German Way To Go Digital: No Dawdling

By MARK LANDLER

BERLIN, Oct. 29 — When Sebastian Engel received a letter in the mail last winter warning that he would soon lose his over-the-air analog television service, he reacted like any 26-year-old graduate student with little money and even less interest in the vagaries of TV technology.

Mr. Engel, who lives in a bohemian part of the former East Berlin, ignored the promotional palaver about the brave new world of digital broadcasting, and instead asked his landlord whether he could sign up for cable.

"Alas, he was told, his apartment block, with its drab, coal-heated buildings, was not wired for cable. So after procrastinating for several weeks, Mr. Engel finally paid 150 euros ($174) for a set-top box that enabled his aging, portable TV to receive a digital signal. Now, he gets 25 channels and a crystal clear picture, compared with the 6 channels and snowy reception he had before the switchover.

"Sometimes the picture goes off for a couple of seconds, but otherwise it's pretty great," said Mr. Engel, as he channel-surfed through a soccer match, a hip-hop music video and the BBC news.

On Aug. 3, Berlin became the world's first major city to switch from analog to entirely digital television broadcasting. The transition went almost unnoticed in Germany or elsewhere, which is remarkable, given that in the United States, the same process has been bogged down by politics, vested interests and a stubborn fear that scrapping analog television will ignite a revolt among viewers.

The German example could prove instructive to the United States, where digital broadcasting — and the array of multimedia services likely to spring from it — still seems like a distant dream. Six years ago, Congress set the end of 2006 as the date by which most television broadcasts would be digital, but American industry executives predict the switch may not be completed before 2020.

In Germany, officials have taken a much tougher line. "We knew it would work only if we set a hard deadline," said Sascha Bakarinov, the head of the Broadcasting Authority of Berlin and Brandenburg, which oversaw the switchover. "You can take six months or two years or a decade, and people are still only going to react in the last few weeks."

Berlin's hurry-up approach was risky. Mr. Bakarinov worried about a consumer outcry over the cost of the set-top boxes, not to mention tales of scamming pensioners deprived of their television. But thanks to an elaborate public relations campaign and government subsidies for people who could not afford the boxes, Berlin kept the complainers to an occasional squawk. In a city accustomed to lavish public services since German reunification, this is no small achievement.

"The German approach is extremely radical," said Ulrich Reimers, a professor at the Technical University in Braunschweig and a chief designer of the digital television standard in Germany. "This is really the one and only place in the world where this has happened."

The switch to digital is under way in other

In Berlin, a quick transition to a new form of television broadcasting.

German cities, including Cologne, Hannover, and Düsseldorf. By next May, Professor Reimers said, digital signals will reach 23 million of Germany's 82 million people. By 2010, he predicted, "Germany will be analog-free."

It is important to remember, in talking about digital television, that the switchover affects only viewers who receive their TV over the air. Of Germany's 34 million television households, 19 million have cable and 12 million use satellite receivers. Both industries remain predominantly analog.

That leaves 3 million German homes still using rooftop aerials or even more antiquated rabbit-ear antennas. (In the United States, an estimated 10 million of 166 million television households still rely on over-the-air signals.) In Berlin, which has 1.5 million TV households, 160,000 homes had over-the-air reception before the switchover, while 90,000 homes used over-the-air broadcast for second or third sets.

For the public, the advantage of digital is twofold: better reception, particularly in first-floor apartments like that of Mr. Engel's, where surrounding buildings can make broadcast signals hard to pick up; and more channels, though the magic of digital compression.

Most German cities have 6 analog channels. Berlin used to have 12 — 6 for West Berlin and 6 for East Berlin. Now, with digital compression, Berlin transmits 28 digital channels using only 7 of its 12 frequencies.

That frees the rest of the spectrum for potentially lucrative wireless services or other uses.

Because basic cable in Germany offers only 32 channels and costs 16 euros a month ($17.40), digital broadcasting is offered for free, once the box has been purchased — it is quite competitive. As Mr. Engel sees it, he will pay off his converter box in less than a year.

Mr. Bakarinov estimated that 160,000 Berliners bought boxes by the Aug. 3 switchover — indicating that only a minority used the end-of-analog transition as an excuse to sign up for cable or satellite. About 6,700 of the converter boxes were sold to low-income households at a subsidized price.

Such government support is one of the differences between the German and American approach to digital television. As Phillip L. Spector, a Washington communications lawyer put it, "It's hard to imagine the [Treasury Department] subsidizing the cost of set-top boxes." Unlike in the United States, where the federal government retains primary control of the airwaves, Germany allocates the frequencies to its 16 states, which in turn assign them to public and private broadcasters. The states are helped in the digital transition because the public-owned stations remain among the most watched in Germany.

In the United States, digital television has been caught in a classic chicken-and-egg dilemma. Most consumers have little incentive to buy digital TV sets or converter boxes since there is little to watch, and broadcasters see little reason to invest in it since there are hardly any viewers.

Nobody expects the Congressional deadline of Dec. 31, 2006, for a digital conversion to be met, because Congress said it would exempt any local market in which fewer than 85 percent of the households were equipped with a digital TV or converter. That threshold seems unlikely to be reached in most markets until closer to 2020, some broadcast executives say. As long as millions of American households are still receiving their television over the air, the lack of demand is more an issue than a warning from the political winds.