

Response to interim Digital Britain Report

12 March 2009



Introduction

1. The BSG welcomes the opportunity to comment on the interim Digital Britain report (iDBR). The issues raised in the report have been rising up the policy agenda for some time, however the need to address them has been made more urgent by the financial crisis and wider economic recession. This is not simply because wider economic conditions are making the challenges facing the sector more acute, but because the future prospects for the economy as a whole are to a degree dependent on our ability to successfully resolve these issues and deliver the full promise of Digital Britain. If the UK is to emerge from this recession as an efficient, competitive, low carbon, knowledge economy then it will need both a world-class digital infrastructure and the capability to put that infrastructure to full efficient and productive use. For this reason we believe that Digital Britain must be one of the central pillars of the UK's economic recovery plan.
2. We welcome the interim Digital Britain Report (iDBR) for three reasons: firstly, it provides the clearest statement yet from government about the importance of digital networks and services for the wider economy; secondly, it takes a holistic view of digital Britain, recognising the impacts of digital convergence and pulling together what have, perhaps for too long, been regarded as distinct threads; and thirdly, it recognises the need for action given the challenges facing the sector and the wider economy.
3. The scope of the iDBR is ambitious and the timescales are challenging. It would be unreasonable to expect that all of these issues can be resolved in fine detail by the time of the final report. What is required however, is sufficient clarity on the key issues of policy to ensure that there is certainty about the government's ambition for Digital Britain and agreement on the practical route forward.
4. One issue raised in the introduction to the iDBR but not addressed in detail is the relationship between Digital Britain and climate change. Not only will there be opportunities to reduce the carbon emissions related to the deployment and use of digital services, there will also be opportunities to drive changes in behaviour across the economy related to the way in which these services are used. While this issue is probably too broad and complex to be dealt with in any detail by the DBR it should not be overlooked. Some indication of how the DBR links across to the government's wider Low Carbon Industrial Strategy¹ should therefore be made in the final report.
5. The following comments on the interim report follow the structure of the report itself. We comment on most aspects of the report, although we have not commented on the aspects related to public service broadcasting.

¹ <http://www.berr.gov.uk/files/file50373.pdf>

Action 1 Review of prospects for next generation broadband

6. The continued evolution of broadband is clearly of central importance to any vision for Digital Britain. Economic conditions have worsened significantly since the publication of the Caio report making it sensible to take stock once again of the likely prospects for NGA deployment in the UK. However, it should be noted that the evolution towards next generation broadband is still at a very early stage making it difficult to predict with certainty what the likely pace or extent of deployment will be.
7. That said it is clear that the transition to next generation broadband has begun. Although existing broadband infrastructures should be capable of meeting the needs of many residential consumers over the next few years, operators are now taking initial steps towards next generation broadband deployment. Virgin Media's new 50Mbps service should be available to 50 per cent of households by mid 2009 and BT, following the publication of Ofcom's recent statement on its regulatory approach to superfast broadband² has re-stated its intention to make its FTTC service available to approximately 40 per cent of households by 2012³.
8. A wide range of supply and demand side issues will need to be considered in order to make an assessment of the pace and extent of next generation broadband deployment. These include the costs and capabilities of the various fixed and wireless technologies; likely demand and willingness to pay; the nature and extent of competition; and wider commercial, policy and regulatory factors which might impact upon costs and demand.
9. Analysing the potential costs provides one route to understanding the likely extent of market deployment. According to the BSG's own research⁴, the costs of deploying FTTC per premises connected remain relatively constant up to about the first 58% of UK homes (ranging between £360 to £450 per premise). This suggests that once a commercial business case is proven for FTTC deployment, then that case could be broadly applicable across the first 60 per cent or so of premises.

² http://www.ofcom.org.uk/consult/condocs/nga_future_broadband/statement/statement.pdf

³ <http://www.ft.com/cms/s/0/28f7d550-07d2-11de-8a33-0000779fd2ac.html?ftcamp=rss>

