

BBC

INTRODUCTION BY MARK THOMPSON

THE CREATIVE PERSPECTIVE

THE FUTURE ROLE OF
PUBLIC SERVICE BROADCASTING

CONTRIBUTORS INCLUDE



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THE CREATIVE
PERSPECTIVE

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SERVICE BROADCASTING



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THE CREATIVE
PERSPECTIVE

THE FUTURE ROLE OF PUBLIC
SERVICE BROADCASTING

EDITED BY
GLENWYN BENSON
AND ROBIN FOSTER

CONTENTS

| | |
|---------------------------|---|
| Foreword Mark Thompson | 6 |
|---------------------------|---|

| | |
|---|----|
| Introduction Glenwyn Benson and Robin Foster | 10 |
|---|----|

THE BBC LECTURES

| | |
|----------------------------|----|
| 1.1 Sir David Attenborough | 24 |
|----------------------------|----|

| | |
|-----------------|----|
| 1.2 Stephen Fry | 38 |
|-----------------|----|

| | |
|-----------------|----|
| 1.3 Will Hutton | 56 |
|-----------------|----|

| | |
|--|----|
| 1.4 The Debates chaired by Kirsty Wark | 70 |
|--|----|

THE WIDER CREATIVE COMMUNITY

| | |
|--|-----|
| 2.1 BBC Survey of the Creative Community Simon Terrington | 100 |
|--|-----|

| | |
|---|-----|
| 2.2 Contributors' Comments Roy Ackerman, Denys Blakeway, Lorraine Heggessey, Nigel Pickard, John Smithson | 138 |
|---|-----|

THE IMPACT OF NEW MEDIA

| | |
|---|-----|
| 3.1 Broadcasting, the Internet and the Public Interest Robin Foster and Simon Terrington | 150 |
|---|-----|



MARK THOMPSON Director-General BBC

Mark Thompson is Director-General of the BBC, and as such is Chief Executive and Editor-in-Chief of the BBC and chair of its Executive Board. Mark became Director-General in June 2004, and has successfully steered the BBC through its ten-yearly Charter Review process, securing Licence Fee funding for the BBC for the next six years.

Mark was a major author behind 'Building Public Value', the BBC's strategy manifesto for the digital age, and the Creative Futures project, a far-reaching editorial blueprint for BBC programming and services to meet changing audience expectations. During Mark's time as Director-General the BBC has launched new platform trials in on-demand programming including the on-line iPlayer and podcasting, as well as mobile and high definition television.

Before re-joining the BBC, Mark was Chief Executive of UK broadcaster Channel 4, a post he had held since December 2001. His earlier BBC career had spanned 20 years including the significant roles, in chronological order, of Editor of BBC One's *Nine O'Clock News*, Editor of BBC One's current affairs flagship *Panorama*, Head of Features, Head of Factual Programmes, Controller of BBC Two, Director of National and Regional Broadcasting and finally Director of Television.

Mark was born in London on 31 July 1957 and was educated at Stonyhurst College, Lancashire, England and Merton College, Oxford University.

FOREWORD

Creativity is the point of the BBC. Our audiences expect it. Our services demand it. And, at our best, we live by it.

Nobody knows that better than the contributors to this book. As well as being outstanding practitioners, they are people who have thought deeply about what makes for great broadcasting and who have strong views about its future. Alongside, we have conducted a survey of a wider group of leading producers of content, some of whom have also contributed short essays.

All broadcasters depend on the health and vibrancy of the wider creative community (producers, presenters, artists, and writers) and at the BBC we have welcomed the opportunity to invite this group to contribute their views on the future of public service broadcasting, as part of our response to the regulator Ofcom's second review of public service broadcasting.

Our survey found that there are sometimes striking differences between producers' experiences and views on the future of PSB and the issues confronting it depending on which genres they were providing, for example drama, comedy, or factual. But they also have many things in common. They are driven by the viewers' demands for challenging and entertaining programming, for a more responsive approach to broadcasting, but one that above all encourages creative risk taking. They are also informed by a continued strong belief in the importance of public service broadcasting values, and the contribution those values make to the strength of the UK creative sector, and its unique characteristics.

You would expect Stephen Fry, Will Hutton and David Attenborough to have different answers in the debate on the role of PSB, and they do! Yet they discuss their ideas with a similar approach – embodying the best principles and ideals of the past, but open to the

creative opportunities of the future and the new digital technologies.

This book is a snap shot of a debate that continues on the BBC website. In broadcasting nothing stands still and if you are creative, and have views on how we and other public service broadcasters could serve the public better, let us know.

ROBIN FOSTER

Robin Foster is an adviser on economic, policy and strategic issues affecting the communications sector. He is currently chief adviser to media strategy consultants Human Capital, and an independent member of the Government's Convergence ThinkTank. He ran the Global Communications Consortium research programme at London Business School from January 2006 to March 2008.

Until August 2005, Robin was Partner, Strategy and Market Developments and member of the Executive and Policy committees at Ofcom, where he ran the annual strategic planning process and directed the programme of research and analysis for Ofcom's first review of Public Service Broadcasting. Previous positions include director of strategy at both the Independent Television Commission and the BBC, and head of the telecoms and broadcasting consulting division at consultants NERA. Robin's publications include his January 2007 report on Future Broadcasting Regulation, commissioned by DCMS. As research fellow at Bournemouth Media School in 2000-2002, Robin led a programme of research into the future of television in the UK ("Future Reflections").

GLENWYN BENSON

Glenwyn became Creative Lead of the BBC's Response to Ofcom's Public Service Broadcasting Review in January 2008.

Prior to that she was Controller, Knowledge, where she had overall executive responsibility for delivering Knowledge programmes, including Learning, and driving the use of the full range of multimedia possibilities.

She began her career in broadcasting at London Weekend Television, working on *The London Programme* and documentary features. She became Deputy Editor of current affairs programme *Weekend World* before joining the BBC as Editor of *On The Record*. In 1992 she was appointed Editor of *Panorama*. In 1995 She went on to run BBC's adult education, Science department, and the Specialist Factual department. She won the RTS 2008 judges award.

INTRODUCTION

Overview

Ofcom launched its second review of public service broadcasting (PSB) in April 2008 with some big issues on the agenda, not least a vision for the future of PSB and the mechanisms that might best be suited in future to securing PSB alongside the BBC. As part of the BBC's contribution to the Ofcom Review, we have commissioned a selection of essays, research and analysis which aims to discuss PSB's future from a broad range of creative and expert perspectives. Our contributors were chosen to include those who work at the heart of the broadcasting industry and who for many represent the public face of PSB. We also include the results of an in-depth survey of leading programme makers – CEOs of independent production companies and broadcaster production leaders, and a future-oriented essay on broadcasting and the internet. Our contributors were entirely free to say what they wanted, with no obligation to stick to a BBC line or policy, nor to respond to policies floated by others in the industry.

Our aims were to look again at the concept of public service broadcasting, what it is for and whether it is still important, and then to examine how it might develop in future. The creative community, as well as meeting broadcasters' concerns to capture key demographics, is passionate about the purpose and quality of content, and its value and contribution to broad public aims. On the way, we take an illuminating tour of the early days of PSB, identify many of the key aspects of PSB that are worth holding on to in future, look at the challenges ahead, and discuss some of the options for securing PSB in a rapidly changing world.

Among our three lecturers and among the wider programme-making community we surveyed, there is widespread and profound support for and faith in the purposes and the future of PSB, as defined by Ofcom: understanding the world, supporting UK culture, reflecting

the diversity and different parts of the UK, and promoting knowledge.

David Attenborough reminded us of the unchanging value of these purposes. Looking back to his early days in television, he said “We thought too that we could play a key role in modern democracy, by enabling a stockbroker in Surrey to understand what a fisherman in the north of Scotland might be feeling – and vice versa. We would be able to broaden horizons.”

“Among our three lecturers and among the wider programme-making community we surveyed, there is widespread and profound support for and faith in the purposes and the future of PSB, as defined by Ofcom.”

A broad definition of PSB, not a narrow one, was unanimously supported. As Stephen Fry said, “No one but the BBC could have made *Blackadder*, especially after the expense and relative failure of the first series. Does it count as entertainment or as public service broadcasting? Do we have to make a distinction?”

Will Hutton also argued for a broad definition, to engage as wide a spectrum of the population as possible. But he took it further. He called for a “new Reithianism”, with tests for whether PSB meets Reith’s ideas of enriching lives, telling the truth, and again *engaging as wide a spectrum of the population as possible* .

Both David Attenborough and Will Hutton spoke of the importance to citizens of what Will called a “public space”, which should be large enough so that, as David said, “all kinds of people, with all kinds of interests and insights, can share them with society as a whole. That, I maintain, cannot be achieved with a few individual programmes...it can only be done by a coherent network.”

Hence the immediate importance of maintaining broadly based channels and services, not niches, and organisations of scale which can deliver them. And in future, of finding a new definition for that space in a broadband world, as Robin Foster and Simon Terrington discuss in their essay.

The wider survey also shows programme makers are acutely aware that to retain public support, PSB must have scale and impact, as well as a broad definition. Perhaps for this reason they are nervous about anything that could lead to a reduction in the BBC’s ability to fund big projects, and especially in high quality drama.

Hence, despite expressing universal support for a plurality of PSBs, our sample shows very little support for top slicing the licence fee. They feel top slicing would both undermine public support for the licence fee, and have a negative effect on Channel 4.

The respondents' biggest concerns are about a decline in broadcasters' willingness to take risks, and about regional production. In addition, some genres are seen as more "fragile" in their PSB future than others, in particular Current Affairs, Children's, and, outside the BBC, Specialist Factual. In general, the whole of the group were worried that excessive focus on share would reduce the appetite for innovation. All the survey respondents see PSB on commercial broadcasters as in retreat.

The challenges of the future, in a digital, on-demand world, are understood, but are viewed more as an opportunity than a threat to PSB. Our essay on broadcasting and the internet sets out some of the ways in which PSB can evolve in a broadband world, and notes that PSB can in turn help drive broadband take-up in the UK.

Overall, our consultation has shown a surprisingly robust support among the creative community for PSB, but tempered by a sense that the ecology of PSB is a delicate one, in which an understanding of and continued support for those factors which sustain it, is vital to its future.

This introduction draws together some of the key themes from the essays and research, and points the reader to the relevant essays for more detail. We would like to thank all the contributors, and particularly our three lecturers, David Attenborough, Stephen Fry and Will Hutton, for the time and thought they put into the challenge set for them.

What is PSB and why do we need it?

There is broad agreement among our contributors that PSB is and should be about services and programmes with high social ideals, which go beyond anything the commercial market would deliver, but which must also still engage significant numbers of people from across the UK. Robin Foster and Simon Terrington in their essay, for example, explain how PSB can address some clear broadcasting market failures, but can typically be justified in terms of wider societal goals – moving beyond a narrow market failure rationale.

David Attenborough more eloquently describes broadcasting in general, and PSB as part of it, as "that miraculous advance, still not a

century old, that allows a whole society, a whole nation, to see itself and to talk to itself... to share insights and illuminations, to become aware of problems and collectively consider solutions". Stephen Fry talks about the many programmes that for him represent the essence of PSB in radio and television, while Will Hutton argues that PSB should enlarge and enrich our lives by trying to establish what he refers to as the "truth of matters" across its full range of programmes – in drama and documentaries as much as in news and current affairs.

The programme-making executives surveyed for the BBC in the main support the four purposes of PSB proposed by Ofcom – especially the first two of these: informing ourselves and others, and reflecting and strengthening our cultural identity. Many respondents to this survey underline the importance of innovation (PSBs must be able to take more risks than the commercial sector) and distinctiveness (programming should not merely replicate that which would be supplied in the market). Human Capital, in their summary of the survey, describe this as the "market corrective" approach to PSB.

PSB is and remains important, according to our contributors. Will Hutton suggests that the "truth seeking" objective of PSB becomes even more important in a (new media) world in which so many versions of "the truth" are being thrown at us. He rejects the idea of "multiple truths", which news providers in the US have championed. And he points out that even a democratic state needs to be balanced, checked and held to account. Respondents to the creative community survey strongly support PSB's role in funding innovative programming which is intrinsically of value in itself, not just in terms of audience ratings. Stephen Fry sees PSB as one of the great benefits of living in Britain.

There is much support for a broad rather than narrow definition of PSB ("broadcasting" rather than "narrowcasting" as a number of contributors put it). For Stephen Fry, comedy is just as much part of PSB as news or drama, and he notes some of the remarkable comedy character creations that have influenced our lives over the years. Will Hutton argues for a reassertion of Reith's ideas, with PSB challenged to deepen our understanding of the world via informative, educational and entertaining programmes.

Not only should PSB be defined broadly, but it is difficult to disentangle PSB from the values and approaches used by the institutions set up to deliver it. Of particular importance to our contributors is the role played by channels and brands. David Attenborough describes the role that smart scheduling, hammocking and cross promotion can play

in leading audiences to programmes they might not otherwise choose to watch. In his view, PSB can only operate successfully as a network (channel) or group of networks, operating as part of a greater PSB institution. He cites the way in which the BBC was able to build audiences for natural history programmes on its main channels as a practical example of this at work. Stephen Fry also talks about this: “Isn’t the whole point of the BBC its ability to draw audiences into PSB programming by virtue of their loyalty and trust in a brand that promotes entertainment?” He suggests that “the nature of the BBC as it is, ‘gives permission’ to all kinds of people to watch programmes they otherwise might not”. The majority of respondents to the creative communities survey also support this view – PSB includes *The Apprentice* and *Eastenders* as well as *Blue Planet* and *Newsnight*, it is suggested by one respondent. Another argues that “there is no such thing as a public service programme, instead you have a public service schedule, pulling in audiences to a range of content”. A small minority of those surveyed, however, argue that there is little room for game shows and light entertainment in core PSB.

“Programme makers are acutely aware that to retain public support, PSB must have scale and impact, as well as a broad definition.”

Challenges ahead

Most contributors to this book also see difficult challenges ahead for PSB. Those surveyed from the programme-making community worry about audience fragmentation which might reduce the effectiveness of PSB and adversely affect the funding available to make high quality UK programming. Many agree with Ofcom that the existing commercial PSB model (which supports PSB programmes on Channel 3 and 5) is in retreat. Many executives interviewed already take the view that these broadcasters are no longer central to the future provision of PSB.

Will Hutton notes that PSB in general and the BBC in particular often lacks friends, and argues that the BBC needs to look for more public support to secure its continuing position in future. Stephen Fry describes how tempting to some policy makers is the proposition that new technologies allow a move to a more consumer-driven on-demand world, in which PSB becomes a peripheral part of the media landscape.

Robin Foster and Simon Terrington point to key characteristics of the internet which might arguably reduce the need for PSB in future – some would argue that the internet is a more democratic and open medium, which allows greater public participation and control, and may in time sharply reduce consumption of traditional media.

“Our contributors agree with Ofcom that the BBC is the cornerstone of PSB in the UK, and should remain so.”

Significantly, many of those dimensions thought by our key lecturers to be central to the importance of PSB may be threatened by new media developments. Hammocking, coordinated scheduling across channels, channel brands and so on – arguably are much less important in a landscape where an increasing amount of content is consumed on-demand and via third parties. Although the majority view across our contributors is that scheduled linear channels will remain important for many years to come, the risk is clearly there in the longer run. PSBs and the BBC, it seems, will need to reinvent some of their traditional roles for the new media world if they are to remain as effective in future. This is a huge creative challenge.

PSB in the new media world

Respondents to the programme-making community survey identify several opportunities for PSB in future as well as threats. For the production sector itself, they see the scope for delivering content directly to viewers rather than via intermediaries – which might lead to a wider variety of content supplied using a range of different business models. PSB institutions might also find new ways of operating, they suggest. Broadband is already providing new ways of delivering content to viewers in ways and at times they find more convenient (such as the BBC’s iPlayer), and the “long tail” effect enables content to be used and re-used more extensively than ever before. PSBs, it is suggested, can in future make available large parts of their archive, as well as new programmes – although rights issues would need to be resolved.

Robin Foster and Simon Terrington in their essay describe a new “transformative” phase in the relationship between broadcasting and the internet, and see considerable scope for PSB, if it adapts to the new environment. They see the internet as a central part of PSB provision in future, not as an optional extra, and argue that PSBs can benefit from

new distribution options, new approaches to content creation, more effective audience involvement and feedback, and better targeting of investment. They suggest that PSBs will be able to develop new, internet-friendly replacements for the old scheduling tools – with imaginative use of content portals, recommendations, search tools and navigational aids. PSBs will be able to build new, more direct and intelligent relationships with their audiences – enabling more effective promotion of upcoming programmes. For this to happen, PSB providers will need to have the scale and scope to make an impact on their audiences, and to amortise costs of production and marketing across different distribution channels and markets.

Foster and Terrington also suggest that future investment in and take-up of broadband services could be assisted by PSB initiatives. PSBs can guarantee investment in programming for broadband distribution, they can provide unrivalled promotional support for broadband public information initiatives, and can bring their packaging and scheduling expertise to bear on what is sometimes a difficult to navigate landscape. Helping users find interesting and stimulating public service content from a wider range of suppliers might be a key new role for PSBs in future. PSBs might also have an important contribution to make in securing a greater level of public trust in content delivered via the internet. Trusted PSB brands could be used to signal clear standards of accuracy and impartiality for news and analysis, and could guarantee certain levels of protection for more vulnerable users.

“Most contributors to this book also see difficult challenges ahead for PSB.”

Securing future PSB provision

Our contributors agree with Ofcom that the BBC is the cornerstone of PSB in the UK, and should remain so. According to Stephen Fry, the BBC should be as closely scrutinised as possible, but should not be asked to reduce its economies of scale, artistic, social or national reach. All respondents to the creative communities survey agreed that the BBC is at the heart of PSB, although a few thought that the BBC’s role should reduce over time.

That is not to say that the BBC is getting everything right. David Attenborough notes that there may occasionally be too many programmes of a particular type which seem to crowd through the

schedules. Stephen Fry worries that the BBC has not thought enough about piracy risks in launching iPlayer. Some production executives criticise the BBC for being too driven by audience ratings, and for having a slow and bureaucratic commissioning process. More could be done, they argue, to increase internal plurality and to pursue a more open and collaborative relationship with external suppliers. The BBC also needs to be as sensitive as possible to its market impact. Will Hutton questions some of the judgements made by BBC journalism, but also notes that the BBC should be applauded for getting so many things right, given the pressures it faces. Hutton goes on to propose the idea of a new PSB test that the BBC should set itself. He suggests that each year the BBC should ask itself the following three questions for all its output:

- How well is the BBC enlarging our lives as citizens?
- How much is truth seeking embedded in what it has broadcast?
- Is it upholding the public realm by packaging what it does creatively so that everyone in the country has access to it?

“Future investment in and take-up of broadband services could be assisted by PSB initiatives. PSBs can guarantee investment in programming for broadband distribution, they can provide unrivalled promotional support for broadband public information initiatives, and can bring their packaging and scheduling expertise to bear on what is sometimes a difficult to navigate landscape.”

Notwithstanding this support for the BBC, the majority of our contributors and respondents to the survey support the idea of plurality of PSB provision in principle. Although some respondents note that the commercial marketplace provides all the competitive spur that the BBC is likely to need, most would like to see competition for the BBC at the “high end” of programming as well as across the generality of its output. This, they sense, will require some form of public intervention. Concerns were most acute in the areas of programming produced in the Nations and Regions, Children’s, Current affairs, and Specialist Factual. Channel 4 is seen as the BBC’s core PSB competitor (although Stephen Fry notes that it suffers occasionally from the confused incentives associated with its dual public service and commercial objectives) and one worth preserving if at all possible. Channel 4 is praised for its past performance as a catalyst for new and innovative ideas and approaches,

and for its positive impact on the health of the UK creative sector. Although ITV and Five are not seen as mainstream PSBs in the future, they do have a role, it is argued, as supporters of UK content.

“Top slicing of the licence fee is disliked as an option because of the potential damage to the BBC’s ability to fulfil its PSB remit, and for muddying the accountability link between the BBC and licence payers.”

But there is little support from any of our contributors or survey respondents for the use of public funding to support Channel 4.

The majority of survey respondents think that public funding will compromise Channel 4’s ability to commission and show cutting edge programmes, and adversely affect its brand image. Top slicing of the licence fee is disliked as an option because of the potential damage to the BBC’s ability to fulfil its PSB remit, and for muddying the accountability link between the BBC and licence payers. Stephen Fry says that Channel 4’s future should be secured, but he doesn’t believe that the way to save Channel 4 is to reduce the BBC. Will Hutton argues that “any discussion of public support for Channel 4 can only start once we are certain that there is a strong BBC, and we don’t want to end up weakening one to help the other”.

What can be done to help Channel 4 is less clear. David Attenborough argues strongly against the funding of individual PSB programmes on commercial TV channels. He suggests that such programmes will inevitably be pushed out of peak hours and into out of the way corners. PSB he says “can only be done by a coherent network, one that measures its success not only by the size of its audience but – very importantly – by the width of the spectrum of interests it manages to represent”. Channel 4 as a core not for profit PSB might satisfy the Attenborough “coherency test”, but others probably would not.

Will Hutton proposes either a licence fee supplement explicitly for Channel 4, or perhaps some sort of deal with BBC Worldwide. Some programme makers also suggest looking at the value of BBC assets which could be used to help Channel 4, and many note that the indirect value of regulatory assets such as access to spectrum, EPG position, should be fully assessed before looking to any direct public funding.

Concluding observations.

This PSB Review is only part way through its consultation process, but already the key issues are becoming clearer. There is an overwhelming sense that PSB remains relevant, and that the BBC must play a vital role in its future provision. But PSB needs to adjust and adapt quickly to a rapidly changing world, and find new ways of remaining relevant and in touch with audiences if it is to continue to be able to reach everyone and to enlarge our understanding of the world and of the lives of those around us. The BBC is fully engaged with this challenge but the responsibility is not just for the BBC, but for others in the UK broadcasting market too – whether commercially funded or not. If further public intervention is thought needed, the task will be to find ways of securing the future PSB system, without weakening its cornerstone – the BBC. We look forward to contributing further to the discussion of the measures needed to secure an effective PSB model in future, and we hope that this collection of essays will help take forward the debate in some of those important areas.

“There is an overwhelming sense that PSB remains relevant, and that the BBC must play a vital role in its future provision. But PSB needs to adjust and adapt quickly to a rapidly changing world, and find new ways of remaining relevant and in touch with audiences if it is to continue to be able to reach everyone and to enlarge our understanding of the world and of the lives of those around us.”

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| | | |
|-----|------------------------------------|----|
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| 1.4 | The Debates chaired by Kirsty Wark | 70 |



SIR DAVID ATTENBOROUGH

Sir David Attenborough's distinguished career in broadcasting now spans more than 50 years. It began in 1952 when he joined BBC Television Talks Department at Alexandra Palace. In 1954 he launched the first of his famous *Zoo Quest* series and went on to make award-winning landmark series, covering the whole of the animal kingdom and the Earth's continents.

1.1 SIR DAVID ATTENBOROUGH

Drawing on his long history in television production, Sir David Attenborough considers the lessons from the past that can point the way to the future of public service broadcasting. Do niche channels really offer a future for PSB and can commercial broadcasters be trusted with a slice of the licence fee?

This lecture is about the future of public service broadcasting or, to give it today's fashionable acronym, PSB. I am saved the need to define PSB because Ofcom, in the person of its Chief Executive, Ed Richards, has defined it for us. He says it is broadcasting that aims to do four things: to increase our understanding of the world; to stimulate knowledge and learning; to reflect the cultural identity of the United Kingdom; and to ensure diversity and alternative viewpoints.

“We thought too that we could play a key role in modern democracy by enabling a stockbroker in Surrey to understand what a fisherman in the north of Scotland might be feeling – and vice versa.”

You *could* argue that good situation comedies – like *Porridge* – increase our understanding of the world; that gardening programmes stimulate knowledge and learning; that *East Enders* and *Coronation Street* reflect a UK cultural identity; and that even reality television such as *I'm a Celebrity Get Me Out of Here* ensures diversity and alternative viewpoints.

But I am pretty sure that programmes like those are not what Ofcom means by PSB. There must be something missing in that definition and I suspect we all know what it is. When we talk about PSB these days, we are referring to programmes that, for one reason or

another, only attract small audiences.

I have been unable to discover who first used the phrase public service broadcasting or when they did so. But those of us who were working for BBC Television back in its early days in 1952 would certainly have said that it was a fair description of what we thought we were doing. But we didn't use the phrase very much because we didn't need to *define* our kind of television. BBC television was the only kind of television there was in this country. We were a monopoly.

All television in those days came from two small studios up in north London in Alexandra Palace. It was all in black and white of course and produced very coarse-grained pictures – 405 lines instead of the later 625 lines. It was also all live because there was no form of recording – at least none that produced pictures of a transmittable quality. The cameras we had – not just the design but the very pieces of metal – were the very first cameras in the world to have produced a publicly broadcast television service.

And very quaint they were. They were filled not with tiny transistors but large glowing glass valves and they were each the size of a very large suitcase. They were alarmingly unreliable and constantly broke down, even during transmission. You could start directing your programme with four cameras and end it desperately improvising with two – or even one. The main camera was able to move around because it was mounted on bicycle wheels and had a second man to push it. The others were supported on awkward pedestals with castors and had to be shoved around by the cameraman himself. And then there was one that was virtually immobile, called the Iron Man. Each had only a single lens with no zoom, so to get a decent close-up of a speaker, the camera had to be within two or three feet of him or her. Of course, you could put on a special close-up attachment, but that took 10 minutes and you couldn't really do it during transmission – though occasionally we did try.

With such equipment and from those two small studios came an extraordinary output of great ambition and variety. There were, of course, quizzes and music recitals, interviews and discussion programmes. Remarkably there was also, every week, a play – usually a special production of one that had been written originally for the commercial theatre. The production had its premiere, usually on a Sunday, and then – because there was no way of recording it – it was given a second live performance, all over again later in the week.

There were also formats that have now disappeared entirely.

Short stories, read by an actor sitting in an armchair; variety shows, for at that time the music halls were still flourishing and from them we could import jugglers, ventriloquists, comics and dancing girls. Distinguished scientists came to give illustrated lectures on physics and chemistry. And, in addition to our studios, we also had outside broadcast units that covered sport and public events and took people on visits to historic buildings.

Perhaps most extraordinary of all, to a modern viewer, was the fact that there was no regular pattern to the schedules – no stripping of a programme across the week. One thing you could be pretty sure of, that this Tuesday's programme line-up would seldom bear much resemblance to that shown on the previous Tuesday. And starting times, as listed in the Radio Times, were not much to go by, since total breakdowns were not uncommon and viewers might have to be treated to 10 minutes or so of a kitten playing with a ball of wool, a windmill slowly revolving its sails or hands moulding clay on a potter's wheel.

We also had very little film. Technically, telecine – the apparatus for showing film – was still fairly primitive and produced rather low quality grainy pictures. Only 35mm film, the gauge used by the cinema, was tolerable. 16mm was not. But 35mm film was very expensive and our bosses in Broadcasting House took the view that we had been given our electronic toys to play with in our studios so we should not demand cash for film as well. Television, in their view, was electronic and live.

We felt we had a very direct link with our audience. Not every household had a television set, of course. For the nation as a whole, it was still a novelty. But travelling back home through north London at night, after having directed a programme, we could spot a blue electronic glow in the windows of some of the houses and we would know for sure that the people in those rooms had been looking at the very programme that we had directed earlier that evening; and what is more, that they had bought a special television licence, in addition to their sound licence, in order to do so. The next morning, as you travelled back to the studios by tube or waited for a bus, everybody was discussing the same programme that they had been watching the previous evening because there were no others – and sometimes it was yours.

Incidentally, it is interesting to reflect, when there is talk these days as to whether it is proper for the BBC to use licence money to subsidise new broadcasting developments, that then most of our money came *not* from television licences, of which there were comparatively few, but from the sound radio licence.

We took ourselves and our responsibilities very seriously. We thought our schedules ought to be very varied and cover as wide a range of interests as possible.

It was obvious that some programmes would be more popular than others, but we thought that potential popularity should not be the only reason for scheduling a programme.

“Once a family sat down to watch television, they tended to stay there, viewing whatever appeared on the screen, until shutdown.”

We thought too that we could play a key role in modern democracy by enabling a stockbroker in Surrey to understand what a fisherman in the north of Scotland might be feeling – and vice versa. We would be able to broaden horizons, introducing people to subjects that they might have never encountered and bringing them new pleasures and delights. That was because audience research had discovered that, once a family sat down to watch television, they tended to stay there, viewing whatever appeared on the screen, until shutdown. Indeed, it was not unknown for our production secretary, as we were directing a programme in the control room, to be handed a message to say that viewers were ringing in to say they found our programme rather boring and asking how long it was going to go on.

We certainly knew that, on special occasions, we could bring the whole nation together – and the most spectacular demonstration of that occurred in the spring of 1952. 56% of the population of this country, a hitherto unheard of audience of 20 million people, came together and watched – one might almost say, participated in – the Coronation. And that was particularly extraordinary, when you know that there were then only just over two million licence payers. People had not only gathered in groups around the sets in their homes, but were watching in pubs and cinemas as well.

Then, in 1955, a new kind of television arrived, one that operated from a very different base. It was financed not by a licence fee but by advertising. It was called of course, Independent Television. Sir Hugh Greene, who became Director General of the BBC soon after that, refused to call it any such thing. He maintained that the name was no more than a public relations euphemism. “Independent of what?” he would ask. “It’s *commercial* television.” And that was the way he always referred to it.

Independent Television was, needless to say, a huge and

immediate success. Big audiences were its aim and it soon learned how to attract them. The nation deserted the BBC – public service television – in droves. We no longer had a captive audience. The lesson was a very salutary one. We would have to be more cautious if we were to continue in our role as public service broadcasters. So some of the more esoteric programmes disappeared from our schedules. We became a little less lofty. And the schedulers also became a little more artful. They developed a technique that became known as “hammocking”.

Audience research had, by this stage, identified one of the most potent instruments that you can use for building an audience – the ‘inheritance factor’. They had discovered that during peak hours at least half the audience for any one programme was inherited from a previous programme. So one way to gather a large audience for a programme was not only to transmit it during peak hours but to place it immediately after an established favourite. Obvious enough. And then, in order to help the network rebuild its audience, the scheduler would place another popular favourite immediately after it. Thus the programme was ‘hammocked’ – propped up from both ends.

The technique, of course, was not without its cost – a cost that was paid mostly by the third programme in the sequence, for the inheritance factor itself ensured that the last programme got a smaller audience than it might otherwise have done. But it worked. The BBC continued to make and transmit a range of programming that was sufficiently wide for it to claim that it was still doing all four of those things that Ofcom now suggests should be the aims of PSB.

“The BBC believed, I’m sure correctly, that if they lost ground and came to be viewed by only a tiny minority of the audience, they would ultimately lose any claim to a licence fee.”

ITV for its part was criticised in some quarters (though not particularly from its shareholders I might say) for neglecting some kinds of programming that were less popular – programmes that dealt seriously with the arts and sciences, and politics and documentaries. Sensitive to such criticisms, ITV did schedule such programmes to a certain degree, even though by doing so they inevitably reduced their revenues from advertising, at least in the short term. So a balance of power was established between the two television systems in which neither was overwhelmingly dominant. And that was important. The BBC believed,

I'm sure correctly, that if they lost ground and came to be viewed by only a tiny minority of the audience, they would ultimately lose any claim to a licence fee; and ITV, I suspect, felt that if they only broadcast programmes with a mass appeal, they would lose touch with a section of the public that their advertisers thought valuable.

