

# THE EURALVA NEWSLETTER

News from the European Alliance of Listeners' and Viewers' Associations

August 2010

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## From the Editor

Dear Reader,

Here is a new edition of the EURALVA newsletter, starting with an information about a Decision by the European Court of Justice about State aid to France Télévisions.

This is followed by a contribution which compares the European Union's State aid policies for public service broadcasts which are delivered by broadcasts, and those delivered via broadband telecommunication networks..

A third article provides a post-election update about the actual situation for the BBC and public service broadcasting in the UK.

Finally, we are bringing some general information about the programme for our next conference, who will take place in Barcelona on October 15, and where you all are welcome.

You will receive the next edition of the newsletter in October after the EURALVA Conference. If you have any comments or suggestions for the content of future issues of the Newsletter please contact me by e-mail: [prebensorensen@bbsyd.dk](mailto:prebensorensen@bbsyd.dk)

**Preben Sørensen**

## Court of Justice decision about State aid to France Télévisions

On 1 July 2010 the Court of Justice of the European Union ruled on the question of the compliance of State aid granted by the French State to *France Télévisions*, a French public company which owns the public service channels France 2, France 3, France 4, France 5, France Ô and RFO, with the rules of the EC Treaty.

The aid was intended to cover the costs of public service broadcasting undertaken by *France Télévisions* in view of the decision of the French authorities, announced initially in 2008, to eliminate advertising on public channels, which would then financially rely on subsidies collected through two new taxes, one on advertising and one on electronic communications (see IRIS 2009-9:

5/4). France notified the European Commission of its plan to provide capital funding of EUR 150 million to *France Télévisions*.

In its decision of 16 July 2008, the Commission found the plan to constitute State aid that complied with EU rules. In response, two French commercial channels, *Métropole television* (M6) and *Télévision française 1* (TF1), competitors of *France Télévisions*, brought an action before the ECJ seeking the annulment of the Commission's decision.

In its judgement the Court found that the funding in question was in no way intended to finance *France Télévisions*' commercial activity of selling advertising slots, but, on the contrary, was intended, explicitly and exclusively, to cover the costs of the public service broadcasting undertaken by *France Télévisions*, a point which, as the Court stressed, is of particular significance; according to the Amsterdam Protocol, the provisions of the EC Treaty are without prejudice to the competence of Member States to fund public service broadcasting insofar as such funding is provided for the purpose of fulfilling the mission of public service and to the extent that this funding does not adversely affect trading conditions and competition within the EU.

In addition, under paragraph 71 of the Broadcasting Communication, "it is as a general rule necessary that the amount of public compensation does not exceed the net costs of the public service mission, taking also into account other direct or indirect revenues derived from the public service mission". This conclusion is supported by the fact that, as the Commission had already observed in its decision, the EUR 150 million funding notified by France was significantly less than the costs of the public service broadcasting undertaken by *France Télévisions*, estimated at EUR 300 millions.

According to EU law, a State measure for financing a public service may constitute State aid within the meaning of the Treaty, but nevertheless be compatible with the common market, if it meets the conditions laid down in the Treaty. On the basis of this reasoning, the Court decided to dismiss the action against the Commission.

**Christina Angelopoulos**

## **Media Convergence and State Aid for Public Service Broadcasting**

In recent years, Europe has seen a growing convergence between telecommunications and broadcasting as traditionally understood. In December 2008, the European Audiovisual Observatory and the *Direction du développement des médias in France* found that 696 video-on-demand services were on offer from 366 European companies. About a third of them were TV companies, many of them state-aided public service broadcasters, who were offering potential viewers a total of 241 catch-up TV services.<sup>1</sup> Increased convergence has led to two subtle but important changes in the delivery of public services broadcasts to listeners and viewers. First, listeners and viewers have to pay for the delivery of on-line broadcast; and second, it changes the manner in which the EU

allows member states to deploy state aids in order to provide a universal service for all their citizens and licence payers.