⁴ <http://www.broadbanduk.org/fibrecosts>

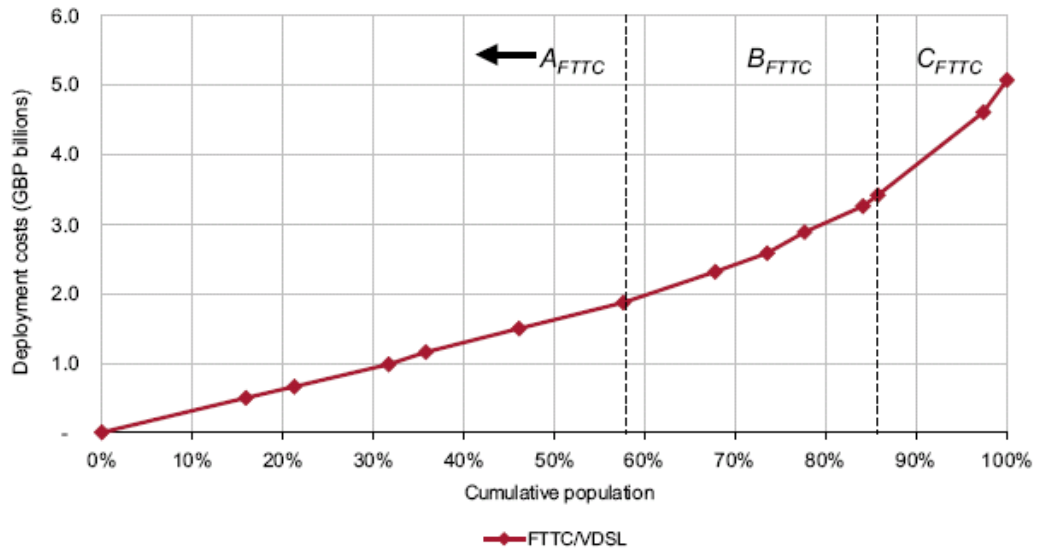
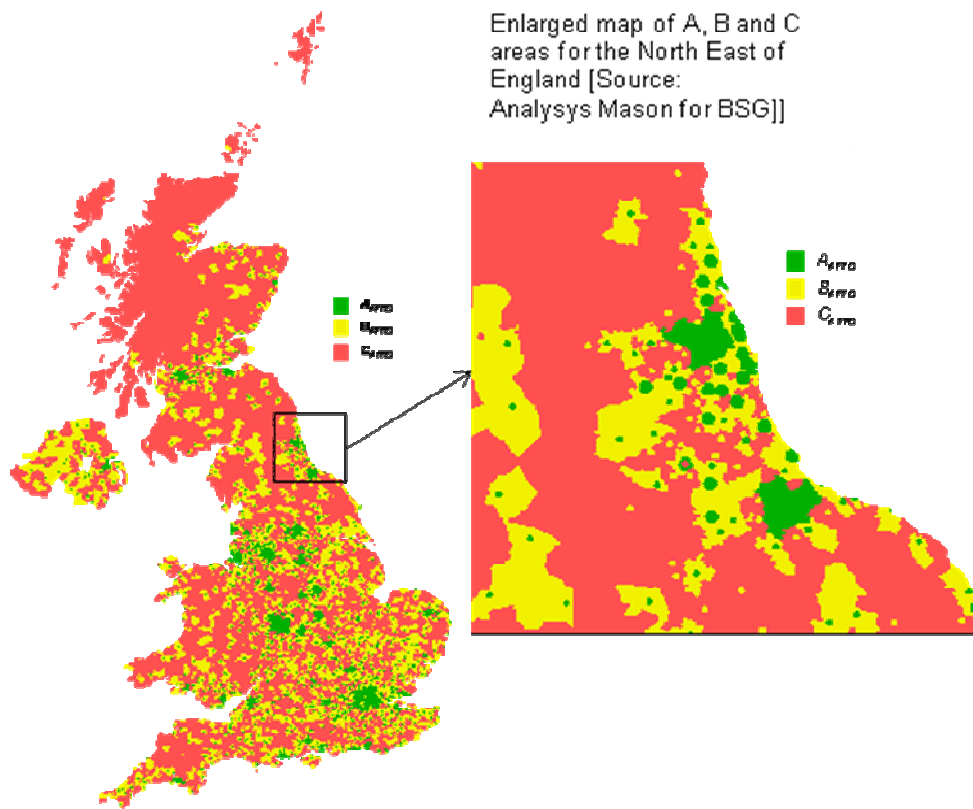


Figure 1.5: Total cost vs. percentage population for FTTC/VDSL [Source: Analysys Mason for BSG]

10. The map below provides an illustration of what FTTC broadband deployment might look like in practice, based upon the BSG's cost model. Although the A areas cover 58 per cent of the population they cover a significantly lower proportion of the UK land areas. However, it should be noted that many of the A areas are in small pockets. These small pockets are within areas close to the centre of exchange coverage areas, and represent small but densely populated towns and villages that are served by smaller telephone exchanges in areas away from urban centres.



11. While good data now exists on the cost and capability of fibre based networks there is a lack of similar comparable data on the costs and capabilities of wireless and satellite networks. We believe this should be addressed.
12. However, looking at the costs alone does not provide a complete assessment of the likely extent of deployment. It will also be necessary to make some demand side assumptions about willingness to pay; likely levels of take up; competition and implications for market share. In the absence of hard data about the extent of demand in the specific UK market context (taking account of the strong market for digital TV) the best approach to doing this is likely to be through the development of a number of demand side scenarios.
13. A further key question relates to the ability of the sector as a whole to raise the funding necessary to invest in next generation broadband. Understanding the impact of the credit crunch and the wider economic recession on any potential investment plans will be critical in this regard.
14. The increased volatility and uncertainty seen in the capital markets over the last few months will have impacted on the cost of capital for the majority of businesses, Telcos included. This will impact on their ability to invest, and shareholder support for investment. The effect of the credit crunch on the cost of capital was acknowledged in Ofcom's second consultation last December on '[A New Pricing Framework for Openreach](#)'. Again this will need to be factored into the analysis.
15. The impact of the recession on consumer willingness to pay is more difficult to read at this stage. The pace of consumer broadband adoption did slow down in 2008 with 1.5m new broadband customers being added by the end of the year compared 2.3m in 2007. Although this slow down was predicted, with the market moving towards saturation point (where there are few remaining dial-up customers to be upgraded) it was exacerbated by a rapid decline in the number of people moving house.
16. There are few signs however that consumers are starting to forgo their broadband connections. Indeed, anecdotal evidence suggests that broadband is seen as a non-discretionary utility. However, with household budgets under pressure, it is still unclear to what extent consumers will be willing to pay more for higher performance services.
17. A key question in relation to the prospects for next generation broadband relates to the timeliness of investment. In order for investment to be timely from a UK economy perspective, it needs to both keep pace with the growth in demand for bandwidth from both consumers and businesses and keep pace with developments in other national markets.
18. In reviewing developments in other markets, it is important to consider not simply the availability of infrastructure, but also the level of take up and extent of productive use. A good example of such an approach is the connectivity scorecard⁵ developed by Professor Len Waverman, (which provides a benchmarked assessment of 'useful connectivity' across 50 countries. We believe this approach could provide a very useful and informative basis for

⁵ <http://www.connectivityscorecard.org/>

assessing the relative strengths and weaknesses of Digital Britain in relation to other countries.