The broadcasters also had to deal with another requirement. In addition to broadcasting to the nation as a whole, they had to supply different parts of the United Kingdom with special programmes of specifically regional interest. The BBC during the development of radio had already established centres outside London, in Wales, Scotland and Northern Ireland as well as in several regions in England. ITV, for its part, had been originally set up – and very deliberately so – not as a single united network but as separate regional companies. There was a concern that television was altogether too London-orientated, a concern that I think does not greatly trouble ITV today – though I suspect Ofcom may still hold it.

Regional broadcasters, of course, not only want to be heard locally, reporting on local affairs. They also wish to contribute to the national dialogue. Both activities, however, have their problems. Local programming, since it can only have, by definition, a very small audience, is per capita very expensive. The cost of a half hour in which a region opts out from the national network to communicate with its local audience in fact costs the BBC eight times that amount since nationwide, as eight regions would be doing so at the same time. As for those who contribute to the national network, success there often leads them to see their future in the centre of things, that is to say, the capital. So they tend to move to London, thus draining the region of its broadcasting talent.

The BBC dealt with a region's national aspirations by encouraging each of its centres, outside London, to develop its own speciality. Scotland, Wales and Northern Ireland had considerable success by drawing on local talents and settings and producing dramas and feature programmes that were of interest not just locally but nationally. But what about the English regions – the North, the West country, the Midlands, East Anglia? What could they contribute? The Midland region, centred in Birmingham, decided to concentrate on industrial programmes. The North, believe it or not, thought it would like to make *its* speciality old time music hall. But the most interesting response was that made by the West region, based in Bristol. It decided to specialise in natural history.

I mention this, not only because it was of interest to me personally, but because it generated a type of production unit that is of considerable importance if we are concerned about quality of programmes – the specialist department. Natural history was not then, back in the 1950s, an obviously popular subject. Films about African big game had always had a following. But true natural history – dealing in depth with the lives of birds and butterflies, introducing people to wild-life worldwide, keeping an increasingly urban population in touch with what was happening in their own countryside – such subjects were much less popular. There was no such programming in the United States, for example, and I think it not unfair to claim that the Natural History Unit that was created in Bristol pioneered such output. And these natural history programmes were properly cherished. ‘Hammocking’ was used to help them build their audience. And build them it did.

From a single intermittent pioneering strand, called *Look*, the output has grown spectacularly. It has developed different styles to suit different audiences and age-groups. And now the Unit produces 100 programmes a year on television and a similar number on radio. It built up a staff of expert cameramen, directors, recordists and editors particularly skilled in this specialised craft. It has accumulated an unrivalled archive that is continually enlarged and updated. So Bristol today is respected not only nationally but internationally as the world centre for this kind of programming. It is a prime example of what public service broadcasting can achieve.

And it has been imitated worldwide. ITV in this country set up its own unit. Similar ones were established in Australia and New Zealand. These other units were created by organisations which depended not on licence money but advertising. And they did very well as long as natural history programmes were fashionable. But fashions change and all these units, sadly, are now disbanded. The Bristol Unit has suffered along with the rest of the BBC from recent staff cuts. Yet it remains confident in the belief that the BBC will maintain it, in spite of the vagaries of fashion, because the Corporation believes that such programmes deserve a place in the schedules of any broadcaster with pretensions of providing a public service.

In due course, similar specialist units were also established in London, in order to produce programmes on archaeology and history, on the arts, on music and on science. They too, at one time, had their successes. But they have not survived as well as the Unit in Bristol. The

statutory requirement that a certain percentage of programmes must come from independent producers has reduced in-house production and the units necessarily shrank proportionately in size. As they dwindled, so the critical mass of their production expertise has diminished. The continuity of their archives has been broken, they have lost the close touch they once had worldwide with their subjects and they are no longer regarded internationally as the centres of innovation and expertise that they once were.

In 1964, the pattern of British television changed again. Advances in broadcasting technology made it possible to introduce a third network. A committee, set up by the Government, decided that it should be given to the BBC and used to broaden the choice of programmes that could be viewed at any one time – for then it was still not possible for people to record programmes in their homes and watch them when they wished to. They could only view them when network schedulers decided that they should. BBC Two came into existence.

“And with the new network came a second way of building audiences – ‘cross-trailing’. The two networks worked together to create what we called ‘common junctions’, points in the schedule when programmes on both networks came to an end and new ones started.”

It brought wonderful creative freedom. Now we could produce programmes that hitherto had failed to find a place on the senior network (which was renamed BBC One), partly because of its need to maintain parity of audience with ITV. And with the new network came a second way of building audiences – ‘cross-trailing’. The two networks worked together to create what we called ‘common junctions’, points in the schedule when programmes on both networks came to an end and new ones started. The continuity announcer on one network was then able to suggest that viewers might like to switch across and sample a programme on the other. Like ‘hammocking’, ‘cross-trailing’ had its costs. Producers and performers were not necessarily delighted to hear an announcer, immediately before their programme was aired, suggest to viewers that they might like to switch away from it and try something else.

It was now that we became painfully aware of something that, in fact, we had known perfectly well since quite early in the days of the

ITV/BBC duopoly: people quickly develop a channel loyalty which is remarkably strong. When you come to think of it, that is not really surprising. The recognition of the inheritance factor should have given us fair warning. The fact remains, however, that even today, getting on for half a century after the birth of BBC Two, twice the number of people will watch a programme if it is placed on BBC One than if it is shown on BBC Two.

“Now we are in the middle of another broadcasting revolution, brought about by developing technology – digitalisation and the sudden proliferation of channels. This must surely change everything.”

Nonetheless, by ‘hammocking’ and ‘cross-trailing’, BBC One and BBC Two between them managed to build audiences for such subjects as history and archaeology, for serious music and science, for biography, art history and politics. Sometimes, of course, a particular genre of programming failed to lift audiences to levels that justified its continuation. But then it would have been a scandal if that didn’t occasionally happen. The freedom to try and to fail is one of the privileges that a licence fee gives you and sometimes you must risk failure in the interest of extending the range of programming.

Now we are in the middle of another broadcasting revolution, brought about by developing technology – digitalisation and the sudden proliferation of channels. This must surely change everything. Now at last there is all the space anyone could possibly need to broadcast every kind of subject that public service could expect. Each genre can have its own channel where, protected from other claimants, it can flourish. Niche broadcasting has arrived.

There are now niche channels devoted to the arts, to natural history, to children’s programmes, to biography, to science fiction, even to the weather. The big popular successes – sport and feature films – of course do very well, as they do elsewhere. But the less popular genres, the ones that public service programming is concerned with, do very much less well – *dramatically* less well. A typical natural history programme on one of these niche channels will be lucky to get one percent of the audience it will attract if it is placed on BBC One. Arts programmes, when shown on a channel devoted exclusively to them, fare even worse.

Why have these new digital channels not done better? Well, primarily because the notion entertained by some of us that great numbers of people, tired after a hard day's work, come home and flip through 50-odd programme channels to decide what to view is, in fact, largely illusory. The overwhelming majority of people have their own favourite mainstream networks and they look to them first to engage their interest. But there are other reasons. Some channels, of course, can only be viewed by making an additional subscription – and sometimes a very hefty one. The unvaried nature of their output makes them difficult to watch uninterrupted for long periods at a stretch. And those potent weapons, 'hammocking' and 'cross-trailing', are both denied to them. So in practice, niche broadcasting is hardly relevant when discussing the provision of PSB – because of that last initial in the acronym. The B, I needn't remind you, stands for *broad*-casting, not *narrow*-casting.

“The overwhelming majority of people have their own favourite mainstream networks and they look to them first to engage their interest.”

There is, of course, another way of financing programmes with those four aims specified by Ofcom. Revenue could be found – and a slice of the licence fee, some suggest, is the way to get it – to subsidise individual programme strands placed on commercial channels. But think of the fate of one such programme, struggling for its position there. Other income-earning programmes do not want it placed anywhere near them. The inheritance factor will ensure that it will damage them. So, unless there are regulations to stop it, PSB programmes will inevitably be pushed out of peak hours and into out-of-the-way corners of the commercial schedule when fewer people will want to watch them. So the odds are stacked against them increasing their audience. They become the schedule's pariahs, retained under sufferance, tucked away, unloved, where they do least harm to the network's income. Furthermore, there will not be enough of any particular kind of programme for any independent broadcaster to establish a whole unit where the expertise required for that genre can be generated and cultivated.

PSB, to me, is not about selecting individual programme strands here or there, financing them from some outside source and then

foisting them upon commercial networks. Public service broadcasting, watched by a healthy number of viewers, with programmes financed in proportion to their intrinsic needs and not the size of the audience, can only effectively operate as a *network* – a network whose aim is to cater for the broadest possible range of interests, popular as well as less popular, a network that measures its success not only by its audience size but by the range of its schedule.

Is that what the BBC does? I would like to think so, since I have worked for it and it alone throughout my broadcasting career. But I have to say that there are moments when I wonder – moments when its two senior networks, first set up as a partnership, schedule simultaneously programmes of identical character, thereby contradicting the very reason that the BBC was given a second network. Then there are times when both BBC One and BBC Two, intoxicated by the sudden popularity of a programme genre, allow that genre to proliferate and run rampant through the schedules. The result is that other kinds of programmes are not placed, simply because of a lack of space. Do we really require so many gardening programmes, make-over programmes or celebrity chefs? Is it not a scandal in this day and age, that there seems to be no place for continuing series of programmes about science or serious music or thoughtful in-depth interviews with people other than politicians?

The BBC is still strong. Of course, audiences for established networks, the BBC's included, have all diminished. How could they not have done so when so many new channels have appeared? The viewers of these new networks, no matter how few, had to come from somewhere. But the great proportion of people, it turns out, are still primarily loyal to one or two networks. Viewers can only be properly provided with the variety of high quality programming that they deserve by a network, or better, a small group of two or three networks, that are planned and scheduled together to create high-quality programmes of the greatest possible variety.

“Viewers can only be properly provided with the variety of high quality programming that they deserve by a network.”

I have written, I know, more about the history of public service broadcasting than of its future. But you cannot plan the journey ahead unless you know where you are. And you cannot properly understand where you are, unless you know where you have come from. Broadcasting technology has changed at an extraordinary speed during

my lifetime and will doubtless change more, but human nature does not alter very much and human behaviour does not necessarily keep pace with our inventions.

Today, there are increasing numbers of technical advances that allow viewers to repeat programmes at their leisure and view them when the mood takes them. They can trawl through archives of material that have been gathered and created in the past with public money. There will be many more ways whereby institutions of all kinds, museums, scientific societies, political parties and great industrial corporations, can communicate with particular sections of the public. They all have their place.

“But broadcasting is something else. It is that miraculous advance, still not a century old, that allows a whole society, a whole nation, to see itself and to talk to itself.”

But *broadcasting* is something else. It is that miraculous advance, still not a century old, that allows a whole society, a whole nation, to see itself and to talk to itself. It enables people, no matter who they are and where they are, to share insights and illuminations, to become aware of problems and collectively consider solutions. It is one of the wonders of our age.

It should not be editorially controlled by governments. Nor should it be used exclusively for commercial purposes. It should be a place where all kinds of people, with all kinds of interests and insights, can share them with society as a whole. That, I maintain, cannot be achieved with a few individual programmes, dotted here and there on networks whose aims and basic functions have some other ambition. It can only be done by a coherent network, one that measures its success not only by the size of the audience it manages to gain for an individual programme but – very importantly – by the width of the spectrum of interests it manages to represent. A network, in short, that is dedicated primarily to the service of the public.



STEPHEN FRY

Comic genius Stephen Fry is a Renaissance man: writer, actor, comedian, director, librettist, quiz show host and compere extraordinaire. He is best known for his TV comedy, including *A Bit of Fry and Laurie*, *Blackadder*, *Absolute Power* and *QI*.

Born in London in 1957 and raised in Norfolk, Stephen attended Cambridge University where his successful comic partnership with Hugh Laurie began.

Stephen has also embarked on a serious documentary path, making an award-winning series on manic depression, and further factual series for the BBC. Fry's sharp wit and linguistic prowess have made him a master of the one-liner.

1.2 STEPHEN FRY

Stephen Fry describes his attachment to the kind of broadcasting he grew up with, and expresses fierce pride in the quality and innovation that has characterized British television and radio for fifty years. He assesses the role of the Ofcom Review of Public Sector Broadcasting and discusses whether the income from the licence fee should be shared amongst the BBC and its rivals.

Before I can even think to presume to dare to begin to expatiate on what sort of an organism I think the British Broadcasting Corporation should be, where I think the BBC should be going, how I think it and other British networks should be funded, what sort of programmes it should make, develop and screen and what range of pastries should be made available in its cafés and how much to the last penny it should pay its talent, before any of that, I ought I think in justice to run around the games field a couple of times puffing out a kind of “The BBC and Me” mini-biography, for like many of my age, weight and shoe size, the BBC is deeply stitched into my being and it is important for me as well as for you, to understand just how much. Only then can we judge the sense, value or otherwise of my thoughts.

It all began with sitting under my mother’s chair, aged two, as she (teaching history at the time) marked essays. It was then that the *Archers* theme tune first penetrated my brain, never to leave. The voices of Franklin Engelman going *Down Your Way*, the women of the *Petticoat Line*, the panellists of *Twenty Questions*, *Many A Slip*, *My Word* and *My Music*, all these solid middle class Radio 4 (or rather Home Service at first) personalities populated my world. As I visited other people’s houses and, aged seven by now, took my own solid state transistor radio off to boarding school with me, I was made aware of *The Light Programme*, now Radio 2, and Sparky’s Magic Piano, Puff the Magic Dragon and Nelly the

Elephant, I also began a lifelong devotion to radio comedy as *Round The Horne*, *The Clithero Kid*, *I'm Sorry I'll Read That Again*, *Just A Minute*, *The Men from The Ministry* and *Week Ending* all made themselves known to me.

“It all began with sitting under my mother’s chair, aged two, as she (teaching history at the time) marked essays. It was then that the Archers theme tune first penetrated my brain, never to leave.”

This was a world in which the BBC had a cosy and almost complete monopoly of radio. There were things called pirate radio ships, about which Richard Curtis has just written a feature film I believe, and these gave rise to Radio 1 and a whole generation of disc jockeys, but this was pop music, something that frightened and upset me then and frightens and upsets me now. That’s not generational, I’m from an entirely pop-literate, pop-loving generation, it is personal. For me comedy was all I wanted, whether in the surreal world of *Goon Show* reruns, the insinuating filth of Kenneths Williams and Horne, or in the grown up wit of Frank Muir and Dennis Norden. Many of the names that meant so much to me are now all but forgotten by the general public: Steve Race, Ian Wallace, Anthony Quinton, John Ebden, James Cameron, Kenneth Robinson. And in the past few years a cruel swathe has been cut through the once lush grass of great radio personalities: Alastair Cooke, Linda Smith, John Peel, David Hatch, Ned Sherrin, Alan Coren and finally, I was only yesterday at the funeral of the great Humphrey Lyttleton. Maybe this cruel swathe will be used as an excuse radically to reinvent radio. Radio 4 in particular is radically reinvented every five years or so, fortunately with no result whatever. Radical reinvention is not something that comes naturally to the British institutional mind. Indeed if you have an institutional mind, a change of stationery is seismic and upsetting enough to qualify as root and branch restructuring. Thus, altering the time slot of *Woman’s Hour*, allowing *Gardeners’ Question Time* to be independently produced and other such cosmic storms have constituted the radical and fundamental changes to Radio 4 that have allowed it slowly to evolve over the decades, matching and paralleling its core audience and providing a service so incomparable in its variety and quality as to be an actual reason for some to live in Britain. But it is ‘only’ radio: necessary to its survival has been the fact that the Associated Press, media tycoons and the political classes don’t care that much about it. Thus it has thrived. Thriven. Throven.

Bethrived. I have to turn now to TV.

I may have grown up just as the Golden Age of Radio had passed, but the Golden Age of Television, that grew with me. When I was seven my parents moved house. Well, we all moved house as a family, I don't mean my parents left me behind, though who would blame them if they had? We owned, in those days, a television that disguised itself as a mahogany drinks cabinet, in the way they did – and they were never called just televisions, by the way, they were television *sets*. This one's screen was, of course, black and white, it boasted one channel, the BBC (what we'd now call BBC One) and had a knurled volume knob in dark brown Bakelite. The set smelled the way dust always did when it was cooked on Mullard valves as they warmed up. It slid about on castors and had doors that closed with a satisfactory snick as a ball bearing rolled into its slots to secure it. The week before we moved, the BBC started a new drama, starring William Hartnell. An old man, whose name appeared to be Grandfather or the Doctor, had a police phone box of the kind we saw in the street all the time in those days. It turned out to be a magical and unimaginably wonderful time machine. My brother and I watched this drama in complete amazement. The first ever episode of *Doctor Who*. I had never been so excited in all my life. A whole week to wait to watch the next instalment. Never have seven days crawled so slowly by, for all that they involved a complicated house move from Buckinghamshire to Norfolk. A week later, in that new house, my brother and I turned on the good old television set in its new sitting room, ready to watch Episode 2. The TV had been damaged in transit and was never to work again. We missed that episode and nothing that has transpired in my life since has ever, or could ever, make up for that terrible, terrible disappointment. There is an empty space inside me that can never be filled. It is amazing neither of us were turned into psychopathic serial killers from that moment.

The years passed and brought with them for children *Blue Peter*, every Oliver Postgate from *Noggin the Nog* to *Ivor the Engine* by the way of *The Clangers* and *Bagpuss*. *Mr Benn*, *Play School*, *Play Away*, *Rent-a-Ghost*, *Grange Hill* and the *Multi Coloured Swap Shop*. How lucky our generation was. How spoiled. ITV played its part, of course it did, with *Magpie* and *How* and much else. This was a period of revolutionary drama from directors and writers such as Alan Clarke, David Mercer, Kenneth Loach, Mike Leigh, Alan Plater, Michael Apted, Stephen Frears, Dennis Potter. Play of the Month, Play of the Week, Play for Today. *Cathy Come Home*, *Edna The Inebriate Woman*, *Pennies From Heaven*, *I Claudius*, *Tinker*

Tailor. Popular drama from *Z Cars* to *Colditz*. And comedy: Peter Cook and Dudley Moore, Monty Python, *Up Pompeii*, *The Goodies*, *Dad's Army*, Dick Emery, Morecambe and Wise, *The Likely Lads*, *The Two Ronnies*, *Porridge*, Reggie Perrin, *Fawlty Towers*... ITV gave us *Rising Damp*, and those definite article ITC adventures from Monty Berman and Dennis Spooner: *The Avengers*, *The Champions*, *The Adventurer*, *The Baron*, *Man in a Suitcase*, *The Prisoner*, *The Persuaders*, *The Protectors* and of course *The Sweeney* and *The Professionals*. And during this time BBC 2 had arrived and with it *Civilisation*, *The Ascent of Man* and the full realisation of its first controller, David Attenborough, as the world's natural historian.

A succession of progressive, imaginative, tolerant, liberal in the loosest sense, and amiably hands-off TV executives from those legendary BBC Chairmen, Hugh Carleton-Greene and Lord Hill, downwards had created, or presided over, a cultural revolution of astounding depth, variety, imagination and dynamism. And then, just as I was leaving prison, starting simultaneously my period on probation and at University, the way you do, the wind changed and Margaret Thatcher, the new Mary Poppins, descended into Downing Street, with new medicines for us to take, but very few spoonfuls of sugar to help them go down. I am not going to blame her or make political points. The wind had changed and she blew in with it and would one day be blown away by another change. But here she was and fundamental questions were asked, genuinely radical unthinkable thoughts were thought in an age of privatisation and anti-dirigiste, anti-statist conservatism.

The first few years of that long administration in fact changed nothing. Her government was busy with a terrible recession and the Falklands war, fighting miners, that kind of thing. During exactly this time, I left University and began on what, for want of a better word, I shall call my career.

Comedy was my point of entry into television. Comedy had been my rock and roll as a child and now I was allowed to do it for a living. There is an argument that comedy is a greater public service than any other genre of art or culture: it heals divisions, it is a balm for hurt minds, it binds social wounds, exposes real truths about how life is really led. Comedy connects. The history of BBC comedy in particular is almost a register of character types, a social history of the country. Hancock, Steptoe, Mainwaring, Alf Garnett, Basil Fawlty, Baldrick, Victor Meldrew, Alan Partridge, Ali G, David Brent, the matchlessly great General Melchett – it is much harder to list character types from serious drama who have so penetrated the consciousness of the nation

and so closely defined the aspirations and failures of successive generations. A public service broadcasting without comedy is in danger of being regarded as no more than a dumping ground for worthiness. Seriousness is no more a guarantee of truth, insight, authenticity or probity than humour is a guarantee of superficiality and stupidity. Angels can fly because they take themselves lightly.

“There is an argument that comedy is a greater public service than any other genre of art or culture: it heals divisions, it is a balm for hurt minds, it binds social wounds, exposes real truths about how life is really led. Comedy connects.”

Meanwhile, back to history, for a moment. What was happening to broadcasting during the time I was cutting my comedy teeth? In drama, the word ‘play’ had been all but banned. It was Film Four and Screen Two. The multi camera studio drama, such as *I Claudius*, had become a thing of the past, the way led by *Brideshead* and other single camera filmed pieces. ‘Yoof’ TV made an appearance thanks to Planet 24 and Janet Street-Porter and the Peacock Report appeared.

The Peacock Report, referred to by broadcast professionals in that way they have, as Peacock, came less than ten years after the Annan Report, which the great Noel, Lord Annan had submitted to parliament in 1977. Annan had been the first to detect a caterpillar in the perfect garden salad of the BBC’s golden age. He thought television as run by ITV and the BBC needed a shake up, it lacked a kind of diversity, plurality and edge, all happily unfamiliar words in those days. For the first time the founding Reithian tenets of authoritative patriarchal broadcasting were challenged: the *de haut en bas* principle in which the educated producer, presenter, writer knew what was good for the country and for the audience was under fire. The first and most direct result was Channel 4 three or four years later, specifically charged to speak for minorities and sections of society who did not want to be spoon-fed by the supercilious educated classes. The arts and documentaries, drama and comedy were still presented but in a kind of punked up style, all attitude and in-yer-face. TV went from Oxbridge to concrete, missing out red brick altogether. But the words ‘radical’ and ‘reform’ meant something quite different to a new and ideologically fired government and so in 1986 a new report emerged: Peacock.

Here was a report that really delivered a blow to the BBC’s

solar plexus. Peacock began to foresee the possibility of digital diversity on an unimagined scale; it also put forward the ideas of a consumer-led, market-driven broadcasting world, one in which the very principles of a licence fee funded public service broadcasting system would naturally be seen as obsolete. This suited the tenor of the times: deregulation, privatisation and a rigorous dismantling of the frontiers of the state – it was happening in the city and in industry and the utilities, why not broadcasting? The BBC, long seen as harbouring tendencies and personnel that were socialistic at best, Marxist at worst, was suddenly no longer a secure and unassailable acropolis. It was no secret that Norman Tebbit and some of the more fundamentalist free-marketeers and red-baiters of the administration would have been very happy indeed to dismantle the entire structure of the BBC. Peacock prevaricated and the charter appeared safe, but at a great price. Nothing would ever be the same again, the old certainties were dead and the harsh realities of capitalism arrived at Wood Lane and Portland Place. Whole departments were razed and working practices abolished, and something called an internal market was put in place. Radio Times was outsourced, the permanent make-up staff went, engineers, editors and set-designers were suddenly out of a job. Twenty-five percent of the BBC's output was commanded to be produced from outside sources and a whole new independent sector was born. Companies like Hat Trick and Talk Back achieved almost instant success. Peter Bazalgette, who had been a typical BBC producer, starting life as a *That's Life* researcher, then making *Food and Drink* and other such innocent programmes, started on the path that would lead him to Endemol and unimagined reach and riches. Men and women who had spent their whole lives dreaming up formats and broadcasting ideas as part of their job, suddenly had those ideas outside BBC premises, in their own time, because producers could now become entrepreneurs. There was money to be made and such a thing as loyalty to this new BBC was now a preposterous idea. The smell of Hugh Wheldon's pipe smoke and tweed was finally expelled from every office, every corridor and every meeting room in the BBC. But at least the charter was safe, the licence fee was safe and the radio stations and the World Service and the general face and form of the BBC were safe and familiar. There was still *Blue Peter* and the Cup Final and *Only Fools and Horses*. The spinning globe and the logo were outsourced to Lambie Nairn, but the Beeb was still alive. David Attenborough and Bristol continued to make outstanding natural

history programmes, the BAFTAs and Emmys continued to roll in for the innovative new drama and comedy.

And now... Well, we know what has happened since. Satellite, digital TV, Freeview and now Freesat, the Internet and mobile telephony, BBC iPlayer for the iPhone, Mac and PC, a plethora of outlets so vast, complicated and fast-moving that audience numbers for traditional TV have plummeted. 3 million is now considered a good rating for a BBC One drama. Meanwhile of course, ITV has morphed into a new kind of entity, more answerable to shareholders than ever before and Channel 4, always an uneasy hybrid of public duty ideals and free market commercialism, is finding it hard not to descend to freak show documentaries: *The Man With a Nose Growing Out of His Bottom*, *The Girl With Fourteen Nipples* and that kind of embarrassment for all concerned. So much so that C4's very existence and right to continue is being questioned.

And we have a BBC that broadcasts through four major adult channels and a number of children's channels, it has a news channel, a parliamentary channel and an HD channel. It also has a news channel in the form of its news.bbc.co.uk website, one of the most popular in the world. It has the iPlayer on its site too, streaming content to UK users only. But hell, there's ways round that. Streaming? Hardly: anything that can be played on your computer can be stored on it and shared. A digital copy is a perfect copy. Once on the net it's out there and will be bit torrented and Limewired and Gnutella-ed and otherwise P2P distributed. The BBC is making a lot of enemies giving away free programmes to an internet that everyone else is trying to "monetise"; at the moment it's relying on the fact that you have to be slightly dorky to record from the iPlayer, but believe me that will change. It will soon be the work of a moment for my mother to get an iPlayer programme off her computer and onto her iPod, iPhone, or whatever device she chooses. In its digital doings, from interactivity through to HD and online resources, the BBC has been pretty much in the forefront of development, but also in the forefront of annoying those without its advantages.

Meanwhile I have continued to enjoy a happy career as actor, performer, broadcaster, documentary maker and now, with an independent production company of my own, producer, so it is clear that I have had nothing to complain about: the old system was easy for my benighted Oxbridge self and the new system has worked for me too. I may be white and middle class, but hey, I'm gay and Jewish, so all kinds

of minority compliance boxes are ticked by my very presence, aren't they? Well, do gay and Jewish count as minorities in this business? Do you remember that scene in Mel Brooks's *To Be Or Not To Be*? He and his wife Anne Bancroft play, if you remember, a theatrical couple in Poland at the outbreak of the war. As the Nazis move in, more members of his company get taken away. One day his wife's rather camp dresser, Sasha, disappears. Brooks's character really loses it. He slams his palm into his fist. 'Enough is enough. First the Jews, then the gypsies, now the faggots. Don't they realise that without Jews, gypsies and faggots there's no such thing as show business?'

"If we stopped husbanding the Yorkshire Moors or the Lake District the result would be weeds, scrub or desertification, not more efficient productive landscapes from Germany or South Korea providing consumer choice and real competition. If innovative, cutting-edge, new and risky programming is not subsidised, the weeds will blow in too."

The point is I have of course a kind of vested interest in the status quo. Or if not the status quo, it might easily be seen that any view I have about broadcasting is that of an insider. A member of the Oxbridge *cosa nostra*, the gay cosy *nostra* and indeed the kosher *nostra*. An insider moreover, who even if he had never stepped into broadcasting would, by virtue of that upbringing I told you about, be destined always to have in his heart a huge place for public service broadcasting as exemplified by the BBC.

Many of us are likely, whatever our professions, to have an attachment to the kind of broadcasting we grew up with, a fierce pride in the staggering history of quality and innovation that has characterized British television and radio for fifty years. A pride, a sentimental loyalty that causes us to raise our well modulated, well educated voices loudly against any perceived barbarians at the gates. At a price, we saw off the Tebbit and print media attacks on our ramparts, a price that included many of us becoming extremely rich – damn you capitalism! – and now there is another attack imminent, at least a new report is beating its wings above us and stirring the air once more. And so once more we have to think not of how things have gone on, and how they are going on, but how they will go on. The future beckons. What will happen? As

Neils Bohr, the great Danish physicist once said, “Prediction is very difficult, especially about the future.”

This new report is not from a grand panjandrum like my lords Annan or Peacock, but rather – *o tempora o mores* – it is an OfCom Review of Public Sector Broadcasting. A new kind of cat has been put among the pigeons. There is nothing ideologically gross for us to moan at, nothing personal, philistine or crassly commercial to deprecate with elegant disdain, but a simple honest proposal. If we still want the broadcasting landscape in this country to be dominated by grand mountains and valleys of quality programming that can inform, entertain, educate and enlarge the horizons of the British viewer, then perhaps we should accept a new ‘model’ for the financing and husbanding of such a landscape. Let the income from the licence fee now be shared amongst the BBC and its rivals. Let it be sliced, as the jargon has it.

Wow. A beguiling thought. Neat. And how appealing to our political masters. The Blairite/Brownite benisons of public/private interbreeding can be allowed to combine with the wholly reasonable recognition that in this fierce new world of rich-spectrum, multiple-bandwidth broadcasting, resources must be shared – all must be allowed to wet their beaks.

I stated earlier that Peacock ‘prevaricated’ in not creating a wholly commercial landscape; it might be truer to say that the BBC won part of the argument back then because it was successfully proposed, by Andrew Graham and Gavyn Davies, *inter alia*, that broadcasting is a special case, that the rules of the market place don’t apply. As in the armed forces, coastal defence, policing and other fields, capitalism red in tooth and claw cannot be unleashed here. If we stopped husbanding the Yorkshire Moors or the Lake District the result would be weeds, scrub or desertification, not more efficient productive landscapes from Germany or South Korea providing consumer choice and real competition. If innovative, cutting-edge, new and risky programming is not subsidised, the weeds will blow in too. This was the argument and it prevailed. But. But it was ultimately an argument that applied to a spectrum poor, low bandwidth broadcasting world. Gavyn Davies and others were able to argue that there would be no real diversity and choice in a free market dismantling of the licence fee because it was not foreseen how staggeringly multifarious the technical possibilities of programme rediffusion, distribution, ownership and rights management would be twenty or so years later. Private competition meanwhile

continued to hammer home its counter-message. ‘Actually the market does work, it only doesn’t work when it’s unfairly dominated by subsidised monoliths like the BBC. Take away their distorting effect on the market and all will be well. Choice and diversity will reign.’ I remember Hugh and I wrote a sketch in which I played a waiter who recognised a diner in my restaurant as a Tory broadcasting minister. I clapped him on the shoulder and told him how much I admired his policies of choice, consumer choice, freedom of choice. I then was horrified to notice that he had only a silver knife and fork for cutlery at his table. ‘No, no, they’re fine,’ said the puzzled politician. But my character the waiter raced off and soon returned with an enormous bin liner which I emptied over his table. It contained thousands and thousands of those white plastic coffee-stirrers. ‘There you are,’ I screamed dementedly at him, virtually rubbing his face in the heap of white plastic, ‘now you’ve got choice. Look at all that choice. They may all be shit, but look at the choice!’ The sketch ends with me trying to strangle him. Heavy handed satire perhaps, but that was how it looked to me we were in danger of going: thirty or forty channels but all filled with drek. Peacock had been made to see the danger of that too and the BBC’s unique funding model was safe – for the time being at least.

Meanwhile the free market is great, it has proved just how greedy for money even the most socialistic TV programme maker is – just watch them scramble for the millions as their production companies are floated.

And as for broadcasting – well, after a mad diversion of believing that it was all about distribution, every media boss now repeats the mantra Content is King.

‘We repent,’ they seem to be saying, ‘being a media boss is no longer about owning as many stations, networks, nodes, outlets and ports as possible – it’s about production, about making things. I see that now.’

