

FREE TV IN A WORLD OF CHANGE

I had lunch last week with a friend of mine who is a TV producer specialising in comedy.

Like many people in the world of comedy, he has a somewhat cynical world view.

Before I'd barely had a chance to sit down he launched into a tirade about his recent experience trying to buy a computer on Amazon.

The computer had got lost in transit. He spoke to Amazon who said he had to speak to the courier firm. He spoke to the courier firm who said he had to speak to his credit card company to cancel the transaction. The credit card company said he had to talk to Amazon.

He'd spent the entire morning talking to chat-bots trying to reconcile a three-way dispute between Amazon, Hermes and Santander and remained £2,000 out of pocket but still without his computer.

The internet economy at its finest.

Keen to move the conversation on – I asked him how work was.

'Oh good,' he said. 'We've just got a major new comedy commission from Amazon.'

The irony was not lost on either of us.

Meanwhile, Kevin Lygo - when asked at Edinburgh, 'What is the future of scripted comedy on ITV?' - simply replied: 'Bleak.'

I want to use the next few minutes to explore what these two stories tell us about UK television today, and offer some thoughts on the road ahead.

Take the transformational impact that the likes of Google and Amazon have had on other sectors – mix in a pinch of Kevin's pessimism - and it's perhaps not surprising we see occasional headlines forecasting 'the death of TV'.

It's understandable but it misses the point.

It is as foolish as saying the online economy means the death of retail.

Our TVs are quite simply bursting with brilliant content.

And whether it arrives via an aerial, dish or wire is increasingly irrelevant...and invisible to consumers.

The internet is obviously disrupting the fundamentals of how our industry works.

What's less obvious, is how we should respond.

TV – for so long the domain of the local monopoly – is being opened up to global competition and international players, indifferent to national boundaries, and with no legacy businesses to protect.

Of course, this disruption is good. Competition is good.

Historic monopolies get challenged, complacency is killed, and the viewer benefits in ever greater choice and quality.

But the forces now acting on the UK TV industry are bigger and more powerful than anything we've seen before.

The move from black and white to colour, or from analogue to digital – will seem parochial compared to the change that is coming.

Make no mistake, the big beasts of Silicon Valley have the UK television sector firmly in their sights.

So, does this matter?

Well if you believe that British television matters, then yes it must.

Television is the engine room of our creative industries and - perhaps more importantly - a source of global soft power - second only to the United States.

If you believe that our social, cultural and economic well-being is determined, and in many ways reflected, by the health of our television, we have an opportunity – and an obligation – to do everything in our collective power to ensure it continues to thrive.

And if you believe there are inherent risks to plurality and consumer choice when powerful global entities become the gatekeepers to our number one source of news, education and entertainment...

...then this is a good moment to pause and reflect on the risks as well as the opportunities that lie ahead.

The danger during periods of profound change is that we are so busy trying to keep up that we lose sight of where we are heading – and where we have come from.

Now more than ever, we must keep pace with the change sweeping our industry without *diluting the values* which will be critical to the recipe for future success.

Our tradition of free-to-air TV in this country is a crucial part of the mix.

The principle that the best of British broadcasting should be universally and freely available to everyone, I believe, remains as important today as it ever did.

It's a foundation stone, an enduring good which has evolved and adapted – and must continue to do so.

Freeview, Freesat and YouView were all built on different approaches and different technologies...

...but all derived from a common belief among broadcasters, policy makers and regulators in the value of free-to-air TV to both foster competition and deliver for viewers.

This belief did more than anything else over the last decade to democratise digital TV and expand consumer choice as we transitioned from the analogue world.

The big question facing us today is whether we can do the same again over the next 10 years as more content and viewing moves online.

That's why we and our partners launched Freeview Play, which blends DTT and internet delivery across a range of TVs and set-top boxes.

It builds on the principles that underpinned our linear service. A free TV offer, available to everyone and built on strong partnerships.

Freeview Play's role in the transition to the connected world can be as important as Freeview's was in the move from analogue to digital.

- Levelling the playing field for catch-up and on-demand content
- Ensuring UK public service programming remains easy to find
- A complement to the growing choice that SVOD services offer to those that want to pay a little bit more
- And setting a new standard for UK television – the must-have feature for manufacturers and consumers.

To conclude, Freeview Play is a start but on its own will not safeguard the future of free TV in the face of a tidal wave of competition.

UK television is facing some life-changing decisions.

For the big incumbents and the PSBs in particular – the risks but also the opportunities are significant.

Now is the time for a new consensus to ensure their content remains freely and universally available whether it's broadcast, streamed or on-demand.

And as our industry rises to the challenges of unprecedented competition and technological change, so too must our broadcasting policy and regulation.

This is not a plea for protectionism. Attempting to put up barriers or build walls around our sector would be pretty pointless.

But as the rules of the game change forever, nor should we stand idly by and watch UK television outgunned and outmanoeuvred...

Or like my friend's computer, simply getting lost in transit.

We can't stop the wave that's coming.

But we can ride it - maybe even shape it.

We have an opportunity to re-invent our sector around new technologies and new partnerships.

And in so doing, maintain our global reputation, not just for the best creative talent, but also for a broadcasting ecology that continues to deliver for everyone.

This will require broadcasters to commit to and deliver a vision for our sector, which will in turn require clear policy and stable regulation.

But above all, it demands a shared vision and belief in the power of free TV to evolve, adapt and ultimately deliver for consumers.

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