Action 2: Remove barriers to wholesale duct access

19. The BSG's cost model research suggests that civil infrastructure⁶ accounts for approximately 41 per cent of the total costs of FTTC deployment. Enabling wholesale duct access may therefore be of benefit in some locations for encouraging competitive provision of broadband access. However, Ofcom's recent study of BT's ducts suggests that although there is space, its availability is likely to be highly variable between any two points in the network and therefore the costs of any particular section difficult to predict. For this reason, wholesale duct access, while valuable in some locations, currently appears unlikely to provide a panacea for enabling large-scale market access and investment.
20. Government should explore options for encouraging and possibly incentivising other owners of civil infrastructure to provide wholesale access for the provision of broadband access.

Action 3: VAO ratings guidelines

21. We welcome publication of the VAO's guidelines on the application of non-domestic rating to fibre. The BSG will host a meeting with the industry and VOA and BERR officials on 20th April in order to assist the government's efforts to raise awareness of the rating framework and gain feedback on the guidelines themselves.

Action 4: Consider the case for intervention on next generation broadband

22. In several countries around the world the public sector has played a prominent role in supporting the deployment of next generation broadband. This has been done through a broad range of interventions, many of which have been developed at a regional or municipal level.
23. The case for public intervention on next generation broadband is dependent upon views about the wider economic and social value of next generation broadband to the UK, evidence of value emerging from international markets, and the likely pace and extent of market driven deployment.
24. In 2008 the BSG published a framework for evaluating the value of next generation broadband. Having developed a cost benefit framework and looked at some early indicators of value the report concluded that there is likely to be significant social and economic value from the deployment of next generation services in the UK, and it is likely that this value would significantly exceed the private value available to investors.
25. There may be a need to pay particular attention to the potential value of next generation broadband for the rural economy. Many of the benefits associated

⁶ Not including the cost of the cabinets and the active electronics, Source Analysys Mason for BSG

with next generation broadband may be more significant in rural areas; a lack of availability in rural areas is not simply a matter of equity and fairness, but could also be an issue of regeneration and economic development. However, because of their lower density of housing rural areas may be commercially unattractive to the market; if left unaddressed this could lead to a significant new digital divide.

26. There is a broad range of potential interventions that should be considered, that range in scale and cost from very low to very high. Demand side interventions could prove particularly effective given the high proportion of fixed costs involved in deploying fibre-based networks. However, any intervention would need to be carefully designed to ensure it was efficient and effective, and to ensure it did not prejudice future commercial deployment, particularly where the extent of commercial availability is likely to be variable across a local area e.g. if lack of availability is limited to a few “not spots” in an area, then a blanket intervention for the whole area could prejudice the commercial case for the whole area.
27. Clearly there are risks associated with premature intervention, including potential distortions to competition, undermining the potential for commercial investment and duplicating existing investment. It will therefore be important to ensure that if any intervention is made, it is both efficient and effective.
28. In 2008 the BSG published a report on models for effective and efficient public sector interventions in next generation broadband access networks⁷, which did a number of useful things. Firstly it set out a practical definition of what is meant by efficient and effective. Secondly, it categorised both the drivers for intervention and the different approaches taken across Europe – with a number of common themes emerging. Finally, although no single model of intervention emerged as most appropriate, the report identified six critical success factors, which if met, would help to ensure that interventions are more likely to prove efficient and effective in the long-term. We believe that the conclusions of this report should be re-examined when considering the case for intervention in next generation broadband.

Action 5: Support CBN proposal for INCA/JON group

29. The BSG’s report on models for public sector interventions also highlighted the need for greater coordination at national level between the various public sector and community organisations considering or undertaking projects and relevant private sector companies. This view was further developed in Francesco Caio’s independent review of next generation broadband in the UK. In that respect we support the proposal by the CBN to establish an umbrella organisation for local and community networks and welcome the government’s active support for this body.
30. Going forward the BSG is working with the CBN and service providers to develop a minimum set of standards necessary to enable commercial operators to offer retail services over local and community networks. This project is likely to look at a broad range of issues including: product design process; product capabilities and the level of ISP control of these; CPE; voice

⁷ <http://www.broadbanduk.org/psi>

provision; pricing structures and levels – commercial terms; provisioning and install arrangements; fault reporting/management, including coordination of engineer visits; contracts, including SLAs, SLGs and quality of service; migration and switching rules, processes and procedures; any other technical, operational and commercial interfaces; customer relationship management and network development over the investment lifecycle.

Action 6: Wireless spectrum modernisation programme (WSMP)

31. Spectrum based technologies clearly have a key role to play in the vision for digital Britain. The iDBR has identified a set of ambitious goals which, if achieved, could help to unleash the potential of wireless technologies to achieve UBC and NGB. We note that Kip Meek, the BSG's Chairman is playing a key role in leading the negotiations with the industry on the WSMP.