### *Paying for Transmission*

Broadcasters have traditionally paid to transmit their broadcasting signals into viewers' homes. But viewers, in their turn, have had to pay for the purchase, installation and running costs of their radio and television sets in order to convert those signals into sounds and images. The total costs, collectively incurred by viewers in order to receive broadcast signals, have generally been substantial. For instance, a 1970 survey showed that UK viewers collectively paid 71 per cent. of annual television costs, compared with the 29 per cent. paid by the broadcasters for providing and transmitting the programmes.<sup>ii</sup> Moreover, there has traditionally been a close, and often symbiotic, relationship between public service broadcasters and the electronic consumer industries, as broadcasters have introduced successive waves of new broadcasting technologies.

The moves from black and white to colour TV, from analogue to digital, and now to high definition television (HDTV), have all required viewers to purchase, to install and to run, a new generation of television receiver. A similar synergy has applied to successive generations of audio and video-recorders which have enabled viewers to make off-air recordings of broadcasts.

Last year's Communication from the European Commission on the application of State aids to public service broadcasting delegated to individual Member States the decisions about who will pay for new modes of transmitting broadcasts. It both accepts that public service broadcasters may use State aid to provide services over new digital platforms<sup>iii</sup>, but it also recognises that state-aided broadcasters may require viewers to pay directly in order to access some of their broadcasts,<sup>iv</sup> Much will depend on the precise public service remit of the individual broadcaster, whether the proposed development will be 'a significant new service', and the outcome of open public consultation,<sup>v</sup> in which, of course, listeners and viewers will be able to participate. It is unlikely, therefore, that a single European model will emerge.

The additional costs, which viewers had to pay to access the web-sites and the catch-up services of public service broadcasters, initially seemed very small – merely the cost of a local telephone call. But as catch-up TV services increasingly become a central element of the broadcaster's public service offer, viewers who choose to take advantage of them, are finding it necessary to subscribe to a cable relay, a broadband, or even a super-fast broadband telecommunication service in order to access them in a reasonable form. In the UK, the BBC's Project Canvas, and British Sky Broadcasting's Anytime Plus are now offering set-top boxes which will allow viewers to access internet-delivered content on their TV sets. But these and video-on-demand services will take up a lot of bandwidth, and if they are heavily used by many viewers, these on-line services may well cause electronic traffic jams along even the broadest of electronic highways.

These new services will also require the viewer to subscribe to a broadband service. In some EU Member States, the annual cost of a broadband subscription is already approximately the same as

that for the licence fee to receive the broadcasts themselves. And as broadband speeds become faster, the access costs are likely to rise even more. Indeed, some companies apparently consider that it will be more profitable to specialise in signal transmission, rather than producing programmes of their own. The *Financial Times* recently concluded that Virgin Media was prepared to sell seven TV channels to British Sky Broadcasting was because the deal will greatly improve Virgin's ability to charge its cable customers higher fees to receive HDTV.<sup>vi</sup>

### *Providing a Universal Service*

The European rules for allocating state aid to signal transmissions are different from those for producing programmes. In 2002, the EU established a common regulatory framework for both telecommunication networks and signals transmitted via the electromagnetic spectrum. This included the services provided,<sup>vii</sup> their authorisation by Member States,<sup>viii</sup> and regulations governing the access to, and in an attempt to establish a competitive market, the interconnection of, electronic communication networks and associated facilities.<sup>ix</sup> But the EU also introduced a Universal and Users' Rights Directive, which defined a minimum set of services, to which all end users must have access, at an affordable price.<sup>x</sup> Although this last Directive didn't specifically include broadcast services, it did allow Member States to allocate State aid to electronic communication networks in order to provide a universal service.

Public service broadcasters have traditionally provided a universally accessible service for all the households in the country. This has often been expensive, although the details varied with the geography of each country. For example, in 1970 when the BBC established the transmitter infrastructure for its UHF services in the UK, it cost the Corporation ten times as much per household to deliver its broadcasts to the last 20% of rural households as it did to deliver them to the initial 80% who lived in the towns and cities.<sup>xi</sup> Broadcasters in some other Member States were able to achieve universal coverage by delegating the relay of their signals to local cable networks.

