

RESPONSE OF CHANNEL 5 BROADCASTING LTD (FIVE) TO DCMS FREE-TO-AIR EVENTS REVIEW

Five welcomes this opportunity to submit its views to the Panel reviewing the free-to-air events regime. Five has already given evidence in person to the panel; this brief submission expands on that evidence and summarises our views.

Sport has been an important part of Five's programme mix since our launch over 12 years ago. In that time we have shown over 250 live football matches, including England internationals and UEFA Cup matches; and from next season, Five will be the lead UK broadcaster for the new Europa League. Five has been the terrestrial home of cricket since 2006, showing daily highlights of all home Test matches and One Day Internationals. And in our late night sport zone, we have shown extensive coverage of a wide range of sports, including baseball, basketball, American football, ice hockey, motor sports and overseas football.

Five was added to the list of broadcasters that could show listed events in 2008, as we became available to over 95% of the country. We have made a success of Test cricket highlights (a B list event), and would be interested in bidding for other events on the lists when rights become available.

Should Listing Continue? (Question 1)

Five strongly believes the broad structure of the free-to-air events regime should remain in place. We believe important sporting events should be available to all viewers to enjoy on free-to-air television.

We recognise the important role that pay television, and Sky in particular, has paid in expanding the audience for sport and in providing a crucial source of revenue for many sports. But only a minority of viewers choose to take out a subscription to sports channels. Many other people have an interest in sport but are unwilling or unable to pay such a subscription; while a further large group, who have no day-to-day interest in sport, are drawn in to viewing major events when they occur.

Therefore, we believe a balance needs to be struck between those sporting events with a wide appeal and resonance that ought to be available on a universal and free-to-air basis, and those that do not require such protection.

Should non-sporting events be listed? (Question 2)

The UK Listed Events regime has only ever applied to sports events. While we are not opposed in principle to non-sporting events being added to the list, we find it hard

to think of events with an appropriate level of national prominence that would not be shown on universally available, free-to-air television.

Should the essential criterion test be kept? (Question 3)

Five supports the current principal criterion. The major international and national sporting tournaments on the lists occupy a special place in the national consciousness that make them events of significance beyond the general run of sporting activity. It is this idea, captured in the notion of “special national resonance”, that should be at the heart of the listing system.

Do the secondary characteristic tests remain appropriate? (Question 5)

If a sporting event has genuine national resonance, then it is likely to be watched in large numbers. On the other hand, if the audience for a listed event falls substantially over time, it may be harder to justify its place on the lists. However, such a judgement needs to be made while recognising that the growth in choice brought about by digital television has led to a reduction in average audience size for all programmes.

Are these other factors the appropriate ones to take into account? (Question 6)

Five believes this range of factors remains broadly appropriate. In deciding whether to list any particular event, the Secretary of State needs to take into account both the likely effect on the sport and the prospect of it actually being shown on television.

Test cricket is a useful example of this quandary. On the hand, cricket is the country’s traditional summer sport, and still commands widespread interest and attention. On the other hand, there is firstly the desire of the England and Wales Cricket Board to maximise revenue from the sale of broadcast rights to help fund the game’s grassroots development. But secondly, the nature of the game – a series being played over several weeks, each Test spanning up to five days, each day’s play lasting seven hours or more, with a tendency for play to over run on occasion – makes it difficult to schedule on a general entertainment channel when there are many competing demands from viewers. When Test cricket was shown live on terrestrial channels, it was sometimes interrupted for other programming, on occasion coverage ended prematurely and the start of play was even brought forward to accommodate broadcasters’ schedules.

Should both A and B lists be maintained? (Question 7)

Five strongly supports the idea of an A list (for the most important events, which have to be offered live) and a B list (for secondary events, highlights of which have to be offered). This graduated arrangement allows for greater flexibility than an “either-in-or-out” approach.

The existence of a B list makes it possible to guarantee viewers' access to widely available highlights, when it is not feasible or desirable for an entire sporting event to be offered live. Test cricket provides a further example of the success of this approach. Five's highlights programme provides a timely, comprehensive and authoritative report on each day's play, scheduled in a guaranteed early evening slot, which allows viewers to catch the story of the day's play shortly after it has ended. We have made a commitment to show all our coverage of daytime cricket at 7.15 in the evening, in contrast to other terrestrial channels whose highlights programmes have been shown close to midnight.

Without the existence of a B list, there would be a risk of cricket only being shown on pay television, with no opportunity for general viewers to see how a day's play developed through a highlights programme.

Which Events should be Listed? (Questions 9 and 10)

Five believes the current architecture of the listed events regime should be kept in place. But for it to retain its perspicacity, there should be periodic reviews of which sports are on which lists.

The last review of the regime was in 1998. Over the last 11 years, some sports have become more important and others have declined in significance. Revised lists need to reflect the fact that some sports have increased in importance and others have declined, while the financial position of both sports and broadcasting has changed.

Five does not have a comprehensive list of proposals for amending the lists, although we believe all the foremost sporting events - including the Olympics, the World Cup, Wimbledon, the FA Cup Finals, the European Championships and the Rugby World Cup Final – should remain on the A list.

We believe consideration should be given to ensuring that highlights of major football competitions be added to the B list. The games we have in mind are the Premier League, the UEFA Champions League and the League Cup Final. While highlights of all these competitions currently appear on terrestrial channels, we think this position should be embedded for the future. Football remains by far the most popular sport in the country, and many people value the opportunity to follow competitions through highlights programmes such as the BBC's *Match of the Day*. We believe it would be opportune to put these competitions on the B list now, when it would be relatively uncontroversial, rather than risk some potential future dispute.

Other Issues (Question 12)

Five believes there is a shortcoming in the Review's terms of reference, which focus on questions of which events should be listed, and do not address the changing broadcast landscape. By 2013, all channels that are freely available on all major platforms are likely to be able to be received by over 95% of the population. This

could mean that relatively small channels, some of which belong to much larger broadcaster groups, could be able to bid for coverage of listed events. We believe the Review panel should consider whether clarification is needed as to which channels are likely to qualify to show listed events in future, and how this might impact on the entire regime. One possibility would be to limit the right to show listed events to public service channels.

One issue that may need clarification is the extent to which broadcasters that bid for the rights to sporting events on the A list should be obliged to show those events live on channels that qualify as universally available. In past football tournaments, some matches have been shown on secondary channels such as BBC3 and ITV4. We believe that if a broadcaster has bid for sports events under the listed events regime, then it must either show them on a universal channel or make them available to other universal channels for them to show.

Conclusion

Five supports the principle of the listed events regime, and believes it should be retained in broadly its current form, while the precise scope of each list is reviewed on a regular basis.

Channel 5 Broadcasting Ltd

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