



# Press release

## Digital Radio Marketing Initiative

Request for uniform approach throughout Germany for launching digital radio – single-handed initiatives by individual federal states upset market partners

**(Bonn, Nov. 24, 2004)** The Digital Radio Marketing Initiative has strongly criticized the isolated and uncoordinated approach of individual federal states on how they introduce digital radio to the market. “For the future of digital radio in Germany, it is indispensable that politicians, industry, network operators and broadcasters all act in concert. Single-handed attempts by individual federal states upset the market partners,” said Helmut Egenbauer, CEO of IMDR. This is how IMDR reacted to an announcement released yesterday by the Medienanstalt Berlin Brandenburg (MABB), according to which the previous “DAB approach” in Germany shall no longer apply.

Apparently without coordinating its initiative in any way with the affected broadcasters or the automobile and equipment industries in Germany, the Medienanstalt Berlin-Brandenburg, in a press release, had called for the Europe-wide standardized digital radio (DAB) to be simply given up, although the broadcasting network covers almost all of Germany. According to MABB, Germany should apply a single-handed approach and use alternative solutions that have not yet been standardized or agreed throughout Europe. However, the IMDR pointed out the lack of a broadcasting network, broadcasting frequencies and terminal equipment, which also means that there is not yet a market for such alternative solutions.

Since the announcement of the federal government’s decision on the occasion of the EXPO 2000 to introduce digital radio, the automobile and equipment industries have prepared the comprehensive launch of digital radio. Industry informed the responsible states’ chancelleries repeatedly about the long lead times required by the car industry. As well, the minister presidents of the German federal states agreed on June 17, 2004 to advocate the use of digital radio when allocating further frequencies at the 2006 European Frequency Conference.

The situation in many European countries is completely different from that in Germany. In Great Britain, nobody would buy hi-fi equipment any more without a digital radio function. Starting December 1, Denmark will have 17 countrywide public digital radio programs. The Netherlands, Switzerland, Belgium, Portugal and many other countries have practically complete digital radio coverage, and yet others have affirmed their decisions to launch digital radio. China and Korea will use the DAB technology and even use it to broadcast TV programs.

In Germany, on the other hand, many broadcasters did not recognize the opportunity that digital radio offers for the market. They failed to adequately advertise digital radio, although they provide programs and services.

The Medienanstalt Berlin-Brandenburg’s attitude is all the more incomprehensible, since it took on an active pioneering role by sponsoring the market launch of DVB-T in Berlin with considerable, financial means for marketing. Nonetheless, it fails to live up to this role in terms of the introduction of DAB on a national scale.

International expert bodies agree that digital radio is no longer only “digital audio broadcast,” but more. The expansion to DMB (=digital multimedia broadcast) was shown recently at the



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*Medientage* conference in Munich. Korea and China, who only want to use state-of-the-art technology, have already seized the opportunity.

Data services via DAB – especially with imaging on cell phones, PDAs or navigation devices – have not, in any way, been switched off in Germany, but introduced with the support of the European Union. Mr. Stolpe, the German minister of transportation, also pledged his support last week.

From IMDR's standpoint, DAB cannot be introduced as rigorously as DVB-T in Berlin. In the long run, digital radio (DAB, DRM) will be introduced not only throughout Germany, but also across the globe.

If Germany allows for such single-handed approaches, as the one proposed by MABB, the industry will fall behind and Germany will become an isolated technological island.

### **Via the IMDR:**

The Digital Radio Marketing Initiative as a community of industries, network operators and broadcasters encourages the proliferation of digital radio. More information can be found online at [www.digitalradio.de](http://www.digitalradio.de) with a comprehensive service offering and information on current programs, devices and dealer addresses.

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