Many public service broadcasters initially took advantage of Europe's change to the regulatory framework for its electronic communication services. They were able to sell their transmitters to the private sector, to include a requirement for the delivery of a universal service in any subsequent contracts with the new owners; and to continue to pay for these services with their public revenues. But the broadcasters' relationship with the telecommunication networks soon became more complex. First, the telecommunication networks were normally much larger than the broadcasting organisations. Second, the broadcasters' services were only one of several categories of information service carried by the broadband networks. And third, the Commission's guidelines for the allocation of any State aid to electronic communications services were different to those for public service broadcasting.

In 1999, the Amsterdam Treaty had modified the previous EU dogma that free market competition was the best way of achieving economic and social progress. It introduced the new concept of a Service of General Economic Interest – or SGEI – which relaxed the previously stringent rules on the allocation of State aid. In 2003 the European Court of Justice laid down four *cumulative*

conditions which an SGEI also had to meet if its public subsidy was not to fall foul of the State aid rules.<sup>xii</sup> Accordingly, in 2005, the European Commission adopted a new decision and framework on State aid, which sought to reconcile the two approaches.<sup>xiii</sup> In it, the Commission adopted a number of criteria, *any one of which* would automatically exempt an SGEI from State aid rules.

It exempted from scrutiny small undertakings with an annual turnover of less than 100 million euros, and an annual compensation of less than 30 million euros. It also exempted all hospitals and social housing undertakings. Finally, it exempted small ports and transport services, whether by air or sea, but not land transport, or the carriage of electronic signals. This means that the discretion about how to use State aid to ensure the universal delivery of on-line services has been switched from the broadcaster to the European Commission.

The Commission also established a different set of criteria for broadband networks, and the so-called “next generation access” – or NGA – networks, which it has already used to authorise a large number of applications for State aid.<sup>xiv</sup> It has developed three geographical categories, which are based on economic and competitive criteria, not public service criteria. The Commission generally grants applications for State aid to “white areas”, that is rural and underserved areas. This is in order to promote territorial, social and economic cohesion, and to address market failures.

But, unless market failure has clearly occurred, the Commission has refused all applications for the award of State aid in “black areas,” where there are at least two broadband networks competing with each other. This is because it believes that State-aid will lead to an unacceptable distortion of competition. It is unclear, however, whether the Commission’s exemption for market failure would extend to the failure of a network to deliver public service broadcasts.

The Commission is also reluctant to grant application for State aid in “grey areas”, where a monopoly operator may exist - which may, or may not affect the quality of service - or the price at which services are offered to consumers. In the Commission’s view, this could distort market dynamics. In order to resolve the contradictions on applications for State aid in “grey areas”, therefore, the Commission intends to probe more deeply into local competitive and regulatory frameworks. It will assess:

- \* The level of broadband prices, and the type of services offered
- \* Whether the network access conditions for third parties, are conducive to effective competition
- \* The potential of entry barriers to preclude access by other operators;
- \* The success, or failure, of national regulatory, or competition authorities to overcome such problems.<sup>xv</sup>

The Commission’s guidelines for deploying State aid for broadband and NGA networks clarify the contradictions it has to resolve between encouraging a free market approach to the regulation of competition between rival electronic communications networks, and the need for State aid in order to reach an objective of common interest by rolling out a universal service.<sup>xvi</sup>

Two things are noticeable about the Commission’s regulatory approach to broadband and NGA networks, however. First, it is unclear whether the Commission will insist that the carriage of public

service broadcasts will be one of the services to be carried by the broadband or NGA network. It merely assumes that, if two broadband providers are competing, then this will be sufficient to guarantee the delivery of a public broadcasting service. Moreover, there is no guarantee that the price which the viewer will have to pay – and the terms of the contracts which the viewer will have to sign – will not be excessive. And second, the Commission’s thinking has not yet addressed the economic relations between the carriage of state-aided broadcast signals and the carriage of on-line services. It is to this third contradiction that I now want to turn.