Action 7: Consider including return path capability in DTV Help Scheme

32. The inclusion of a return path capability within the scope of the DTV help scheme does seem sensible given that the full benefits of digital content and connectivity can only be enjoyed through a combination of digital TV and broadband access. Government will need to find a useful balance between the cost and complexity of set-top boxes and the capability, features and usability of services offered. This proposal also needs to be considered in the context of the ongoing work on project Canvas and other current and future commercial services which combine broadcast and broadband platforms.

Action 8: Consider widening scope of Digital UK marketing

33. Widening the scope of Digital UK's promotional remit seems sensible. It should be noted that a broadband take-up campaign will involve a different group of stakeholders than are currently represented on Digital UK. Care should be taken to ensure that extending the remit of Digital UK does not distract it from its current core task to support digital switchover.

Action 10: Review case for further support for content

34. UK originated content is important both as a vehicle for growth of the UK economy and to ensure that a wide range of high quality, home produced programming is available to consumers. However, it will also be an essential component of the next generation broadband value proposition for consumers. As well as reviewing the case for further support for UK content production, the DBR needs to also consider the way in which that content is distributed across the supply chain.
35. We are already seeing rapid growth in consumer demand for video on demand services which has been met by a rise in the number of VOD services and technologies in the market. However, as the recent Competition Commission report on Project Kangaroo concluded wholesale access to UK PSB-originated content will be essential to ensuring competition in these VOD platforms going forward. Given the close links between the market for VOD and demand for next generation broadband, the DBR should play close

attention to ensuring that content is distributed across the supply chain in a way that supports both content creation and the market for next generation broadband.

Action 17: Develop plans for USC for 2012 (scope)

36. With broadband increasingly being viewed as an essential utility by many households and small businesses there is clearly a growing rationale for extending coverage to the last remaining locations where broadband is either unavailable or of very poor quality. The BSG therefore supports the concept of a Universal Service Commitment. However, delivering on this ambition presents a number of practical challenges and the scope and terms of the commitment need to be carefully calibrated to ensure that the costs are proportionate with the potential benefits.
37. The iDBR suggested that the USC could be defined as being 'up to 2Mbps download' on the basis that this is what is necessary to deliver good quality video. This has provided a useful starting point for discussion, however, the following factors need to be considered when assessing whether or not this is the right definition:
 38. **Rationale/ objective** - The DBR needs to be clear on the underlying rationale of the USC and what it is trying to achieve. The BSG understands that the government's objective is to ensure equity of access to functional broadband services capable of delivering today's generation of video rich services (such as the BBC's iPlayer). The universality of such services combined with increasing levels of take up should then facilitate further innovation of online public service delivery and public service transformation.
 39. **Service definition** - The proposed definition focuses primarily on download speeds, however, there are other service characteristics that are equally important for determining the quality of service experienced by the consumer including jitter, latency, packet loss and DNS resolution. A key question is therefore whether the USC should be defined in terms of the overall quality of service or simply in terms of the download speed. A further issue for service definition is the scope of the universality of the service. In reality, this would likely be influenced by the costs and benefits of extending the commitment to the last few percent of homes.
 40. **Download speeds** themselves can be highly variable depending on a range of factors at different points in the network. The impact of line length is relatively well understood, however, factors beyond the operators control such as in-home wiring or out dated modems can cause serious deterioration in actual service performance. Therefore, if speed is to be part of the service definition these factors will need to be considered.
 41. **Technology** - The USC could be delivered by a range of fixed, wireless and satellite technologies, although the costs and characteristics of each of these services will be different. The USC should be technology neutral as far as possible so that commercial providers are able to use the most effective technology solution for any given location.
 42. **Managing consumer expectations** - Great care needs to be taken in articulating the USC to ensure that consumers have realistic expectations

about what it means for them. If the USC is based on theoretical line speeds the implications of this need to be clearly explained. There will also be some locations where delivering the USC within a reasonable cost will simply not be possible. Government will need to be clear about the limits to universal provision.

43. **Delivery mechanisms** - How any scheme is structured, including how the services will be delivered and by whom, will have implications for other choices that must be made. Design of the delivery mechanism in technology-neutral terms may be difficult to achieve, and this may be part of the iterative process of choosing the most appropriate solution. There may be value in considering the delivery of the USC independently across particular areas of the UK. Different solutions may be more appropriate in different locations due to the particular characteristics of the geography, the extent of demand, and existing network reach.
44. **Wider implications** - Many of the choices set out above have implications for consumers, the market, and the government in terms of achieving the objectives of the USC. In particular, government should consider the possible impact on take-up amongst existing adopters if the full cost of funding the USC was to be passed on to consumers. An adverse impact would work directly against the objective of increasing take-up through the USC. Government should also consider the impact of increased costs on the investment plans of service providers.

Action 18: Develop proposal for funding USC

45. The obligation of funding the USC should be shared across the public and private sector. The criteria by which it is decided which organisations should contribute, and how they contribute, will need careful consideration, but contributions should be sought widely from across the full range of potential beneficiaries, not just the telecoms sector. This should include appropriate consideration of spectrum costs where these play a role in a possible solution.
46. Careful thought will also be needed about how the USC will operate in practice. Key questions will be how to identify where additional investment is required; how to determine who should be responsible for delivering a solution and how funds are allocated to meet the costs involved.