‘Hurray,’ shout the programme makers, ‘finally you’ve understood. So, give us the money then.’

‘What money?’ say the media executives, ‘there is no money. We spent it all buying up companies and their back catalogues. We needed content in a hurry, because – in case you weren’t aware ... content is king, you know.’

‘Doh. Hang on ... but what about new content?’

‘Good lord no. Are you mad? Far too expensive.’

The arguments for keeping the funding structures in place might be considered compelling: despite everything, the BBC is still doing what it has always been charged to do. It actually makes programmes. It pioneers comedy and popular entertainment, it reveals some of our cultural heritage to us in the form of costume drama, documentary, history and science programming; it informs, educates and entertains, it tells us about the human heart and the cosmos, the wide globe and the narrow street, it responds to new technologies and still manages to retain some sense of being the nation's fireplace.

If it were to be forced to turn commercial, who would benefit? How would consumer choice and quality be maintained? What systems overseas provide tempting paradigms to imitate? None. Let's stay the way we are.

All of which *is* arguable when looking at the BBC alone. But OfCom has wider responsibilities of course, as does government. They must balance public provision with private competition across the whole of an industry of converging technologies and diverging missions. They look at the plight of ITV struggling with its miserable ever-widening Mr Micawber gap between expenditure and income and specifically at Channel 4 with its ambivalent position as a commercial operator with an often countervailing non-commercial remit. How ironic. Channel 4 is the perfect example of the glories of private and public and yet far from freeing it up, it's been hamstrung by its unique constitution. How can we ensure a healthy, post-digital switchover future for such networks? Where will the funding come from?

And what about other private companies who want to invest in the fabulous opportunities offered by online broadcasting: how can they compete with the BBC and its unfair subsidy? The days of claiming that the market cannot work are over, and it's time to look at broadcasting in a new way. Thanks to TiVo, Apple TV, Sky Plus, Elgato and other forms of personal video recorder, televisions are now audio visual retail outlets that know about and respond to the consumer. Real market choice is here, there is no national fireplace, the individual with his remote, connected as he or she is, has no stake in station loyalty, no interest in network branding: show them the list of content, in categories including action, adult, arts, children's, documentaries, drama, films: in sub-categories and nested sub-sub-categories, special interest according to age, religion, ethnicity and sexuality – who says the market place can't tick the boxes for plurality, diversity and inclusivity?

Control is – or soon will be – the consumer’s: there is no need for a front end branded One Two Three Four, whether BBC or ITV. No need for anything but content. And if you want content to be anything more, any scintilla of a *soupeçon* of a hint more than what market forces demand, if you sincerely want content to be occasionally uplifting, ennobling, educative, innovative, top down, nourishing and of bountiful, beautiful benefit to Britain and its citizenry, then yes, absolutely, the only source of financing for that is the licence fee.

So long as the playing field is level, the market will take care of the set top boxes, the distribution systems, the digital pipelines to the audio-visual retail outlet that is the consumer’s television, while the licence fee can – if it must and likes the idea – pay for content that can’t pay for itself in the normal cut and thrust of the marketplace. And if Channel 4 wants to (or must because of its remit) make that kind of public service programme as well as *Hollyoaks* and *The Girl Whose Breasts Talk German*, then the licence fee should cover that as well. The days of the BBC as a national institution, hosting and front-ending publicly funded content are over. The mighty oak must have some of its branches lopped off to allow light on the smaller trees around it. public service broadcasting is now merely the management of licence fee monies: we don’t need a BBC for that, or rather the BBC we need is a slimmed down BBC. It doesn’t need to try to be all things to all people, it can concentrate on public service and leave the commercial populist programming to the private sector.

Wow! Radical. And tempting. Perhaps. Perhaps tempting. Not to me, I have to say, but then I am not Britain or an average Briton. This image of the consumer’s home as a kind of electronic bookshop, as outlined by media business guru Barry Cox, where we move from passive viewer to active consumer may seem beguiling to some, but actually we already know that model. We know it from hotel rooms and aircraft entertainment systems.

It’s technically doable, especially when cleverly finagled with PVRs, but is it broadcasting, is it, actually, what anyone *wants*? Well actually, it exactly isn’t broadcasting, it’s narrow-casting. But is it wanted? I don’t know, I can’t speak for Britain, I can’t second guess polls, though I can imagine how easily they will return the results wanted by either side, according to the way the questions are framed. “Do you want to see the BBC dismantled so that you have to choose and pay for all your programmes like a hotel room film menu?” NO. “Do you want to stop paying the licence fee and being forced to watch poncey

documentaries and have access to thousands of films and saucy programmes at the click of a button?” YES. GIGO, as they used to say in the early days of computing: garbage in, garbage out.

But that is nothing, nothing to the real problem. Content. Production. Programme making. TV programmes suffer from the embarrassing necessity of having to be written and made. Unlike Yorkie Bars or tennis balls or mobile phones, you can't just gear up the machinery and stamp them out in perpetuity. Every damned new programme has to be developed, nurtured, and tried out. Relationships have to be forged with writers, performers, presenters and directors, failures have to be accommodated and accepted. How this is achieved in a brave new world of post-switchover root and branch restructuring, I don't know.

“The arguments for keeping the funding structures in place might be considered compelling: despite everything, the BBC is still doing what it has always been charged to do. It actually makes programmes.”

Even the most immoderately free market media analyst or commentator I have heard or read would concede that there is a need for good impartial news coverage; that a nation deserves access to programmes that reveal truths about themselves and the world. But mostly they would argue too that if that is what the BBC is to provide, it can be slimmed down, the corporation can lose the need to make its *DoctorWho* and *Strictly Come Dancing*, its populist forays can be taken care of by ITV, whose audience share would concomitantly rise, narrowing its dreaded gap, while money would be freed from retrenching the BBC's ambitions in the digital world, in film-making, in popular TV, in sporting occasions, money that could create better PSB programming and allow Channel 4 access to money that would spare us more of *The Boy Whose Testicles Play The Harpsichord*.

Or perhaps a PSB system can be implemented on the American model of public subscription, or on the New Zealand and Singaporean models, based on a kind of central funding body. Neither of these can really be deemed especially successful, but again they free up money which can be thrown at as much public service broadcasting as anyone wants, and let real commercial players get on with making real commercial stuff.

But what would that BBC then be? Who would watch it? How could an audience be brought to a channel that showed nothing but worthy programming, no matter how excellently produced. Isn't the whole point of the BBC as a major channel, a real player in TV production across the spectrum of genres and demographics, isn't the whole point of that BBC its ability to draw audiences into PSB programming by virtue of their loyalty and trust in a brand that provides entertainment, pure and simple? Isn't the slide scheduling from BBC4 to 2 or BBC3 to 1 an example of that, just as it can be from BBC2 to 1? I have been involved in programmes that have made that journey. *Who Do You Think You Are?* started on 2 and went to 1, like *Have I Got News For You*; and a documentary I made recently on Gutenberg started on 4 and then screened on 2, getting I am told very good figures indeed, and staying in the top 3 on the iPlayer top ten for a week. It would not have been possible to get that audience, for what I am persuaded (well, I would be) was an important and almost copybook example of PSB programming, without the cross channel trailing and station loyalty that the present all-encompassing nature of the BBC allows. In a sense, the nature of the BBC as it is "gives permission" to all kinds of people to watch programmes they otherwise might not.

"Because I genuinely cannot see that the nation would benefit from a diminution of any part of the BBC's great whole. It should be as closely scrutinised as possible of course, value for money, due humility and all that, but to reduce its economies of scale, its artistic, social and national reach for misbegotten reasons of ideology or thrift would be a tragedy."

What is the alternative, a ghettoised, balkanised electronic bookshop of the home, no stations, no network, just a narrowcast provider spitting out content on channels that fulfil some ghastly and wholly insulting demographic profile: soccer mum, trailer trash, teenager, gay, black music lover, Essex girl, sports fan, bored housewife, all watching programmes made specifically for them with ads targeting them. Is that what we mean by inclusivity? Is that what we mean by plurality? God help us, I do hope not.

And anyway, can it not be understood that what we call 'entertainment pure and simple' is neither. It seems hardly necessary for

me to rehearse the argument in comedy: Gervais and Merchant, Lucas and Walliams, Mitchell and Webb, Catherine Tate, the *Gavin and Stacey* team, and before them Ali G, Steve Coogan, you name them, they all developed their arts over time, they all made minority failures, they all needed to be brought on. No one but the BBC could have made *Blackadder*, especially after the expense and relative failure of the first series. Does it count as entertainment or as public service broadcasting? Do we have to make a distinction? That's the point surely. With all respect to Ofcom and Barry Cox, and all the media analysts and broadcasting journalists who insist on one, do we really have to make a distinction?

“I wanted to make a pair of films about bipolar disorder: did I have to believe that I was making a public service series? Could I not believe as I did, that I was making two television programmes that I hoped as many people as possible might watch, just as I would hope if I was making a drama or a comedy?”

I have to be personal again. I wanted to make a pair of films about bipolar disorder: did I have to believe that I was making a public service series? Could I not believe as I did, that I was making two television programmes that I hoped as many people as possible might watch, just as I would hope if I was making a drama or a comedy? Yes, those couple of films on manic depression may well have fulfilled a public service, one that could be uniquely followed up via the BBC's resources on radio, on websites and on help-lines, but did the gratifying large audience tune in because it was public service broadcasting? How insulting to everyone concerned is that?

By asking me to contribute my thoughts, the BBC hoped, I suspect, but in no way insisted, that I would fight their corner against cuts, against the slicing of the licence fee: at the very least they expected I might make a case for the public service aspects of comedy, and for its importance and for the need for it to be nurtured and fostered. I am happy to do that, not out of eternal loyalty and belief in an institution that has, as much as any school or college, made me who I am, but because I genuinely cannot see that the nation would benefit from a diminution of any part of the BBC's great whole. It should be as closely scrutinised as possible of course – value for money, due humility and all

that – but to reduce its economies of scale, its artistic, social and national reach for misbegotten reasons of ideology or thrift would be a tragedy. We got here by an unusual route that stretches back to Reith. We have evolved extraordinarily, like our parliament and other institutions, such is the British way. Yes, we could cut it all down and remake ourselves in the image of Italy or Austria or some other notional modern state. We could sharpen the axe, we could cut away apparently dead wood, we could reinvent the wheel, we could succumb to the natural desires of commercial media companies. Although I have an axe to grind on this, you should understand that it is personal not professional. Actually, if licence fee slicing and other radical plans do go ahead, I do not believe it would affect my career as performer, presenter or producer; in fact I would probably profit more from the change. It is simply that I don't want to live in a country that emasculates the BBC. Yes, I want to see Channel 4 secure, but I don't believe that the only way to save it is to reduce the BBC. We can afford what we decide we can afford.

“It is simply that I don't want to live in a country that emasculates the BBC.”

You know when you visit another country and you see that it spends more money on flowers for its roundabouts than we do, and you think: coo, why don't we do that? How pretty. How pleasing. What a difference it makes. To spend money for the public good in a way that enriches, gives pleasure, improves the quality of life – that is something. That is a real achievement. It's only flowers in a roundabout, but how wonderful. Well, we have the equivalent of flowers in the roundabout times a million: the BBC enriches the country in ways we will only discover when it has gone and it is too late to build it up again. We actually can afford the BBC, because we can't afford not to.



WILL HUTTON Chief Executive The Work Foundation

The Work Foundation is an independent, not-for-profit research-based consultancy on work, workplace and employment issues.

Will began his career as a stockbroker and investment analyst, before working in BBC TV and radio as a producer and reporter. Before joining The Work Foundation, Will spent four years as editor-in-chief of the *Observer* and he continues to write a weekly column for the paper.

Will has written several economics books including *The World We're In*, *The State We're In*, *The State to Come*, *The Stakeholding Society* and *On The Edge* (with Anthony Giddens). He won the Political Journalist of the Year award in 1993. His other roles include: governor of the London School of Economics; honorary fellow, Mansfield College, Oxford; visiting professor, Manchester University Business School and Bristol University.

Will's most recent book *The Writing On The Wall: Why We Must Embrace China as a Partner or Face It as an Enemy* was released in the UK in January 2007. The book examines Western concerns and responses to the rise of China and the emerging global division of labour, and argues that the Chinese economy is running up against a set of increasingly unsustainable contradictions that could have a damaging universal fallout.

1.3 WILL HUTTON

Will Hutton argues that there is a need for what he calls a new Reithianism and that PSB should be judged by three tests: how well does it enlarge our lives as citizens; how much is truth-seeking embedded in what it has broadcast; and is it upholding the public realm by packaging what it does so creatively that everyone in the country has access to it?

He acknowledges that the BBC doesn't always get it right but says that rather than castigate the BBC for its weaknesses, it needs applauding for making so few mistakes and still breaking stories and offering high-quality analysis. The public need better mechanisms for expressing its concerns – but also its appreciation.

Words count. Take a word like public. This is a word handed down to us from Greece and Rome – a world beyond the private that every citizen holds in common. Thus the Athenian public square and public debate. So today a public footpath and a public library. And for the purpose of this lecture, a public service broadcaster.

We don't do noble in these iconoclastic times, but for me the idea of public qualifies above any other. This conception of the public realm is at the heart of our Western civilisation. The great gift of the European Enlightenment was to revive the classical tradition and insist that there was a space held in common beyond church, monarch or state in which ideas and expression were permitted free currency – submitting themselves to independent scrutiny and examination by a plurality of diverse others and only of value if they survived it. Immanuel Kant famously summed up the spirit of the Enlightenment by calling on individuals to dare to know, but one can only dare to know if there is a public space that permits me – and you – access to information and knowledge that gives us the material to base some

daring on. Information will inevitably be doctored by censors, spin doctors, thought manipulators, power brokers and influence peddlers. The powerful in both the private and public sectors want us to believe their truth. Our only recourse is an independent public space which allows us to compensate by freely challenging and testing these partial truths – and sometimes actual lies – so that we can arrive at the truth. Parliament, courts and universities are part of this public space, but so, crucially, is an independent media.

“The BBC, despite its occasional falls from grace, still justifies the trust we give it.”

Public and state are thus two very different ideas – and it is vital to be clear about the distinction. We don’t talk about state footpaths or state libraries. To be public is to be independently available to every citizen, to offer fairness to all, and to be transparent and accountable. Thus a public footpath. Thus a public law. The state, in a liberal democracy where parties compete for power in regular elections, is also plainly part of the public realm – but necessarily it is a protagonist of the particular ideology of the governing party. And at the limit it has the power to coerce. Even a democratic state has to be checked, balanced and held to account – and that requires it to be scrutinised in turn by the wider public realm, of which the media is a crucial component.

In my view this distinction between state and public is the alpha and omega of any discussion of public service broadcasting in which the BBC is often called a state broadcaster. It is not. It is the institution above any other in the country that is consecrated to embodying this quality of “publicness” in television, radio and the internet – the Enlightenment public space supplying us the opportunity as citizens to establish the truth of the matter in a world of competing truths and views. It is paid for by every citizen who owns a television or radio contributing the licence fee – not a regressive tax as is sometimes described but the universal fee that maintains this public space. And equally it has continually to engage with its public to ensure it is doing its job and so sustain its legitimacy.

Most of us – maybe all of us – would go along with the argument so far. But now the hard questions begin. Should just one institution, the BBC, have a monopoly of this licence fee? Wouldn’t it be better to distribute the fee to all those many broadcasters in a digital age that want to support the public realm in particular programmes, say through

an arts council of the air? In particular shouldn't Channel 4, our other public service broadcaster, be eligible for some licence fee to support it as advertising revenues dwindle in a multi-channel, digital future? In which case, perhaps the BBC should be much smaller in size. And whether on today's scale or smaller, are the mechanisms by which the BBC daily verifies its own publicness robust enough?

My answer is that an institution to embody public service broadcasting across the gamut of programmes and potential audience subsets, so achieving critical mass, is a first order necessity. The BBC, despite its occasional falls from grace, still justifies the trust we give it in discharging this role. We need it because public service values do not come out of thin air; they have to be grounded in the daily reality of actually making programmes day in and day out for the universe of citizens – and our being able to judge whether the standard is being met. There are two wins. We guarantee sustained PSB and thus a crucial part of the public realm; and we have a benchmark to judge the efforts of others. Any discussion about how and if there should be further public support for Channel 4 can only start once we are certain there is a strong BBC – and that we don't end up weakening one to help the other.

For translating the high falutin' theory into actual programmes is tough. Lord Reith defined the BBC's role as entertaining, informing and educating – and insisted on objectivity and impartiality as values underpinning everything. I think that remains a pretty good starting point but I would go further. Today's ever more strident commercial values and pressures are undermining the private sector's capacity to sustain an independent truth-seeking media even as the powerful are becoming ever more astute in hiding what they want to hide. I argue for a reassertion of Reith's ideas – a new Reithianism. Put simply, a public service broadcaster has to enlarge and enrich my life as a citizen by trying to establish the truth of matters across the range of its programmes – in drama and documentary as much as in news and current affairs. It follows that we should ask three questions of the BBC. Do its programmes enlarge our lives as citizens? Has there been a diligent attempt to capture the truth of the matter? Is it proactively ensuring that it is serving the public realm by making sure information is available to the universe of citizen viewers and listeners?

The centrepiece of the BBC's role in our lives as citizens is thus the provision of information. It must furnish news that is objective and impartial. It must provide for discussion and debate that fairly reflects a wide range of views. It must in its documentary and current affairs

provide us with a depth of analysis that deepens understanding. It must be creative and energetic in ensuring that every citizen in these islands gets the chance to join in. And in all these areas we need to know that the programme makers are attempting to find and tell us the truth of the matter. They may not always succeed. They must always try.

“In all these areas we need to know that the programme makers are attempting to find and tell us the truth of the matter. They may not always succeed. They must always try.”

Here there is an encounter with three more pivotal words – truth, objectivity and impartiality. Michael Jackson, one-time chief executive of Channel 4 and a former controller of BBC One and Two, once said that public service broadcasting was a redundant piece of voodoo. There was no such thing as objectivity or truth; rather there was a plurality of objectivities and truths depending on your vantage point and values. Instead of trying to deliver programmes which struggled for an unattainable balance and objectivity, it was much better for programme makers to break out of the straitjacket and offer a plurality of deliberately partisan programmes so that viewers could watch those that conformed to their prejudices or which aggressively challenged them.

I could not disagree more with Jackson’s view, or the post-modern view of truth that lies behind it. I think many of Channel 4’s subsequent problems – crystallised by the rows over *Big Brother* or the doubts that the excellent exposé of Islamicist fundamentalism in *Undercover Mosque* could be true because of the channel’s unenviable record of dodgy editing excused because truth is only in the eye of the beholder (a referral which today the police and Crown Prosecution Service apologised for having been robustly sued by Channel 4 and the programme maker) root back, in my view to Jackson’s mistake. It has been good to see that Channel 4 itself in its latest mission statement – Next on 4 – wants to recommit to what it once considered voodoo. For there are truths about matters, and they can be sought even in hard circumstances.

One of the most memorable demonstrations for me of the idea of objective truth-seeking in public service broadcasting was 25 years ago during the Falklands War; Brian Hanrahan, restricted by war-reporting rules, was reporting from the aircraft carrier *Hermes* about the

numbers of Harriers that were returning during a raid. He had counted them out, he reported, and he had counted them all back in; and none were shot down. Not only the British public believed him – but so did a world public. Everybody knew that this was classic BBC objectivity, that the reporter and entire organisation were committed to truth and tried as far as they could to broadcast it, and that Hanrahan had counted the planes out and counted them back. These values were an important reason why our cause was more legitimate than the Argentinian junta's.

Getting to the truth of any matter is tough – but the BBC sets itself this task every day. As a national community we allow it to drop or qualify that mission at our peril. When broadcasting began in the 1920s the US imposed the fairness doctrine on its broadcasters in the same way Britain established the Reithian values that underpin the BBC; in a world of spectrum scarcity it was clear that those privileged to occupy it had to commit to fairness and truth-seeking.

“Getting to the truth of any matter is tough – but the BBC sets itself this task every day.”

The fairness doctrine was done away with by Ronald Reagan. Echoing Michael Jackson, the Reaganites said there was no one truth but rather a market in truths, and now that there was a multiplicity of channels viewers and listeners should be free to choose the truth they wanted. The ideology of free markets, post-modern views of truth, the interests of commercial television and radio and the political interests of the Republican party neatly coincided – with the Reaganites correctly calculating that in such an environment money would buy more conservative views of the truth than liberal. So it has proved, with everybody of course claiming that what they present is objective – and the American public growing ever more cynical about what they hear and watch. But worse, the spin doctors and manipulators have had an ever-easier ride. The most recent scandal is the disclosure that the Pentagon in the run-up to and during the Iraq war gave privileged access to a network of ex-military chiefs, who then proselytised pro-Iraq-war views on TV and radio networks who not only did not challenge them very hard, but also – because they were organised as a market of truths – saw no especial reason to challenge them. The American public was manipulated, with no champion attempting to find truth beside which they could benchmark what they heard. The American public realm has been degraded.

Which is why the BBC as a news and current affairs organisation is so indispensable to this country, and why, as channels multiply in a digital world, it will become more important as the broadcast organisation committed to truth-seeking above any other in which so many versions of the truth are being thrown at us. That was its instinct during the Iraq war, and while I do not want to re-open old wounds about the BBC charge that the British government had knowingly sexed up dodgy dossiers which it knew would deceive that convulsed the corporation – the BBC went beyond what it knew at the time and should not have done – it did so because it was trying to get at the truth of the matter. And from what we know now, it got much closer than anyone else even if it over-reached itself. Two important values were in tension; the desire to get at the truth and the desire to break a story even if pushed beyond the limits of what the reporter knew, notwithstanding the quality of his source. The BBC lost its then chair and director general in defence of the first value, as well as triggering the new system of regulation by the BBC Trust. I recognise that the corporation was at fault and some change was needed, but whether it, and reporter Andrew Gilligan, deserved quite this degree of penalty – and little or no accompanying recognition for the value of its desire to truth tell and uphold a public realm – I have always doubted. In the future, we will need it and this instinct more than ever.

“A public service broadcaster’s priorities for ranking news importance – its lead, second lead and so on, the so-called running order – have to correspond to the truth of what is important that day rather than what the newspaper, with its particular worldview and political stance, considers important.”

The quest to get at the truth, to equip the citizen with facts and knowledge and to sustain the public realm is at the heart of all good journalism – and excellent broadcast journalism is not the sole preserve of the country’s public service broadcaster. But there is a subtle difference between the journalism of a privately owned newspaper and a public service broadcaster, summed up in the *Guardian* editor – I should say then *Manchester Guardian’s* – C.P. Scott’s famous dictum that facts are sacred and comment is free. A public service broadcaster’s priorities for ranking news importance – its lead, second lead and so on, the so-called running order – have to correspond to the truth of what is

important that day rather than what the newspaper, with its particular worldview and political stance, considers important. Each report has to contain internal balance and seek for the truth of the matter. And the links between the reports have to be punctilious, with the language attempting accurately to convey the truth of the matter. Current affairs analysis and documentary have to follow the same rules.

The BBC gets a lot of flak over its judgement calls every day – and sometimes rightly. For example, I was struck during the coverage of Northern Rock – in which the BBC consistently broke story after story ahead of other news organisations – but where gradually the government was transmuted into a quarry so that the language in which news reports got housed became very loose. On the morning Chancellor Alistair Darling was set to make his statement in the House that finally Northern Rock was to be taken into temporary public ownership, the news bulletins talked of him “justifying” his decision – implicitly putting the BBC on the side of the Chancellor’s critics. The verb for an impartial, truth-seeking broadcaster surely should have been that the Chancellor was going to “explain” his decision.

It is a small matter; but small matters in different contexts many times a day add up. Sometimes it is a question of what should be the lead story; was the tragic story of the disappearance of Madeleine McCann so important it deserved to be the lead of so many of the BBC’s bulletins for so many days – and even sending presenter Hew Edwards to Portugal? Plainly not. Should the BBC have been so ready to charge MPs with personal skulduggery when they voted to limit freedom of information provisions extending to them because it would qualify their ability to serve their constituents? The House of Commons did have a case and it had to be heard. Is the tone of some political interviews – this politician is definitionally and necessarily lying to me – helpful or even right in trying to get at the truth of the matter?

These are some famous criticisms and the BBC should be attentive to them. But equally we the public need to judge them against the mass of the BBC’s coverage week in and week out. Jeremy Paxman or John Humphreys now and again go beyond what is acceptable in public service broadcasting terms in their challenges; but in the main both men have earned their reputations justifiably for being impartial indefatigable truth seekers in a way that other parts of the media find hard to reproduce.

And the BBC operates against the background of a coarsening wider media culture in which regard for objective truth-seeking news

values, and willingness to back it with investment, is weakening almost by the month. This is a world in which the Express Newspaper had to publish a front-page apology to the McCanns about alleging their complicity in their daughter's disappearance. In which Channel 4 in the *Great Global Warming Swindle* broadcast a programme in which one interviewee, Carl Wunsch, said his comments had been so distorted it reminded him of Second World War propaganda. Tony Blair's parting speech about the media last June would have been braver had it been given earlier than three weeks before he left office; but his characterisation of a feral media bent on seeking impact and driving down standards struck a chord. Intense competition, ever more pressure to ask journalists to do more with less, and a growing editorial and proprietorial willingness to organise the news so it tells the right sensational story, suiting the editors' and readers' prejudices, is a fatal cocktail. Nor are politicians the only victims. In this world the maverick scientist who claims against a mountain of contrary evidence that there is a link between MMR and autism gets avalanche exposure – sadly tempting the *Today* programme into the scrum – and when some parents are frightened into stopping inoculating their children, there is suddenly a public health risk. Never believe that good journalism doesn't count.

On the other hand, contemporary journalists face public and private power which is ever-readier to obfuscate, bully and spin – protected by onerous libel laws and flanked by a clever, well-financed PR industry. If news is something someone does not want the rest of us to know about, it is getting harder and harder to get beyond the press release – and when asking even innocuous questions, to get straight answers. In a print universe where reporters can write three or four stories a day, in 24/7 news – where the pressure is on to make instant news calls rather than let a story gestate for an hour or two to get a firm line of sight on what is happening and where control of access for pictures enormously empowers the subject of the story's capacity to dictate the character of the story – we need well-funded news rooms with a spirit of truth-seeking. Rather than castigate the BBC for its weaknesses, it needs applauding for making so few mistakes – and still breaking stories and offering high-quality analysis.

Business editor Robert Peston's coverage of Northern Rock was outstanding. A recent *Panorama* on the superbug *C.difficile* was a model of PSB – well researched, balanced, watchable and hard-hitting. *Newsnight*, for me at least, is a must watch; it manages to be funky and

surprising. *Today* is as lively and inquiring as ever. *World at One* has recovered from losing the inestimable Nick Clarke. The news bulletins on Radio 1, Jeremy Vine on Radio 2, and Radio 5 Live carry truth-seeking journalism into as broad a constituency as possible. Every day there is all of this; and we take it for granted. Sometimes the quest for objectivity and perceived balance forces the BBC into a contrived adversarialism. For example, I sometimes bridle at the new fashion for interviewing the BBC's senior journalists after a big political interview to interpret objectively what we have just heard; their own prejudices only just bubble below the surface, and it makes the reporter more important than the elected politician. It explicitly tells the audience that politicians are so duplicitous that their words cannot be trusted unintermediated by the impartial BBC which is locked in an adversarial relationship of permanent scepticism. In any case the BBC's political editor is only human; too much of such power corrupts. We should not be surprised that politicians' response is to become even more careful in what they say. To quest for truth should not demand a culture of permanent adversarialism; when the BBC's leading interviewers get into trouble it is because they have become prisoners of this culture.

“The BBC’s best protection and best guarantor that it is doing its job is us – the public.”

The BBC cannot escape the wider media culture. Newspaper coverage of Europe, especially from some Conservative titles, has been extraordinarily careless of the truth in their anxiety to prove that Brussels is a menace rather than a friend of Britain; had the European Commission been Madeleine McCann it surely would have earned an apology by now. Eurosceptics want to know why the BBC does not ape the slanted coverage, accusing its desire to be truth-seeking as no more than liberal bias. I thought to give in to pressure from the Eurosceptic lobby and launch an internal inquiry whether the BBC's coverage into the EU was biased because it did not reproduce the same systematic bias as parts of the written media – many of whom no longer maintain a Brussels office – was weak. And although the inquiry declared that the critics were wrong, the whole action implicitly accepted the canard, reinforced by Andrew Marr, that the BBC has a cultural liberal bias.

The BBC is liberal, but in the Enlightenment sense of that word;

we live in a liberal democracy with liberal institutions, and with the rise of authoritarian regimes around the world, thank God that we do. The BBC is open to every opinion, and those who cannot take the heat of being exposed to harsh cross-examination and evidence-based reporting fall back on the charge that the BBC is biased. Sometimes it's Eurosceptics; sometimes the Israeli government; sometimes the Palestinians; sometimes the British government. I don't argue that every BBC judgement is right – I've cited some of my own concerns – but I do stand by the view that it tries to get it right. It tries consistently to seek the truth of the matter for every citizen. And it does so more than any other news organisation in the country.

It is more beleaguered than it should be. The recent licence fee settlement was mean; Gordon Brown as Chancellor bowing to pressure from commercial broadcasters that the BBC should be kept on short rations for no better reason than to show he was a politically correct BBC sceptic. The consequent rounds of redundancies and shaving of editorial budgets, together with too much public self-flagellation over every misdemeanour, has led to a growing crisis of morale. The BBC is nothing without its committed staff. More of us outside should speak up for the organisation and what those staff deliver. I sometimes wonder whether it has any friends at all – scant reward for its extraordinary contribution to our country.

“I would want to develop qualitative measures to assess what I have called New Reithianism – and the questions I posed earlier. How well is the BBC – or Channel 4 – enlarging our lives as citizens? How much is truth-seeking embedded in what it has broadcast? And is it upholding the public realm by packaging what it does so creatively that everyone in the country has access to it?”

For who should speak up for it? The new structure has great strengths, but one of the difficulties is that the Trust is essentially the BBC's regulator, and regulators are not advocates. Equally it is very hard for the Director General to be the credible advocate of the organisation he is leading. Politicians feel there are few political rewards in speaking up for it, and every non-BBC journalist or critic wants to prove his or her credibility by giving it a kicking. And now there is a further threat to its

funding by so-called top-slicing the licence fee and giving a proportion to the challenged Channel 4.

The BBC's best protection and best guarantor that it is doing its job is us – the public. I think the BBC does too little to tap this resource and latent support, both to protect itself and to make sure that it is doing its job. It invests hugely in establishing which of its programmes are watched and by whom; it is concerned by its market share, its reach and size of audience. But there is a disconnect between the rhetoric of public service broadcasting and the practice of dissecting one's audience as a supermarket chain does its consumers.

We are consumers, but we also watch and listen to the BBC as citizens. The BBC, like the regulator Ofcom, has well-established metrics setting out how many hours of news, drama and factual programmes it broadcasts. But both should go further. Alongside these quantitative measures of its programme output, I would want to develop qualitative measures to assess what I have called New Reithianism – and the questions I posed earlier. How well is the BBC – or Channel 4 – enlarging our lives as citizens? How much is truth-seeking embedded in what it has broadcast? And is it upholding the public realm by packaging what it does so creatively that everyone in the country has access to it? Every day it should be trying to pass the citizen, truth-seeking and public-realm tests – quizzing its viewers, instigating flash crowds, organising citizen juries, getting audience feedback. It would simultaneously have much greater confidence that what it was doing was right, grounded, and keeping it honest; and it could confront its critics with that knowledge. The BBC did make a commitment of this type at the time of Charter Renewal, but progress since has been terribly slow – indeed as far as I can see glacial. Instead it should act.