### *The Choice between Delivery Systems*

Public service broadcasting has now reached a critical moment in its development. In order to catch up with their broadcasts at a later date, listeners and viewers have traditionally been able to store their broadcast signals on a personal audio or video recorder, But more recently broadcasters have introduced on-demand services, which store the electronic signals in-house, and require the viewer to access the electronic signals either via their own computer, or now by means of a new generation of integrated on-line video and television sets. Advertisers apparently like this new development, as online advertisements are shorter and snappier than broadcast advertisements, and viewers cannot skip them. However, some broadcasters fear that their total advertising revenues could well fall, as online viewers will probably only access their favourite programmes.

In the traditional model, the broadcaster uses State aid to *push* the electronic signals toward the listener or viewer, who can then store it in their own personal audio or video recorder. In the new model, the broadcaster requires the consumer to *pull* the electronic signals towards them, by means of a broadband network. In the traditional model, the cost of delivery is borne by the broadcaster, whereas in the online model, it is the viewer who has to pay for transmission, as part of a rental fee for the broadband – or super-broadband - network.

In the broadcast model, the public service broadcaster was able to use State aid to ensure a universal service for all viewers, but in the online model it is the European Commission which decides whether or not State-aid is justified to support a broadband network – and this may depend on where the individual viewer lives. There are three possible ways to finance the universal rollout of broadband networks. The first is that the State aid comes from general taxation. The second is that viewers who live in the Commission’s “black areas” will subsidise those living in the “white areas”. And the third is that the broadcasting licence fee could be used to subsidise the universal roll-out of broadband, or NGA, networks. This is the policy of the UK’s new Liberal-Conservative Government, although it appears that the new networks will only deliver a measly 2MB/sec to viewers living in the rural and outlying parts of the UK, which is barely enough for them to watch a television programme, uninterrupted by erratic digital stops and starts.

**Vincent Porter**

*This is an edited and updated version of a lecture given on 6 May 2010 to a conference organized by the Broadcasting Fee Association and the Institute for Broadcasting Economics at the University of Cologne.*

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- xii Case C-280/2000 Altmark Trans GmbH and Regierungspraesidium Magdeburg v. Nahverkehrsgesellschaft Altmark GmbH (Altmark) (2003) *European Court Reports* 1-7747.
- xiii
- Commission Decision of 23 November 2005 on the Application of Article 86(2) of the EC treaty to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest (*Official Journal*, L 312, 29.11.2005, p. 67)
- xiv For a full list, see [http://ec.europa.eu/competition/sectors/telecommunications/broadband\\_decisions.pdf](http://ec.europa.eu/competition/sectors/telecommunications/broadband_decisions.pdf)
- xv Communication from the Commission, Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks, (2009/C 235/04) *Official Journal* C 235/7, 30.09.2009
- xvi Ibid., at paragraph 34.
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## **The BBC and PSB in the UK; A Post-Election Update**

### **The Citizen Group's Pack of Cards: Pluralism and Realism in Action**

A nation gets, it is sometimes said, the broadcasters and newspapers it deserves: an inaccurate generalization, unfair to the citizens of countless countries – even in quite recent times – where media activists inevitably risk displeasure, repression and even imprisonment. One can, however, fairly observe that, when people live in a culture of freedom and have scope safely to express their views, it behoves them to appreciate the privilege and utilize it. A media pressure group can claim to have notched up a success when it helps trigger an intervention by an important player, promoting and advancing discussion of a current issue, even it fails to procure a solution conforming one hundred percent to its own interests.

