

NEW BBC3 DIGITAL TELEVISION SERVICE PROPOSALS



1. As the trade union for technical, creative and administrative workers throughout the BBC and the broadcasting/independent production sector, BECTU is happy to submit comments on this new consultation – especially as we made an earlier submission in February 2001 on the original proposal for new BBC digital services.
2. We note that, in reaching a final decision on the proposed service, the Secretary of State will have regard to the guidelines for assessing BBC public service proposals and in particular to; compatibility with the BBC's public service role; the impact on comparable commercial services; and the distinctiveness of the proposed service.
3. We note that the new BBC3 proposal remains focussed on younger adult viewers, with a core age group of 25-34 year olds but with an additional appeal to younger and older views. We further note that, in comparison with the original proposal, there is:
 - a greater commitment to news, current affairs, education, music and the arts
 - a stronger focus on new talent (both on and off screen)
 - a bigger emphasis on production from across the nations and regions of the UK; and on reflecting all of multiethnic Britain
 - more on-line and interactive support
 - a very welcome reinforcement of the commitment to commissioning original UK production
4. We strongly support the new BBC proposal, for the reasons set out below.

THE BBC'S PUBLIC SERVICE ROLE

5. We believe the proposed new service is entirely compatible with the BBC's basic public service role to inform, educate and entertain, as set out in the Corporation's Charter.
6. By reaching out both to new audiences and new talent, and by involving them in additional and targeted coverage of news, current affairs, education and cultural programming, BBC3 would be acting exactly in line with the Corporation's established public objectives.
7. Far from being an unnecessary departure from the BBC's role, the proposed new service is arguably an essential means of providing public service programming to a young audience which might otherwise, in an era of

fragmented niche channels, not experience this range of programming in the channels aimed at this age group. We are not aware of any other such channel which covers as full a range of public service genres as the BBC3 proposal.

THE IMPACT ON COMPARABLE COMMERCIAL SERVICES

8. A key factor in this aspect of the consultation is that, as indicated above, there is simply no comparable commercial channel providing the range of programme genres to be offered by BBC3 to its target audience. Especially in terms of the 'information' and 'education' aspects of its public service role, and of its emphasis on new talent, BBC3 appears to be offering a totally distinctive service which does not duplicate any existing commercial channels.
9. The only foreseeable area of overlap is in terms of entertainment, where Channel 4's E4 and Paramount may both cover a similar segment of the audience. However, both these channels are strongly backed; the advertising market for this segment of the audience is very far from saturated (with more potential revenue available); and commercial platform providers are highly unlikely to want to dispense with such channels. Additionally, if competition from BBC3 pushed such channels in the direction of less use of bought-in programming and greater use of original UK material, this would be an overall gain for the UK TV market at the expense of foreign (overwhelmingly American) programme providers.
10. We therefore believe that available evidence suggests the impact of BBC3 on commercial competitors will be limited and containable; and that it will not remotely threaten the viability of such channels. More fundamentally, there are simply no wholly comparable commercial channels in the first place.

THE BENEFITS TO UK ORIGINAL PRODUCTION

11. We believe BBC3 offers a very significant boost to UK original programme production, which will benefit our broadcasting sector as a whole. The channel's proposed budget of just under £100m, together with the very strong commitment to original production, is a very welcome incentive for programme-makers not just in the BBC but across the independent production sector as a whole.
12. By offering such a significant addition to original production from a channel outside of the mainstream public service providers and by a strong focus on using new creative talent, BBC3 would be breaking new ground. If successful, this could create a new base within the independent production sector geared to the increasing number of thematic and digital channels (which all too often currently rely on brought-in programming). This would clearly have domestic benefits well beyond the BBC and could also have a significant and beneficial impact on our television trade balance (ie by reducing the proportion of imported programming).
13. At a time when factors such as the downturn in advertising revenue are causing structural problems in our broadcasting industry, we believe it would

be extremely unwise to ignore the benefits that such a significant potential boost to independent production could bring.

THE IMPACT ON DIGITAL TAKEUP

14. The additional area in which we believe BBC3 will benefit the UK broadcasting sector as a whole is in driving digital take-up.
15. The Government's targets for digital switchover are still far from being met and the aim of achieving analogue switchoff by 2006-2010 may not, on current trends, be achieved.
16. BBC3 could make a very significant contribution to boosting digital take-up in the estimated 3m people in the 25-34 year old age group who currently have no interest in or intention of switching to digital TV. The existence of a digital channel wholly geared to this audience is likely to have a major impact on such attitudes – as already seems confirmed by the preliminary market research.
17. More generally, we believe digital TV is currently strongly associated with pay TV. The impact of a new free-to-air digital channel is therefore likely to be disproportionately beneficial.

CONCLUSION

18. We strongly support the BBC3 proposal. We believe it meets the criteria for BBC public service approvals; that it is fully compatible with the BBC's public service role; that its impact on commercial competitors will be very limited and containable; that it will offer a very significant boost to UK original production; and that it will greatly assist the drive to digital take-up. We therefore believe the BBC3 proposal deserves approval not just as a benefit to the BBC but for its benefits to the UK broadcasting and production sector as a whole. We hope that an early and positive decision on approval will be forthcoming.