



BY EMAIL

27 December 2010

Deputy Director-General (Telecoms & Post)
Infocomm Development Authority
8 Temasek Boulevard
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Attention: Ms A. Chia

Dear Ms Chia

Response to IDA Consultation Paper on Net Neutrality

ESPN STAR Sports is pleased to provide its response to the Info-Communications Development Authority (IDA) Consultation Paper on net Neutrality, dated 11 November 2010.

About ESPN STAR Sports

ESPN STAR Sports is a 50/50 joint venture between two of the world's leading broadcasters. As Asia's definitive and complete sports broadcaster and content provider, ESPN STAR Sports combines the strengths and resources of its parent companies – Walt Disney (ESPN, Inc.) and News Corporation Limited – to deliver a diverse array of international and regional sports to viewers via its encrypted pay services.

ESPN Player is our broadband service for the Singapore market, providing on-demand online access to world-class sports and programming. Offering both live and library events throughout the year, ESPN Player delivers sports programming to fans through an interactive experience, providing in-game statistics and scoreboards and integration with popular social networking platforms.

Summary of Position

As a provider of broadband video streaming services, ESPN STAR Sports supports the principles of net neutrality and a requirement for ISPs to refrain from discrimination against specific services regardless of origin, type or content; exceptions should only be permitted where the relevant services are illegal (such as the unauthorized distribution copyright works) or an ISP is able to demonstrate, in each case, that discrimination is not anti-competitive and the only means of achieving adequate quality of service for all users.

The unconstrained use of network management techniques has the potential to cause consumer harm where those techniques are used to deny access to legitimate services or to favor the services, applications or content of an ISP or its affiliates. In many cases, we believe an adequate quality of service can be achieved through enforcement by ISPs of end user fair use policies rather than through other network management techniques.

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If the internet is to remain an important catalyst for innovation, however, any new rules should be carefully assessed to ensure that they do not disrupt the existing edge-to-edge ecosystem which has rapidly evolved to support an exponential growth in data traffic.

We support the efforts of the IDA to date and, rather than set out a definitive position, we would urge the regulator to continue its review any potential positive or negative impact of net neutrality requirements, particularly in light of recent international developments.

For that purpose, we provide the following brief additional comments.

Relevant Principles

ESPN STAR Sports supports the preservation of those principles responsible for growth of the modern day internet as an edge-to-edge environment, while recognizing that content delivery networks (CDNs) and some service providers (e.g. Google) effectively subsidize additional data carriage. When combined with interconnect arrangements, those data services provide a commercial foundation to support and sustain growth in data traffic.

Network management technology (protocol filtering, bandwidth throttling, deep packet inspection among others) has a legitimate place in improving network performance, but each time an operator with such capability introduces a service, there may be temptation to discriminate against competitors being carried on or available through its network.

The introduction of service specific bundles, as anticipated and actively promoted by the IDA, will allow ISPs to charge for a better quality of service, but will necessarily involve pricing policies that are complex enough to distinguish among the many different services. Those pricing policies may lead to significant confusion in the consumer marketplace.

Although provisions in the recently revised *Telecom Competition Code 2010* do provide protection against certain discriminatory practices by service providers with significant market power, we believe that the issue of net neutrality is important enough to warrant the consideration of specific rules, enforced by the IDA, covering the following principles.

1. *Provide* for access to all legitimate (i.e. legal) content and services.
2. *Assure* non-discrimination with regard to all legitimate services and content at all levels in the ecosystem, end-to-end (i.e. ISPs should not be permitted to operate or manage their networks to discriminate against any traffic by service, type, origin or content); discrimination is only permitted where an ISP is able to demonstrate that it is: (i) not anti-competitive; and (ii) the only means of achieving adequate quality of service.
3. *Confirm* each ISP has the ability to monitor and restrict individual consumer consumption where this is disruptive to a wider majority (corporate agreements also typically include “fair use” clauses similar to those in consumer agreements).
4. *Compliment* these rules with a requirement to disclose details regarding network management practices, including implementation of end user fair use policies.
5. *Permit* the introduction of niche or differentiated internet access offerings that tailor to specific services, but maintain a requirement for transparency in pricing.



Although we support the principles of net neutrality, it must also be recognized that all content creators currently face a tremendous threat from the unauthorized distribution of copyright materials. Any rules that are introduced should also encourage cooperation between content owners, ISPs and regulators to remove illegal and unauthorized content

As mentioned above, any new rules should be carefully assessed to ensure that they do not disrupt the existing edge-to-edge ecosystem which has rapidly evolved to support video services. Clarity is required in any prospective code so as not to undermine the ability of content providers to confidently deploy innovative and commercially sustainable services.

We look forward to contributing to the continuing discussion on this important issue.

Yours sincerely

[Not signed as sent electronically]

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