

**Content Rights
Latin America and Caribbean**

Addressing Piracy

1993-2005: Cable in T&T

Trinidad divided into regions and served by 4 different Operators in 1993

Packages of about 30 channels, almost all of them unlicensed and monthly pricing from \$20 to \$25 USD

DIRECTV launched in 1997 by CCN, a local media company

As competition increased, and in absence of regulations, licensed Cable Operators became bolder adding premium U.S. movie channels

Unlicensed operators started to spring up in rural areas

Government appointed a Committee to look at Cable Piracy in 2005

2006-2018: Regulations in T&T

The independent Regulator TATT was established in 2005, just around the time that Cable was being seen as “big business”

The premium U.S. movie channels were removed shortly after in 2007

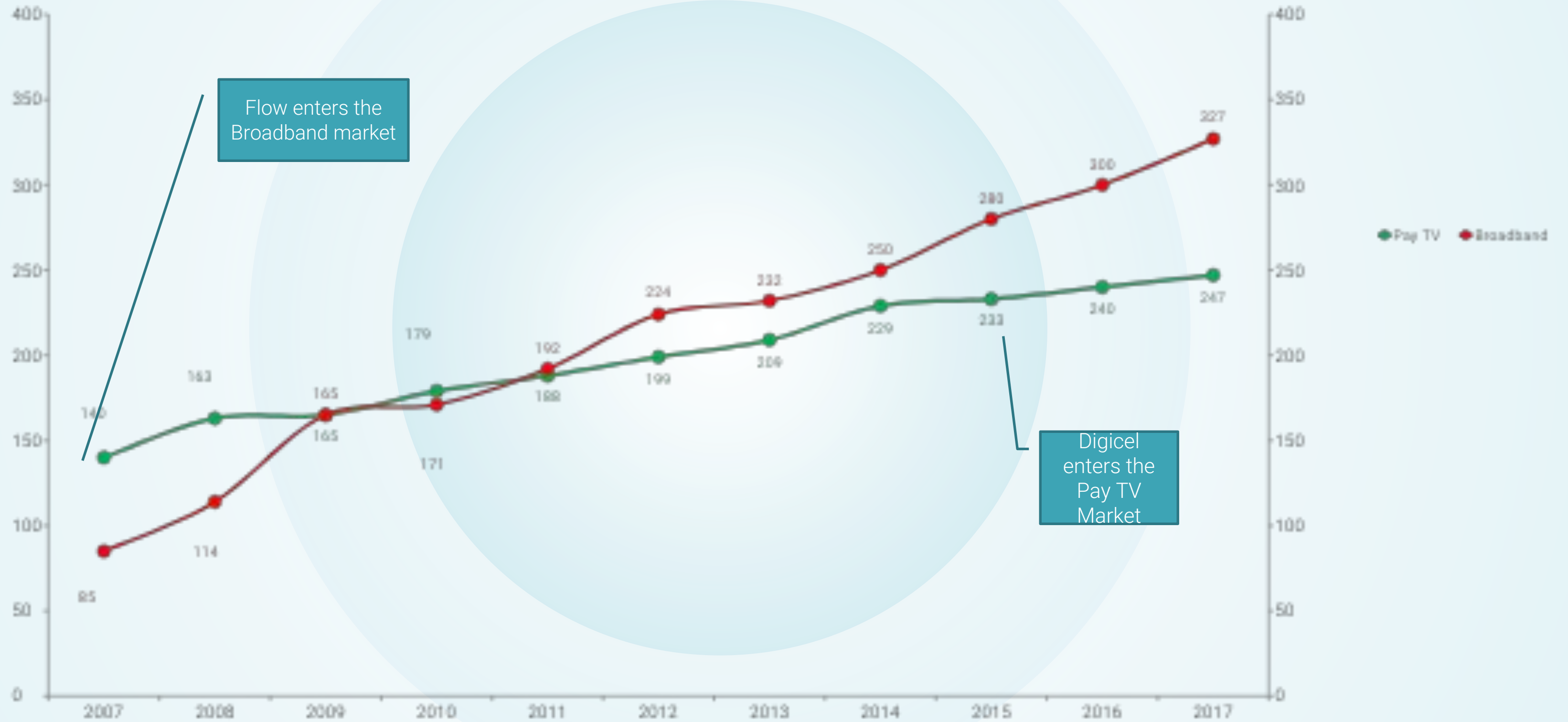
Several other unauthorized channels remained up. Smaller operators continued to feature other channels without any regard for IPR

Another 8 years elapsed before TATT mandated the removal of the majority of the unauthorized channels at the end of 2015

Only Flow and Digicel complied with the 2015 mandate

The so-called traditional networks remain up under TATT’s policy of forbearance

Broadband vs. Pay TV Subscribers by HH



Pay TV and Broadband Pricing



*Basic Product

Consumers Never Had it So Good

2008 - FLOW

- Basic Package
- Broadband 2 Mbps
- Sportsmax
- Fanatic
- Additional box

\$82

2018 - FLOW

- Basic Package 90 Channels
- Broadband 60 Mbps
- Sportsmax
- Flow Sports
- Premium Movie Channels

\$72

“Jack Sparrow”

- 114 Channels
- Broadband 8 Mbps
- Sportsmax
- Flow Sports
- Willow TV
- 20 Premium Movie Channels

\$45

Status of Compliance Today - TT

- DIRECTV 100%
- Flow, Digicel and 2 Niche Operators 95%
- Govt. Telco & One Other 90%
- Various Rural 85%
- “Jack Sparrow” < 50%

Compliance Status - Caribbean

- Trinidad and Tobago 90%
- Curacao and Barbados 85%
- Jamaica 75%
- Various Small Operators 50%

Failure to Protect FTA TV

Unwittingly, the Regulator has failed to protect the local TV market

FTA TV Advertising has collapsed over the last two years

Layoffs have occurred at the three largest stations and the Government has just rebooted the national TV station for the second time

Declining revenue impacts on investment in high quality local production

We need at least two strong independent FTA TV stations to ensure quality news and current affairs coverage

Time for a true Caribbean wide TV network

Where Do We Go From Here

We are still discussing a 10 year old problem and seeking solutions

Major pan regional Pay TV Operators are now all international companies

A new challenge has arisen while we work on this one – the entry of android boxes

Pay TV Providers are now seeking protection from the regulator to deal with android boxes and illegal OTT content

This loss of Pay TV revenues can have an even more negative impact on the Government coffers

Collaboration in a Moral Framework

There are ways to fight this problem, success has been achieved in LatAm through an industry wide body called Alianza

We are collaborating with the two largest Operators towards establishing a Caribbean Alliance

We are now all asking for a Level Playing Field, but there is no middle ground in Piracy

We have maintained a zero tolerance position on this by insisting all members come into the body with “clean hands”

The region needs to shed the label of Pirates of the Caribbean