Action 19: Develop champions for universal take-up

47. The UK has already reached relatively high levels of broadband adoption with nearly two thirds of households now having a broadband connection. In many markets this is regarded as close to the natural market saturation point. Convincing the last third of non-adopters to take up broadband will be more difficult. Reasons for non-adoption are complex and diverse. In some cases consumers simply won't be aware of the value or relevance of broadband to the way in which they live their lives, in other cases non-adoption will be closely linked to the complexities of social exclusion.

48. Achieving universal take up will be challenging. It will require a coordinated framework of appropriate actions targeted towards and appropriate for clearly defined consumer segments.
49. The Government's Digital Inclusion strategy is already focusing on the most excluded groups in society and the DC10 members provides a good framework for coordination between local authorities on these issues.

Action 20: Invite BBC to take leading role in driving take-up

50. The BBC clearly can and should play an important role in driving awareness of the benefits of broadband. However, given the BBC's position in the market careful attention will need to be paid to the market impact of BBC activities and marketing messages. As mentioned above the BBC's activities should be built into a larger framework, with commercial stakeholders having some oversight on BBC activities.

Action 21: Commit to putting public services online

51. Over time it should be possible to deliver substantial public value through the transition to online public service delivery. Citizens should benefit by being able to access more efficient and effective public services and government should benefit through efficiency gains achieved through public service transformation.

Action 22: Establish new media literacy plan

52. The focus in this section is the right one - encouraging and promoting media literacy is vital in order to drive take-up of broadband and increase engagement with content and services. The development of a National Media Literacy Plan is a good opportunity to bring together the various relevant initiatives underway throughout Government, industry and the third sector.
53. The priorities of the plan should be to identify the groups who are not engaging; identify the reasons for this; and target them with information and support to equip them with the knowledge, confidence and skills they need to navigate the digital world effectively.

Further work: Public policy principles for online safeguards

54. This section of the report highlights an important factor in equipping everyone to benefit from Digital Britain – the increased challenge posed because internet content is not capable of being successfully regulated in the same way as traditional, national broadcasting. It identifies issues, which will be of concern for users – either generally or for some users only - such as privacy, harmful or offensive content and access to illegal material. Building the trust and confidence of those users who have so far been hesitant or unsure about engaging with digital services to address these issues, without unduly compromising freedom of expression is undoubtedly complex and does not lend itself to one-size-fits-all outcomes.

55. As such in developing the final proposals in this area, the approach should take into full account the wide array of current good practice and initiatives already underway and focus on knitting them into a coherent landscape, i.e. avoid duplication or assuming that there are significant gaps. Examples of current good practice include the BSG facilitated Good Practice Principles on Audiovisual Content Information, the Good Practice Principles on behavioural advertising developed by the Internet Advertising Bureau, the mechanisms in place for cooperation between industry and the IWF and the commitment of stakeholders to work together to take forward the recommendations of the Byron Review under the auspices of the UK Council for Child Internet Safety.
56. Ensuring that consumers have the trust and confidence to engage fully in digital Britain is in the interests of all players across the value chain. A partnership approach is the right one for tackling these issues, but any principles developed in these areas need to be able to stand the test of time, and underpin the inevitable quick-paced evolution of services in the future.

Good Practice Principles on Audiovisual Content Information: One Year On



March 2009

Background

The Good Practice Principles on Audiovisual Content Information were developed to ensure that consumers are able to make informed choices about the content they access in a fast-moving media environment. They were launched in February 2008.

The Principles apply to commercially produced and acquired content that may be unsuitable for children and young people and which may be harmful or offensive more generally.

The 5 Principles are:

1. Providers are committed to promoting and enabling media literacy through the provision of content information. The providers' respective approaches to these principles reflect that commitment.
2. Providers offer content information in order to empower users and allow them to make informed choices about the content that they and their families access/consume/watch.
3. Providers offer information about content that may be harmful or offensive to the general public, and that may be unsuitable for children and young people. In particular, content information is designed to enable parents and carers to exercise supervision over the content viewed by those they are responsible for.
4. Providers employ editorial policies that reflect the context in which their content is delivered. These policies aim to guide users about the content that is available on a particular service so that they can make an informed choice about what to view or not view.
5. While the exact format of the information may vary from provider to provider according to context, providers aim to present it in a way that:
 - is easy to use and understand
 - gives adequate information to enable the user to make an informed choice about whether or not to access the content
 - uses plain and consistent language, practical for the medium in which it is made available.

The following companies and organisations committed to the Principles at launch:

AOL, BBC, Bebo, BT, Channel 4, Five, Google, ITV, Microsoft, Mobile Broadband Group (represents Orange, O2, 3, T-Mobile, Vodafone and Virgin Mobile), **Teachers TV, Virgin Media, Yahoo!, ATVOD** (Association for Television on Demand), **FOSI** (Family Online Safety Institute) and **BBFC** (British Board of Film Classification).

Since launch, the following companies have also committed to the Principles:

BSkyB, MySpace and **Tiscali**.

The purpose of this document is to give an update on how the Principles have worked in practice and an overview of the challenges and issues involved with providing information about content in a fast-paced and continually evolving media environment.

How the Principles are being met

Content providers and aggregators are using a mix of formats, technical tools and editorial policies so that the consumer is provided with content information that is easy to use and understand.

Tools being used include visual symbols, long form text information, age classifications and ratings, parental controls such as PIN protection or other access controls, visual or audio warnings and age verification processes.

Appendix 1 contains an overview from signatories about how they are working to meet the Principles in practice.