Should it be smaller? Name anything you would cut. Even the suggestion to privatise Radio 1 and 2 is misguided in my view; they are crucial to the BBC's capacity to be a universal broadcaster – to carrying public service broadcasting news and current affairs to a universal audience. Arguably the BBC should have more rather than fewer digital channels. Is it straying into too much commercial territory in its internet and educational ambitions? This is policed pretty forcefully by the Trust, but there will always be areas of contention. I was surprised at BBC Worldwide's purchase of the Lonely Planet Guides; the BBC can only justify commercial trade publishing of its self-generated intellectual property – and it loses crucial support if it strays too far

beyond that mission. Equally it has to be careful about its website; the benchmark should always be whether any activity delivers public purpose.

Should Channel 4 get part of the licence fee? Here I think there is need for some lateral thinking. The BBC, under financial pressure, wants to keep it for itself. But it needs to think strategically. At the moment it is the capital ship – the aircraft carrier – at the centre of a flotilla of public service broadcasters. There is Channel 4 along with the public service obligations attached to ITV and Channel 5. Sky, free from this obligation, might have chosen to play the voodoo card, but if there were temptations Sky has resisted them – not least because of the high standards elsewhere. In a digital world we need to preserve the flotilla effect. Ofcom should resist the blandishments of the commercial broadcasters to be freed from public service obligations; and we need to find ways of keeping Channel 4 well resourced. Maybe there should be a licence fee supplement consecrated to Channel 4; maybe a deal can be done to cut Channel 4 into BBC Worldwide contributing to its offer and sharing in its profit flow. We need to keep the BBC strong, but the best means to do that is not to make it the only repository of public service broadcasting. It needs buttresses and supports.

For it is a great Enlightenment institution – recognised outside this country for being one of our very best national achievements. It is a global name with global reach. If its reason for being is to be one of the principle upholders of Britain's public realm, paradoxically it gets very little public reward or acknowledgement for doing so. It is time that we the public had better mechanisms for certainly expressing our concerns – but also our appreciation. You've got your faults, BBC. But you are loved.



KIRSTY WARK

Kirsty Wark joined the BBC as a graduate researcher in 1976 for BBC Radio Scotland, going on to become a producer in radio current affairs.

Kirsty has presented Scotland's General Election coverage since 1987 and several major OBs including the opening of the Tate Modern and the opening of the Scottish Parliament.

From 1990-1993 she presented the arts programme *The Late Show* and in 1993 fronted the popular BBC heritage series *One Foot In The Past* – a role she continued into 2000.

In October 1993 she joined BBC Two's *Newsnight* and, since 2001, also regularly presents *Newsnight Review*.

Forming the independent television production company Wark Clements & Co with Alan Clements in 1990, she has presented much of the company's output, including *Words With Wark*, *Restless Nation*, *Building A Nation*, *The Kirsty Wark Show*, *Lives Less Ordinary* and her latest series *Tales from Europe*.

Kirsty was named journalist of the year by BAFTA Scotland in 1993 and Best Television Presenter in 1997.

1.4 THE SIR DAVID ATTENBOROUGH DEBATE

Chaired by Kirsty Wark

QUESTION AND ANSWER SESSION

The following is an edited version of the discussion following Sir David's speech on April 30, 2008.

Sir Cyril Taylor CBE: I'm here representing the Specialists Schools and Academies Trust which now works with 3,000 English secondary schools and we have talked with Mark Thompson in the past about making available the extraordinary archives of the BBC for use within the classroom. For some reason or other this initiative doesn't seem to have taken off, and I think it's a great shame that our education couldn't have the benefit of the most amazing films the BBC has made over the years.

Kirsty Wark (KW): Are you looking for an endorsement from David Attenborough?

David Attenborough (DA): I am speaking as a private individual, and I'm not privy to what the management of the BBC today thinks or does. The prospect is a very attractive one, but there are quite a lot of problems, not least of which is copyright. There are a lot of contractual difficulties about people who wrote the words, people who wrote the music, the camera man and so on. I know the BBC is struggling with them, and I have no doubt whatsoever that the BBC as an institution would be overjoyed to make that available. In my own area, and I suppose I can speak about this, there has within the past year been a fusion between the Natural History Museum and the BBC Natural History Unit in which I've been involved, in order to try and make that fantastic archive that you described [available]. And showing animals actually live and doing things alongside the academic and

scientific expertise from the Natural History Museum, so that the two can come together and visitors to the Museum can get an unrivalled education and insight into the natural world. And I hope that sort of thing could expand over a much greater area. But that is for the BBC and not me.

Stephen Lotinga, Policy, Liberal Democrats: David, you briefly mentioned the cuts to factual programming. Can you expand upon what you see as the implications to the future of the BBC and public service broadcasting of making cuts to the news and factual programmes whilst maintaining things like BBC3?

DA: I can't answer that, I'm afraid, because as I say, although you may think from some of the things I've said that I've been speaking on behalf of the BBC, I'm not on behalf of the BBC. I'm just a contributor so I don't know.

Dr Hamish R P Meldrum, Chairman, British Medical Association: How much do you think a public service broadcaster should reflect society and how much do you think it should try to lead society? I'm particularly thinking of things like encouraging healthy lifestyles. Is there a danger that in order to capture audiences you tend to reflect rather than to do the more difficult task of trying to lead and educate?

DA: It's an interesting balance that you have to select, and from my own experience in the past, we used to do medical programmes called *Your Life in Their Hands*, and we had a very distinguished doctor who was not allowed to use his name because of the restrictions of the BMA. He was convinced that there was a link between tobacco smoking and lung cancer, and he very courageously insisted on speaking about it and was in huge trouble with the BMA. And that was an example of the BBC taking a view, deciding that one way or another this view ought to be heard in spite of the tobacco companies. Now, that's one end of the spectrum. The other end of the spectrum is telling people what they've got to eat, or what's healthy, or some of the more controversial aspects of how you treat your body. Some of which may conceivably be mistaken. The BBC will take an attitude on these, and should, but it's a question of fine judgement. Society as a whole doesn't actually exist. It only exists as a multitude of different

opinions, and the BBC's job, it seems to me, is to pick out those particular opinions here and there and try and do so as responsibly as they can. There is an issue at the moment of course about climate change. And five years, 10 years ago, it was controversial whether in fact there was climate change and whether human beings were responsible or not. The BBC, I think quite courageously, decided that from the evidence it was incontrovertible scientifically and they would go with it. And they did. With, I think, very salutary effects.

Owen Gibson, The Guardian: Sir David, how important do you think the concept of plurality in public service broadcasting is? That is, the existence of, say, a Channel 4 to provide competition and counterpoints to the BBC? The reason I ask this particularly is because your own area, natural history, is one in which there really hasn't been much competition to the BBC and yet excellence has obviously been maintained. So I wonder whether you think that's an important principle or not?

DA: Well it isn't true that there hasn't been competition for the BBC from commercial television. Anglia Television set up a very distinguished natural history group. Aubrey Buxton started it when he was chairman and they did very well. They gave us a run for our money and quite right too. And it's a matter of interest as to why they have fallen by the wayside. And of course the answer inevitably – I would put a pound to a penny – was because it wasn't making enough money, very understandably. And ITV has got to take its commercial revenues, and its shareholders want to know where they are going. So yes, as long as it's commercially viable, the BBC has this huge advantage that it can take things when they are no longer in ITV's view or the commercial television view commercially viable and support them. That is the reason for the BBC to be there. That is what public service broadcasting does. They can start something they know is not going to be in any commercial sense viable and stick with it. That's what they should be doing, and certainly, if they care about public service broadcasting, that's what public service broadcasting should do.

John Geraint, Green Bay Media: I'll call myself an independent producer, although perhaps I should say I'm a 'commercial' producer. It's a question not so much about competition but about diversity and plurality. If, as your lecture seems to be suggesting, there's only one

type of organisation and perhaps only one organisation that can produce public service broadcasting – that is a corporation with an in-house production arm – isn't there a danger that we'll be left with only one type of approach to broadcasting and to issues of social relevance, and perhaps an establishment approach?

DA: I don't think so because after all the opportunity is there. Nobody has said to ITV, 'You must not produce natural history programmes.' If they can do so, good luck to them. The point about public service broadcasting is that you are able to take subjects which independent television can't tackle for one reason or another. Now the question is, do you leave that commercial situation as it is, or do you find some other way of subsidising it? What I was trying to suggest was that the business of subsidising strands, of saying, 'Okay, that's very good but I gather that your bosses say that they can't afford it, so we'll give you so much money to produce it', and then to tell the network where they are going to place it – that produces a degree of organisational or bureaucratic complexity and also changes the nature of the schedule. So it's very difficult.

KW: Do you think that it's healthy to have competition in programme areas? You were suggesting that the BBC as a public service broadcaster is the place for all these things. You've got Discovery making wonderful programmes as well. You know, *The Deadliest Catch*, *Ice Road Truckers*, things like that. Would you regard those as public service type programmes?

DA: No. And indeed I am very keen on Discovery. We co-operate with Discovery, but Discovery is ruled and changes its policies according to its income. What I'm saying is that public service broadcasting offers opportunities based on a licence which commercial and commercially based organisations find extremely difficult to replicate or to compete with.

KW: Is it healthy only to have one? For example, are you suggesting that the BBC should be, as it were, the receptacle and the wellspring of all public service broadcasting?

DA: Well, the alternative is what? That you decide that there is one of these networks that you're going to set up which is going to take a

section of the licence? At the moment there are plenty of means of discovering whether the BBC is grossly profligate, and you might say there is an argument that it is. In which case, you are going to winnow things down and make sure that it is not profligate. But if it is actually producing things in an efficient way, you are going to take a section of the licence money, which already plenty of people are saying is too high, and you are going to add to it.

Roy Ackerman, Creative Director, Diverse Production: Just on this plurality thing, I think there's a lot of people, both within the BBC and outside, who think that Channel 4 is in part a public service broadcaster by its remit and the way it works and it's not just putting on lone programmes that are damaging the network. But I wanted to move to another area. You said earlier that introducing audiences to ideas they have not encountered is a key part of public service broadcasting, and I think I certainly agree. What do you think about the fact that, in a period where there is almost limitless choice of channels on broadband and digital, it's now very, very, hard to sell an idea on a subject that people don't know? So if you go to almost any network – I think even including BBC 4 – with a subject no one has heard of, you are nearly always told it's niche and that it's very difficult for people to 'find it' because it's not a subject that people have read about or seen in the bookshops. I think there is a real danger that getting subject matter that people haven't heard of from some other source onto any broadcast network, or any kind of network at all, is getting harder. I wondered what you think could be done to address that?

DA: I absolutely do think it is, and to the extent that the BBC doesn't do that, it is failing in its responsibilities as public service broadcasters, that was indeed my point. This is the one area where independents can sow ideas, and some criticism that I might have of the BBC now is that the mere proliferation of fashionable, popular programmes is clogging up the network and preventing the sort of acceptance which you describe, the sort of new programmes, new attitudes that you describe. [To the] extent that that happens, I'm entirely with you. It is critical. Having tried to schedule programmes myself, I know perfectly well that there are plenty of people, commercially and politically, who are waiting round the corner with a club to clobber the BBC on the grounds that it's lost audiences. I think the BBC always has to look at

the size of its audience; it cannot afford to become totally minority. But it can use its mixed network to increase audiences for the very sorts of programmes that you describe.

Jocelyn Hay, Voice of the Listener and Viewer: David, you were saying about the licence fee, the unique and privileged position it gives the BBC. We certainly agree with you there. However, a lot of people at the moment are saying that the licence fee will be untenable in future as competition increases from the proliferating channels. Could I ask two questions. One is, how do you see the viability of the licence fee in the future? And secondly, can you see a future for any public service remit on the commercially funded channels as they used to be?

DA: Well, taking first things first. One hears all the time that the licence fee is not sustainable. I have to say that I find it a somewhat mysterious argument. We don't say that in a reasonable town the swimming baths should no longer have a section from the rates because 50 per cent of the people are using them. Or that libraries should be removed from the city because not everybody needs them. I personally am very happy that sections of my rates should pay for those sort of facilities, and it seems to me that the majority paying for a whole variety of facilities that people can have, even though the majority don't take them, is a measure of a civilised society. So why are people saying [for] the BBC the licence money is no longer sustainable, or won't be? It isn't that we have lost the majority of the audience. The niche audiences, as I have explained, are a tiny, tiny, part of the audience. That's not the reason; there must be other reasons why you should not want to have a public service organisation. For one thing it takes a lot of viewers away from commercial networks. And there are a lot of people who take the view that the BBC's line – certainly in political dialogues – is sometimes a bit over the top, and they don't wish them to behave like that. And you've seen lots of examples of that, where people have come out with a big tub saying 'You've got to watch it because your licence fee is in danger'. This debate is not about licence fees, this debate is about public service broadcasting, and the licence fee debate has receded for a bit because of coming to certain conclusions, but it will never disappear, that's for sure. And all I can say is that if you think what the BBC has achieved over its career, and particularly if you go outside this country and look at it from different perspectives, that has only been possible because

[it's a] licence-based organisation. And if the BBC loses its licence it will certainly lose its public service aspect.

Dennis Blakeway, Blakeway Productions: Sir David, I'm very interested in what you say, and while I agree with it almost completely, what do you think about the challenge of new generations who are watching television in a completely different way and have no loyalty. I'm certain they won't have loyalty to networks in the future, will watch television on their computers, will have little concept of the BBC. How can public service broadcasting and the BBC, while remaining loyal to what you say, meet the challenge of the new generations of viewers?

DA: A very good question, but I am absolutely astounded by the loyalty or the sluggishness or the immovability or robustness, as I notice Ofcom calls it, of the audience's loyalty to channels. It is absolutely extraordinary. And if you look at the big numbers – they have diminished a bit certainly but by and large the bulk of the population watch the big two, the big three, big four plus and I believe that will go on. The communications which the young have, with one thing and another, I'm sure will all have their role. But at the moment it seems to me it still remains remarkably stable. And I am astonished.

Richard Bradley, Lion Television: A lot of the discussion about public service broadcasting recently has been about the funding of broadcasters. I'm interested in the next generation of programme makers and how concerned you are that, in an environment where programme makers, for better or worse, are judged on the ratings their programmes get, the mechanisms exist for the new generation of public service programme makers and whether they are in good health?

DA: I don't really know the answer, but as everybody in this room will certainly know, the proportion of independents in the schedule is prescribed. And I gather that there have been a lot of arguments about [this]. I would like to suppose that they will continue to sustain themselves because it's a great area to come from and they are absolutely free, of course, to offer their productions to other networks that are around. The question is why do the other networks not take them? The reasons, I have suggested, are commercial, and I

am not regarding that as a dirty word. I'm just saying that the converse is that the BBC ought to be taking more risks if it's got a public service remit.

George Entwistle, Controller Knowledge BBC: How much creative effort should producers of public service programmes that traditionally get lower audiences put in to try to get bigger audiences for those programme genres?

DA: Well, it depends on your leaders and the programme schedulers, what they are trying to do. I can only speak from when I was one. If you gave a commitment to archaeology, say, and it started off with a very, very, small audience, you see how you are going to increase that audience. That is not necessarily to change the programme in a fundamental way. It may be that you find that a certain presenter is not as good as you thought he was, or it may be the competition, it may be the time it was shown and so on. But as long as it's just marginally increasing its size, you're okay. It's when the tiny audience just diminishes into invisibility that you've got to worry.

KW: But you seemed to be suggesting that a particular area about which you felt passionately was being a bit neglected – early evening popular science programmes like *Tomorrow's World*.

DA: Absolutely. In this day and age, when all of us – this is a scientific-based society – are saying, if you want a decent society with people making informed decisions and political decisions of one kind or another, they have to have a basic understanding of the principles of science, it seems to me very, very sad that there aren't things like *Tomorrow's World*, which was a very inventive programme, and other programmes too.





THE STEPHEN FRY DEBATE

Chaired by Kirsty Wark

QUESTION AND ANSWER SESSION

The following is an edited version of the discussion following Stephen Fry's speech on May 7, 2008.

Kirsty Wark (KW): Can I just ask you first of all, the slight conflict of interest you were talking about at the end, about yourself now being an independent producer. You know that Ofcom is looking at various models and some of these models would include, for example, giving Channel 4 public service money for particular genres. You made a very strong case for comedy being a public service. So why shouldn't Channel 4 get money for particular genres if one of them is comedy, because what Ofcom seems to be saying is that the way to keep the BBC sharp is to make sure it's got competition.

Stephen Fry (SF): I wonder if it is saying that. I think what it's saying is the only way to save Channel 4 and keep its strange remit is to do something like this slicing, but it seems to me the other way to do it is to change Channel 4's remit. It is, it seems to me, a push-me pull-you remit. It's being asked on the one hand to be all the things that it started out being – appealing to minorities, young, punky and exciting – but it's also being asked to make money in the commercial sense, and the pool of money has gone down. And if we want a Channel 4 that is the way it is, then it can be publicly funded, but I don't see why money should necessarily be reduced for the BBC in order to do that. I don't see how the BBC will have better competition simply by cutting off its legs at the knees.

David Quantick, broadcaster/writer: I believe you used the phrase ‘the BBC when it’s gone’. Do you think the BBC is ultimately doomed?

SF: Well, all things are doomed. I hope not in my lifetime, David. I’ve been as careful as I might to not necessarily be nice about the BBC, but it was very revealing, wasn’t it? And I know there are some broadcast journalists in the room, and I know it’s not their fault, it’s not an attack on you, but it was a very revealing and immensely thoughtful and interesting speech that David Attenborough made in which he made a small, gentle, slighting, little slap about celebrity chefs and reality television, and that was all that was covered. Nothing else was reported. So I had to make this speech thinking extremely hard about what possible phrase I could use about the BBC that then would be taken by the press to be construed to imply the BBC is going tomorrow! I am sure that is not what you meant, David, you are a very responsible journalist of course, but of course it will go. All institutions pass, but as I say, I hope not in my lifetime. Time passes very quickly. The Allen Report was ’77, I think, and the Peacock Report was only nine years later, and it’s now 22 years since that report and the landscape is immeasurably different. No one can deny that, and although I was tasked to talk about the future, and I’m very interested in the future, particularly in the technology, I’ve always been aware that broadcasters oddly enough are surprisingly uninterested in technology. It took an enormous number of conferences at expensive country hotels for the BBC and other executives to be told precisely what ‘digital’ meant during the ’80s. I can remember friends of mine who worked for the BBC having to go off to another weekend where someone tried to explain what a digital service was, and they still haven’t the faintest idea! They came back and said, ‘Did you know if you make a digital copy of something it’s exactly the same?’ Well, yes. ‘Oh, I went away on a weekend to be taught that. Fair enough.’ And similarly with this marvellous idea the BBC has that the iPlayer is somehow secure or the digital rights management on it is secure. It is anything but secure. I don’t think the BBC has quite noticed how annoying it is when you look at iTunes in the UK trying to keep its prices as low as possible and being criticised for having them high in the UK as opposed to other European countries and America. Which is not their fault but the record companies’ fault. When you see other companies like Juiced and

various other online TV companies that are legal, trying to keep their cost down when they see a sort of amateur like the BBC paddling around in the online waters throwing out real content. Really valuable content that they think is only streamed – in other words ‘only watchable while you’re at the screen in front of it but not recordable.’ It shows an incredible naivety about how the internet and digital devices work. I’ve recorded dozens. I recorded one yesterday, it’s on my iPhone now.

KW: What is it?

SF: It’s actually a documentary, just because I didn’t have a chance to see it! I would of course have burnt it and destroyed it because it’s an illegal act but it’s an illegal act that is preposterously easy. It’s like it was, of course, [with the] first micro cassettes. Anyway, that’s a – if there is a criticism of the BBC – but it’s a criticism of the broadcasting profession in general. They don’t really grasp what it is that they’ve got in terms of material and in terms of the spectrum and the bandwidth and basically the kind of devices into which programming can go. And if they don’t, then content may go elsewhere, that’s my only worry.

Nicholas Kenyon, Managing Director, Barbican Centre: Can we just go back to that phrase you used, Stephen, about ‘the nation’s fireplace.’ Was there actually a cultural consensus back then and is one of the problems for the BBC of the future that the country is now so culturally diverse and divided that one organisation can’t possibly provide everything?

SF: It’s a very good point, Nicholas, and I would be the first to concede that we are or appear to be a more fractured society than the one in which I grew up. It’s interesting that the Latin for fireplace is *focus* and whenever we use the word focus we are using it in a kind of metaphorical way, and indeed the word ‘hearth’ and the word ‘heart’ cognate in the same fashion. So the word fireplace is a very interesting one to think about for television. Can there be such a thing as a focus or a heart to the British nation anymore? Are we a totally divided country and would the ghettoised, balkanised version I describe – the Barry Cox vision of the electronic bookshop – would that hold? Do you remember it was actually true of bookshops in the ’80s, and this is

when I first thought, Nick, like you, that maybe we are breaking up. The general fiction table in bookshops in the 1980s was radically reduced and suddenly it was women's fiction, Virago Press, gay men's press, it was various kinds of ethnic press. Because it was argued that the chances are that 90 per cent of gay men might buy a gay novel of a particular kind, but something on the general fiction table – it's just a novel. It isn't a woman's novel or a man's novel or a Hampstead novel. It isn't categorisable. That has a lot harder chance of doing anything, and people are beginning to reinvent themselves according to the identity they affix to themselves. Whether it is their sexuality, their race, their income, their region or their football club. And it's a real issue, but all I would say is what vestiges there are of a national identity are things that politicians of all stripes are very anxious to attain.

Because I think we believe in the idea of sovereignty without having to have a St George's flag painted on us and shaving our heads. There is nothing intrinsically right-wing about believing in your nation. In wanting it to be better, criticising it, being frustrated by it, maddened by it, but also being able to weep at it and to love it dearly. And I think the BBC provides precisely the kind of space in which all the ambiguities and comedies of identity can be played out – as they were for example in *Goodness Gracious Me* – in a way that, again, could not have been done elsewhere. So I don't know the answer, Nicholas, but I think the BBC can come closer to a glowing ember in a fireplace than anyone else.

Jon Plowman, Television entertainment producer/former BBC Head of Entertainment Comedy: It feels sometimes from the inside as if the BBC's rather bad at defending itself, as if it gets rather apologetic. Does it feel like that from the outside? How could it get better?

SF: It's a very good question, John, and I remember after Peacock there was this extraordinary scrabble on the part of the BBC to go round the nation with huge placards saying, 'It's your BBC' and erecting little tents in which people were invited to come and participate in local debates about the BBC. And all it meant was a whole load of Linda Snells saying, 'I don't like that man who does the weather, get rid of him. Well, you said it's my BBC, I don't like him, I think he's got awful adenoids.' Democracy, you suddenly realise, is a

horrible idea. It's just the Greek for mob rule after all. It has no particular value. And the BBC is bad at defending itself, I think. Maybe there's good reason for that. I think it is such a complicated and weird structure, the BBC. It has grown up in an odd shape and in an odd way and no one would get to this place if you started here. But that's true of Parliament and it's true of the royal family, it's true of any other institution. Then you can be, of course, opposed to those institutions.

KW: But should there be somebody that's for the BBC from within the BBC?

SF: It's an interesting point. There have been people, executives, who have often been moved sideways for a while and been given precisely that job of sort of public cockerel for the BBC, and it's not an easy one or an enviable one. I think the programming is always going to be its best defence, and a certain amount of pride in the way it plays its back catalogue. I personally think it an enormous shame that it sold so much of its back catalogue to other companies on the digital and satellite front because I think it could have kept them itself and kept a kind of continuity with them.

Lorraine Heggessey, CEO, talkbackTHAMES: I wonder whether you think the word 'service' in public service is starting to become a millstone around the BBC's neck?

SF: That's a very good point. I think you're quite right. It's a strange word to put in there. Service is – I suppose what one naturally thinks of is a bus that sticks to a route which makes it no money because it is deemed useful to the particular rural community it is serving. And we all laughed, didn't we, when trains started to become called services rather than trains. There is a sort of built-in sense of failure and worthiness about the 'service'.

KW: You made a point that it's public 'sector' broadcasting.

SF: Oh, did I? Whoops a daisy!

KW: Again, it's the same sort of idea.

SF: Yes, well, that's right. Famously didn't Hugh Carlton Green... (it's

funny with broadcasters how all people like that – you get Graham Green and his brother Hugh Green, and David Attenborough and his brother Richard Attenborough! I just picture them growing up. Richard Attenborough striding around while David is looking at worms on the lawn! ‘Darling, darling, listen to my speech.’ ‘No. I’m just watching this.’) Anyway, it was Hugh Carlton Green who refused to call the Independent Television Company – ITV – ‘independent’. He called it ‘commercial’ all the time. Refused to recognise the word ‘independent’. ‘Independent of what?’ he would growl fiercely. And maybe yes, service is a strange word. As I say, I would like there not to be a distinction. I don’t know how you would constitutionally enshrine in statute a new charter for either the BBC or any of the other currently terrestrial channels because let’s remember we are talking about a period leading up to very soon the digital switchover when the idea of a terrestrial channel will no longer have much meaning, to be honest. Because everyone will have their digi set and their Freeview and whatever. But maybe there is a new way of expressing, not the obligation, but what the desire of the consensus – if there is such a thing – what the desire of British people is to have in the garden of broadcasting, as it were. We like our parks, we like our wild spaces, we like them to be well tended and well kept. We don’t expect the Lake District to make a profit, we don’t expect Scottish lochs to make a profit. We don’t expect the Broads to make a profit. We don’t expect much that is valuable and important and nourishing to us to make a profit. And I don’t see that necessarily we should expect broadcasting to make a profit. It so enriches us that that is our profit.

Matt Paice, Executive producer, Diverse Productions: Do you think the BBC should continue to make its own programmes?

SF: It’s an interesting point. It would have been unthinkable to ask that question 10 years ago, 15 years ago, wouldn’t it? But now there’s another kind of licence fee, as you will know as an independent producer; the licence fee that the member of the public pays in order to have a television and there is – as it were – the licence fee that BBC pays to the independent company for its hour, or hour times six that’s providing the content. Should BBC make content? I believe it should. I think it would be very hard for it to regard itself as the full entity that it is without making content. This is a really important point it seems to me about broadcasting: there are executives and there are

programme makers. And this is a model, if you want to use that word, that was familiar all the way back to the early days of the BBC when almost everybody had been in the army. There was a natural problem in the army of morale when you have field soldiers, who are good in the field at fighting, if you like – at moving around and at tactics. And you have the staff officers that tell them what to do. If the staff officers are the Melchett-type characters, the Darling-type characters [characters from TV comedy *Blackadder Goes Forth*], if they had never been in the field, nobody trusts them or likes them. But if they are brilliant field officers, why would you take them out of the field and put them behind a desk? And this is the problem in the BBC. If someone is a good programme maker, why take them out of programme making and assume that they will be good at guiding something as huge as a corporation. On the other hand, if you are a programme maker and you had been told how to make programmes by someone who has never made a programme, it's incredibly irritating. So we rely on five per cent of programme makers accidentally being good executives. And it will occasionally happen. Usually the Peter Principle will prevail and they will just be promoted beyond their competence and then settle down. That is not a criticism of anyone in particular – it's just the natural problem with institutions, large institutions. It wouldn't happen in a small company like yours. I don't know what the answer is. I think programme making is central to the BBC, yes I do. I mean, it is inconceivable to me to imagine it not making its own programmes, particularly news.

Robin Ince, Comedian: You were talking about the patriarchal nature of the BBC in the past and I just wondered whether to an extent with all TV now it is still patriarchal. It's just decided that the children are half wits, and it's just going to give them a glitter ball to play with, and it's just a presumption of idiocy amongst the population.

SF: Oh that's a tricky one. I personally meant the opposite of presumption. I'm not claiming to be grand or important or clever because of that, but I always assumed that the audience is a great deal smarter than anyone who's making [the programme] and therefore that the smallest mistake or the smallest evasion of truth, the smallest compromise that insults the intelligence of the viewer is an instant failure and will be seen. It may not always be the case and it may be that I am entirely deluded but as someone who does *The Times*

crossword very quickly, if I was to go into an average British pub there would be someone who did it more quickly than me. I know a lot about cricket, say, or chess, but I believe if I went into the average British pub there would be someone there who knew more about those things than me. I do believe that the country is both full of talented and extraordinary people who happen to watch television and full of people with an extraordinary thirst and appetite for knowledge. It may be that if you were to throw a stone in Basingstoke market place it will land on the head of someone who is more or less functionally an idiot! But, that person probably isn't going to be watching television. He'll be in the pub throwing up after his seventh shooter very quickly. That's if one wants to characterise Britain in that way, but I am genuinely much more optimistic about it than you, I think. Nothing is all or nothing. It is perfectly possible to watch a charming piece of Saturday evening entertainment and to watch a very challenging new play on BBC4 or to listen to Radio 3 and then go and listen to Radio 2. I don't think people are as ghettoised as everyone insists they are. I personally can eat a hamburger one day and go to a three star Michelin restaurant the next if I'm lucky and expensive enough. I don't see that as a contradiction. It's being human. We are none of us such connoisseurs that we can only watch the most high-flown thing. Nor are we, none of us, so sunk in lack of self-respect and sloth that all we can watch is something that never challenges us. Most of us want a mixture and that is precisely what the BBC has been good at providing.





THE WILL HUTTON DEBATE

Chaired by Kirsty Wark

QUESTION AND ANSWER SESSION

The following is an edited version of the discussion following Will Hutton's speech on May 15, 2008.

Kirsty Wark (KW): You imagine the BBC primarily focused around what it does in news and current affairs and political coverage. An earlier Ofcom briefing paper talked about the decline in children's programming for the nations and regions; that's expensive programming. Is that something the BBC should be rewarded for separately or freed from its obligation, to do so much for nations and regions? What do you think should happen here because what you are laying out is hugely expensive under pressure of audience fragmentation, pressure of alternative media. All sorts of different pressures are coming with the digital switchover in 2011. You seem to suggest the BBC can go on doing everything. But a lot of people don't think it can, or nor should it.

Will Hutton (WH): Well, I think it certainly should, and I thought the licence fee settlement was too mean. *Newsnight* does well to still have a minimum audience at 11.15, but I would argue it's one of the crucial platforms of the BBC's public service broadcasting commitment. You've got to hold that. When I talked about truth-seeking and the citizen test, I think that has to apply not just to news and current affairs but to drama as well. When you commission a drama, what is this drama trying to do? Why is this person saying this in this juncture in the plot? What are we trying to get over? Is an adaptation of a 19th-century novel true to what that author intended? These are the kinds of questions asked in drama, which the BBC continues to ask and deliver. Then you say 'What about the regions?'

Well, I think it is really important, really important that the BBC has beefed up its commitment to broadcasting out of Manchester, and I've always thought that the notion that talent pools are only essentially in the M25 area, commuting distance from White City, is outrageous. You say that costs too. You know roughly what it's cost to do it up to now. A lot of people in the independent production sector have benefited first from the quota and now from the window of creative competition, so that as much as half of the licence fee allocated to programme commissioning goes to independent TV producers. Britain has built up a really fantastic pool of trades in the independent production sector and it's all offered back to this central actor in our creative economy. And you need it to fly the PSB flag regionally and in local radio. And if that costs, let's say, a round number, three billion pounds, it's no use saying, 'I'm now going to take a 150 million off it for Channel 4 and I'm also going to make that income grow lower than the rate of inflation for the foreseeable future,' because you kill it with a thousand cuts. The licence fee of £135, whatever the figure now is, is trivial – not small anyway but trivial. But small by comparison even with road tax, which used to be lower than the licence fee. In the end it was not done around, 'let's have some kind of objective sense of what output we want the BBC to make,' it was a tussle between DCMS and the Treasury, with Prime Minister Tony Blair absenting himself from discussion because he was politically weak, and thus we got that kind of structured increase.