So it was on a recent summer evening in London's Society of Antiquaries that members of Voice of the Listener & Viewer (VLV UK) drew a speech of considerable significance from Sir Michael Lyons, the Chairman of the BBC Trust – sometimes referred to (including by himself) simply as Chairman of the BBC. Between fifty and one hundred VLV members were present – along with an impressive array of reporters generating substantial and swift media coverage in print (physical and digital) on the broadcast airwaves. In the chair was Paddy Barwise, Professor of Marketing at the London Business School, Chairman of the (UK) Consumers Association, publisher of the well-regarded advice magazine *Which?*

#### **The BBC: Point of Decision**

Currently the BBC's two complementary yet incompatible images of jewel in the crown and big media beast are being dramatized as never before. Here are some of the features of the drama:-

#### **The Politics**

The arrival in office (May 2010) of a Conservative-led coalition government, by instinct and philosophy sympathetic to the play of free market forces and the concerns of the BBC's competitors – combined with a Secretary of State, Jeremy Hunt, who in opposition took the view that the BBC Trust had not worked as a governance mechanism for the BBC and had contemplated ripping up the Charter which had established it little more than three years ago. (Since the change of government media watchers have taken to 'reading the runes' about Hunt's and the government's intentions. Immediately on taking office Hunt appeared to adopt a more cautious approach, indicating a decision to put the present arrangements - including the Trust - on hold pending the renegotiation of the Charter due (according to the previous Government's timetable) in 2011/12. He told the Guardian newspaper that he was committed to the principle of the BBC having a ring-fenced pot of money over a multi-year period. In a subsequent interview with the Daily Telegraph, however, Hunt appeared to turn up the heat on the BBC alleging "extraordinary and outrageous waste" and explicitly contemplating a cut in the £145.50 [€174] annual licence fee.

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## **Regulation and the Constitutional Arrangements**

Since its incorporation as a body established by Royal Charter some eighty years ago the BBC had been run by a Board of Governors: in strict constitutional terms the Governors were the BBC, and – theoretically - it was they who employed all the staff – from the Director-General downwards. By custom and practice, however, the Governors took a ‘hands off’ approach to management of the organization although potentially they were all-powerful. Critics of the arrangements said that the Governors got the worst of both worlds. They were seen as too close to be seen as representing the public interest and too weak to exert effective control over BBC management; defenders of these arrangements said the informality and flexibility of the original system was a great strength, typified by the ability of the BBC Chairman, when necessary, to “tap the Director-General on the shoulder”.

In practice the Charter has been updated by the government of the day every ten years. The 2007 Charter put in place a new system, establishing the BBC Trust and the BBC Executive Board as separate bodies; with the Trust tasked essentially to look outwards, regulating the BBC in the public interest. In addition some regulatory powers lie with the national regulator Ofcom, for example in frequency decisions or in matters of taste and decency where Ofcom is the final arbiter. The BBC Trust has the power strongly to influence programme output by the linkage of funding with service licences which the Trust alone can grant. The BBC Trust combines the attributes of a National Broadcasting Council (as found in many countries), a Regulatory Authority [there are some areas, as just mentioned, where Ofcom has an overriding jurisdiction] and ‘Parent/Body’. However the very powers designed to give the Trust teeth by linking it institutionally to the BBC Executive Board have made it vulnerable to the same charge as that levelled at the Governors: of being too close to the BBC Executive Board and senior management to serve the public interest fully and impartially. An important aspect of the problem, for outsiders, is the perceived power relationship between the Trust and the Board.

The Trust is, and was intended by Government to be, the senior partner; broadcasting and other specific expertise was prioritized in Trustee appointments far more than had been the case with the Governors. The Trust was provided - at considerable expense – with its own corps of specialist, separately located staff. In spite of these reinforcements the Trust has come to be seen (perhaps unjustly) by many in ‘the chattering classes’ as waging an unequal struggle against the accumulated strength of the BBC executive – led, as has been the case for most of the past twenty years, by a strong ( many might say over-strong) Director-General. Indicatively in terms of outside perceptions - although probably not entirely accurately in terms of realities on the ground - the present incumbent Mark Thompson occupies the number 3 spot (behind only the bosses of Apple and Google) in the Media Guardian’s ‘top 100 list’ of UK media power; Sir Michael Lyons comes in at number 43. Forthcoming struggles over the BBC’s future could change those rankings [*see below*]

