The BBC’s Draft Distribution Policy

Response from the Commercial Broadcasters Association to the BBC

April 2018
Introduction

1. The Commercial Broadcasters Association (COBA) is the industry body for multichannel broadcasters in the digital, cable and satellite television sector, and their on-demand services. COBA members operate a wide variety of channels, including news, factual, children’s, music, arts, entertainment, sports and comedy. Their content is available on free-to-air and pay-TV platforms, as well as on-demand.

2. COBA members are arguably the fastest growing part of the UK television industry, and are increasing their investment in jobs, UK content and infrastructure. They make this investment without public support, direct or indirect.

   - **Scale:** In the last decade, the sector has increased its turnover by 30% to more than £5 billion a year. This is rapidly approaching half of the UK broadcasting sector’s total annual turnover, and has helped establish the UK as a leading global television hub.\(^1\)

   - **Employment:** As part of this growth, the multichannel sector has doubled direct employment over the last decade.\(^2\)

   - **UK production:** In addition, the sector has increased investment in UK television content to a record £725m per annum, up nearly 50% on 2009 levels.\(^3\)

3. For further information please contact Adam Minns, COBA’s Executive Director, at adam@coba.org.uk or 0203 327 4101.

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\(^1\) Ofcom International Broadcasting Market Report 2013
\(^2\) Skillset, Television Sector – Labour Market Intelligence Profile
\(^3\) COBA 2014 Census, Oliver & Ohlbaum Associates for COBA
Response to consultation

1. COBA wishes to raise two concerns in regard to the BBC’s consultation on its draft distribution policy.

2. As the BBC is aware, Ofcom has committed to reviewing prominence for all PSB on-demand services this year, following the Digital Economy Act. The Ofcom review will involve considering the public service issues created by increasing on-demand consumption in the round, looking at the sector as whole. Given this, the timing of the BBC’s consultation and its inclusion of detailed proposals on on-demand prominence is problematic, and its conclusions should not pre-empt those of Ofcom.

3. Secondly, the BBC proposes that it should be able to withdraw its services under certain conditions (section 4.2 of the BBC’s draft policy). This appears to be rather open ended, with the list of occasions when this might occur described as “non-exhaustive”.

4. Any proposal that allows the BBC to withhold services must be balanced against the BBC’s general requirement of universal availability to the licence fee payer. We can only envisage extreme circumstances where the BBC should withhold its services – e.g. a third party charging for access or being positioned next to content that breached the Broadcasting Code.

5. The BBC should be more specific about when it will withhold content, and should be explicit that it also has a duty to make content universally available as part of its Charter. Otherwise, there is a risk of creating an unfair advantage in negotiations with platforms.