KW: Aren't you always going to be open to the vagaries of the political climate? Isn't the BBC always going to have that as a problem? And it's going to be a problem because where are they going to be in 2011? Like the general election in 2010, who knows what will happen?

WH: If there was a Conservative government led by David Cameron, my hunch would be that whatever might happen in a second or third term, in the first term I am certain that he would give the BBC a reasonable settlement. Paradoxically maybe a better settlement than a Labour government. A Labour government back against the wall. But the BBC has made a better fist of it, and it will make a better fist of making its case if politicians feel there's a political price to be paid for cutting it. At the moment there is not – it seems hard to capture the enormous latent pull that the organisation has in the country.

KW: You talk about the way that because the Trust has got, in a sense, to police it and the director-general is in another position again, there aren't really people to support the BBC, except perhaps people like you. You said yourself that Sky managed to make a very good fist of news and in fact has won a whole skip load of awards doing it. And this idea that the BBC needs to be kept on its toes by competition – has it just got to be Sky in your view or do you think that ITV and Five should still have a public service remit?

WH: Well, I don't really get it. I know that Michael Grade's back is against the wall in year two of his 10 years as executive chair of ITV. I don't buy the argument that being released from public service obligations, you get a media uplift and share growth. Year one you don't have to do expensive regional news, say. But my view is that in years three, four and five, two things start to happen. One, viewers smell the fact that you've retreated from those obligations and actually your reach and access starts to weaken, and, two, I absolutely repudiate with every kind of fibre of my being, the notion that public service broadcasting is a kind of voodoo and not generating creativity. Just look at BBC comedy, done within a public service broadcasting envelope, compared to the lack of success of it outside the PSB broadcasters. And I think it's very, very tricky. If I was Michael Grade I'd want to hold on. I wouldn't want to say I want to shed my expensive PSB obligations. He's trying to get through to 2009 before he hands over to someone else, you know. I think it's ultra short-termism and that it would be far better to hang on in there, but that's just my view.

Simon Evans, Managing Director, Creative Clusters Ltd:

I want to ask about the creative economy, the BBC's role and impact in the creative economy. I know that you did a lot of research for the Government's Creative Britain report. It was astonishing to me that the BBC hardly merits a mention in this. You do a Google search of the document and the BBC is mentioned in the list of supporting organisations for some projects. It seems to me that a lot of the commercial argument against the BBC is that it distorts the economy, the broadcasting economy. My view would be that on the contrary it provides a benchmark for high quality and that the BBC is at the very centre of the creative economy, but I invite your response

both to that and to the extraordinary absence of the BBC from the Government's strategy.

WH: If you read *Staying Ahead* – for those who don't know this, I'm going to take 10 seconds to explain. We, the Work Foundation, were asked by the DCMS in January 2007 to write what was going to be the first half of the green paper on Creative Britain. In the event the green paper got published not as a green paper but as a kind of discussion document, I guess in February of this year. Eight months later. And our piece of work was published as a self-standing report to Government in June of last year called *Staying Ahead*. UNESCO says that Britain is the biggest exporter of creative exports in the world, bigger than the United States of America, incredibly. If you look at the growth of creative exports, the size of the British creative economy, it's the largest in the EU absolutely and relatively. And you try to explain that, when a lot of other European countries, the French, the Germans, spend an awful lot of money, a lot more than we do, on grants and subsidies and tax breaks for their creative industries. What you get to very fast is that we have this institution, the BBC, and piggy-backing off the licence fee, which is a form of grant or investment in the creative economy, and has spun off an incredible array of creative industries with multiplying effects in the wider economy. And I've been urging the British and English redevelopment agencies, and the BBC, to really do some serious work to capture this. No one does it. And I find it really quite surprising as actually this is a headline thing. We know that EMI as was, Sony EMI when it was a plc, said the strength of the British music industry was because of the diversity of the play lists that are put on Radio 1, and the strength of our independent music producers. You can get faster national coverage of new bands on Radio 1 than you can on a private radio commercial station in a large state in America. And that gives our music industry a real leg-up. Look at the size of the independent production sector. Look at the classical music industry. And so it goes on. I think that the arrival of the BBC in Salford will – if you look at a map where the knowledge industries are in the United Kingdom, you will find they are densely concentrated in London and the home counties and then amazingly – but it shouldn't really surprise this audience – there is nearly equal density and as rapid a growth in two other parts of the country. One is Manchester, south Manchester, and north Cheshire, and the other is Leeds, Harrogate and York. And you

can't tell the story in both those parts of the country without talking about the creative economy in both those parts. So, if I was trying to build a coalition to the BBC Trust, and thinking ahead to 2011, 2012, there's a big coalition to be built in support of the BBC just at the level of the business community. It shouldn't be the case that Murdoch and ITV dictate the terms of trade here. There's a whole bunch of other people who are doing very well courtesy of this licence fee and the way that it's been structured. The legislation has helped this – the Peacock recommendation that there should be a quota of programmes made by independent producers, Blair's 2003 Communications Act, and more recently as part of the BBC's Charter – intellectual property rights have remained with independent television producers, and then the WOCC (Window of Creative Competition – *see note 1*) provides them with another guaranteed opportunity. And so we have designed slightly haphazardly a creative marketplace which is world beating. And to knock out the principle 'capital ship' in it will weaken it. It is so self-defeating.

KW: But you also said go to Channel 4. You talk about it rediscovering a sense of purpose. How do you keep Channel 4? What do you do about it? It needs money.

WH: In my piece I say I think Channel 4 lost the plot. I think the leadership of Channel 4 think they lost the plot as well. It became evident in 2007, and Next on 4 is the response and there is some important reconnecting with the public service tradition, and it's good to read actually. There will be different views in the room but I think it's been important for the independent production sector that there are at least two markets in which to sell. But you want a third and a fourth actually. It's been very healthy and some competition for ideas takes place because if you are a BBC commissioning editor and you don't build up a relationship with production company X and they are good, they might take it to Channel 4 and you need that competition. You need that tension in the system. Channel 4 has got to have the money to pay it to play.

Robin Foster, member of the Government's convergence think tank looking at communications policy regulation and an occasional adviser to the BBC: Will, I was very interested in your proposal for new public metrics and I have a

question about that. First of all, I think the BBC has been at the forefront of developing the concept of public value along with the Work Foundation, so the so-called public value tests are already applied quite rigorously to new service proposals. I'd be interested to hear how you think your new metrics develop from that base. Are they an extension of that approach? And secondly, if Channel 4 as you suggest in some sense gets more public help in future, do you think a similar sort of framework would need to be applied to Channel 4 as well?

WH: Absolutely, I don't think Ofcom or the BBC Trust have got to take their foot off the pedal. I think there's – if you like – and I should perhaps have said this more clearly, there are two parts of this public value architecture and I'm arguing for a third. Part one are all the well-developed metrics that Ofcom has used. Numbers of factual programming and all the rest of it. I think that's right. Secondly there is the public-value test. The public-value test that the Trust uses is slightly different from what was proposed by both the DCMS and ultimately the Charter. The BBC Trust is required to look at, tot up, if it can, the public benefit of producing XYZ in the services and then a market impact assessment; what the costs are. And if the thing is positive, the thing gets the green light, broadly. That's fine but it's for new services and of course when there is a renewal of a contractual commitment it also kicks in. I'm running for a third platform really. A third leg, not third platform, a third leg of this platform. Which is these three qualitative tests. A citizen test, a kind of truth of the matter test, and a public-value, a public-round test. And they are qualitative. I think we could quite easily tweak some of the BBC day-by-day surveys of reactions of audiences to what it does. It requires some pro-activity also – and it's a systematic check back into what the public value is. For me, the sweet spot for the BBC is to be delivering programmes, broadcasting programmes that have big, substantive audiences, where the audiences also recommend the high public value content in the sense that they are answering my qualitative tests. And if you've got lots of hours of it you are in a very, very, sweet area indeed.

Philip Reeve, City Broadcasting: I just want to ask a little bit more about this question of feedback from licence fee payers, viewers, however you want to describe it. My company makes *Feedback* for

Radio 4 so we provide with Roger Bolton that service to one network. One of the interesting things about that is the extent to which listeners love and engage and criticise that network through that programme. And we know from doing that, that it's best to have an independent voice dealing with that process. I'm not surprised that you are suggesting there's been some sort of inertia or slow movement on feedback, but I wonder how you think possibly that whole area of engagement with licence fee payers and viewers and listeners could be accelerated?

WH: I think I tried to set it out. I agree with you. I talked about flash grabs – even this evening we could go out in two hours' time and just get a group of people in a supermarket in central Manchester, and we could ask them what they thought of last night's shows. Then you've got a more systematic way of doing it and the way that you are doing it and I enjoy *Feedback* and I think that – I am slightly walking on thin ice here because I am not quite certain how extensive the plans are to do something on the various television networks.

KW: I don't know about that but where the BBC has all this feedback of course is online and that's where it gets a lot of comment. But there would be a much greater impact if there was a kind of prime time show once a week where people could just air their opinions about the BBC. You are saying that's in the offing?

WH: Well, other people in this audience know a great deal more about what's in the offing than I do. But would they like to speak up quickly! My understanding was that something big was going to happen a couple of years back on this and as far as I know if something is going to happen then it's not very imminent, but I could be wrong. I also think that the qualitative ways of moving a public-value test forward have also been talked about, but actually not much has happened. And I think it's really quite urgent to push on these areas.

Will Hutton is a former BBC correspondent, former editor-in-chief of The Observer and, currently, chief executive of The Work Foundation.

Note 1: The Window of Creative Competition (WOCC) is a process in which BBC in-house and independent production companies compete for commissions on a level playing field. Commissions won through WOCC are in addition to the guarantee of 25% to the independent sector and the 50% to BBC in-house productions. For further information visit: <http://www.bbc.co.uk/commissioning>

THE WIDER CREATIVE COMMUNITY

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|-----|--|-----|
| 2.1 | BBC Survey of the Creative Community <u>Simon Terrington</u> | 100 |
| 2.2 | Contributors' Comments Roy Ackerman, Denys Blakeway, Lorraine Heggessey, <u>Nigel Pickard, John Smithson</u> | 138 |

2.1 BBC SURVEY OF THE CREATIVE COMMUNITY

EXECUTIVE SUMMARY

Introduction

Over February and March 2008 Human Capital conducted interviews with 25 CEOs of production companies and 9 leaders of broadcaster in-house production operations. The objective was to understand their views on the current health of public service broadcasting, and on what should be done to secure its future delivery. Contributors represented a variety of company sizes, regions and programming genres. This document provides a synthesis of those conversations.

More specifically, we spoke to creative leaders about:

- The objectives of public service broadcasting;
- The health of the production industry, and the impact of this on provision of PSB objectives;
- The challenges public service broadcasting faces in the future;
- What should be done to sustain public service content.

Public service objectives

There was broad agreement that Ofcom's PSB purposes and characteristics are the right ones, and that they are important to support. For example, there was strong support for the PSBs' democratic role in representing diversity of viewpoints. Participants thought it was particularly important that PSB programmes were high quality, innovative and originated.

Most people viewed PSB in a broad sense and argued that it should not exclude any genre, but should pursue a varied schedule. A small minority believed that the PSB remit should be much narrower.

While the BBC and, to a lesser extent, Channel 4 were seen as

being at the heart of PSB provision, the large majority of participants did not think of ITV1 or Five as public service channels.

There was a diversity of views over how PSBs should operate in the market. A minority thought PSBs should take a market-sensitive approach. They emphasised the need to maintain a large audience share for PSBs to remain relevant in a competitive marketplace. PSB objectives, they asserted, must be made within the constraint that PSB programming wins large audiences. It should provide what broadcasters know to be popular.

Most people argued for a ‘market-corrective’ approach:

- The majority of creative leaders felt that it was imperative that PSBs take risks, both in programming and in the production process. In doing so participants believed they could stimulate new demand for PSB programming, spur innovation, quality and variety, and set standards for commercial players to emulate.
- A third of the sample argued strongly that it was the job of PSBs, and in particular the BBC, to broadcast the programmes that the market would not provide.

Current health of production and its impact on PSB

Overall, the production industry was felt to be in a good state of health. Programming spend is at an all-time high, partly as a result of strong PSB investment in the UK creative sector, and export markets are buoyant, especially for formats. Respondents recognised that the PSB system has led to provision of quality programmes in all of the key genres. Nearly all of them placed enormous value on the PSB system, and felt it was a critical factor in making the UK Television industry one of the best in the world. However, creative leaders raised a number of general concerns:

- Broadcasters were felt by the majority to be too risk-averse in their commissioning and scheduling strategies, which reduced the prominence of PSB messages and the variety of programming. The BBC, was the broadcaster thought to be capable of taking the most risks.
- Commercial pressures that have increased as a result of audience fragmentation are felt by some to be lowering quality, experimentation and editorial standards. In this changing environment the BBC’s role as an investor in quality and a standard-setter was seen to be paramount.

- The need to seek production funding through co-production was a source of mild concern, as a few participants thought it could compromise public service objectives on occasion. A greater number of creative leaders saw benefits in co-production as it enabled them to do more in a climate of tightening budgets.
- Overall, in-house production was felt to be about the right size. While many heads of independent production companies naturally favoured less competition with in-house production, a significant number of participants recognised that a combination of in-house and independent production made for a healthy industry. A few smaller producers pointed to the rise of ‘superindies’ with considerable market power threatening the very diversity that the independent sector was intended to safeguard.
- A small minority of participants raised concerns about the relationship between commissioners and independent production companies. They felt the commissioning structure was too impenetrable, and commissioners’ involvement in the creative process could be counter-productive on occasion. They valued plurality in commissioning.
- It was widely recognised that production outside London was underdeveloped. National and regional producers voiced the difficulties they had in securing commissions. Some participants saw out-of-London production as key to sustaining PSB, but some more commercially orientated consultees thought that forcing production into nations and regions that did not have the skills base would damage broadcasting.

Below these overarching concerns, the health of the production industry varies by genre according to participants.

- *Factual entertainment* has enjoyed a decade of strong growth. However, some producers felt old formats are tiring and the industry needs to regain momentum.
- *Entertainment* has undergone a renaissance and is in good health.
- *Comedy* is in good health on the BBC, with new titles appearing. The picture is more mixed elsewhere, but Channel 4 and ITV have developed some popular hits that give a basis for optimism.
- *Drama* has been creatively reinvigorated at the BBC. On the economic side, many producers felt that quality drama is beginning to face serious financial difficulties.
- *Specialist factual* producers felt that their programmes can suffer from

a trend towards triviality. The BBC was praised for holding up certain areas, particularly natural history.

- *News* was felt to be in reasonably good health. BSkyB and ITN are not fundamentally threatened, but they do have economic pressures. Having a range of news providers was seen to be especially important.
- *Current affairs* and *documentaries* were reported to be in a fragile state, both creatively and financially.
- *Children's* producers felt that their genre is likely to suffer due to the concentration of buyer power.

The creative community did not speak as a homogenous group: leaders of smaller and more PSB-orientated production companies were particularly nervous about production, and about the future.

Challenges for the future provision of PSB

On balance there was pessimism about the future of PSB, and genuine concern over whether it would be protected in an environment dominated by commercialism. The main challenges to PSB in the future identified by the creative community originated from three sources:

Audience fragmentation in a multichannel environment

- Output that scores well against PSB purposes will increasingly be sacrificed for programmes with high audience share;
- Commercial broadcasters (including commercial PSBs) will see their revenues decline, leading to lower quality PSB programming and less risk-taking;
- For the BBC a smaller audience could mean a reduced justification for the licence fee; some participants were concerned that reducing the BBC's scale as a result would compromise the very ability to provide wide-ranging quality that warrants its existence, paving the way for the end of public service broadcasting.

The new media world

- The shift to on-demand viewing means schedules will be disaggregated as tools like the iPlayer become more prominent. Some believed that this would produce a flight to quality. Others feared it would further reduce risk-taking and so innovation, as well as more serious PSB programming, as PSBs find it harder to get audiences to try new programmes via hammocking and inheritance.
- The need to move online presents broadcasters with clear

competitive threats and may undermine the BBC's current licence fee model.

- A few creative leaders identified a worst-case scenario whereby distributional changes could reduce the grounds for the BBC's funding model, and behavioural changes enabled by new technology such as personal video recorders could damage the commercial advertising model, presenting serious implications for PSB.
- Many producers were excited about the opportunities the new media world provides. In particular, they anticipated being able to bypass broadcasters to have direct access to their audiences. Broadcasters themselves have the opportunity to better target their audiences, and to provide them with a rich range of content. In addition, by acting as gatekeepers to signpost online content they could, it was argued, transfer their impact to the new media world.

A climate of concern

- Concern about a decline in PSB audiences and excessive focus on share as a result could, it was argued, reduce innovation and commitment to PSB in a self-fulfilling prophecy.

With the impact of these forces perceived to be greatest on the commercial sector, most consultees saw the publicly-funded model as even more important for upholding PSB.

Future roles for the PSBs

The majority felt that plurality of PSB provision was important, if not critical. Most people wanted Channel 4 to continue as a PSB – only a fifth of them disagreed.¹ A clear majority no longer thought of ITV and Five as PSBs, and thought those channels should relinquish their remaining commitment. A small minority did not think plurality was necessary.

There was significant divergence of opinion when people were asked how Channel 4 should be supported in its future PSB role.

Of those that said Channel 4 should continue as a PSB, the majority came out against any form of direct public funding for Channel 4.² This was because they believed that public money was inconsistent with its brand and would place obligations on the broadcaster that would fundamentally alter its character. More specifically:

- Nearly everyone believed a government grant would be politically unacceptable;

¹ This rose to 25% if the BBC respondents were excluded

² This was also true among non-BBC respondents

- Most people were against dividing the licence fee between the BBC and Channel 4, because of the damaging effect they believed it would have on the BBC, and the impact which breaking the link between public money and content would have on public support for the Licence Fee;
- 9% of the sample supported top-slicing the Licence Fee for Channel 4.

There was no consensus on alternative funding solutions:

- A small minority suggested that Channel 4 should receive no extra support and should still keep its PSB obligations.
- A few people proposed giving it subsidised use of the spectrum or other regulatory assets.
- A small number advanced the idea of giving Channel 4 profitable BBC assets so it could function as a privatised PSB organisation like ITV, or a non-profit organisation as exists currently.
- There was little support for the new models such as a PSP or long term transferrable funding.

1. INTRODUCTION AND METHODOLOGY

Over February and March 2008, Human Capital conducted interviews with thirty four CEOs of production companies and leaders of broadcaster in-house production operations about public service broadcasting. The aims were to understand their views on the objectives of public service broadcasting, the current health of the production industry, the challenges that PSB faces in the future, and what should be done to sustain its provision.

1.1. The sample

The creative leaders we spoke to comprised a variety of senior producers, writers and CEOs of production companies. We spoke to people at the BBC, ITV and BSkyB as well as many independent producers. Contributors represented a variety of company sizes, regions and programming genres.

1.2. The consultations

Participants considered a series of open-ended questions. A topic guide was provided, but consultees were encouraged to raise issues that were

most pertinent to them. Questions addressed their views on:

- The creative and economic health of the genre(s) in which they worked, and the impact of these on PSB;
- What the objectives of PSB should be;
- The challenges for the future success of the PSB system, including the impact of the internet and distributional changes;
- Relationships with buyers, and views on the various sizes of the in-house production bases;
- The potential benefits of having a range of different providers of PSB, and the implications of this;
- Recommendations for the BBC, ITV, Channel 4 and Five.

2. WHAT SHOULD PUBLIC SERVICE BROADCASTING BE FOR?

In this part of the research we discussed the attitudes of creative leaders to the objectives of PSB as detailed by Ofcom, and their interpretations of its scope.

2.1. PURPOSES

2.1.1. There was broad support for Ofcom's PSB purposes

The creative community discussed Ofcom's four PSB purposes:

1. Informing our understanding of the world
2. Stimulating knowledge and learning
3. Reflecting UK cultural identity
4. Representing diversity and alternative viewpoints

Nearly all participants felt these purposes were very important, and expressed particularly strong support for 1) and 4).

“The overriding purpose is to increase the range of cultural experience and politico-economic literacy of UK citizens.”

A small number mentioned additional purposes:

- A few participants felt PSBs had obligations to contribute to the ongoing competitive environment;
- A small minority highlighted the significance of online provision, delivering the original purposes in a different landscape. This is related to the BBC's sixth public purpose, 'building digital Britain'.

“PSB needs to be much more than television. It must move online to reach people who aren’t watching TV.”

Only three people argued that the PSBs’ purposes should be reduced. With particular reference to the BBC, they emphasised that a PSB’s core mandate left its range of services spread too thinly:

“Its role should be to represent a trusted source of information, and to fund premium content.”

2.2. CHARACTERISTICS

2.2.1. In general, Ofcom’s PSB characteristics were strongly supported

Participants considered the six PSB characteristics.

Quality

Everybody believed that high quality programming was important. People thought quality was important because it raised the benchmark for commercial broadcasters; this applied particularly to the BBC. However, a few pointed out that there was work of real quality already sustained by the market.

Innovative

The large majority of respondents considered innovation to be a fundamental characteristic, particularly for a publicly funded PSB.

“Originality of content is paramount. Content must be fresh, pushing forward and breaking boundaries”

Originated

Everybody thought that UK-made programming was important, as it better reflected the interests, values and culture of its audience. One person argued that PSBs should actually be assessed according to the amount of money spent per hour on originated programming. National and regional producers emphasised the importance of reflecting the whole of the UK.

Challenging

This characteristic produced varied responses, expanded below. A large minority thought it was critical that PSBs pushed the audience out of their comfort zone, to avoid broadcasting ‘wallpaper telly’.

Engaging

Everybody recognised that public service television needed to be engaging if it were to have relevance. A significant minority (particularly documentary producers) thought that the pursuit of a large audience share worked to mitigate public service value, but many consultees also argued that good programming could be both PSB and engaging for large numbers. This became a central theme of discussion and is addressed in detail in section 2.5.

Widely available

This was a prerequisite for all. A minority felt the concept of PSBs should stretch to online provision, particularly in relation to young audiences who are not watching television as much.

2.3. GENRES

2.3.1. The creative community takes a broad view of what constitutes PSB programming

Discussion of PSB in terms of the purposes and characteristics above revealed that many in the creative community had a broad interpretation of PSB programming. Programmes such as *The Apprentice* and *EastEnders*, for example, were sometimes held to be as high in public service value as *Blue Planet*. In contrast, a minority of producers asserted that certain genres like news and documentaries had much higher PSB status than others. We will disaggregate the two interpretations:

- **Narrow PSB** refers to public service programming as defined by specific genres: news, current affairs, documentaries and specialist factual.
- **Broad PSB** captures any programming that broadly meets the PSB objectives and enhances the lives of the audience.

2.3.2. The majority believed that PSB meant a variety of programming and should not exclude any genre

A significant number of people thought that every quality programme could contribute to public service television.

A few participants suggested that the idea of public service transcended individual programmes, advancing a ‘mixed bag’ approach:

“Public service should not exclude any genre. There is no such thing as a public service programme, instead you have a public service schedule pulling in audiences to a range of content. You need to think of it as a unified whole.”

2.3.3. A small minority of participants thought that entertainment should not be considered as part of PSB

A significant minority believed PSBs should not focus on entertainment. For example, it was suggested that the genres of focus for the BBC should ideally be drama, documentaries and current affairs, not game shows and light entertainment, but participants recognised that this would be damaging to viewing.

2.4. RECOGNITION OF THE PSBs

2.4.1. Creative leaders recognised that broadcasters play a role in PSB above and beyond financing genres

In their discussion of broadcasters, consultees talked about the culture of PSB institutions and channel brands as well as their PSB programming. They were seen as places with their own values, cultures and roles, and not just finance houses for discreet genres.

“Channel 4 is an extraordinary brand. There is a unifying thing about its content.”

However, some creative leaders also pointed out a growing allegiance to programmes over channels on the part of the viewer.

2.4.2. Most participants looked to the BBC and Channel 4 as the PSBs

All network channels currently have PSB obligations. However, when asked who they considered to be PSBs in practice, and when discussing PSB programming, the large majority of creative leaders referred only to the BBC and Channel 4. The perception of contributors was that ITV produced in fewer PSB genres than it used to, so most looked to BBC, and to a lesser extent to Channel 4, to safeguard PSB programming.

2.5. INTERPRETATIONS OF PSB IN OPERATION

Exploration of PSB objectives unearthed a fundamental polarisation within the creative community. Under discussion was the central

discord between PSB objectives and the environment in which they must be delivered.

Creative leaders tended to advocate one of two models: one argued that PSBs needed to produce what was in demand to avoid becoming anachronistic; the other held that the point of PSBs, and certainly a publicly funded PSB, was to provide exactly the programmes and take exactly the risks that the market would not deliver.

Creative leaders argued for either extreme. This was to be expected to a degree: commercial operations had obligations to shareholders, small PSB producers would benefit from more PSB commissioning, and everyone could enjoy more risk-taking in commissioning. Producers did, however, answer with respect to the good of PSB as well as their self-interest.

2.5.1. A minority underlined the necessity of a market-sensitive approach

In-house producers and those heading larger production companies tended to emphasise the importance of connecting with the audience and providing programmes that viewers would want to watch. The implication is that PSB programming must be packaged in a way that is enjoyable for today's viewers, or shown less. In a multichannel environment with a heavily fragmented audience, certain participants felt that this was necessary to keep PSB relevant. Furthermore, a low share would mean less money for future PSB programming for commercial PSBs, and for the BBC a reduced justification for the licence fee.

These creative leaders argue that programming cannot be forced onto the audience any more, and point to PSB in America to warn that strict observance of PSB properties could render broadcasters 'out of touch, outmoded and anachronistic.'

“If they don’t want to watch it, they won’t watch it. There is no point saying programmes have to be purist to be public service because the audience has two hundred channels at their disposal at the flick of a remote control. We are in a consumer business. There is no point having something in your shop that no one wants to buy. PSB would just become like an old library book that no one takes out. So the challenge for the creative community is to make public service subjects accessible.”

2.5.2. The majority argued for a more ‘market-corrective’ approach

Participants recognised that the PSBs do have to be competitive, and that commercial providers must be driven by share. However, many described a ratings-obsessed culture that inhibited creativity, innovation and the serious public service programming they felt PSBs were mandated to maintain.

They looked largely towards the BBC to avoid the problem because it was not dependent on commercial revenues, and to a lesser extent towards Channel 4.

Creative leaders advanced two strands of this argument:

The importance of taking risks

Over half of the creative leaders interviewed said that risk taking is vital for PSB programming, and for a healthy industry in general. In addition to directly engineering programmes that have strong PSB messages, it encourages innovation, high quality output, courageous programmes that could have a strong impact, a vibrant choice that benefits consumers, and sets standards for commercial players to emulate.

“We are paid to take the audience somewhere they didn’t know they wanted to go. The audience needs to be looked after with experimentation and diversity and not just fed what they want. It is the job of producers and broadcasters to tantalise people into new and interesting things. They should lead the race, not follow the audience.”

There are two facets of broadcaster risk-taking:

- *Risk-taking in programming:* Surprising and challenging audiences with quality programmes that they didn’t know they wanted
- *Risk-taking in production:* Trusting creative people to set out on a journey; not trying to control the process too much

The idea is that if broadcasters are courageous and innovative with unproven formats and production flexibility, then share may naturally follow.

“The threat is ‘lowest common-denominator television’, the temptation to dumb-down and go for quick sensation. But when EastEnders is well written, brave and intelligent, for example, more people watch it.”

Broadcasting programmes that the market would not provide

A third of the sample suggested that PSBs should exist to create programming that the audience would not otherwise have the opportunity to see because it was not sufficiently popular.

“Public service broadcasting should be something that survives outside what the normal commercial system would make. For example, it is incumbent on a PSB that it rocks the boat, and takes a cultural leadership role with questioning that puts the powers that be on the spot.”

Distinct from risk-taking, this approach applies to programmes of high PSB worth that broadcasters know in advance will not secure a large share. Those arguing for provision of non-market outcomes did not believe that it could easily translate into share, but in support of serious PSB objectives rejected the idea of pursuing share as a primary metric.

“It is better for a PSB to be an interesting channel with a slightly smaller share than a boring one with a big share.”

One contributor suggested that the metric of share should be replaced with metrics that capture the value of a programme to its audience. While these measures would bear some correlation with share, he believed they would be more in keeping with PSB.

“We should shift away from share towards ‘value-based metrics’. These are things that capture the extent to which the audience truly cares and feels passionate about the programme. For the BBC the performance metric that counts more than anything is ultimately the willingness of the population to pay the licence fee. And that is about the value we deliver rather than the amount of consumption.”

2.5.3. The challenge is to reconcile the two models

Practically, a significant number of creative leaders recognised the need to strike a balance between share and public service value – one that kept PSBs relevant but also allowed public service programming to thrive. With commercial providers committed to advertising revenue, this was generally directed towards the BBC:

“The BBC must have enough money to compete. There has to be a mainstream connection with the public. But the BBC has to also create an environment where quality content can win: it must respect programme-makers and let them make good programmes.”

Traditionally people have assumed a one-dimensional trade-off between share and PSB value. However, a number of creative leaders emphasised that there can be a public appetite for public service programming, and that its messages do not necessarily need to be dumbed-down. The challenge is to make high-value PSB in a way that tempts people to watch it.

“Commercial audience figures and PSB are not necessarily competing: the skill is to do programmes that tick every PSB box but don’t look like it, contextualising PSB into a modern environment. Smart PSB doesn’t have to be Birkenstocks and wholemeal – it doesn’t have to feel good for you.”

In other words, there is a matrix of PSB-share outcomes. At its best programming can be high public service value, risk-taking and engage a

large audience. While public service objectives still oblige programming that will not secure large audiences, by investing in quality and risk-taking for innovation, broadcasters can also achieve both.

3. WHAT IS THE CURRENT HEALTH OF THE PRODUCTION INDUSTRY? WHAT ARE THE IMPLICATIONS OF THIS FOR PSB?

In this part of the research we explored opinions on the health of broad PSB production, and considered the creative and economic health of each genre.

3.1. THE HEALTH OF PRODUCTION AS A WHOLE

Overall, the production industry and the whole broadcast ecology are perceived to be in a good state of health at the moment. The amount of money being spent on programming is at an all-time high. The opening of the WoCC (Window of Creative Competition) by the BBC is driving growth in independent production. Digital channels and VOD are creating long-tail opportunities to monetise programming. Globally, format sales to the US have increased and emerging markets are opening up to content.

Respondents felt that the PSB system has led to provision of quality programmes in all of the key genres. Nearly all of them placed enormous value on the output provided by the PSB system, and particularly the work of the BBC and Channel 4 (all BBC quotes are from non-BBC contributors):

“I fundamentally believe we have something so special at the BBC. It genuinely does a fantastic job, and this is taken for granted too much. The BBC needs to be more robust in its PR defence of itself,”

“Channel 4’s job is to be brave and change the world of broadcasting. The joy of Channel 4 is that when it works it invents the mainstream.”

In many cases, the PSB system underpins everything respondents do. It

makes television an interesting and important place for them work in and it provides the finance. There is a general recognition that the UK has some of the best TV in the world because of the PSB system, and without it the industry would be very different and a lot less attractive.

“The BBC has an international profile. It is considered to be the best broadcaster in the world: its name is an indicator of quality.”

The purpose of the research, however, was to explore the creative community’s comments as critical friends. So against this backdrop of support, creative leaders drew attention to a number of themes. These were addressed to all PSBs, but in the same way that they perceived Channel 4 and the BBC to be the strongholds of PSB, participants looked to the BBC, and to a lesser extent to Channel 4, to propel change.

3.1.1. PSBs are too risk-averse

If consulting the creative community has unearthed any pervasive theme, it is concern over PSB attitudes towards risk, as a result of growing pressure to compete in the multichannel environment. As detailed in section 2.5, risk-aversion in programming and production has an impact on PSB through lower delivery of PSB aims, the tendency towards programme homogeneity, reduced innovation and lower quality output.