## **The Economic and Financial Background**

In the context of arguably the most severe economic crisis since the Second World War, and belt-tightening across all sectors of the public and indeed private sectors, there has been widespread and intensified debate about BBC expenditure (i.e. licence-payers’ funds). The BBC’s secure, stable income has been contrasted with the plight of the commercial broadcasters, hit by a recession-linked decline in advertising as well as by the new pulling power of online media. In particular criticism of the BBC has been directed at top talent contracts for performers as well as at the

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salaries of senior BBC executives. It is a debate which - in terms of 'top talent' pay - has focussed on the conflict between transparency and contract confidentiality. As regards senior executive salaries the contentious issue has been the BBC's professed need to offer remuneration levels which approximate the commercial media sector whilst also providing civil service-type conditions of employment: there has also been comment that BBC executives, unlike their commercially-funded counterparts in the private sector, have no revenue-raising responsibilities.

### **The Shadow of the Official Auditors**

More broadly the pressure for more open financial scrutiny triggers the controversial prospect of the BBC allowing access to an accounting body called the National Audit Office [NAO]. This body, charged with evaluating the financial performance of agencies which spend taxpayers' money, already inspects that part of the BBC, namely the World Service, which is funded directly by government grant (from the Foreign & Commonwealth Office). Continuing pressures for its admission into the wider BBC were resisted during the last Charter negotiations by a formula which equipped the newly formed BBC Trust with specific audit responsibilities. Whilst the NAO conducts its activities discreetly, empirically and a-politically and there is no evidence (to this writer's knowledge) of it editorially impacting (or attempting to impact) World Service programming, there is a well-founded unease about its involvement with the more sensitive areas of the domestic BBC because the NAO reports to the Public Accounts Committee of the House of Commons, a highly politically grouping whose long-established Conservative Chair is has something of a reputation for lambasting public sector expenditure, implicitly favouring private sector broadcasters.

### **The Licence Fee: "Top-slicing" it, and for what purpose?**

Associated with this financial-philosophical discourse are pressures from politicians (not only the Conservative-led coalition, but the preceding Labour government) for the use of BBC licence fee money to fund (whether on a temporary or continuing basis) media-related infrastructure improvements like digital switch-over or to support the provision of public service programme content from non-BBC providers. These pressures towards what is colloquially known as 'top-slicing' the licence fee, are seen by proponents as an entirely reasonable accommodation to the BBC's privileged position in tough economic times. There is also a substantial socio-informational argument that deploying licence money to extend and improve broadband distribution is very much in line with the ideals of universal access which underlie the BBC Charter and the ideal of citizen-democracy.

However citizen groups like VLV, and the Citizens Coalition for Public Service Broadcasting as well as the BBC itself (Trust and Executive) regard this funding tactic as the thin end of a wedge which would sanction regular raiding of the licence fee by Government, ultimately and inevitably making the BBC dependent on subscription and other forms of commercial funding; this would threaten the BBC's independence and spoil the unique bond which ties the BBC as provider to the audiences who both enjoy BBC programmes and services and finance them. Arguments about the changed platform environment - with users directly accessing BBC content via computers - are suspected as being stealthy steps towards breaking the bond between the BBC and its audiences. This is because in the past owning a TV set or radio has been the only way of receiving BBC programmes and set ownership carries the legal requirement to pay the BBC licence fee.

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## The BBC in the Multi-Platform Age

It is indeed the transformation of the media environment which is a crucial piece of the contextual jigsaw for the BBC and British citizens to solve. The changes in the capacity and techniques for content creation have been huge. Even so they are dwarfed by the digital revolution in distribution, with traditional linear programming now challenged by the voracious appetite for on-demand (programme) content. The distribution revolution is characterized by the merging, on both supply and consumption sides, of the telecommunications, electronic information and print media worlds and the effect of speed and miniaturization in allowing new media platforms to enjoy almost unlimited refinement through new applications. Platforms - almost distinct from the content they carry - have turned (in the words of Facebook's founder-CEO Mark Zuckerberg) into 'ecosystems': ends in themselves, with a life of their own.

