

*“Working for quality
and diversity in
British broadcasting”*



PO Box 401, Gravesend, Kent DA12 9FY
Telephone: 01474 352835 Fax: 01474 351112

Founded in 1983 by Jocelyn Hay CBE

E-mail: info@vlv.org.uk
Web: www.vlv.org.uk

VLV Response to DCMS Review of Free-to-Air Listed Events

Voice of the Listener & Viewer (VLV) is an independent, non-profit-making association, free from political, commercial and sectarian affiliations, working for quality and diversity in British broadcasting. VLV represents the interests of listeners and viewers as citizens and consumers across the full range of broadcasting issues. VLV is concerned with the structures, regulation, funding and institutions that underpin the British Broadcasting system.

INTRODUCTION

VLV welcomes the opportunity to respond for a second time about Free-to-Air Listed Events. Following the guidance at paragraph 53 of the consultation document we do not generally repeat the material we submitted to the Davies Review. This submission supplements our 18 July 2009 document and should be read in conjunction with that paper. On this occasion we note areas of disagreement with the Davies Review and areas where we have changed our position. We have taken the opportunity of the extra time you have provided to talk further to our members, sports authorities and broadcasters.

RESPONSE TO THE THREE KEY AREAS OF THIS CONSULTATION

VLV represents the citizen and consumer interest and we have no detailed experience or knowledge of the management of any specific sports. We therefore concentrate on the general topics at paragraph 52 rather than the more detailed questions in paragraphs 55 to 60 of the consultation document.

1. The Panel's reasons for retaining the listing system

We support the retention of the listing system. At present many sports are only available on subscription channels. Since the 1960s the live broadcasting of sporting and other national occasions on television has been the place where the United Kingdom has come together. These are key points in the rich life in the UK and so significant that their coverage on free-to-air television must be guaranteed. The coverage must not be at the whim of a television station scheduler or only available on a pay-to-view service. It is particularly important for those members of society who are isolated by age, infirmity, income or geography to be able to join in these events on television. It is equally important that there is wide availability to children to encourage their participation. For many this is only possible if they are broadcast free-to-air. We note that the consumer research conducted by the panel supports this view. The audiences for sports on free-to-view channels are much bigger than on subscription channels. This ensures both a significantly wider audience for the sport and access for all viewers.

In two ways this has significance for society:

- Reaching a diverse audience of viewers and listeners, as emphasised by the research commissioned by the report,
- Stimulating awareness of sport amongst young people as an important part of social education, rather surprisingly largely ignored.

The proposals for listing seem to meet neither requirement effectively.

2. The Panel's test of the major event

VLV supports the Major event criteria apart from the final sentence "*It should also be likely to command a large television audience*". This seems to be too restrictive. It is our experience that it is difficult to predict if a sport will command a large television audience. There are many factors: the style of the presentation, the commentators and others in front of the cameras, the success of the national team or representatives involved and scheduling decisions. We therefore consider that the final sentence should be removed. The viewing figures for a sport of national significance will fluctuate but reasonable exposure can, over time, build a considerable audience.

3. The Panel's proposed list of events – the 'Candidate List'

This is an area where we disagree with the panel and have revised our position since July 2009 by looking again at the sports covered and the listings proposed.

VLV supports the 'candidate list' of sports but it is too short. We are concerned that several sports have been dropped.

We are also very concerned that a significant number of sports will not be protected at all as the B list has been abandoned. We did support the end of the B list in our July submission but only if all the sports were live free-to-air. Ten years ago there was limited spectrum and few free-to-air channels. With the advent of digital television there are potentially enough free-to-air channels to enable more listed events to be shown live

We reach the conclusion that a single A list is aimed at 'pinnacle events but does not provide the breadth of coverage by each sport that might be expected to be made available free-to-air. It also seems to conflict unnecessarily with the interests of some of the sports involved.