The rationale behind the Principles

When the Principles were being developed, it was seen to be of fundamental importance that they allowed for content information to be provided in a way most appropriate to the context in which the content was being made available and in a way that was practical for the medium in which it was made available.

This view was developed from the experience of signatories in understanding their users' needs and is supported by the findings of research¹ that demonstrates that whilst consumers value information about content, there is no expectation that it is offered in a uniform way across different platforms.

Experience of the linear age demonstrates that consumers respond to different formats of information for different types of content, for example age-rating systems for cinema and video content and pre-broadcast announcements for television programmes.

This experience indicated that a media environment involving different types of content across an increasing range of platforms could therefore be flexible in its approach to content information. The over-riding objective is to provide and facilitate content information that makes sense to consumers in the context in which it is made available and on the platform on which it is accessed.

In light of this, the approach advocated in the Principles and reflected by the variety of ways in which content information is being provided to the consumer by the signatories, allows for a range of approaches for the provision of content information.

What is common amongst all approaches is a commitment to provide information about potentially harmful or offensive content that is easy to understand and use.

The experience of employing this approach

A year on from the publication of the Principles, the process of developing guidelines has been effective in stimulating cross-industry engagement in the extension of content information into many online environments.

¹ Ofcom Programme Information Research, 6 September 2006

Furthermore, the addition of three new signatories to the Principles in the past year demonstrates the growing importance of content information as a core tool deployed by content providers and aggregators to help consumers navigate digital content effectively.

As the Principles are just one year into existence, it is still very early to provide a fully comprehensive assessment of their impact and effectiveness. No formal research has been undertaken to test consumer understanding of and reaction to content information, and this may be a useful exercise for the future.

Viewing the Principles in the wider policy context, it would appear that other policy developments reinforce the approach and rationale that underpin the Good Practice Principles:

- The text of the Audiovisual Media Services Directive does not require uniform standards between broadcast and other media, and recognises the qualitative differences between the different types of content and the way in which it is delivered.
- Discussions in the UK and at a European level on “common labelling standards” and a “pan-European cross-media rating system” have been abandoned as these approaches have been regarded as unworkable and ineffective following consultation exercises.
- Tanya Byron in her review, *Safer Children in a Digital World* recognised the development of the Good Practice Principles as an example of how the role that self-regulation can play in the development of industry best practice.
- The interim Digital Britain report advocates a focus on education and empowerment in ensuring that individuals have the skills and understanding to navigate the digital world safely and effectively. This is a goal shared by the signatories to the Good Practice Principles.

Core observations

One key observation that has been highlighted by the operation of the Principles in their first year is that the exact role that signatories play in the content value chain influences how they apply the Principles. This often depends on the relationship that exists between the signatory and the nature of the content involved. For example:

- Where content is produced, commissioned, hosted or broadcast by the signatory, the signatory may either attach content information to this content on their own platforms, or attach content information to the content when uploading it to a third party’s platform.
- Where content has been created by a third party and is displayed on a signatory’s open platform, signatories are able to encourage third parties to utilise tools to attach content information to their content.
- Platform owners may rely on content creators to attach content information before the content is released for distribution or on their own intervention to label the content for their audience where this is possible and practicable.
- Where sectoral guidance or additional good practice or self-regulation exists, content labelling is typically labelled by the content creator as a matter of course so labelling tends to be consistent regardless of where it is distributed or consumed by the end user.

This reality means that there will always be a challenge in ensuring that as much potentially harmful or offensive content as possible is suitably flagged to the consumer. With the increased levels of content available across a wider variety of platforms, from an international range of sources and increasingly from non-traditional providers, the pure volume of available content presents a challenge of scale. A key way to meet this challenge is to extend good practice throughout the content value chain.

Next steps

As the availability of content increases, both in terms of pure volume and through the platforms and devices on which it is available, it is important to view this issue as an international one, where self-regulatory initiatives such as these Principles can play an important role.

In light of this, going forward, the BSG and the signatories to these Principles will:

- Continue to promote them to the sector with a view that they permeate throughout the content value chain.
- Engage with policy makers to discuss the role that these Principles play in empowering consumers to navigate the digital world.
- Evaluate and review the role of these Principles as the content market continues to evolve and grow.

Contact

Pamela Learmonth
Broadband Stakeholder Group
Tel: 020 7331 2174
E-mail: pamela.learmonth@intellectuk.org

www.audiovisualcontent.org

Annex 1: An overview of the experience of signatories in working to the Principles

AOL

- AOL has pre-defined categories for specific age groups and allows parents to tweak those to the level which they deem appropriate for instant message use, to internet browsing to setting online time limits.
- All trailers shown by AOL are U rated even if the film is for an older audience and promoted films are presented to include their BBFC rating.
- AOL also offers specific channels for kids and teens with age appropriate content, accompanied by stringent advertising policies.

BBC

- The BBC uses the 'G' for Guidance system on the BBC iPlayer service to give information about content containing challenging material that may be unsuitable for children or young people or may cause more general harm or offence.
- Such content displays a visual 'G' symbol, alongside a short text description giving more detail on the nature of the content, for example "contains strong language", "contains adult humour".
- A PIN/password protection service is also available on BBC iPlayer to allow users and parents to set a pin or password to access content that has been labelled "G" for Guidance and installation of the BBC iPlayer download manager is restricted to those aged 16 or over.

