Big Brother* and *So You Think You Can Dance*
- Themed nights such as "Sci-Fi Saturday"
- Showcasing the wonderful HD content from National Geographic (high-end documentaries)
- Bringing the cinema into the lounge room; movies have never looked better at home

Underscoring its premium status, on any digital-capable device TEN's HD service is located at channel number 1 (from 1 October) and 12. TEN's SD service is at 10 and the network's video program guide at 11.

TAKE-UP OF HD IN AUSTRALIA

Mr Blackley added HD is the way of the future around the world.

Industry figures from Digital Broadcasting Australia show that by March 2007, 28 per cent of Australian homes had free-to-view digital television, with HD receiving equipment comprising the fastest-growing segment of a market that is itself dramatically increasing each quarter.

Given the rate of take-up, the Australian Digital Suppliers Industry Forum (ADSIF) predicts that almost 10 million flat panel HD TVs will be purchased in Australia by 2012.

At this rate, ADSIF estimates there will be at least one HD TV in the vast majority of Australia's eight million homes in only five years.

"HD is truly a consumer product now, with the entry price continuing to tumble and literally dozens of equipment options available," Mr Blackley continued.

"This is reflected in the take-up figures, which also demonstrate that once viewers experience true HD, they never want to go back."

INDUSTRY SUPPORT

Mr Blackley noted TEN's commitment to HD was such that ADSIF had selected TEN as the venue to launch its integrated HD certification "tick" campaign in August.

That initiative aims to make it easy for consumers to understand what constitutes HD and will further drive take-up.

TEN will continue to work with manufacturers, retailers, government, ACMA and content providers and the wider broadcasting industry in a cohesive effort to encourage even faster adoption of HD.

TEN'S COMMITMENT

Mr Blackley concluded by thanking the 30-strong team of TEN managers from across the business who have been working on this project since November, 2006.

Recruitment for the 20 additional staff needed to support TEN-HD – including positions in programming, operations and sales – began several weeks ago.

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***TEN HD will be the first new commercial free-to-air channel for the major mainland metro markets in more than 40 years.** TEN is the newest of Australia's three national commercial broadcasters. TEN Melbourne launched in 1965, with TEN Sydney and Brisbane going to air the following year. The latest commercial free-to-air channel to launch in one of the five mainland capital cities was TEN Perth in 1988.

**Aside from animated programs such as *The Simpsons* and *Futurama*.

BACKGROUND

The story so far

Network Ten boasts a number of digital television firsts.

TEN was the first Australian television network to begin broadcasting in Standard Definition Digital. That was in January 2000, a year before the legislated start date.

TEN was also the first network to launch a High Definition demonstration service – in August 2001 – so retailers could showcase the benefits of HD to consumers.

TEN remains the only Australian network broadcasting major live sport in HD, in 2007 alone delivering approximately 250 hours.

That includes: TEN's critically-acclaimed AFL coverage; major golf events such as the US Open, US Masters, Australian PGA Championships; the Rugby World Cup; and the upcoming Sydney FC v LA Galaxy match.

TEN has also always comfortably exceeded the legislated transmission quota for native HD (i.e., shows that originate in HD) of an average 20 hours per week (1040 hours per year).

TEN has always transmitted the highest possible broadcast quality HD service: 1080 lines interlaced (1080i).

In early 2007, TEN increased its transmission quality to 1920 pixels by 1080i and 5.1 Dolby Surround Sound. TEN is the only Australian network transmitting this "true, full HD" broadcast standard, which is internationally accepted to be "as good as it gets" in broadcasting.

While Nine broadcasts in 1080i, the Seven Network has only recently changed from the inferior 576p standard. The ABC broadcasts in 720 progressive (720p), which is superior to 576 but of lower resolution than 1080i. The SBS transmits in 576p.

FOXTEL has announced plans to launch eight cable HD channels in April 2008; Network Ten is proud that TEN-HD will be among those inaugural FOXTEL HD services.

Since 1 January 2001, TEN, Nine and Seven have "triplecast" their analogue, SD and HD services.

With TEN-HD, TEN becomes Australia's first television broadcaster to break away its HD signal, as the Broadcasting Legislation Amendment (Digital Television) Act 2006, permitted the commercial networks to do from 1 January of this year.

As of 1 January 2009, the commercial broadcasters will each be permitted to offer one SD multi-channel.

Including the public broadcasters, there could be as many as 15 free-to-air channels by the start of the next decade.

HD is a consumer product

HD is truly a consumer product now. The entry price for an HD LCD (incorporating an HD digital tuner) is under \$1200; that for an integrated HD Plasma, around \$1,800.

The experience overseas

The number of households watching High Definition television continues to soar and researchers forecast that trend will continue.

For example, in June 2007 IMS Research predicted there would be nearly 148 million HDTV households by 2011. A February 2007 report by Informa Telecoms and Media estimated the number HDTV homes would jump to 151 million by 2011, up from 48 million at the end of 2006.

While most of the growth is being generated by the bigger TV markets – especially the US and Japan – Britain, Canada, China and Germany are also high on the list.

Major sporting events are key drivers of take-up; market research company In-Stat reported consumer demand to see the 2006 FIFA World Cup in High Definition sent sales of HD sets in European countries soaring in the run-up to the tournament.

Although a subscription rather than free service, the rapid take up of Sky's HD offering in the UK underscores consumers' growing demand for HD. Launched in May 2006, there were 184,000 Sky HD subscribers by the end of that year and 292,000 six months later.

Mind your p's and i's: a word on the technical stuff

Most of the terms you'll hear about digital television standards boil down to two things: picture and sound quality.

Basically, the higher the resolution of the broadcaster's transmission, and that of your TV screen, the sharper and clearer the picture you see.

Digital television is available in both Standard Definition (SD) and High Definition (HD) formats.

While SD offers a wider picture and clearer transmission than analogue (and, accordingly, a superior picture), HD is vastly better still as it offers much greater resolution than SD. But of course, the detail has to be a bit more complicated, so here's the jargon explained.

The numbers you see attached to various formats – such as 576, 625, 720 and 1080 – refer to the number of picture information lines that make up the television image on your screen.

A higher number means more lines and, all other things being equal, better resolution.

The "i"s and "p"s bandied about stand for "interlaced" and "progressive". They really just mean: this is how the lines that make up your TV picture are scanned onto the screen.

In the progressive format, every line (i.e., the full picture) updates fifty times a second. In interlaced format, every other line (i.e., half of the picture) updates fifty times a second.

Standard definition digital televisions have a screen resolution of around 625i. HDTVs have a screen resolution of 720p or greater. Full HD, which is what TEN transmits, is 1080 or above.

Dolby Surround Sound is a more familiar concept to most people; you've probably seen it referred to in movie trailers and on DVDs. Dolby 5.1 is currently the highest broadcast quality surround sound available.

Enough said – we can't wait to show you TEN-HD!