The abandonment of the principle of a B list results in the loss of nine sports from any requirement to be free-to-air either live or in delayed broadcasts. There will be a gain of two but overall a net loss of seven sports assured coverage. This will undermine the listing principle and greatly disadvantage many citizens and consumers. Some other European countries maintain a fuller list. We therefore ask the Secretary of State to continue with the full A and with a B list to attract both broader coverage and wider exposure especially to younger people and children.

If the 'pinnacle' sport approach is to be taken for the A List, whatever that list may include, it is essential that a wider list is maintained through the B List principle. The B list is not a significant drain on revenues to sporting bodies' revenues and negotiating ability as it is not 'live'. It also provides for broadcasters to programme replays of a length to suit their schedules provided they are shown at approachable hours. There is also little apparent logic in transferring to an A List sports which may get wide coverage without listing, undermining their negotiating rights.

Wimbledon fortnight is an example that is promoter-, sponsor- and advertising- free, by deliberate decision of the All England Club. Only the Finals are A listed. This has been greeted with great viewer satisfaction for 50 years. The Report proposal is to A list the Championship in its entirety, limiting the negotiating ability of the All England Club. It seems pointless to do this to a sport which enjoys considerable viewer confidence and appreciation of the absence of commercial intrusion. Neither listing nor lack of listing precludes the sport going to a commercial company, should they feel that is in their best interest, however. In parallel the other parts of the ATP circuit is met by a wide range of broadcast distribution, both free-to-air and subscription.

The British Open Golf Championship The Royal and Ancient have similarly shown a steadfast intent, showing the British Open Golf Championship on the BBC for many years while PGA tournaments play the commercial field. The Royal and Ancient obviously find the width of coverage they can get on free-to-air is balanced against the possible drop in revenue versus a subscription channel contract giving a very restricted audience. Putting them on the A list will make that balance more difficult to maintain as their negotiating rights are reduced.

Rugby Union shows what happens when all eggs are put in one basket. Freed of listings in 2005 they largely went down the pay TV route. They went for financial optimisation, not coverage or reach. Viewing dipped to almost 25% of free-to-air. It took little time for them to appreciate the overall loss of coverage of the sport, particularly amongst the young, and they adjusted the position by negotiating free-to-air rights without the restraints imposed by listing. Six Nations games now appear free-to-air, the RFU having made a pragmatic decision, not a compulsory one.

Football is in a unique position - television already carries massive pinnacle events, has coverage which makes the argument of need to cover youth superfluous for the present, and has such complex commercial arrangements that the 'pinnacle' event approach to listing looks appropriate.

Cricket is in a different, more difficult, position. The length of many of the major matches has, under past restricted availability of broadcasting hours, made it difficult to put together credible packages to broadcasters. That was changed when BSkyB used cricket as a massive filler of vacant hours in their multiple sports channels, using repeats as well to fill space. They turned cricket into a highly effective and well-executed marketing tool for their sports channels, part of the 'battering ram' to get subscribers. This was achieved to the massive detriment of huge numbers of cricket followers whose free-to-air viewing of pinnacle events was replaced by very expensive subscription routes. Inevitably viewing figures are only a fraction of free-to-air potential although the output does allow for considerable niche viewing in a multicultural community.

The English Cricket Board has seen the benefit with 81% of revenue coming from broadcasting, 21% of that used for grass roots development, and claims this to be adequate compensation for loss of coverage. £40 million is a tempting number in a sport previously fraught with financial problems, the old structure now being propped up by new money. Both the level and length of contracts are going to deny viewer coverage to a significant number of young people, let alone a large proportion of the population unwilling to invest expensively in BSkyB.

In the meantime shorter forms of the sport have taken off around the world; 20/20 is probably better suited to free-to-air schedulers than the sport in the past. Also there are red button possibilities or the use of a digital channel as with ITV4 for the Indian Players League.

There is scope for cricket to get better coverage if the authorities are prepared to take a holistic view of the game. If they won't then the compulsion of listing seems the only way to give viewers any form of cricket coverage and at minimum a B List should be employed.

