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Pablo Palao  
Public Service Broadcasting Policy Branch  
4<sup>th</sup> Floor  
Department for Culture, Media and Sport  
2-4 Cockspur Street  
London SW1Y 5DH

Dear Pablo

***New BBC3 Digital Television Services Proposals***

I am writing with reference to Vanessa Brand's letter to me of 7 December concerning the new arguments submitted by the BBC for its proposed BBC 3 Digital Television Service. This letter is our third representation to the Department of Culture on this matter and follows our letters of 27 February and 25 June in 2001.

In our previous submissions we argued that the BBC should not be permitted to launch this new channel aimed exclusively at wooing a young audience – an audience that is already well served and of particular importance to the commercial broadcasters.

The youth audience is the demographic grouping most likely to be attracted to, and is already well served by, digital television, and yet the Corporation proposes to spend the bulk of its digital budget on BBC3. Research shows that older people need the most convincing as to the merits of digital television. However, the budget for BBC4 is a great deal less than that for BBC3, which will not be a driver for the take up digital services.

The £97 million programme budget for BBC 3 - a peak time only channel should be compared with Channel 5's programme budget of £149 million in 2002 for its twenty-four hour service. Channel 5 does not have the advantage of cross promotion on BBC TV and Radio and its marketing budget is a fraction of the £20 million across the four new BBC digital channels recently announced by the BBC.



We have carefully examined the BBC's latest proposal following the Secretary of State's decision in the autumn to refer the matter back and we have reached the conclusion that there is nothing in the BBC's latest plans that merit the authorisation of such a substantial level of public expenditure into this new channel. Indeed the BBC's most significant new proposal is to narrow the appeal of the service to 25 - 34 year olds, as opposed to its previous intention of attracting 16 - 34 year olds. Thereby aiming at an even more commercially important demographic than that which they were previously proposing to attract.

Some of the public service selling points that are claimed by BBC 3 also do not bear further examination. The proposal to show 30 half hour current affairs programmes during the year is substantially less than 30 minutes of current affairs output per week. Compared to the two hours 30 minutes of current output of such programming shown weekly on Channel 5.

Furthermore we would argue that the BBC's proposal to show a dedicated 15 minute weekday news programme and hourly news bulletins, is less than and in many ways replicating the news provision on Channel 5.

5News, produced by ITN for Channel 5, already provides an alternative and complimentary news service to the existing bulletins on ITV, BBC and Channel 4. 5News has pioneered a different style of news presentation and production, with a fresh, direct and less formal approach than that of its rivals. Our hourly bulletin is popular across all age groups including young people. On a weekly basis more than 5 million people (including more than one million 16 - 34 year olds) tune in to our 17 30 and 19 30 news bulletins combined.

Channel 5 is the only terrestrial channel to offer viewers comprehensive hourly news updates in peak time every day of the week. We have recently launched a Saturday lunchtime news programme specifically aimed to appeal to young adults. It is co-presented by two young, relatively unknown personalities and will combine the week's big stories with current affairs reports and the latest updates from the world of entertainment.

The new BBC proposal puts great weight on offering a distinctive mix of programming, and states that:

'No other channel has the same commitment to promoting new talent with risk taking and innovative programming'.

This statement is a classic example of BBC arrogance. Channel 5 - albeit with far greater budgetary constraints than the BBC - is totally committed to promoting new talent, risk taking and innovative programming. We have pioneered an innovative new format for the news, launched



successful new talent such as Graham Norton and Kirsty Young and take many risks including the showing of arts and educational programming in peak-time.

In addition to our own output, the remit and licence for the main Channel 4 service specifically requires that channel to:

'Foster the new and experimental in television, encourage innovation in style, content, perspective and talent on and off screen' and that 'experiment, innovation, originality and diversity' be their touchstone.

It appears somewhat overbearing of the BBC to claim that it alone can claim the moral high ground for such programming with its new youth channel.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dawn', with a long, sweeping horizontal stroke extending to the right.

Dawn Airey  
Chief Executive