BBFC

- The BBFC makes available its classifications to label an array of new media content through its BBFC.online scheme.
- The BBFC.online scheme provides for, and requires, all of the following: the classification of video content using the same ratings as for film and DVD; the provision of bespoke, text based content advice for each piece of video content; the implementation of effective age verification measures to ensure that age restricted material is not supplied to those under age and independent monitoring of compliance with the scheme rules.

Bebo

- Bebo's Commercial Content Standards outline to its professional content partners the type of content that is prohibited from appearing on Bebo; content that needs to be age-restricted (strong content); and content that requires a guidance label (challenging content).
- Bebo provides its partners with the ability to label and manage their content, while partners are ultimately responsible for ensuring that their content complies with Bebo's standards.

BSkyB

- Sky provides a wide variety of controls for linear services on the Sky platform, including the ability to require PIN entry to access the entire adult genre, or individual channels, in addition to the ability to restrict viewing of age rated content.
- A number of these controls can be applied to content recorded on the Sky+ PVR service and to content accessed either via the Sky Anytime service or the online Sky Player service.
- Sky applies appropriate watersheds to content made available on the Sky Anytime service to facilitate parental controls, in addition to providing age ratings for all movies.
- Content listed in the online Sky Player service can be age rated with information on when the programme might normally be scheduled in order to assist parents in

assessing the appropriateness of the content. Parental controls can be applied to content in each service restricting access to particular aged-rated material.

- In addition to other parental controls, Sky's platform supports detailed programme information allowing all broadcasters to provide clear guidance to parents where appropriate. Programme information in Sky Player includes additional text warnings where appropriate, e.g. "Parental Guidance: Very strong language".

BT

- BT Vision has a parental locking system that allows parents to control what their children can watch. Parents can decide which programmes are unsuitable for their children, and make them accessible only with a PIN.
- BT Vision supplies a clear synopsis of every programme able to be read before customers chooses to press play.
- BT Vision gives every programme an age rating to advise on the suitability of content and every film is given a rating based on the British Board of Film Classification to ensure parents are aware of the suitability of content.
- BT provides all consumer ISP customers with a comprehensive parental controls service at no extra cost. This enables parents to simply choose from pre-defined age categories or to create individual controls for each child.
- BT is committed to applying inclusive design as a way of ensuring that products and services benefit the widest possible audience. In conjunction with Cambridge University we have produced an inclusive design toolkit - www.inclusivedesigntoolkit.com - which helps designers apply the principles of inclusive design to their work.
- BT is the first major UK company to provide a British Sign Language section on our website.

Channel 4

- All consumers are required to register with 4oD once the application has been downloaded onto their PC and they have selected a programme to watch. At the point of registration they are required to confirm that they are over 18.
- At the point of registration, users are given an option to apply PIN protection and if they select this, a PIN is required every time that they use the 4oD service.
- All 4oD users, including those that activate the PIN and those who do not, are provided with programme information.
- The 'G' for Guidance system is applied to content that would have received an on-air warning. This includes the display of a visual 'G' symbol, text information about the content of the programme, and where appropriate, the original date and time of transmission on the linear service.
- Catch-up content on channel4.com also uses the 'G' for Guidance system to flag post-watershed material and to provide guidance information. It requires users to confirm that they are over 18 years age to access such material, while also making available a PIN/access control service.

Five

- It is necessary for consumers to register with Demand Five in order to watch programmes that are marked with 'G' for Guidance, flagging challenging content.
- In registering with Demand Five consumers need to declare that they are over 18. After which, it is possible *either* to watch all programmes without further notification *or* to set a four digit PIN number which is thereafter required to view all 'G' rated programmes.
- The nature of the guidance is displayed prominently as part of the listing for each programme. The original date and time of the programme's transmission on a Five channel is also displayed, for 30 days after broadcast.

Google

- YouTube's community guidelines make clear the acceptable boundaries for hosted videos. Partners are responsible for labelling and managing their content and complying with the guidelines.
- Users can easily report videos they believe to breach the guidelines, and videos in breach will quickly be removed. Material not in breach of the community guidelines, but not suitable for younger audiences is age-restricted to users over 18.
- The YouTube safety centre gives detailed advice and guidance to users on a range of topics, including what to do if you come across harmful or offensive content.

ITV

- ITV uses the 'G' for Guidance system on its on-demand service ITV.com and the 'G' content advice appears as users move the mouse over a particular programme's icon. It is not possible to open the selected programme without the advice box appearing.
- A PIN access control system is also available. This enable parents and users to PIN protect post-watershed content, meaning that any content originally broadcast after the watershed will require PIN access every time such material is selected for viewing from that computer.

Microsoft

- Microsoft has developed a family guide to interactive gaming, *Play Smart, Play Safe*, which details the various tools to inform and manage children's access to gaming content.
- This guide includes information about age ratings for games that help parents make decisions about which games are suitable for their children. In the UK, Microsoft uses a mix of British Board of Film Classification (BBFC) and Pan-European Game Information (PEGI) ratings. PEGI age ratings (3+, 7+ and 12+) and BBFC age ratings (15 and 18) are displayed alongside PEGI descriptor symbols that highlight various types of content that may be unsuitable for children or offensive such as bad language, violence and fear.
- Alongside this, Microsoft offers a range of parental controls. Family Settings are available on every Xbox 360 console, allowing games to be restricted by PEGI rating and films to be limited to certain rating levels.
- Across the Xbox and Windows Vista, other settings are also available, which allow parents to manage various aspects of their children's engagement such as whether they can participate with interactive online games, can download content, who they can communicate with online, how much time per day they can spend on the console.
- These settings are supported by other initiatives, such as the PACT, an acronym for Parental Involvement, Access, Content and Time, which encourages parents to make an agreement around the rules and limits of gaming in the household.
- In addition to the specific tools for gaming, Microsoft offers a range of mechanisms across its services that can help parents make choices about the type of content they and their families wish to access in the household. For example, tools are available on Hotmail and MSN Messenger that require parental approval before children communicate with new contacts and on Windows Vista to block access to websites by content type or only allowing access to certain sites.