A great many producers highlighted risk aversion in production.

“The key creative issue here is renewal of risk. Risk is about a willingness to countenance different ways of doing things, to trust in delegation, a willingness not to be overly analytical, to embrace different forms of storytelling, and to give the audience something they didn’t know they wanted. It is not just about funding, but about a culture.”

Many producers felt that most commercial PSBs were playing to viewing figures rather than stimulating demand through innovation. A

large proportion saw this as neither in the public interest, nor, ultimately, in the interest of PSBs, as broadcasters needed to keep reinventing programmes to keep themselves relevant.

“There is a growing trend towards giving audiences what they want, and the result is plastic prostate television. We are making television like porridge, and it is an insult to our audience.”

As the organisation charged with upholding PSB, producers were most concerned that the BBC should resist the pressure towards ‘bums-on-seats wallpaper telly’.

3.1.2. A growing pressure to monetise content is sometimes compromising PSB

For a generation of producers trained to think creatively, the necessary drive for commercial gain has always brought difficult implications for quality, editorial decision-making and good PSB programming.

“The implications [of the profit motive] are a desire for formats that will be sold around the world, and a dangerous journalistic desire for the story at whatever the cost.”

However, many producers believe that pressures for commercial PSBs have been getting worse. Audience fragmentation means that budgets are falling on the commercial channels, and the pressure for monetisation is ever greater.

A few producers argue that this trend is not always in a broadcaster’s financial interest in any case:

“Production should be about innovation, not money, and teaching people to speak with their own voice. But since the City came along it is about how much you get for your unit of currency. If instead producers keep their eye on the quality, the money will travel with them.”

Many people asserted that less popular but vital PSB programmes and

messages are suffering as a result.

In this context, the role of a non-commercial PSB organisation is considered to be even more vital.

3.1.3. Co-production can reduce focus on PSB, although it has financial benefits

The way PSB programmes are being financed is changing. Producers are increasingly seeking revenue from additional sources to finance their production. This was generally positively received; a few respondents said they could not live without co-production, as it enabled them to do more programming and produce to a higher standard. There was mild concern among a minority that obligations to other funders compromised PSB content and the amount of PSB programming.

“The effect of co-production is sometimes for public service programming to be neglected in favour of commercial areas.”

“The danger is that co-production tends to militate against brave and controversial programming, particularly programmes that are particular to our country, culture and society, because they are more difficult to sell overseas.”

3.1.4. Some PSB needs to be legislatively protected

A significant number of creative leaders had the perception that there was less PSB than there used to be, at least in the narrow sense. They thought that, particularly for commercial PSBs, growing competitive pressures in a landscape where audience share is becoming ever more difficult to secure lead to a reduction in the output of public service programming – both in terms of the amount of PSB output and the depth of its coverage. Many consultees believe that commercial PSB will be at risk, unless new measures are taken:

“The thing that decides commercial PSB is the regulation that specifies it. Otherwise it will not happen. PSB dies when there is no requirement to do it. Children’s programming is the classic example. It has moved from tier 2 to tier 3, and the obligation on ITV is very weak. Parliamentarians now accept that they got it wrong.”

A number of respondents argued that the market would uphold much PSB programming, but more people argued that vulnerable genres relied on protection – as, on occasion, did quality and innovation.

3.1.5. There was no consensus on the balance between in-house and independent production

- A significant number of people believed that certain genres like investigative journalism could only be done in-house – for some this meant that in-house production should be reduced to these core competencies.
- A few respondents argued that having production aligned to an organisation acts as a statement of its values, so was important for PSB-heavy genres.
- A small minority of independent producers thought in-house production should be abolished, believing independent companies can produce better and cheaper programmes more creatively and flexibly.
- Nearly everyone thought Channel 4 and Five should not have in-house production, and that there was significant value in the presence of a public-service broadcaster-publisher. However, one person argued that unless the broadcasters can negotiate a different model for the post first-transmission exploitation of the intellectual property rights they have invested in, then they should have in-house production so they could squeeze out the value of their programmes. He asserted that a big linear channel has a declining value as an asset, and the real value is increasingly in the content. PSBs need to be able to utilise this if they are to protect their position.

Most independent companies would naturally benefit from smaller in-house production capabilities. But on balance, in-house was not felt to be overly large. In fact, a significant proportion of leaders of smaller production companies have pointed to the rise of the ‘superindie’ as having a negative impact on the industry, with large independents increasingly dictating the market in what is becoming ‘somebody else’s in-house’. They assert, by contrast, that the BBC is endangering its core purpose by cutting down its production base.

A few pointed to the need for a balance: it is the dynamics between in-house and indies that make the industry vibrant and sustain PSB values. In practice this should mean commissioning from a wide variety of independent companies to avoid excessive market concentration.

3.1.6. The decision-making structure of commissioning reduces plurality of viewpoints

In recent years broadcaster commissioning has been restructured, in particular at the BBC. While the hierarchical structure of commissioning enables a better sense of strategic direction and a coherent approach, a few producers have found the system difficult to access and creatively restrictive. Decentralising commissioning could involve a trade-off with impact, but some creative leaders feel that the result of centralisation is less innovation, less input from different thinkers and consequently less variety of opinion.

3.1.7. National and regional production and programming need more support

Production in the nations and regions was a particular source of focus for greater plurality of commissioning. PSBs are committed to development of national and regional production and programmes under their Tier 2 obligations. The contribution of national and regional production to PSB lies in the diversity of views, cultures and understanding that can be conveyed, in addition to support for national and regional economies. Conventional wisdom holds programmes about the nations and regions to be valuable because of the relevance of its information to the audience, and producers agree with this.

There are worries about the level of demand for nationally and regionally produced programmes:

“The creative health of the production economy is struggling in Scotland. 2004-6 figures show Scottish independent commissioning for network programming dropped from £27million to £16 million. 2007 has been a tough year for everyone. When you are on the fringe it is even worse. All our profits now come from secondary sales.”

News and current affairs producers also voiced some concern that programmes about UK nations and regions are threatened:

“As a regional company we used to make lots of regional programmes, but these aims are now largely defunct.”

While there may still be a place for regional services elsewhere, these producers felt that they would increasingly become the province of the BBC, and rely on the broadcaster to support them. The explanation for a deficiency of programmes on the nations and regions lies in their expense and low audience figures, and for nationally and regionally made programming a risk aversion and unwillingness to bear startup costs:

“Out-of-London is key to sustaining public service broadcasting. It is hugely important, but the skills base isn’t there. And until shows are commissioned in the regions you won’t develop this skills base.”

However, a small minority of creative leaders saw dangers in driving production out of London.

“Too much prescriptive interference would be a bad thing. Production requires a whole structure to support the creative industry that exists only in London. This shouldn’t be forced into regions where there isn’t the talent.”

Again, there is a balance to be struck:

“We don’t think that commissioning should have to move out of London. We do think that people in London should be really open to commissioning those outside. And with decent length runs so they can get critical mass. Yet this blocks up the schedules of the channels. One has to strike a balance.”

4. WHAT ARE THE FUTURE CHALLENGES FOR PSB?

In this part of the research we discussed the threats and opportunities for PSB in the future

Respondents identified a number of threats to the future provision of PSB. They originated from three main sources:

- Audience fragmentation in a multichannel environment;

- The new media and new technology world;

In general, creative leaders were nervous about the future of PSB. They were particularly pessimistic about the effects the changing environment would have on the share and revenue of commercial channels, and the impact that this would have on investment in high quality PSB projects. They looked to PSBs, sheltered from the commercial imperative, to hold up an equilibrium of quality and diversity.

4.1. AUDIENCE FRAGMENTATION IN A MULTICHANNEL ENVIRONMENT

4.1.1. There could be dilution of PSB values as commercial broadcasters struggle to attract audiences

PSB-rich programming will increasingly be sacrificed in favour of ratings-winners.

“The number of channels doesn’t mean more good stuff – it means more bad stuff around.”

4.1.2. Declining income for commercial PSBs

Smaller audiences would mean less advertising revenue, which means lower quality PSB programming. With budgets lower everywhere else, a significant number of contributors argued that the quality of PSB is becoming increasingly dependent on the BBC.

“Less advertising money is being spent on television, so all budgets are coming down in the commercial sector, making the BBC’s role even greater.”

Commercial channels do have new financing options:

“The answer is through the long tail, and in the global market – but will the economics of this offset the decline in other forms of income?”

4.1.3. There could be reduced public support for the licence fee

A few participants argued that multichannel competition, and the rise

of a cohort growing up without the loyalty to the BBC held by older generations, means that the licence fee may become increasingly difficult to justify. They feared that if the BBC wants to maintain its share it may be forced to jettison more high-value PSB programming.

4.2. THE NEW MEDIA AND NEW TECHNOLOGY WORLD

4.2.1. The shift to viewing on-demand is disaggregating public service schedules

The whole nature of how we experience programming is changing. As programme availability depends less on television timeslots, broadcasters will need to define themselves by the content rather than the shape of their schedule. They will no longer be able to hammock narrow public service programmes between more popular ones, or use inheritance from a previous programme. As a result, some consultees argue, PSB will not be watched unless it can compete with non-PSB alternatives.

A few people believed this will produce a shift to quality:

“In the on-demand world, only the really creative and extraordinary will stand out. There will be a flight to quality because audiences will actively seek out excellent shows. This has implications on the content we commission: the only way is to do less and raise the quality of the average.”

By contrast, others argued that it will lower quality and reduce innovation.

4.2.2. Online competition will make it harder to cut through

Moving online ushers in an array of new competitors:

“We are competing against the big online players. The BBC will have to be a very different place.”

New media is recognised as a way to reach the next generation, and a number of producers felt that this is necessary to keep PSBs relevant:

“The challenge is to engage young people so they migrate from YouTube to TV that would be good for them and is interesting. The BBC already has good examples: letting kids social network in a safe environment and then suggesting programmes they would like to watch.”

By contrast, some assert that PSBs have an obsession with youth that is unnecessary, because they will reconnect with it as they get older anyway.

4.2.3. The need to move online could undermine the licence fee model

A few participants felt that new technology will make the BBC's position very difficult. The BBC's presence will become increasingly important online in order to keep up with on-demand expectations, but some respondents thought that moving online destroys the grounds for a licence fee funded by people who own televisions.

“The world of broadcasting and its regulatory framework have, for the last fifty years, been shaped overwhelmingly by spectrum scarcity. That world is rapidly being swept away and the on-demand world is rising. This opens up a world of truly global choice, far greater than even the current digital satellite model. The challenge for PSB is to retain loyalty to justify the licence fee.”

Indeed, a couple of respondents expressed the opinion that the iPlayer was hastening the destruction of the BBC's funding model.

4.2.4. New technology could destroy the advertising model

With viewing habits turning to on-demand, and personal video recorders enabling the fast-forwarding of adverts, some producers think it is a credible scenario that big-budget advertising-funded linear channels could disappear. This would naturally have dramatic implications on the programming and PSB production.

“I believe that in the next ten years a large proportion of homes will have a high capacity PVR. A significant proportion of content will be viewed on hard disk which we know has a material impact on advertising efficacy. Many televisions could have high definition broadband connections. You then throw on top of this the fact that in ten years a significant proportion of the population will have grown up using Google, seeking out content – not passively bumping into it. If all of these happen you could imagine a scenario where very rapidly you hit a tipping point where the economics of ITV could suddenly collapse – this is a possible scenario.”

4.3. OPPORTUNITIES IN THE NEW MEDIA FUTURE

What are threats to broadcasters can be opportunities for producers. A large minority are excited about the possibility of getting a direct route to the audience:

“Programmes will become less tied to TV. Television can be a barrier, because you are trying to please both the audience and the buyer. Broadcasters are a potential obstacle between you and the public, even if the kids like it. With the internet you can go directly to your audience.”

“I intend to start building an online drama channel in three years, a way of taking content directly to the buyer – and by the buyer I mean the audience, not the broadcaster.”

There are also some exciting opportunities for PSBs. Producers felt there would be room for more varied programming and for PSBs to engage a young audience. With richer and more targeted opportunities to access audiences, they would be able to better serve their viewers. PSBs can also more effectively exploit their assets in a rich long tail for content. Digital technology has dramatically reduced the costs of production.

If producers are able to bypass broadcasters, then in the long-run

their position in the value chain will become weaker, and this will affect PSB. However, a significant number of creative leaders emphasised that the new media world would not render the traditional broadcasting medium obsolete, but simply move alongside it. They recollected that the BBC, for example, has shown remarkable resilience in reinventing itself as its environment has changed across the decades, and continues to do so in the digital age.

In the future anyone may be able to make their content available online, but they are still reliant on discovery through marketing or other processes. If PSBs can successfully transfer their own trusted brands online, they are likely to continue to play an important role in directing the audience to content:

“Anyone can create anything and make it available to anyone. But consumption possibilities are restricted by the ‘gatekeepers’, who enable people to discover.”

5. WHAT ARE THE FUTURE ROLES FOR THE DIFFERENT PSBS?

In the final part of the research we discussed whether there should be many PSBs in the future, who should continue to provide public service programming if this is the case, and how they should be supported.

5.1. PLURALITY OF PSB

5.1.1. Most people felt that plurality was important, if not essential, for the health of public service programming

Most creative leaders felt that PSB plurality was important for variety of viewpoints, and because of the spur to quality and innovation competition provided.

“The mixed economy of PSB to creative commercialism has served us well, creating a healthy ecosystem. Competition is key for ideas. It is really important the BBC aren’t the only occupiers of the PSB high ground.”

The majority also believed plurality was necessary to safeguard certain vulnerable PSB genres (like children’s), or genres where plurality was

required to sustain the democratic system (news and current affairs).

A significant number of participants mentioned that plurality was valuable for the health of the production industry, allowing creative development and variety of programming which was important for PSB:

“It is very important there is a sense of PSB competition – if not it is very dangerous. It is vital for the programming mix that talented PSB producers can take their work to different suppliers.”

Consultees occasionally stated self-interest in their arguments for PSB plurality. For suppliers, broadcaster competition for PSB programming could strengthen their position in the value chain. Some went further, suggesting that they ‘create the beginning’ of a cartel in production, as the number of buyers meant that the balance of power shifted to producers.

5.1.2. Creative leaders did not think that ITV and Five should remain PSBs

The vast majority of the people that we spoke to not only felt that ITV and Five should be able to relinquish their PSB status and become fully commercial with the digital switchover, but already did not recognise them as PSBs. Commitment was described as a ‘*token effort*,’ ‘*lip service*’ and even ‘*a PSB charade*.’ It was felt these broadcasters needed to have the freedom to be completely commercial.

“Once everything is digital the PSB system is going to be a complete anachronism, at least for ITV and Five. The others must prove that they are unique.”

There were only a couple of exceptions:

“ITV should keep some PSB to avoid becoming a downmarket brand. It would be good to have three PSBs.”

From a PSB perspective, these people pointed to ITV’s continued role in production and regional news, although there was not a great deal of confidence that the latter would continue.

5.1.3. Channel 4 was seen by many to be a critical part of the PSB environment

In keeping with their support for plurality, and having disregarded ITV and Five, the majority of creative leaders who expressed a preference about plurality thought that ‘*Channel 4 must be protected*’. This was the case both across the whole sample and for non-BBC participants. BBC heads of production were more likely to believe that Channel 4 should remain a PSB than their independent counterparts.

The justification was first the unique contribution Channel 4 makes to the broadcasting environment:

“Channel 4 makes a very high contribution. It is hugely important you have that catalyst and different voice, and they have a fantastic track record of doing this over thirty years.”

And second, the vital role it plays as competition for the BBC:

“Channel 4 stepped up the BBC game when they came along. PSB competition is part of what gave the BBC its now critical mass; it would get flabby were it a monopoly provider. Thus privatisation for Channel 4 would be a bad thing.”

“Channel 4 and the BBC are important to keep each other honest, and this ecosystem serves the creative community well.”

A fifth of the group felt that Channel 4 should not remain a PSB, and could excel as a commercial channel.

“I don’t know why Channel 4 wants public funding. Channel 4 is a fiendishly successful brand with a young audience. Advertisers love it. It could work as commercial channel.”

Most of this 20% took as given that this would produce a substantially different broadcaster, but in two cases respondents argued that it could continue as it was – with some public service commitment, and make

profit, disputing the broadcaster's financial difficulties.

“Channel 4’s financial viability is greater than they argue. Having an easy source of funding would make them more complacent, not less.”

“Public money is not the way to go. Channel 4 needs to be a privatised PSB organisation like ITV in the 1950s, retaining the spirit of independence while having some quotas. It could produce £100-150 million profit per year. Direct money is bad news.”

One participant hoped that PSB orientated programming would continue without obligations as it had some commercial appeal:

“Ideally there should be room in the market for a channel espousing values that are public service and also commercial enough to make a living.”

Three people highlighted that the broadcaster was in an uneasy position between public service provision and commercialism, and that, either way, it needed to clarify its purpose.

“I no longer know what Channel 4 stands for, so the funding question is difficult. They need to work out who they are and where to position themselves.”

“Channel 4’s remit leads to confusion in the industry and for the audience. They are better off going one way or the other.”

5.1.4. A significant minority were not sure it was necessary to have more than one PSB

One participant argued that there were no clear benefits from plurality in itself, that is, PSB programming being on different channels. It is the direct impact of these programmes, wherever they were, that matters. He and a few others suggested that a fully functional BBC should be able

to fulfil this role of its own accord, without the need for legislated competition. And while the BBC produces popular PSB programming, commercial channels will naturally seek to imitate.

“The BBC’s role would be to make certain genres desirable, which makes the commercial broadcasters want to make PSB programming, rather than being forced into it.”

Producers of commercially-orientated programmes found PSBs to be cumbersome and plurality unnecessary:

“It depends what PSB means. If everything needs to be ticked off by a committee, then the fewer public service organisations the better. The commercial environment makes it increasingly difficult to be in line with the modern world and still call yourself a PSB.”

5.1.5. There was little support for new models that could receive public funding

A small minority of consultees supported the notion of a public service provider:

“Why should it be an established channel that gets the money? It could be given to something structured in a more new media way. PSB could be much better delivered by a new system than some of the current PSBs.”

However, most people didn’t refer to new funding models such as these.

5.2 FUNDING OPTIONS

5.2.1. Most producers were against direct public funding for Channel 4

For people who were willing to express a preference, both for the whole sample and excluding BBC participants, the majority opposed direct public funding of Channel 4. They gave two main justifications:

Channel 4 is an inappropriate recipient of public funding

A few people felt that public money would be inconsistent with Channel 4's proposition and brand.

“I would not be confident Channel 4 would know how to spend the money – it’s not in its blood. In a modern digital age Channel 4 brands itself as a sexy young channel, which may not be in keeping with public service obligations. On some PSB projects there is a battle with a Channel 4 controller to get good slots; they seem embarrassed by the public service credentials. I’d say, what does it want the money for? By going commercial it will become the leading 18-30 brand.”

Public money will place unwelcome obligations on Channel 4

Many contributors argued that Channel 4 makes a critical contribution by challenging the norm, courting controversy and providing an alternative approach to the BBC. They worried that public funding and the persistent scrutiny it entails will fundamentally alter Channel 4's character and impede its ability to carry on doing these things.

“I’d be hugely nervous of doing anything that diminishes its vibrant and valuable contribution to the broadcasting landscape with a layer of regulation, scrutiny or accountability. Channel 4 should be very careful with what they ask for because a direct government grant or slice of a licence fee would bring with it a load of stuff they don’t want. Burdening them with a service licence, trustees and performance reviews etc will only accelerate conformity in a regulatory framework that squeezes their spirit.”

“Public money would create funding decisions that are very political.”

5.2.2. In particular, there was significant resistance to the idea of direct government grants

This idea was described as ‘suicidal’, and received attention from hardly anyone.

“Direct money from the government would not be popular.”

5.2.3. Only a few producers gave support for top-slicing the licence fee

Of those that said specifically that Channel 4 should keep its PSB status (over half), about a third of them supported top-slicing the licence fee to fund it.⁴ Their justification was the need for a variety of PSB buyers, and for Channel 4 to be able to provide PSB programming free from commercial obligations.

“Channel 4 needs government support – they need to be able to take some ratings-free risks. It shouldn’t be controlled by the government but should have some small component of accountability. S4C is government funded and it works.”

But these few producers were aware that this method of funding would be difficult. While advancing top-slicing, others pointed out that this method of funding would be difficult for the public to accept because of the channel’s more controversial programming:

“I really believe in PSB so I don’t have problem with top-slicing. But they will have a long way to go to win the public vote because of their naughty child status. Channel 4 should have more public backing because they do fantastic things.”

In some cases support for top-slicing was qualified: endorsed if it was the *only* viable option for Channel 4 to keep producing the programming it did.

5.2.4. Of those who believed Channel 4 had a future public service role, the majority were against top-slicing

A majority of those who wanted Channel 4 to remain a PSB opposed the idea of top-slicing outright.⁵ There were two main objections:

⁴ These figures are similar for BBC and non-BBC respondents. BBC people were more likely to say that Channel 4 should keep its PSB status

⁵ This is still true when the BBC consultees are removed from the sample

The danger of damaging the BBC

People thought the BBC was incredibly important. They were often concerned about its future, and eager that the broadcaster – and PSB – be protected. Many of those in opposition to top-slicing, both inside and outside the BBC, worried that the BBC would become weak if it lost its scale, and public service provision would suffer seriously as a result in terms of the amount, genres, quality and innovation of its programming. With the BBC functioning as a standard-setter for commercial broadcasters in PSB areas, this would have serious ramifications on the whole market.

“It is incredibly important the BBC isn’t downscaled and that it can remain with the number of genres it has.”

“Without scale the danger is programmes need to be co-produced because PSBs can’t afford to. There is no extra money. It is good to be forced to make efficiencies but this is going too far.”

“Only the BBC can give shows multiplatform marketing and a real sense of importance. You need a powerful BBC to really deliver PSB.”

“The BBC works. Don’t dismantle it.”

Furthermore, a few contributors advanced that lower funding would make the BBC increasingly commercial, to the detriment of all its competitors:

“Top-slicing would spell the end of the BBC as we know it. It would lead to increasingly commercial ventures; it is the road to part-privatisation of BBC. The destabilisation of broadcasting brought on by a change in the licence fee hasn’t been thought through. A commercial BBC would have such huge ramifications in the marketplace – it would destabilise it. The market will NOT supply everything the BBC does and the things it does supply will not be to the quality.”

“Top-slicing is a big gamble.”

If the proposition of funding other PSBs is in part a result of a BBC tendency towards more populist programming, then few argued that it is better not to top slice on the condition that the BBC develops a mechanism for resisting commercial pressures.

Apportioning the licence fee muddies the accountability link

A few respondents argued that public support for the licence fee, critical to the PSB ecology, is dependent on the public’s understanding of what they are getting in return. This link is clear with the BBC. They argue that giving some money to a commercially funded organisation would evoke public confusion over where their money was spent, and in doing so undermine loyalty to the very idea of PSB provision.

“Top-slicing would be a disaster. Initially I thought slimming down could be good for the BBC, but it is not really about the money. It is about the relationship between the licence fee payer and what they get back. Break that link and you are in trouble. Top-slicing is a slippery slope.”

“The licence fee may not be sustainable, but you would certainly accelerate its demise if in the minds of the public you blur that ‘what am I getting for my licence fee’ line of accountability. And then all the legitimate administrative questions – what does it go on, and how much etc – are a nightmare.”

“Channel 4 needs to stay incentivised to keep doing different things, but it is disappointing to think the answer would be top-slicing. How would this be applied? A licence fee hour?!”

5.2.5. No consensus on alternative funding solutions

Producers suggested a range of other options for the future of Channel 4.

- A small minority said that it could and should **continue as it is**

“Channel 4 shouldn’t be allowed to do anything different, it just needs to exploit its assets.”

- **Subsidised use of the spectrum or other regulatory assets** (like relaxed restrictions on advertising or high search engine listings) were slightly more popular possibilities than a direct government grant.

“The licence fee should be for the BBC. Grant Channel 4 free spectrum.”

“The solution for Channel 4 is probably to look at reducing its cost base, clearly assess how much PSB it actually does, and see if there are regulatory assets that can be given – the regulatory relief should exactly match the amount of PSB.”

However, as this was also ultimately funded by the taxpayer some participants believed that it might be a less politically palatable option.

- A few creative leaders suggested providing Channel 4 with **BBC assets** that would make it economically viable as a commercial PSB.

“BBC Worldwide would seem the only possibility. Engineering a profitable private asset is not realistic, as the government is not going to nationalise a commercial entity. Even combining Channel 4 with Five isn’t financially viable – you may just be delaying the inevitable downward slope, depending on your long-term view of the health of TV advertising.”

We are grateful to the following participants:

| | |
|--------------------|--|
| Paul Abbott | Writer; Founder, Tighrope Pictures |
| Dawn Airey | Director of Global Content, ITV (at time of interview) |
| Roy Ackerman | Creative Director, Diverse Productions |
| John Archer | Managing Director, Hopscotch Films |
| Peter Bazalgette | Media Consultant |
| Denys Blakeway | Founder, Blakeway Productions |
| Sara Brailsford | Features Editor, Shine |
| George Carey | Creative Director, Mentorn |
| Nick Catliff | Managing Director, Lion Television |
| Richard Clemmow | Managing Director, Juniper TV |
| Richard Deverell | Controller of Children's, BBC |
| Jane Featherstone | Joint Managing Director, Kudos |
| Nick Fraser | Storyville Editor, BBC |
| Mark Freeland | Head of Comedy, BBC |
| Julie Gardner | Head of Drama, BBC Wales |
| Roger Graef | CEO, Films of Record |
| Alex Graham | CEO, Wall to Wall |
| Lorraine Heggessey | CEO, Talkback Thames |
| Tim Hincks | CEO, Endemol |
| Christopher Hird | Founder, Dartmouth Films |
| Peter Horrocks | Head of Television News, BBC |
| Peter Kosminsky | Daybreak Pictures |
| Robin Lyons | Managing Director, Calon |
| David Mannion | Editor-in-Chief of ITV News, ITN |
| John McVay | CEO, P.A.C.T |
| Adam Minns | Head of Policy Development, P.A.C.T |
| Nigel Pickard | Director of Family Entertainment, RDF Television |
| John Ryley | Head of Sky News, BSkyB |
| Keith Scholey | Deputy Chief Creative Officer, BBC Vision (at time of interview) |
| Nicola Shindler | Founder and Executive Producer, Red Production Company |
| John Smithson | Executive Chairman and Chief Creative Director, Darlow Smithson |
| David Strachan | Joint Managing Director, Tern |
| Charles Wace | CEO, Twofour Group |
| John Yorke | Controller of Drama Production, BBC |

2.2 WHAT NEEDS TO BE DONE TO SECURE PUBLIC SERVICE CONTENT AND THE VIEWING OF IT IN THE FUTURE?



ROY ACKERMAN Creative Director, Diverse Productions

As Executive Producer, Series Producer and Producer/Director, his specialities are high profile documentaries, event series and formats. He has helped take Diverse from a niche UK indie to a growing award-winning innovative company that is now part of an entertainment group with offices from New York to London and Bristol, Helsinki to Moscow.

Public service broadcasting needs to keep reinventing itself – find new ways of reaching new generations but at the same time keep the older ones engaged. It's about taking risks to find innovative ways of passing on interesting and complex ideas, and making them entertaining and engaging.

But we're in the middle of a revolution: multi-channel and new media is eating away at the audience share of mainstream channels. In the face of this, it's natural to lose confidence and go for the 'percentage play' of the numbers game, leading to a tacit dollars-per-viewer approach to commissioning, with many key PSB genres getting fewer slots at lower tariffs. It's becoming a hit game. The money, the attention and even the awards are following the super-hits and the big on-screen talents.

To secure the flow of high quality content that challenges preconceptions, commissioners and controllers have to be free to support outstanding work, as well as the popular, to order shows the public don't know they want, on subjects that they don't know they're interested in, in ways they've never seen before. The BBC has more assets and more marketing power than any organisation in Britain and it's vital that it uses that power not just to push the few, bigger, better brands, but the braver, smarter and occasionally smaller ones.

I'm an optimist – there are amazing programmes on almost every night and if I look at the commissions we at Diverse get, most of them are more interesting than the ones we got 20 years ago. Britain produces PSB that can engage large numbers and new media offer more new opportunities than problems. The BBC is a public service organisation in good form and with massive and deserved funding. BBC's in-house benefits from ITV Productions, a competing major broadcasting 'college' and the creative dynamism of independent suppliers. It also needs the PSB competition of a well-funded Channel 4, a uniquely British hybrid content-provider.

If C4 needs help to retain its commitment to PSB content with high production values, then the government and Ofcom should find ways of making that happen. If that comes with an element of public accountability, so be it.

'There is nothing to fear but fear itself' applies to our broadcasting environment. The challenge is only lack of creativity and confidence.



DENYS BLAKEWAY Founder Blakeway Productions

Denys Blakeway has a long track record in documentaries about history and politics. He has made many award winning programmes, including *Thatcher: The Downing Street Years* (1993), and *The Major Years* (2000). He joined the BBC in 1980 as a General Trainee, and set up Blakeway Productions in 1994 which quickly gained a reputation for high quality factual programming. Recent productions include *Rivers of Blood* for BBC2 about Enoch Powell's 1968 speech on immigration, and *Queen Victoria's Men* for Channel 4.

The BBC has never been more crucial, and yet its future has never been more uncertain. Many excellent public service programmes are made across all its channels, but the BBC must reject the siren voices of marketing experts and dare to stand out from the babble of different voices on today's television across its entire output, on all its channels. BBC4, in particular, is a brilliant channel where the founding ethos of the BBC still flourishes. But BBC4 is a digital channel with relatively small audiences and limited budgets; it shouldn't be the main repository of public service content.

There is another pressure on the BBC's role as a public service broadcaster: independent production. As an independent producer myself, committed to making public service programmes, I feel the effects of this every day. Indies need to make profits, and – as the BBC cuts their budgets in response to its reduced licence fee, public service commissions cease to deliver the money that keeps companies afloat. Increasingly for commercial PSBs, formats, 'constructed reality' and bland factual entertainment become the priority. It's a vicious circle. In future, as indies consolidate and become more powerful, they will be unwilling or unable to offer the kind of programmes they can't make a profit from marketing elsewhere. But the BBC will find it is ever more reliant on these large companies, as the smaller ones have disappeared.

I don't believe the solution is to 'top slice' the BBC, and give part of the licence fee to other PSB broadcasters. That will only create another layer of bureaucracy and another set of problems. Instead the £150m that has been taken for digital switch-over should be returned to the BBC in future, on the firm understanding that it will be used to invest in cash-starved public service programming.



LORRAINE HEGGESSEY CEO talkbackThames

Lorraine Heggsey is the CEO of talkbackThames – one of the UK’s largest television production companies, providing award winning programming to all of the UK’s major broadcasters. talkbackThames has aired over 800 hours of programming on terrestrial TV in the past 12 months across several genres, including *The Apprentice*, *Britain’s Got Talent*, *Grand Designs*, *QI*, *X Factor*, *The Bill* and Stephen Poliakoff’s “Capturing Mary”.

Prior to this in September 2000, Lorraine was appointed as the first female Controller of BBC One, determining the channel’s overall strategy and schedule.

She oversaw the move of the main evening news to 10 pm and the launch of a raft of new titles from *Strictly Come Dancing* and *Dr Who* through Imagine and *Planet Earth* to *Spooks* and *Waking the Dead*.