From these examples, which are far from comprehensive, there would seem to be a strong case for recasting the A List to ensure that both the viewer and the sporting bodies are best served. This should be done in the knowledge that a B List, with scheduling in sensible viewing hours, would act as a back-up device to ensure that some wide coverage of all major sports was always accessible to the viewer. It would appear that free-to-air channels might be disadvantaged by the space and cost these would take up but in practice highlights only account for a meagre 1% of rights for live events. However some regulatory provisions would be essential to ensure viewers get the content required at a suitable time and place – the type of regulatory code in which Ofcom specialises.

Alternative lists

As a result we submit a revised list divided into A and B

It is important that the possibility to add, but not subtract, sports to the listings provides flexibility to meet new conditions and new sports. For example women's sports could well fit into that category as they build resonance from a particular competition. Some sports currently with an apparent minor following can build an audience.

List A

- The Summer Olympics
- The FIFA World Cup Finals Tournament
- The UEFA European Football Championship Finals Tournament
- The FA Cup Final
- The Scottish FA Cup Final (in Scotland)
- The Grand National
- Home and away qualification matches in the FIFA World Cup and UEFA European Football Championships (in the home nation to which they relate)
- The Wimbledon Tennis Championship - finals
- The Rugby Union World Cup Tournament national games
- Cricket's Home Ashes Test Matches
- Wales matches in the Six Nations Rugby Championship (in Wales)
- ICC World Cup Finals
- 20/20 World Cup Finals

List B

- Cricket Test Matches played in Britain
- Non-Finals play in Wimbledon Tournament
- Open Golf Championships
- The Ryder Cup
- Six Nations Rugby Tournament
- Winter Olympics
- ICC World Cup semi-finals and national games
- The Commonwealth Games
- The World Athletics Championship
- British and Irish Lions Rugby Tour

LISTING OF NON-SPORTING EVENTS AS FREE-TO-VIEW

The consultation undertaken by the panel asked at question 2 "Do you think that events other than sporting events should be listed?" and at question 11 asked for a list of such events. The qualitative research commissioned by the panel also asked about these events. A finding was that "A wide range of non-sporting events were thought to be culturally important, with particular emphasis on events which highlighted cultural heritage." (Summary of Chapter 2 of TNS-BMRB summary report on qualitative phase of work undertaken for DCMS)

We note that the research found "No consensus existed for listing any particular non-sporting events in the UK". There is no recommendation about non-sporting events in the conclusion to the panel's report. We consider that this is a missed opportunity to ensure that key points in the rich life in the UK are guaranteed coverage on free-to-view television.

We note that nearly all the responses to the panel are from sporting organisations or broadcasters and this may explain the lack of interest in non-sporting events.

Based on the research quoted above we suggested the following non-sporting events:

- State events such as royal weddings and funerals
- The State opening of Parliament
- Chelsea Flower Show
- Trooping the Colour
- Remembrance Sunday
- Several events in the nations of the UK that should be free-to-air noted in the research

This list is not exhaustive and we consider that the Secretary of State should organise a much wider consultation of national organisations, citizens and viewers to compile a representative list of non-sporting events that should be free-to-air.

REGULATION OF FREE-TO-VIEW LISTED EVENTS

In our July 2009 submission we suggested that both Ofcom and the Secretary of State be removed from the listing process as this is too important to be left to a regulator or the political process. (See response to question 8). While this may have been outside the terms of reference of the panel we ask the Secretary of State to consider this proposal.

SUMMARY AND CONCLUSION

We support many of the outcomes of the Davies report and welcome the research that has been conducted. However:

- We regret the significant loss of sports guaranteed coverage free-to-air by the removal of the B list and the relatively few sports in the 'candidate list'. We provide an A and B list of sports we consider should be guaranteed some coverage on to free-to-view television.
- We do not consider that the size of television audience should be part of the major event list test.
- We ask the Secretary of State to include non-sporting events in the list in common with several other European countries.
- We ask the Secretary of State to change the future regulation of the listing arrangements.

Voice of the Listener and Viewer

March 19th 2010

Confidentiality Statement – None of this submission is confidential

Contact for this submission is Robert Clark Hon Secretary to the VLV Board