Mobile Broadband Group

- Members of the Mobile Broadband Group (Orange, O2, 3, T-Mobile, Vodafone and Virgin Mobile) adhere to the Principles through compliance with the MBG's code of practice². For example, they use age verification tools and access controls to ensure

² UK Code of Practice for the self-regulation of new forms of content on mobile

that access to content that has been classified 18 under the Independent Mobile Classification Body (IMCB)'s Classification Framework, is restricted until customers have verified their age as 18 or over.

- Since its inception the IMCB has received only one complaint regarding mis-classification of content, which was resolved quickly with the service provider agreeing to adjust the content accordingly.
- With respect to customers' direct interaction with content supplied by mobile operators within their content portals, each operator offers information about the nature of a category of content and, if required, gives a text description. For example, the humour category may be headed as "some content may cause offence".
- In relation to content available on the internet, which may be accessed by a mobile phone, mobile operators offer parents the opportunity to apply a filter to the mobile operator's internet access service so that internet content is restricted. The filter is set at a level that is intended to filter out content approximately equivalent to commercial content with a classification of 18.
- This approach is supported by wider initiatives to raise awareness about accessing content through a mobile, such as input into the creation of third party resources such as Childnet International's 'New Mobile Services' pamphlet.

Teacher's TV

- The Teacher's TV website provides clear information about the intended audience and the nature of content provided. In addition, the editorial policies deployed reflect the expectations of the audience.
- Teacher's TV provide a full synopsis for each programme and where an individual programme contains content that the viewer might not expect (for example graphic images of war or strong language) the synopsis is accompanied by a clear text description flagging this. Teachers are advised to view a programme in full before showing it to a class.
- No complaints have been received to date regarding unsuitable programming or misleading information about programmes.
- A content labelling system for every programme is currently being explored, consisting of a visual symbol and corresponding description.

Tiscali

- Tiscali.co.uk provides text-based descriptions for videos on the website and where appropriate to flag content with strong language, adult content or disturbing scenes.
- Tiscali.co.uk is in the process of introducing "G" for Guidance on the website.
- Tiscali TV uses a PIN system, where each member of the household can have their own PIN with entitlements based on their date of birth.
- All on-demand content is rated with an age based classification system similar to the BBFC from U to 18, plus adult.
- In the case of adult content this requires entry of an over 18 PIN to access the content every time. For all other content a PIN need be entered only once to identify the user and their age.

Virgin Media

- Virgin Media uses a range of tools to provide content information about the various services offered on its On Demand service, which includes access to films, television shows, music videos, the BBC iPlayer service and Catch Up TV (highlights from the last 7 days' shows).
- All On Demand films on the Virgin Media platform contain text labelling which describes the content of the film. All films are reviewed and classified by ex-BBFC examiners to

ensure any material that is potentially offensive or harmful to children is suitably assessed and labelled.

- All On Demand content, save Catch Up TV, contains an age rating and the majority of On Demand content also contains a text label. Customers accessing the BBC iPlayer via the Virgin Media platform are presented with its 'G' for Guidance system (as outlined above).
- Virgin Media also sets a mandatory PIN and by default, all content rated '12' is PIN protected on the Virgin Media Platform if viewed before 8pm, all content rated '15' is PIN protected before 9pm and '18' rated content is PIN protected before 10pm. In addition, there is also the option for consumers to set the level of PIN protection so that the PIN is required before viewing all rated content.
- All adult content on the platform is PIN protected, even to browse titles and the PIN has to be entered once again before making a purchase or tuning back after having tuned to another channel. Parents and consumers can also choose to hide the adult listings from the Electronic Programme Guide (EPG) and "lock access" to adult channels.
- On virginmedia.com, extracts from TV programmes and other editorial content available on the site and deemed inappropriate for those under 18 is scheduled after 9pm and users are also notified via a pop-up dialogue box which asks users to confirm they are 18+ before the content is shown.
- Virgin Media highlights how users can make use of the content information on offer, particularly the PIN protection service, through requiring installers to talk new customers through the PIN process, publishing details in its "Play" magazine (sent to 3.5 million digital TV customers) and including information on the "Help and Information" pages on the digital TV service, which was updated and given more prominence in Q4 2008.

Yahoo!

- Yahoo! aims to present content that is suitable for all audiences. Where the Principles recommend labelling, there are a range of tools in place to ensure that as much content as possible is labelled.
- We have built relationships with existing content partners and allow them to label content at source and have introduced standard contract clauses to this effect for new suppliers.
- Film and games trailers are typically labelled at source as an industry standard so users know what to expect before viewing a trailer. Downloadable games are pre-labelled by our supplier.
- TV trailers and TV content repurposed for online distribution are typically suitable for all audiences. Where a genre may merit a specific warning to users, content can be placed in a channel and the channel labelled with an appropriate guidance note.
- If content has been supplied unlabelled but Yahoo! or the user would reasonably expect it to be, we have an ability to take down content once we are aware that these expectations are not met.