One of the reasons that public service broadcasting has flourished in Britain is because it has been so broadly defined. I see it much more as an ethos than as a series of boxes that need to be ticked by every single programme. If public service comes to mean 'unpopular programming that a paternalistic broadcaster or regulator has decided viewers ought to watch,' it will wither on the vine. In a world of hundreds of channels and on-demand viewing the audience simply will not watch programmes they are not interested in. The old scheduling trick of hammocking does not work any more. If you place a state of the nation piece straight off the back of a popular entertainment programme, the viewers will vanish at the flick of a remote control unless that programme is good enough to hold their interest. Even five or so years ago, when I was Controller of BBC 1, I scheduled a *Panorama* programme on the death of Damilola Taylor off the back of *Eastenders* and saw around 9 million viewers vanish in the space of two minutes! These days the old adage that you can bring a horse to water but you can't make him drink is a fact of life in television. A public service programme that nobody watches is not doing anyone a service

To be successful, producers and broadcasters alike have to understand that they are in a consumer business. Channels are like retailers and there is no point having something in the shop that no one wants to buy. The job of public service broadcasters is not to shy away from difficult subjects, but to creatively challenge producers to find new ways of making specialist subjects accessible. Indeed some of today's best and most popular programmes are the result of that challenge. Those who already know a lot about a subject never think that television tells them anything, but they are highly unlikely to learn more from an hour of viewing than they have through years of study. But a captivating television programme can often excite an interest or a passion in people who know very little about a subject. *Tribe* has brought anthropology to life, for example, and *The Apprentice* has excited an interest in business and entrepreneurship in lots of young people. I am in no doubt that the drive to keep public service programming relevant is what has made the British television industry such a vibrant force. We will ruin it if we turn it into a dusty old library book that nobody wants to take off the shelf.



NIGEL PICKARD Director of Family Entertainment, RDF Television

Nigel has worked in children's television since 1986 developing and producing a wide range of programmes before becoming Controller of Children's and Family at TVS. In 1998, he moved to ITV to be Controller of Children's and Youth Programmes, responsible for the commissioning and scheduling of all ITV children's output. During this period he broke the BBC's dominance of Saturday morning TV for the first time in 12 years with Ant and Dec's SMTV.

In 2000 he was appointed Controller of CBBC overseeing the launch of two new channels, CBBC and Cbeebies. In 2002, however, Nigel was invited back to ITV as Director of Programmes, responsible for the scheduling and commissioning of the entire ITV output. After 3 years, he joined RDF in his current role of Director of Family Entertainment.

The PSB mandate has resulted in an outstanding variety of programmes, in quality, innovation, and attention to minorities. PSBs have done this in a way that fully commercial channels will never do. Our television landscape would be considerably worse off without it. But there are dangers to the provision and viewing of PSB in the future.

First, there are considerable threats to important PSB genres. In my field, children's programming has been devastated over the last few years. There are many commercial children's channels but many don't adhere to their European quotas for originated programming. For PSBs, children's has become the 'stretch and squeeze' of the budget and the schedule. Instead of eroding commitment there must be stable budgets, long term commitment, and allocation of hours when children are actually available. We'll never return to the days of a very competitive public service arena for children's, but a properly funded and attentive BBC is key to prevent the situation from deteriorating further.

Second, the PSB ecology relies on plurality in the independent sector. What makes the production sector exciting is the diversity and choice it provides to broadcasters. PSB benefitted with the move from an in-house to an independent culture. Recently there has been a greater consolidation of independent producers, but we need to avoid going too far. In doing so we could replace the old system with something that evolves to look rather like it. Diversity of companies and outlooks in production are vital for PSB.

Third, there is a chance that PSB plurality will be compromised. There is pressure for all PSBs to chase ratings as the only measure of performance, so some are reluctant to continue. Plurality of commissioning would be great, but it is inevitable that there will be only one or two PSBs. However, this is not a danger to PSB – as long as their measurement of success becomes audience appreciation not audience figures. If public content is to be secured, the metric must change. If this were the case, then Channel 4 could be safely allowed to function as a fully commercial channel, and it could be very successful.

Finally, having a properly funded BBC is crucial to the PSB system. New media and greater interactivity are propelling change, and the BBC's innovation with the technical is sensational. They are market leaders in this field, and scale is vital to this. When its different media are coordinated, the BBC is at its absolute best – other broadcasters could never get those numbers to experience their output. So even in the digital age, BBC1 will be the flagship channel. Scale is absolutely essential to PSB provision. Top-slicing would represent a tremendous loss in such capabilities. Streamline the BBC perhaps, but don't kill it.



JOHN SMITHSON Executive Chairman and Chief Creative Director,
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John Smithson is founder and Chief Creative Director of Darlow Smithson Productions (DSP), one of the world's leading factual production companies. DSP has achieved global industry recognition for its groundbreaking docu-drama, series and single documentaries. John Smithson has won more than 25 international awards for his work.

The challenge is adapting PSB to the hard realities of the modern broadcast environment. The mixed economy we have, from PSB to commercial, has served us well so far. The drive for ratings and PSB are not necessarily competing, and in the multichannel world we should aim to fulfil both. The skill is to do programmes that tick every PSB box but don't look like they have; if PSB programming is smart it doesn't have to feel good for you. *The Apprentice*, *Top Gear* and *Andrew Marr's History of Britain* could be considered as PSB at *Planet Earth*. You can have your cake and eat it.

In terms of who should broadcast PSB, to me it is very important that the BBC isn't the only show in town. Competition is key for ideas, and is fundamental to keep the PSB ecology healthy. Channel 4 is a rich part of the broadcasting environment and its remit mustn't be diluted. The BBC and Channel 4 are important to keep each other honest, and this ecosystem serves the creative community well.

The BBC itself must be able to compete in this mixed economy. It's good that it remains a big player: you need someone to throw their weight around with the commercial forces. Large budgets are necessary for quality of production and ambition. The BBC needs to be a hungry but nourished institution – without the budgets to contend with commercialism it could become marginalised, and we will lose this thriving ecosystem. So while Channel 4 must be protected, my ideal would not be to take money from the licence fee, which would only dilute the BBC, but to find another method.

Overall, I feel optimistic about the production industry's state of health. While budgets are always being squeezed, the opportunities, particularly for big ambitious ideas, have never been greater. My ultimate hope is that there will always be a market for a good story, whatever the means of distribution – the challenge is stand out in a crowded marketplace. New media threatens to bypass broadcasters, but at the same time there is a great opportunity to put much rich, interactive material out there. The defining relationship in the industry is the creative fusion between those with the power and the budgets, and those who create content. As long as these commissioners have the budgets and ambition, I feel optimistic about the future of PSB.

THE IMPACT OF NEW MEDIA

3.1 Broadcasting, the Internet and the Public Interest
Robin Foster and Simon Terrington

150



ROBIN FOSTER

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Until August 2005, Robin was Partner, Strategy and Market Developments and member of the Executive and Policy committees at Ofcom, where he ran the annual strategic planning process and directed the programme of research and analysis for Ofcom's first review of Public Service Broadcasting. Previous positions include director of strategy at both the Independent Television Commission and the BBC, and head of the telecoms and broadcasting consulting division at consultants NERA. Robin's publications include his January 2007 report on Future Broadcasting Regulation, commissioned by DCMS. As research fellow at Bournemouth Media School in 2000-2002, Robin led a programme of research into the future of television in the UK ("Future Reflections").



SIMON TERRINGTON

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Simon has led projects for TV broadcasters in the UK, US and Canada, many TV producers, radio broadcasters, regulators and government departments. He has contributed to a number of publications, including *Measuring the Value Created by the BBC*, and speaks regularly at the Westminster Media Forum and the Institute for Public Policy Research.

Before Human Capital, Simon worked as a management consultant for the LEK partnership and the Kalchas Group.

He has degrees in mathematics (Cambridge) and philosophy (London) and is working on research into social choice theory with London University.

3.1 BROADCASTING, THE INTERNET AND THE PUBLIC INTEREST

Robin Foster and Simon Terrington, Human Capital

In this essay,¹ the authors examine the evolving relationship between broadcasting and the internet, and identify new opportunities for broadcasters in general and for public service content in particular. In the past, broadcasting and the internet have had very different characteristics and have typically been used by consumers in very different ways. But this is changing fast. The authors identify three stages of broadcasting/internet development: phases 1 and 2, in which broadcasters develop from simply using the internet to enhance their programmes, to expanding broadcaster sites into destinations in their own right; and, looking ahead, phase 3, the transformative phase, in which prospects of much greater synergy exist. In this phase, the boundaries between broadcasting and the internet will largely disappear, and there is real potential for industry-transforming collaboration between broadcasters and the internet. Against that background, the way we think about public service broadcasting and how it should evolve must also be widened to take full advantage of the changes ahead.

Broadcasting over the past 75 years or so has developed into the most powerful single medium for influencing, improving and bringing joy to our lives. It is often our primary source of news and information about the world and helps bring people together to share experiences at moments of global and national celebration and sadness. It shapes and strengthens our cultural and societal values. Public service broadcasting has ensured that this powerful medium has been used to meet wider social objectives, alongside content supplied by the market. More recently, the internet has rapidly become an equally important

¹ Based on *Broadcasting and the Internet*, paper commissioned by the European Broadcasting Union and the BBC, Human Capital, November 2007.

phenomenon. It has had a profound democratising effect on our world, destroying the monopolies on news and views held by a few privileged media companies. It has enabled individuals to communicate with each other across national boundaries, to post their own opinions and create their own content, to take part in discussions and debates – both high minded and trivial – and to share passions and interests with each other. So far, however, we have not chosen to use the internet to deliver public interest objectives on any equivalent scale to that typical of broadcasting.

“This optimistic scenario depends on broadcasters, content producers and internet players recognising the opportunities, responding to the challenges and working closely with each other.”

How will these two different media develop in future? Will they develop independently, or co-exist and converge? If the latter, will the internet strengthen and enhance the delivery of public service content, or reduce its relevance and undermine its effectiveness? Will the internet destroy broadcasting or, alternatively, can some features of broadcasting help the internet address some of the challenges it faces? These are questions which should interest not just media experts but all thoughtful people concerned about the future development and well-being of the societies in which we live.

In the past, broadcasting and the internet have had very different characteristics and have typically been used by consumers in very different ways. Much early use of the internet was driven by communications and transactions uses, but there has also been a steadily evolving relationship between the internet and broadcasting. In what we call ‘phase 1’ of this development, early use was made of the internet by broadcasters to enhance and extend their programmes – for example with supporting information, related material, and requests for audience feedback. Over time, in ‘phase 2’ of broadcaster/internet development, broadcaster sites have expanded to be destinations in their own right, and now include more original content, audio and video material, and many different forms of information. Broadcasters have through both of these phases contributed to public awareness of the internet and have created some of the most successful content-based sites. Broadcast output, for example, has often been an important topic for internet blogs and chat forums, and clips of popular broadcast

output often feature prominently on sites such as YouTube and MySpace.

Looking ahead, though, we see the emergence of a so-called ‘third – transformative – phase’ of broadcaster/internet development, in which the prospects of greater synergy exist. If these opportunities are embraced, both the public benefit and the prize for industry will be considerable. The capabilities of high bandwidth broadband services will transform and enhance the nature of audiovisual media and the way it is consumed. The public service dimension to broadcasting can be improved and extended in the internet world – the internet will be a central part of future PSB provision, not an optional extra. In turn, we argue, broadcasters can help drive the next stage of internet development.

Broadcasters will benefit from the internet through new and better ways of distributing their content, and from new approaches to content creation. Audiences will be able to participate in the process of content creation and its more active consumption. Public investment in content will deliver better value for money. The internet will also benefit from broadcaster involvement: from the creation of must-watch content, from promotion and packaging, and from broadcasters’ understanding of consumer needs. Broadcasters will be able to help network operators to secure further internet infrastructure investment and to understand the potential market for broadband content; and they can help the internet community to address legitimate public interest concerns about the nature of content provided over the internet and the adequacy of consumer protection.

This optimistic scenario depends on broadcasters, content producers and internet players recognising the opportunities, responding to the challenges and working closely with each other. It also depends on the recognition that there is an important role for the internet in the provision of future public service content.

Context

We look first at the nature of both broadcasting and the internet – the types of services and content provided in each medium, the economics of supply, the extent to which there has been public intervention in the operation of their markets, and other similarities and contrasts. Although broadcasting and the internet are different in many ways, those differences are reducing as we move towards a more converged communications world.

The nature of broadcasting

One-to-many

Broadcasting is one-to-many in nature, in that a broadcast channel is transmitted from one point simultaneously to many recipients. Usually a single or small number of broadcasters are responsible for commissioning, scheduling and broadcasting content, which is then consumed (typically passively) by its audience.

Since its early transmissions, broadcasting has grown to have a huge impact on our lives. The average UK citizen spends four to five times longer watching television than in full-time education over the course of his or her life. According to recent Ofcom surveys, for 71 per cent of UK consumers, television is their major source of entertainment (books coming a distant second with 6 per cent),² and, despite competition from a wide of range of activities, the average UK consumer watches 3 hours and 36 minutes of television a day.³ Television remains by far the most important medium for news in Europe.⁴ Television, like no other medium, has the ability to educate, entertain, encourage debate and inform.

Until recently, however, there was little opportunity for audiences to participate in broadcasting content, except to write in to feedback programmes or appear in reality TV shows. For this reason, broadcasting has sometimes been criticised as being too elitist and insufficiently representative of the audiences it claims to serve.

Broadcasting economics

The economics of broadcasting have significantly shaped the way in which the market has developed. Given the one-to-many nature of broadcasting, a significant part of its costs are largely fixed. Once a programme has been paid for and transmission and administrative costs are covered, the marginal cost of providing the content to each additional consumer is close to zero. These ‘public good’ characteristics suggest that the most efficient way to make broadcast content available, once it has been decided to provide a channel, is for it to be free at the point of consumption (i.e. price to the consumer equals the zero marginal cost imposed by that consumption). The fixed costs of production can then ideally be funded either by a fixed payment – such as subscription or licence fee – or by advertising revenues. Whichever funding model is adopted, there is a strong incentive for broadcasters to

² Ofcom review of PSB ‘The Role of Television in Society’, 2006.

³ Ofcom Communications Market Report, 2007.

⁴ European Consumer Technology Adoption Study, 2006.

maximise the size of the audience ‘reached’ for each programme produced.⁵

Market developments

Broadcasters have traditionally been involved across the value chain – from generating ideas, to identifying talent, to commissioning and producing, to scheduling and distributing. This value chain is represented in Figure 1.

FIGURE 1 THE BROADCAST VALUE CHAIN



Across most national markets, broadcasting has developed in a highly concentrated way. There are only a few powerful broadcasters in each market, and many of them have integrated both vertically (along the value chain) and horizontally (for example into other media such as films, publishing). The main broadcasters have developed strong brands and are seen as trusted gateways to content that audiences like and trust. Even with the advent of multi-channel broadcasting, national markets tend to be characterised by a relatively small number of well-known broadcaster brands in each country. There are only a few examples of international broadcaster brands that stretch around the world (as opposed to individual programme brands) and these tend to be for specialist audiences – for example, MTV in music, Discovery in factual, and CNN in news programming.

The two main methods through which commercial broadcasters are funded are by selling advertising or sponsorships and from public subscription or membership (typically in exchange for premium content), increasingly important in a multi-channel world that has made the provision of niche-market subscription channels a viable proposition.

The range of programming provided by advertiser-funded commercial broadcasting, however, is often of limited range and diversity. Where there have been only a few advertiser-funded channels, the range of programming broadcast has tended to drift into the middle ground. It is more profitable for an advertiser-funded broadcaster in a limited-channel market to seek a share of a mass audience than to aim for smaller niche audiences. The tastes of minority audiences have been, therefore, at least until the advent of pay TV, less well-catered for.

⁵ ‘Reach’ is defined as the size of the audience who listen to, read, view or otherwise access a particular work in a given time period – for example, in the UK, BARB defines the reach of a television channel as the percentage of the population in private households who view a channel for more than 3 minutes in a given day or week.

Public interest regulation

To address market failures of the type described above, and also because television broadcasting in particular has been seen to have significant societal benefits as well as consumer benefits, there is a long tradition of public intervention in broadcast markets. Such intervention, often known as public service broadcasting (PSB), has two main aims: a 'positive' objective, backed by public funding, to ensure that programmes are made and watched which deliver wider societal benefits, and a 'protection' objective, to ensure that content broadcast meets certain standards endorsed by the community at large, for example standards of taste, decency, protection of children, fairness and privacy.

Intervention to secure these public interest objectives may involve explicit public or voluntary funding, for example:

- Direct government payments or operation of public broadcasters.
- Compulsory user fees, such as radio and television licences.
- Grants from foundations or business entities.
- In-kind donations of time and skills by volunteers (in common with community broadcasters).

Even across these funding models, however, audience size can still be important. Just as when the number of subscribers falls, all else being equal, so too does total revenue, if a public broadcaster's reach and share weaken, so too do the arguments for public funding or subsidy.

The evolving internet

The internet has provided the platform through which have developed a number of successful web applications and, most recently, Web 2.0 applications such as MySpace (social networking), YouTube (video sharing), ustream.com, blogTV and Mogulus (live and pre-recorded video broadcasting), eBlogger.com (user-created blogs) and Wikipedia (user-created 'encyclopaedia'). These successful applications share a number of characteristics, some of which are in clear contrast to the traditional model of broadcasting.

Many-to-many

Unlike the one-to-many broadcasting model described above, the internet is a network of individuals and organisations linked to each

other via a complex web of infrastructure and software, which operates in a much less centrally directed way than broadcasting. It is not based on government-allocated access to radio spectrum; it is not populated by only a few large integrated commercial enterprises (although there are undoubtedly powerful enterprises who have built their businesses on the internet); it is open to all to exchange views and create content.

The internet allows interactivity, user participation, and the creation of many different communities of interest. Because it allows the aggregation of interest groups across geographic boundaries, it can support content and services for many niche interests – interests that it would not have been viable for conventional broadcasters to serve.

“Although broadcasting and the internet are different in many ways, those differences are reducing as we move towards a more converged communications world.”

Whereas broadcasting is sometimes criticised as being controlled by a communications elite, the internet has the potential to be a more democratic medium, as underlined by a huge growth in the number of blogs, covering subjects as diverse as Sri Lankan politics, category theory and psychedelic folk. On the downside, however, it is open to abuse by lobby groups and to criminal behaviour, creating what is seen by some as a potentially dangerous and anarchic environment.

Over the past five years, the internet audience has more than doubled from 580m to 1.2bn.⁶ Over this time, the number of blogs has grown from zero to 109m.⁷ Each day, consumers upload 100,000 videos, watch more than 200m video clips and view more than 1.3bn web pages at social networking sites.⁸ It is estimated that in the USA, membership in online social networks amongst teens and young adults has reached a penetration rate of 90 per cent.⁹

Internet economics

The economics of the internet share some similarities with broadcasting economics, but differ in some important respects.

First, there are hugely important network effects associated with the internet and its related services. Much of the value to users of the internet is derived from their being able to connect with other users – whether to access information from libraries, or to exchange views about the latest episode of a favourite TV programme. Social

⁶ Source: Internet World Statistics, 2007. ⁷ Technorati, 2007.

⁸ User-Generated Nation, 2007. ⁹ ComScore, 2007.

networking sites take this effect to the ultimate extreme. Given this, enormous public benefits will arise from securing an open internet which anyone can access and which is not closed to any service or information provider. In fact attempts in the past to create ‘walled garden’ areas of the internet which allow access to only certain content providers have quickly failed.

Second, although the internet shares some of the cost dynamics of traditional broadcasting, there are differences. Like broadcasting, once content has been created, the costs of adding an extra consumer are close to zero – within certain boundaries. Moreover, given the existence of ubiquitous high-speed telecommunications networks, the cost of delivering any single piece of content to an end-user are also extremely low. For any given piece of content, it is likely that the internet represents a much cheaper method of distribution than conventional broadcasting.

However, unlike broadcasting, there is not unlimited cost-free capacity to host and distribute bandwidth-hungry material to millions of people simultaneously. High demand from one user at one point in time may mean less bandwidth available for another – there is an opportunity cost to the first user’s consumption. At some stage, as usage increases and as bandwidth demands grow extra investment will be needed in servers, high-capacity backbone networks, and fibre to the home. Alternatively, broadcasting will remain the most efficient means for reaching large numbers at the same time, and the internet will be configured for on-demand access to many different types of content at different points of time.

Internet business models

The early drivers of internet growth were: communications – especially by e-mail and more recently through the sharing of personal information and experience via social networking sites; sharing of information – for example access to academic research, which has developed into a mass market for the provision of information on almost every topic imaginable; and transactions – internet shopping.

The most successful online business models have not been content providers in the traditional sense (although it must be noted that there are a number of successful adult content sites online), but have been platforms through which content can be found (e.g. Google) or communication can take place (e.g. Facebook). These sites do not have to bear the large costs of creating high-quality content; instead they

rely on others to do so and they add value by playing the role of a trusted guide.

Initially some internet service providers sought to replicate a variation of the 'broadcast' model by establishing internet portals that would act as controlled and branded gateways to internet content and services. Banner advertising was seen as the equivalent of television spot advertising. Yahoo was one of the market leaders, but a range of companies attempted to develop compelling online portals. It quickly became clear that internet users were not prepared to remain loyal to such sites, given the vast amount of choice available. Companies went bankrupt and sites closed. Instead, simple but extensive search tools, led by Google, accounted for increasing shares of internet eyeballs at the expense of the old portal sites.

More recently, social networking sites have been able to attract and retain users via the ever-increasing value delivered from expanding networks. In both cases, new approaches to advertising, in which messages are targeted at particular user needs (e.g. as part of search) have emerged as more robust revenue sources.

Internet and content

Notwithstanding the success of social networking, content is playing an increasing role on the internet, although in ways that often seem very different to the established broadcast model. At one level, the content value chain, previously controlled by a small number of broadcasters, has been opened up to anyone with an internet connection and an idea. In an online world, equipped with powerful search tools and user recommendations, bundling is arguably much less important, with distribution, navigation and consumption all made possible through the internet platform (Figure 2).

FIGURE 2 THE ONLINE 'BROADCASTING' VALUE CHAIN



The nature of the internet also makes possible the commercial distribution of many forms of content which in the old broadcast or DVD world were not profitable. As Chris Anderson, Editor-in-chief of *Wired* magazine articulated in 2006, 'The rise of distribution methods

with unlimited capacity or “infinite shelf space,” of which the internet is the foremost (but not only) example, have made it finally possible to offer consumers an incredible variety of products and other goods that were previously suppressed by the economic and physical limits of traditional retail and broadcast’.¹⁰

The internet allows the aggregation of small groups of interested consumers from around a country and around the world, which – coupled with relatively low distributions costs (via download) – can mean that it is now economic to sell all sorts of obscure or narrow interest content which would never have been distributed in the broadcast world. This is now widely termed the ‘long tail’ of consumption. It is increasingly possible to access audiovisual content from around the world – whether free or for a subscription – hence expanding exponentially the range and choices available to consumers with access to a broadband connection.

Public interest regulation

In contrast to broadcasting, the internet is still relatively unregulated, apart from the application of national and international laws. There are no positive content regulations applying to internet providers, nor are there typically any statutory regulations designed to protect consumers in areas such as taste and decency. Indeed, the internet is valued by many for its free and anarchic environment. Its openness to anyone who wishes to create content or express a view means that it is seen to be a more democratising force than traditional media. It can also provide free and open access to many new sources of information and knowledge – adding to and (in some eyes) replacing some of the traditionally valued roles of PSB. Some would argue that, as all types of content are now available via the internet, there are no significant market failures of the types that are sometimes used to justify large scale public intervention in broadcasting markets.

Nevertheless, there are some emerging issues of general public concern, which could require some form of public intervention in future:

- Concerns about competition in the internet space and the extent to which some large enterprises such as Google are securing an increasingly powerful position in the provision of valued services, which could be raising the entry barriers for any prospective competitors in those areas;
- Concerns about undesirable content and how vulnerable groups such

¹⁰ C. Anderson, *The Long Tail: Why the Future of Broadcasting is Selling Less of More*, Hyperion, 2006.

as children can best be protected – perhaps via some forms of self-regulation;

- Concerns about the impact of a very fragmented internet on the availability of, funding for, and consumption of high-quality, locally produced content (the success of the “long tail” depends often on the initial creation of high production value films and programmes, which in turn depend on cinema or TV release to justify the large investments involved);
- Concerns about trust and validation – how can users know whether the information they are accessing is accurate and trustworthy?
- Concerns about how users can find the content they will find useful or entertaining from the vast amount which is now available;

More generally, we need to address concerns about a possible collision between the regulatory regimes applied to established broadcasting and the internet world – can these very different approaches survive next to each other, or will we inevitably need to find a more coherent approach which works across an increasingly converging sector?

“The key is to translate the enduring purposes of PSB into the new media world, and to seek new ways of using the capabilities offered by the third phase of internet development to enhance and improve the delivery of public interest content. The internet is central to the future of PSB, not an optional extra.”

Early development phases

The internet can be seen as the first major source of disruptive competition for established broadcasters (arguably the advent of multi-channel meant more of what was already available, not a fundamental paradigm shift). But once broadcasters had registered the implications of this new technology and started to respond to the external shock, they in turn helped to drive forward the further development of the internet.

We can consider the early development of broadcasting and the internet in two phases:

Phase 1 – incremental: in which broadcasters, perhaps underestimating the scale of change, saw the internet as a fairly minor

supplement to the things they were already doing, and responded in a relatively ad hoc way to the opportunities offered.

Phase 2 – strategic: in which broadcasters worked out a more strategic approach to the internet, and began creating initiatives which exploited the internet as a new medium in its own right rather than as an afterthought. While much progress was made, some of the strategic initiatives pursued in this phase were misconceived.

Phase 1: an incremental approach

In the first phase of development, broadcasters used the internet largely as a way to add value to their existing television and radio content. Online content supplemented the core programming through additional, often niche, content used primarily to drive and encourage consumption of content through the traditional television platform.

The BBC, for example, after originally launching its site in 1994, increasingly began to offer primarily text-based content around its core programmes and services – for example, *Antiques Roadshow*, *The Planets*, CBBC, BBC Radio 1. Over time, these services became richer and more extensive. More use was made of audiovisual material, using video clips, podcasting and audio streaming.

“The internet can be seen as the first major source of disruptive competition for established broadcasters.”

Phase 2: a more strategic approach

In this second phase, broadcasters began to look at the internet in a more strategic way. Key developments here can be broadly divided into the following three areas:

1. The creation of rich internet-based sites consistent with the broadcasters’ more general activities:

- The BBC developed a broad range of content sites, including News, Sports, Weather, Lifestyle, Children’s, and School Resources.
- A wide range of broadcasters, from TVONE in New Zealand to SVT1 in Sweden to Redo Global in Brazil, have provided news, sport and

weather content, as well as games, listings and message boards.

2. The creation of more extensive and ambitious programme-specific sites, designed to extend the life of and value of the programme:

- The BBC developed sites to support television programmes from a range of genres, including entertainment (*Doctor Who*, *The Apprentice*), documentary (*Coast*, *The Blue Planet*) and children's (*Blue Peter*, *Balamory*);
- NBC built sites around its key television properties, such as *Heroes*, *Scrubs*, *Law & Order* and *The Tonight Show*; the sites provided new content, discussion boards, blogs, online shops and games.

3. Finally, as higher bandwidth became more widely available, the internet has become seen as a new distribution platform for broadcast content. The early developments were in audio streaming and audio podcasting:

- The BBC began a podcast trial in October 2004 with BBC Radio Five Live's *Fighting Talk*, gradually extending it to several more programmes including the BBC World Service.
- The public broadcaster Radio New Zealand began a podcast trial in February 2006 with two programmes and by August 2006 had extended this to cover most of its major programmes; the podcasts are now a permanent fixture on the RNZ website.

Impact on the internet

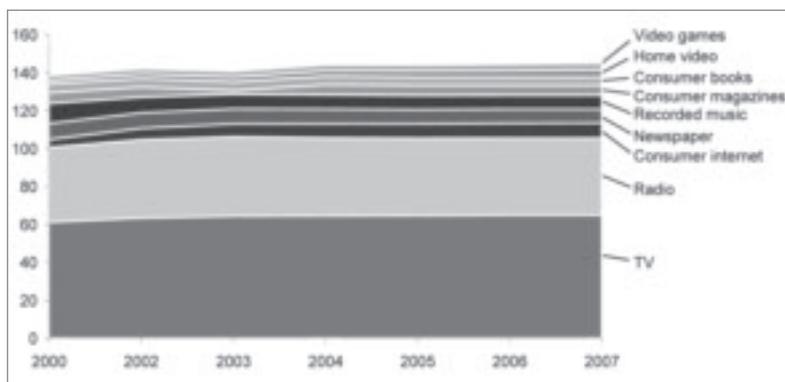
During these two phases of development, broadcaster activity has affected internet take-up and consumption of internet services in a number of ways.

Promotion

First, the internet has benefited from the powerful promotional influence that can be brought to bear by broadcasting and by television in particular. Television is still, by far, the most dominant medium. In the USA, for example, the number of days per user per year of television consumption is eight times higher, on average, than internet

consumption (see Figure 3).

FIGURE 3 US CONSUMER MEDIA CONSUMPTION MEASURED IN DAYS PER USER PER YEAR



SOURCE: US CENSUS BUREAU

Broadcasters have used their promotional power to help drive users to their own online sites. When analysing the most popular internet properties online, large media groups such as Time Warner Network, Fox, Terra Networks, Disney and Vivendi can all be found among the top global properties. Promotion can take several different forms. There are generic promotions for a broadcaster's overall online proposition, and programme-specific promotions, which typically direct viewers to a related website during or after the programme. In other cases audiences may be encouraged to use the internet to interact with a programme and its presenters. Finally, well-known programme brands can be used in an online version to drive users to the internet.

Although performance varies, many European broadcasters have already achieved significant online reach. An EBU survey of European broadcasters' online reach during the month of August 2007 showed that the majority of European broadcasters had a reach of 15 per cent or higher, with an overall average reach of 20.8 per cent.¹¹

Rich content and shared resources

Cross-promotion is only part of the story, however. Broadcasters have been able to leverage other assets to support their online activities:

- Overall funding: some broadcasters have directed substantial funding into their internet-based services – for example, the BBC has invested over £250m in bbc.co.uk over the last three financial years.¹²

¹¹ EBU based on ComScore, 2007.

¹² BBC Annual Reports.

- Talent: broadcasters have been able to use their big name talent to take part in internet content, for example in chat forums, by providing video and audio clips.
- Production resources: broadcasters have been able to make use of production resources already in place to help support rich internet services – for example access to international news bureau and journalists and to the teams responsible for sports analysis and coverage.

Awareness and digital literacy

In addition to the promotion of their own services, some broadcasters have engaged in direct and successful campaigns to increase general user awareness of the internet, often as part of wider media literacy drives to increase public knowledge of new digital and broadband media.

“A world of participation that encourages users to add value to the application as they use it has developed, in sharp contrast to a more directed access-control model of the past.”

Given the unrivalled reach and consumption of television, and their strong trusted brands, broadcasters and, in particular, PSBs, can play key roles in supporting a range of initiatives. Encouraging and stimulating digital literacy is one of these. This is particularly true for specific demographic groups who, in many instances, are marginalised by the market.

A changing world

Looking ahead, both broadcasting and the internet are undergoing fundamental change which will, we believe, fundamentally alter the nature of their relationship.

New distribution platforms

As broadband speeds increase, so the internet will become a truly alternative platform for high-quality audiovisual content. We have already moved from the age of spectrum scarcity and limited channels to a world of spectrum plenty. The number of television channels in the UK increased by a factor of 60 from 1989 to 2006,¹³ spurred by the

¹³ BARB 2006.

increasing penetration of digital satellite, digital cable and, most recently, digital terrestrial television. Broadcasters have responded to the challenge by securing more ‘shelf space’ in the digital marketplace, operating portfolios of channels targeted at different audiences or interests.

