Here are my answers to the four questions in the consultation document.

Q1: Relaunching BBC3 as a broadcast channel will greatly increase its public value because it will be watched by more people for more hours. Making it online-only was a mistake for exactly the opposite reason - greatly reduced consumption. It also fits within the wider mission to serve all audiences because the BBC's other TV channels (apart from CBeebies and CBBC) appeal more to older audiences. The remit should be, as far as possible, to inform and educate its viewers as well as entertaining them,

However, the idea that the BBC3, with its aim of serving 16-34s, complements the rest of the BBC TV portfolio should not be taken too far. Apart from children's channels (and some other minor exceptions like minority language channels, eg S4C), TV channel audiences are relatively weakly 'segmented' (eg compared to print media readerships, which vary hugely) and there is almost always a trade-off between targeting and audience size: the more narrowly a channel is targeted, the smaller the audience and the higher the cost per viewer-hour. This is a difficult balance to get right: BBC3 needs to *prioritise* 16-34s but *not so much as to exclude everyone else*. It's striking that the channel's rightly celebrated recent successes (*Normal People, Fleabag,* etc) were watched and enjoyed in large numbers by viewers outside the 16-34 age range. In my view, when BBC3 was launched, it was so obsessed about the 16-34s that it got this balance wrong, focusing so narrowly on them that its audience was so small - and its cost per viewer-hour so high - that it was hard to justify as good value for money. I made this point in my 2004 independent review of the BBC's digital TV services for DCMS. The BBC rejected my view and the cost per viewer-hour continued to be unsustainably high. I assume that this (perhaps together with an exaggerated belief that younger viewers were 'no longer watching broadcast TV') was why the BBC took the fateful decision to make BBC3 online-only.

Q2: This is covered under the label 'public value' above. By playing its part in helping the BBC deliver its mission to inform, educate and entertain all audiences, it will be adding to its huge contribution to British society and culture - and also the creative industries and wider economy. The BBC's social and economic contribution is discussed in some detail in my recent book, co-authored with Peter York, *The War Against the BBC* (eg Chapter 3).

Q3: I expect both the positive and negative market impact of the return of BBC3 as a broadcast channel to be minimal. Again, the BBC's (especially BBC TV's) net market impact is analysed in detail in *The War Against the BBC* (Chapter 11 and Appendix E) and shown to be minimal or, if anything, marginally positive. Even with an increased annual programme budget (£72.5m), BBC3 will still be only a tiny player. Its competitors now include all the commercial broadcasters (commercial PSBs and non-PSBs) and the SVoDs. Netflix alone spends the equivalent of BBC3's new £72.5m annual programme budget *every two days*. Other SVoD players include YouTube (Google), Facebook and Disney (both SVoD services and TV channels delivered by satellite/cable/DTT) with more to come.

Q4: There is no need to mitigate BBC3's negligible impact on other TV broadcasters or the SVoDs (see Q3 above). However, as always, the BBC should strive to use its investment to benefit independent producers and other suppliers, maximising its overall public benefit.

I'm happy for this submission to be published with my name.

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