The implications for the BBC, and indeed all Europe's public service broadcasters, are immense. For decades, when television sets were the sole means of access to BBC programming, it was practical to link possession of a TV set with the legal obligation to pay the licence fee. Availability of BBC programmes on home computers seems to threaten the whole concept of the sofa-sitting, television-watching community and indeed the concept of the producer-publisher which is embedded in the BBC mind-set and perhaps in that of other European public service broadcasters also.

### Shaping up to the Debate

The above indicates the range of issues constituting the background to the debate about the renewal of the BBC Charter, with formal discussions due in 2011 to settle the arrangements by which the BBC will operate from 2012 onwards. The issues are, in some ways, not intrinsically different from those in play at the time of the last Charter negotiations in 2005/6, but they have brought into a much sharper focus by the country's financial situation, the arrival of a Conservative-led government and, it must be said, some of the BBC's (Executive and Trust) own actions which appear not to have strengthened its hand.

Will Hutton, a leading commentator from the political centre-left, and a natural BBC sympathizer, wrote a Sunday newspaper article entitled "*Stick up for the BBC. It's the last bulwark against rule by mob*", saying more radical cost reductions were needed at the top level: "Mark Thompson and his senior colleagues need to volunteer deep and eye-catching cuts in their own salaries and, where necessary, their pensions". In the same article Hutton went on to say the BBC had "to be scrupulous about the boundaries of its proper reach" which meant that the digital multiplier effect of new platforms, and the BBC iPlayer in particular, had sharpened the long-rumbling debate about the scale of the BBC's content offer and the tendency towards "mission creep".

To quote Emily Bell, Head of Columbia University's new Digital Journalism Programme in a leader for the Media Guardian (which she previously ran): "... the BBC is not really threatened by funding or structural issues (*VLV hopes she is right : this author's comment*) "but it is threatened by some of its own poor choices, and a continuing rhetoric that furthers a general diminishing of all

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the BBC's resources rather than focus and growth in important areas ". The general view is that the Mark Thompson strategy plan, unveiled in spring, is a step in the right direction but far from the full answer to the central questions of focus and choice. Most observers believe that the BBC Trust will also have to take a firm and committed view on the future shape and scale of content (and even face the risk of exceeding its remit) if an optimal outcome is to be extracted from the forthcoming discussions with government – for the survival of the Trust itself but, far more important, for the future of the BBC's mission and purpose. This will mean adding detail and impetus to the main objectives mentioned by Trust Chair Sir Michael Lyons in his June 30<sup>th</sup> speech to VLV members. These were

- (1) quality and distinctiveness in BBC output – which may mean a considerably, indeed radically, changed vision of the BBC's shape and scale
- (2) outstanding value for money – including reduced expenditure on performer talent and senior executive pay
- (3) a more open and responsive approach to the public in general – and to the wider media sector in particular.

Busy weeks lie ahead: there should be more to report in the next EURALVA newsletter.

**Andrew Taussig**

### **“The challenges of the public television in the new audiovisual scenario”**

This is the title of this years EURALVA international conference **Friday October 15** in Barcelona, Spain, with IC media, Spain, and TAC, Barcelona, as organizers.

There will be two roundtable discussions about the themes **“Different models and public TV: Advantages & disadvantages “** and **“How users' entities can participate in the planning of contents “**. In connection with the roundtables there will be time for free discussions, where all participants can give their point of views.

As by earlier EURALVA - conferences there will come distinguished speakers and experts from many countries inside and outside Europa - all with lot of knowledge and experience about the role of listener's and viewer's organizations supporting Public Service Broadcasting in a world more and more dominated of the commercial multimedia companies. At the conference there will also be

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actual information about the situation for PSB in Spain on national and regional level.

The conference will find place October 15 at **10.00-18.00** in the auditorium of La Pedrera, a famous Gaudi's building (also a museum) in the centre of Barcelona. Many representatives for EURALVA member organisations has already told the organizers, that they will participate, and also many listeners' and viewers' representatives from all over Spain will come to Barcelona on this occasion.

You can get further information about the conference programme and how to participate with direct contact to: [tac@taconline.net](mailto:tac@taconline.net)