In future, high-speed broadband will add a further distribution opportunity. Growing access, alongside better compression technologies, growth in peer-to-peer capabilities and the increasing availability of low-cost, high-capacity storage, is making the distribution of high-quality audiovisual content over the internet truly viable for the first time. As technology converges and next generation mobile services are introduced – using 3G or 4G networks, or mobile broadcasting systems – distribution and consumption of high-quality audiovisual content will continue to move away from the traditional broadcast platform. Increasingly, consumers have more choice about what, how and where to consume audiovisual content.

*“Whilst Web 2.0 has been about mass content provision,
Web 3.0 will be about mass content navigation.”*

In 2006, it was estimated that 9 per cent of Americans aged 12 to 64 who used the internet reported using online video daily every day. In 2007, this number rose to 14 per cent.¹⁴ According to ComScore, almost 134 million American internet users watched a little over 9 billion video clips in July 2007, up from 126.6 million people and a little over 7 billion clips in March 2007.

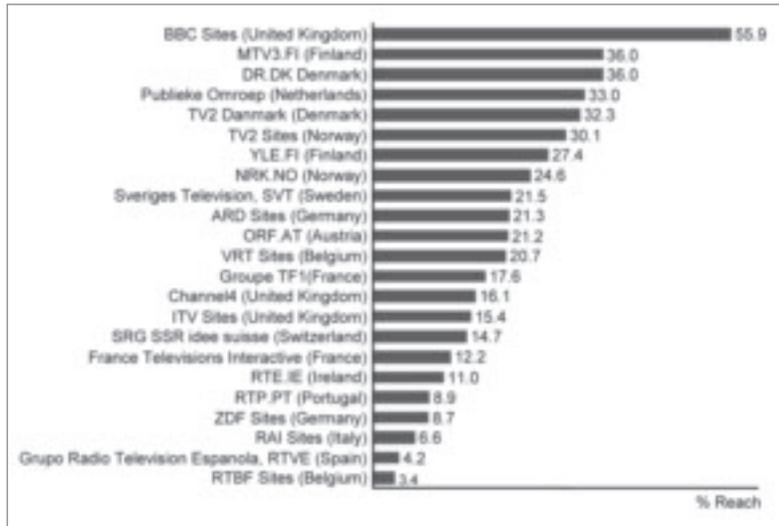
Whilst internet penetration varies significantly by country, in many developed countries it is now over 60 per cent.¹⁵

Whilst time spent watching television and radio is still extremely high, consumption of both media is in slow decline (in the UK, the average time spent watching television fell by 3.6 per cent between 2002 and 2006). Time spent online, however, has grown at an extraordinary rate (158 per cent growth in the UK over the same time period) (see Figure 5).

¹⁴ Magid Media Futures.

¹⁵ Internet World Statistics, UN estimates.

FIGURE 5 DAILY CONSUMPTION OF UK COMMUNICATIONS SERVICES, 2006



SOURCE: OFCOM, 2006

Global presence

Broadband is also changing the way we need to think about relevant market opportunities. Globally, there are now estimated to be around 25,000 broadcast television channels,¹⁶ but transmission and rights constraints mean that, traditionally, a broadcaster's audience has been capped by geography. For example, whilst there are estimated to be a total of 1,700 broadcast channels in the USA today, the average number of TV channels received per US household is estimated to be a comparatively small 104.2.¹⁷ Contrast this with the online world where there are estimated to be over 60 million active internet sites.¹⁸

This growth trend will undoubtedly continue, stimulated by increasing internet use and the low costs of content provision.

Changing nature of content

Video: clips and long form

The nature of content accessed via the internet is also changing. Influenced by the popularity of sites such as YouTube, the majority of online video consumed to date has been short-form: the average length of a YouTube video is around 2 minutes. This contrasts with the

¹⁶ National Association of Television Program Executives, 2007.

¹⁷ ACNielsen, 2007. ¹⁸ Netcraft.com.

traditional broadcasting world, where audiovisual content is typically 30 minutes to 1 hour in length. But as infrastructure is enhanced and rights issues are resolved, we are likely to see more long-form content consumed via the internet.

Perhaps more interestingly, new forms of content are also emerging, which build on the distinct properties of the internet to enhance consumer engagement and value. Innovative ways of using interactivity and user participation are being explored. Broadcasters are moving beyond the stage where they simply re-versioned broadcast content for the internet to a world in which they are creating new ideas explicitly for online release. Some content is being provided for users to re-edit and incorporate in their own online sites. Archives are being opened for more general public use.

“It seems essential for there to be close co-operation between the main interested parties in understanding potential market developments and helping to promote public awareness of the benefits of further development.”

The variety of devices used to consume content is also increasing – personal computers, mobile phones, televisions and, increasingly, single integrated devices performing a number of functions. Again, this is in clear contrast to the traditional model of broadcasting, where consumption of audiovisual content was restricted to a single device.

Changing user/content relationship

As content develops in form and function, the value chain is shifting, too. Early expectations were that disintermediation would occur – producers in future would be able to reach consumers directly, without going through a ‘broadcaster’ or ‘packager’ as an intermediary. To some extent this already happens. For example, owners of high-value content which is already well known or eagerly anticipated by consumers (successful films, high-profile US TV series, or talent-led comedy) are using the internet to bypass broadcast release windows. But we are also seeing the emergence of new intermediaries, capable of offering new services or packaging content in new ways. This has been particularly true around the provision of participative, on-demand services.

Audiovisual content has moved from traditional broadcaster-monopolised one-to-many provision to an online platform where

anyone can create and distribute content. Consumers are engaging with the production of content, not just the consumption. Web 2.0 in particular has been characterised by collaboration and sharing between users. A world of participation that encourages users to add value to the application as they use it has developed, in sharp contrast to a more directed access-control model of the past.

Centralisation or democratisation?

A fundamental feature of an open internet is that we no longer need to rely on a few 'expert' organisations for our information or opinion – or even for the next stage in the development of the software we depend on. An open-source approach has allowed the successful development of and debugging of key software tools, just as in the provision of information Wikipedia demonstrates how volunteers can provide and continuously update comprehensive information in a self-regulating model. An open-source approach suits software development because it is obvious if something is wrong – it stops working, and the community as a whole benefits from the collective wisdom of all users. Wikipedia works in most cases because errors are often clear and, where they are not, collective wisdom can usually remove inaccuracies over time.

This model has not only seen huge growth in the use of Wikipedia, but also huge growth in the breadth and depth of the (user-generated) content it provides. On 14 March 2008 there were more than 2,278, 902 English-language articles.¹⁹

However, there may be limits to this democratic approach. Wikipedia-type models can be abused (inaccurate information can be posted and may not always be detected) and more sceptical commentators have argued that open source (as it applies to information) underplays the role of the expert and overstates the role of the amateur. User-generated content is good at providing opinion and discussion, but less obviously good at providing in-depth journalism and analysis, for example. Professional media companies such as broadcasters can invest the time and resources to produce high-quality output, which is based on serious research, use of expert knowledge and an understanding of the importance of core editorial values. For example, it is arguably important to have at least one trusted source of news which we know is well resourced and adheres to strict codes governing impartiality and accuracy.

Whilst decentralisation and democratisation have undoubtedly been key characteristics of the internet world so far, there is

¹⁹ Wikipedia.

undoubtedly therefore also room for content providers who are recognised as bringing knowledge, expertise and editorial judgement to the internet.

New business models

Content provision

Finally, there are still some real challenges ahead in finding viable business models to drive the next stage of internet content provision. Although it is possible to monetise online content through subscription or pay-per-use charges, a cornerstone of internet development so far has been the notion that content has been free to consume. Typically, funding has therefore been through advertising or through a tiered business model (where the majority of content is free, but users pay for access to specialist or latest content). Recent on-demand initiatives by US broadcasters, for example, have moved back to an advertiser-funded model, after early experiments with pay-per-download. Since an alternative free version can often be found, online content often does not realise its true economic value. As the failure of subscription models to newspapers has demonstrated, people are generally unwilling to pay for content (recently FT.com in the UK and the *New York Times* have moved away from subscription towards a free, advertising funded model).

Paying for the networks

Securing high-quality content and finding ways of charging for it is only part of the future equation, however. Equally important are the investment challenges facing the potential operators of the high-capacity broadband networks which are needed to keep up with growth in demand for broadband internet services. The Broadband Stakeholders Group in the UK has estimated that bandwidth demand for the most bandwidth-intensive households could reach 18 Mbps downstream and 3 Mbps upstream by 2008, and 23 Mbps and 14 Mbps respectively by 2012. Research experts Enders Analysis estimate that the total cost of deploying fibre to the home to 90 per cent of UK households would be approximately €14bn.²⁰

Around the world, large gaps are already opening up in the extent to which different countries have invested in next generation (high bandwidth) broadband to the home. If these challenges are to be

²⁰ 'Very High Speed Broadband: A Case For Intervention?', Enders Analysis, January 2007, www.endersanalysis.com.

met, it seems essential for there to be close co-operation between the main interested parties in understanding potential market developments and helping to promote public awareness of the benefits of further development. Network operators need the help of content and service providers to find ways of reducing or sharing the risks of their investments. Content and service providers need the assurance that the network capabilities they need will be built. Policy makers have an interest in seeing the challenges addressed as far as possible via the market rather than state intervention. The next few years will see vital decisions being made by all parties.

“The internet has begun to transform broadcasting, but broadcasters and the content they produce and package will in turn help drive the next generation of broadband-based internet services.”

The third – transformative phase

We are now moving into the third phase of development in the relationship between broadcasting and the internet – **the transformative phase**. In future, we will see a dynamic two-way relationship between broadcasting and the internet. The internet has begun to transform broadcasting, but broadcasters and the content they produce and package will in turn help drive the next generation of broadband-based internet services.

New opportunities for broadcasters

In this third phase, there will be many new opportunities for broadcasters.

Monetising the ‘long tail’

Broadcasting, traditionally constrained by the availability of scarce broadcast spectrum, has generally provided wide-reaching mass-market content. The move towards multi-channel television is providing new opportunities to deliver more niche, specialist content in a commercially viable manner, and the internet is an even more effective platform for providing specialist and independent content that can share a channel brand. As noted above, formerly sub-economic products and

customers are becoming huge markets in aggregation.

Broadcasters can therefore benefit in two ways. First, they can ensure that the archived content they have produced can be released progressively to many new viewers across the internet – the ‘long tail’. Second, they can take advantage of lower production and distribution costs, plus aggregated small audiences, to produce and deliver much more new niche-oriented content. By leveraging their brand, understanding consumers and accessing specialist resources, broadcasters could capitalise on these opportunities by providing a broader range of high-quality and niche content to wider audiences.

“Broadcasters can play a key role in driving demand forward by creating and funding high-quality content for cross-media use, and in setting wider benchmarks for quality.”

Increasing the richness and depth of broadcast content

The internet allows ‘360-degree’ content consumption. Relationships with consumers no longer need to end when a linear programme is broadcast. Through the internet platform, deeper, wider and more specialist content can be delivered around a programme or channel. This creates new viewing and consumption opportunities for consumers, new advertising opportunities for commercial broadcasters and a wider range of methods for delivering audience needs.

Building a stronger, more participative and more loyal audience

Online audiovisual consumption is dynamic and interactive – in some instances with users adapting and creating their own resources and a democratisation of tools and content. Emphasis has shifted from controlling access to encouraging participation, and the lines between consumer and contributor are blurring.

There are clear opportunities here for broadcasters. By engaging consumers in the end-to-end process, and stimulating debate and involvement around content and channels, broadcasters can build loyalty in what will be an increasingly fragmented and competitive marketplace.

Scale and freedom from geographical limitations

As noted above, the current global internet audience is estimated to be over 1.2bn²³ and continues to increase. Contrast this with the potential

²³ Internet World Statistics, 2007.

audience of 82m that ZDF has in Germany, the 60m the BBC has in the UK, and the 9m SVT has in Sweden. Clear opportunities therefore exist for broadcasters to distribute their core product – audiovisual content – to a considerably larger, global audience, without the geographical constraints of traditional broadcasting. They must, however, face up to twin competitive challenges. Language and cultural barriers may prevent the full realisation of these opportunities by many nations, while the USA (with its large home market and English-language base) can take advantage of scale economies to dominate the international marketplace.

Reducing costs

The internet is not necessarily suited to multi-point delivery to vast audiences simultaneously. But for on-demand access to content, costs are lower. Therefore for a more differentiated on-demand service, internet distribution could lead to significant cost savings. Broadcasters may be able to benefit further from switching the mix of services they provide away from 24-hour scheduled linear channels to more on-demand services, regularly replenished but fed from an archive. This could mean fewer but better programmes being made, and then distributed to audiences via central or home-based servers. Less investment would be needed, but overall audience satisfaction could improve as viewers get to see what they really want to watch, not just what is scheduled at a particular time.

Enhanced effectiveness of PSB

Not only will commercial broadcasters benefit. Increasingly, PSBs must look to the internet to find new and more effective ways of delivering their public purposes. Broadcasters can have an important role in ensuring that the internet is used to deliver content and services which are in the wider public as well as consumer interest. It is commonly accepted that broadcasting is too important to be left entirely to the market. By which we mean that most countries have identified particular social purposes or objectives which they think justify public intervention in the broadcasting market. A good example is the provision of impartial, independent and accurate news and current affairs, which will help everyone understand and participate more effectively in a democratic society. Public broadcasters who are independent from government, well funded and have a clear public remit can play a key role here. As public consumption of new media

increases, it becomes likely that some of these public purposes may be better delivered using new media rather than conventional broadcasting. In a world characterised by increasing globalisation, public intervention can also help to ensure that national cultures and identities are protected by helping to secure a reasonable level of local content, both broadcast and online.

The internet can help secure and improve PSB in three key ways:

- making sure their content is more readily available in forms which are more convenient for all users (and hence increase its reach);
- enhancing the effectiveness of that content – for example, through interactive educational services, on-demand and personalised news;
- scope for user participation – rather than a one-way passive relationship with broadcasters, citizens in future can be much more involved in the process of creation and active consumption of PSB content.

If we were starting with a blank sheet of paper, it is unlikely that we would have invented the 24 hour linear broadcast channel as the best means of delivering PSB content. Rather, on-demand access to PSB content over a broadband network, with scope for participation and interactivity, offer the potential for more effective PSB and better value PSB. More investment can be focused on the content that will really make a difference rather than on filling schedules, and more funding can be used to encourage active participation in programming rather than just passive consumption.

Future development of the internet

If broadcasters rise to these challenges, there will be important and positive consequences for the internet.

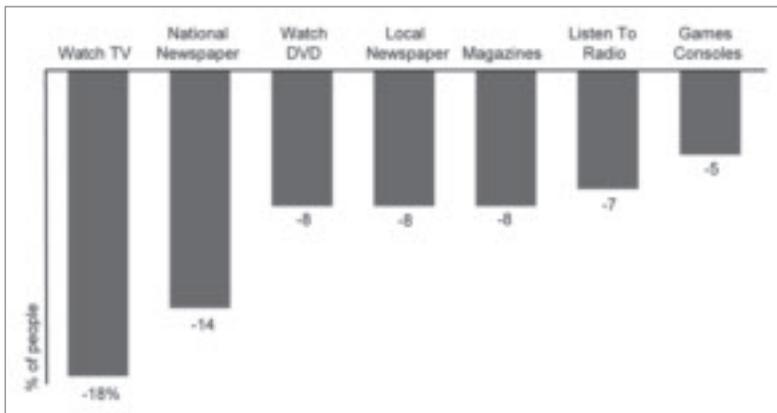
Providing high quality content

First, broadcasters can help drive internet take-up and usage to higher levels still. In most European countries, around half of households have yet to access current speed broadband services. Next generation (fibre to the home) services are still mainly waiting for investment.

Broadcasters can play a key role in driving demand forward by creating and funding high-quality content for cross-media use, and in setting wider benchmarks for quality. The economics of programme production still suggest that a high production value programme needs mass audience exposure on a broadcast channel to ensure a return on its upfront investment. Such exposure delivers an early and substantial financial return in the form of advertising income or subscription and generates the publicity that will underpin later online sales and downloads. Although it is possible to create content specifically for the internet, the promotional and marketing costs will be prohibitive in most cases. Unless very well-known talent or an already successful franchise is involved, it is unlikely to succeed. Some production companies may be able to establish their own brand and presence on the internet, but few can match the combined know-how, funding and promotional power of an established broadcaster.

Even in the incumbent world where there has been huge growth in the consumption and provision of user-generated content, broadcaster content is still hugely valuable online (see for example Figure 9). Consumers still clearly value professionally produced quality content.

FIGURE 9 VOLUME OF VIEWING OF US BROADCASTER CONTENT ON YOUTUBE



SOURCE: YOUTUBE, 2007

A report by Pew Internet in 2007²⁴ found that, overall, 62 per cent of online video viewers (those who therefore make disproportionate use of user-generated short-form content) stated that their favourite videos were those that were professionally produced, while only 19 per cent of

²⁴ Pew Internet & American Life Project: Online Video, 25 July 2007.

online video viewers expressed a preference for amateur content. Another 11 per cent stated that they enjoyed both professionally produced video and amateur online video equally. Professional content will remain highly valued.

“This may require a change of mindset – in future a crucial role for a PSB might be to help direct people to third party sources of content, rather than to produce it themselves.”

Public service broadcasters may have a particularly role to play in raising the quality of future online content, and PSB archive material will help set a high benchmark for quality when it becomes available online. Public broadcasters will also continue to play a crucial role in the provision of more serious factual content, drama and comedy where, again, the participative, many-to-many model of provision can break down. As Wikipedia has shown, the collective wisdom of millions of users may be a powerful tool, but it complements rather than replaces professional news-gathering organisations and broadcasters able to bring acknowledged expertise and a reputation for accuracy to their services.

Content aggregation, navigation and search

Second, alongside content creation, broadcasters will have a role to play in ensuring that users can access content which they will value. A twin-track approach will be needed. First, broadcasters will be able to make the internet more useful by adapting their established skills in audience research, scheduling and cross-promotion for application in the on-demand world. The old model in which broadcasters thought they could be the trusted portal or guide for their viewers on the internet did not work well. Nevertheless, there are few online organisations with the expertise, ability and resources to aggregate content in what is an increasingly broad and confused market, in a world where consumer time will always be a scarce resource. Tim Berners-Lee, widely regarded as the inventor of the World Wide Web, has argued that the future of the internet – the so-called semantic web, or Web 3.0 – will hold the expert, the aggregator, the brand, as key. Whilst Web 2.0 has been about mass content provision, Web 3.0 will be about mass content navigation.

Trusted navigators will have a key role to play in the next online revolution. Public broadcasters, as some of the most trusted global

brands, will be increasingly important in making sense of the multitude of choice. This may require a change of mindset – in future, a crucial role for a PSB might be to direct people to third party sources of content, rather than to produce it themselves. In many countries, the power of PSB brands online is already self-evident – the BBC’s website has consistently been the third most popular site in the UK and continues to grow ahead of the wider internet penetration; in August 2007 the average user spent longer on bbc.co.uk than on Google.²⁵

All broadcasters will need to take a more open approach to making their content available and help users to find it by working closely with the major search engines. This will mean being prepared to make content available through many different channels, not just their own sites – an ‘unwrapped’ approach to content distribution. In such circumstances, the broadcaster brand attached to a small chunk of syndicated content will be an important indicator to the user of its value and quality and, in turn, will help the broadcaster gain credit for that content.

Encouraging investment in infrastructure

The third major contribution to the future of the internet that broadcasters can make concerns infrastructure investment. Broadcasters have a pivotal role to play in helping network operators build the investment cases for costly next-generation broadband infrastructure. In countries such as the UK and the USA, very high-speed internet access through fibre to home is so far available only in limited areas. Network operators (or their shareholders) are not yet convinced of the business case for large-scale investment in fibre to the home, when many of the possible drivers of demand are still unknown or speculative. Demand for high-capacity broadband is driven by a number of factors; one of the most important is for the provision of audiovisual content. Customers may be prepared to pay for (say) exclusive high-definition sport, movies and drama. If such payments can be bundled with infrastructure access charges, there may well be a business case to be made.

Public broadcasters could again play a special role. By versioning content for broadband delivery, and by setting up their own on-demand services, they could further add to the projected demand for new broadband pipes, and provide network investors with some comfort that key content will be available for their new broadband systems. Just as with digital switchover, PSBs in the UK may have an important role

²⁵ ACNielsen//Netratings.

to play in encouraging broadband take-up.

A key problem, however, is finding a mechanism that shares risk and reward effectively. Network operators may have to shoulder the burden of investment, but they are not certain of retaining the rewards – even if demand materialises, profits could flow to the owners of valuable content, not the infrastructure provider. Broadcasters, on the other hand, may be reluctant to invest large sums in developing new content for the internet if they cannot be certain when the broadband pipes will be built, or how much they may have to pay to access them. As the ongoing ‘net neutrality’ debate in the US demonstrates, there are some controversial economic and social concerns arising in the context of service providers’ access to broadband infrastructure.

Three key initiatives might help remove the blockages. First, broadcasters could help improve industry’s understanding of the demand for new broadband content, by experimenting themselves with different approaches – perhaps using pilot projects. Second, broadcasters could find ways of signalling convincingly that they are prepared to invest in the new content and services that might drive demand – perhaps via joint ventures with infrastructure providers, or by agreeing long-term supply deals. Third, broadcasters need to engage closely with network providers to help in the effective planning of investments – imaginative financial deals may be needed to help share risks and ensure that investments make sense to all parties. Public broadcasters must play a part in all of these areas, to the extent possible, including shouldering a fair share of the costs.

Protecting the consumer

Fourth, alongside their financial and creative contributions, broadcasters can work with the internet community to help think through ways in which public concerns about consumer protection and content standards can be properly addressed.

It is probably neither practical nor desirable to translate the old world of licensed broadcasters and regulatory codes into the new internet world. It is not practical given the international dimension of the internet and the almost infinite number of content providers who make use of it. It is not desirable because one of the great benefits of the internet is that it combines the prospect of free expression with the capacity for users to filter out content they wish to ignore or prevent access to in their own homes.

However, broadcasters, who can draw on their long experience

of dealing with consumer protection concerns, could contribute to a more robust self-regulatory approach for the internet, which could gain public support. Securing the trust and confidence of viewers/users will be particularly important. Public trust in the providers of content is vital, particularly in news and factual output. Forrester surveyed 22,662 consumers in seven European markets and found that, whilst the internet has become an increasingly important source of content for some topics, in news traditional trusted media sources still dominate (Table 2).

TABLE 2 TRUST OF INFORMATION GENRES BY MEDIA SOURCES IN 2001 AND 2006

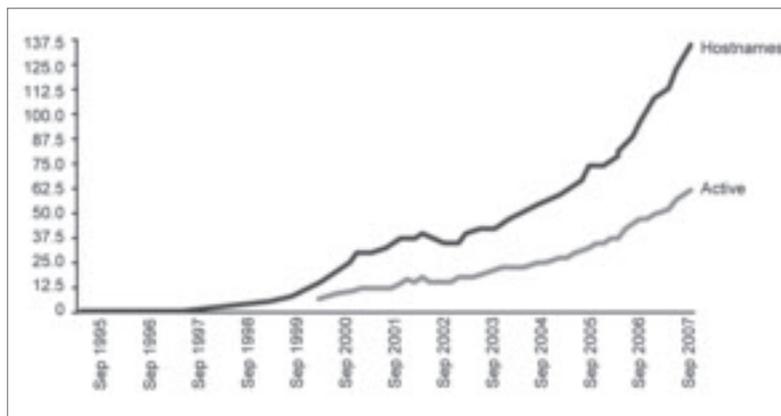
| Internet property | Country | Ranking among Top 100 web properties | %Reach (Jun'06) | %Reach (Jun'07) | Increase of reach |
|--------------------------------------|----------------|--------------------------------------|-----------------|-----------------|-------------------|
| BBC Sites | United Kingdom | 5 | 55.3 | 59.6 | 4.3 |
| DR DK | Denmark | 7 | 36.8 | 33.2 | -3.6 |
| Publieke Omroep | Netherlands | 7 | 33.0 | 33.4 | 0.4 |
| MTV3.FI | Finland | 7 | 45.5 | 35.3 | -10.2 |
| YLE.FI | Finland | 8 | 30.9 | 30.9 | 0.0 |
| TV2 Danmark | Denmark | 8 | 32.0 | 31.4 | -0.6 |
| TV2 Sites | Norway | 9 | N/A | 33.6 | |
| ORF.AT | Austria | 10 | 22.2 | 22.0 | -0.2 |
| VRT Sites | Belgium Fl. | 11 | 18.9 | 19.4 | 0.5 |
| NRK.NO | Norway | 13 | 27.0 | 28.4 | 1.4 |
| Groupe TF1 | France | 18 | 19.4 | 23.8 | 4.4 |
| SRG SSR idée Suisse | Switzerland | 19 | 15.9 | 17.3 | 1.4 |
| Sveriges Television - SVT | Sweden | 19 | 20.2 | 18.6 | -1.6 |
| RTE.IE | Ireland | 21 | 12.4 | 13.2 | 0.8 |
| ARD Sites | Germany | 22 | 24.6 | 21.1 | -3.5 |
| Channel4 | United Kingdom | 26 | 18.6 | 19.4 | 0.8 |
| RTP.PT | Portugal | 28 | 10.1 | 11.6 | 1.5 |
| RAI Sites | Italy | 34 | 11.5 | 11.3 | -0.2 |
| France Televisions Interactive | France | 37 | 13.5 | 16.7 | 3.3 |
| ITV Sites | United Kingdom | 45 | 11.9 | 14.4 | 2.5 |
| ZDF Sites | Germany | 86 | 12.0 | 5.8 | -6.2 |
| RTBF Sites | Belgium Fr. | Not listed | 4.4 | 3.3 | -1.1 |
| Grupo Radio Television Espanola-RTVE | Spain | Not listed | 5.2 | 4.9 | -0.3 |

SOURCE: FORRESTER EUROPEAN CONSUMER TECHNOLOGY ADOPTION STUDY (Q2,2006)

A GlobeScan survey (2006) carried out in ten countries found that traditional media sources and, in particular, television, is highly trusted and considerably more highly trusted than the internet (Figure 10).²⁶

²⁶ 10,230 adults surveyed in UK, USA, Brazil, Egypt, Germany, India, Indonesia, Nigeria, Russia, and South Korea.

FIGURE 10 TRUST IN MEDIA BY TYPE IN 10 COUNTRIES



SOURCE: GLOBESCAN

Broadcasters are amongst some of the most trusted brands in the world. The GlobeScan survey also revealed that the most trusted global news brands tested include the BBC (with 48 per cent across the 10 countries saying they have a lot or some trust) and CNN (44 per cent).

Public broadcasters again may have a special role to play here by setting clearly understood and high standards, but more widely, all broadcasters come from a background in which consumer protection and programme standards are part of their normal operating environment. If the internet is to avoid intrusive state-directed regulation of content standards, then the experience of broadcasters in building audience understanding of what sort of content to expect and when it will be available (e.g. the much understood watershed in the UK) will be invaluable.

Concluding observations

The internet is sometimes thought to threaten many of the positive aspects which have hitherto been associated with the broadcasting world. As established broadcast funding models come under pressure, there might be significant adverse effects on the provision of, for example, high quality programming and broadcast news. In parallel, fragmentation of audiences and revenues resulting from a shift away from conventional television to internet use could have a fundamental and adverse effect on the quality of audiovisual material made available. Furthermore, the internet may threaten the extent to which there are

any commonly understood and observed reference points for consumers covering, for example, trust in the accuracy of the content consumed, fairness to those individuals mentioned on the internet, privacy, and acceptable standards of protection for vulnerable groups.

However, the internet has undoubtedly already brought huge benefits to its users and to society as a whole, many of which improve on or render obsolete some of the features of the old broadcasting model.

“Broadcasters can play a key role in driving demand forward by creating and funding high-quality content for cross-media use, and in setting wider benchmarks for quality.”

As we have suggested, there are huge gains for citizens and consumers if the enduring positive values of broadcasting can be harnessed to support the next phase of development in the internet – we have called this the transformative phase. Broadcasters can help drive internet use by supplying the high quality content which users are demanding, they can help later adopters make sense of the internet, they can work with network operators to help secure major infrastructure investments, and they can help the internet adjust to a world in which it will have to pay more attention to citizens’ concerns about standards and protection for children and other vulnerable groups. National broadcasters, including public broadcasters, can help address concerns that internet content might be over-represented by US material by ensuring a reasonable level of investment in local content. In turn, the internet and its capabilities will allow broadcasters to adapt and change in the interests of their customers. If they embrace the challenges, they can transform the services and content that they provide.

Against this background, is there anything for policy makers to do other than stand back and observe the changes about to take place? We feel that it is worth concluding with three broad suggestions for those interested in developing policies to cover what is a critical sector for consumer enjoyment and citizens’ welfare.

We suggest that the three aims should be:

1. To encourage competitive markets – which are best suited to releasing maximum consumer value in this fast-moving and dynamic

environment. The twin objectives of lowering entry barriers (in both infrastructure and content) and ensuring that consumers are sufficiently well informed to make effective choices should be paramount. The aim should be to encourage innovation and quality – breaking the boundaries that have hitherto existed between old and new media.

2. To encourage broadcasters, other content owners and network operators to find ways of making practical commitments to future market development. Only if sensible ways of sharing risks and rewards can be found, coupled with a better understanding of future broadband market potential, will the necessary infrastructure investment take place in the market. The pros and cons of selective government or regulatory intervention may need to be considered if the market itself seems unlikely to work effectively.

3. To define and safeguard the public interest in the new convergent world. A new approach to public service broadcasting is needed, and we also need to re-think the ways in which we ensure adequate levels of protection for citizens and consumers when consuming content over the internet.

“Over-regulation will stifle growth and innovation. Under-regulation risks a Wild West-style ‘free for all’ which could ultimately undermine public confidence in the internet and the services it supports.”

For the former, the key is to translate the enduring purposes of PSB into the new media world, and to seek ways of using the capabilities offered by the ‘third phase’ of internet development to enhance and improve the delivery of public interest content. The internet is central to the future of PSB, not an optional extra.

For the latter, our approach might best draw on aspects of self- and co-regulation, rather than transferring old style broadcasting regulation to the broadband world (both impractical and undesirable). We need to seek new models which build on a greater exercise of responsibility by both industry and consumers and build on the experience of broadcasters in exercising that responsibility in their traditional markets.

A careful policy balance needs to be struck. Over-regulation will stifle growth and innovation. Under-regulation risks a Wild West-style

‘free for all’ which could ultimately undermine public confidence in the internet and the services it supports. Continuing broadcaster involvement in the internet will help strike that balance, for example by ensuring the availability of high quality and trustworthy content, and by creating an environment in which consumers have clear expectations about the nature and reliability of the content they are accessing.

There have already been some impressive success stories and, we argue, the future development of broadcasting and the internet will be ever more closely linked as we move into an increasingly converged media and communications world. Broadcasters and leading internet players depend on, and will benefit from, working closely with each other.



INTRODUCTION BY MARK THOMPSON

THE CREATIVE PERSPECTIVE

THE FUTURE ROLE OF PUBLIC SERVICE BROADCASTING

This book is part of the BBC's contribution to Ofcom's Review of Public Service Broadcasting (PSB) in the UK. The BBC has been engaging with the creative community to gather a broad range of views on the role of public service broadcasting in the future.

"A powerful case for both the contribution the corporation makes to British culture and the need to keep its licence fee firmly intact." BROADCAST MAGAZINE

The BBC invited leading figures from broadcasting to give their unexpurgated views about various aspects of what public service broadcasting delivers to Britain. Three lectures, which were delivered in London and Manchester, by Sir David Attenborough, Stephen Fry and Will Hutton and chaired by Kirsty Wark, stimulated the lively debate that is reflected in this book.

Leading members of the independent programme making sector and broadcaster creative heads contribute their perspectives about the future of public service broadcasting.

www.bbc.co.uk/thefuture



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