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Broadcast Competition Director
Content Policy

Chris Rowsell
Controller, Regulation
BBC Policy

28 February 2022

Dear Chris,

BBC Sounds trials – materiality assessment

Thank you for sharing the BBC's materiality assessment on the BBC Sounds trial. Ofcom will not require the BBC to undertake a Public Interest Test for the trial and I am writing to explain our reasoning.

Background

On 23 December 2021, we received a materiality assessment from the BBC, in respect of its proposal to undertake trials of the following changes for a six-month period between January and July this year:

- Podcast windowing for a small range of titles
- Acquisition of podcasts that target under-served audiences
- Short-form formats (under 10 minutes) in a range of genres
- Playable Curations and Sounds-only radio programmes

We understand from the BBC's Materiality Assessment that these trials have now started.

The BBC referenced its ambitions to improve curation of content including launching new playlists in its Annual Plan 2021/22. This Plan also stated it will be considering its portfolio of Sounds-only podcasts. In January this year, the BBC sent a letter to key commercial stakeholders outlining the plans for these trials.

Our assessment

Having reviewed the BBC's materiality assessment, we have concluded that the BBC Sounds trials are not material and that we will not therefore direct the BBC to conduct a PIT in relation to them.

In summary, this is because the trials are not new UK Public Services, but rather temporary changes to the BBC Online UK Public Service, and we do not consider the temporary changes are ones that may have a significant adverse impact on fair and effective competition.

The principal reasons for our decision are that (1) the changes are both relatively small scale involving a limited amount of new content on BBC Sounds and the windowing of a small number of

podcasts and (2) that they are for a limited time period of six months, meaning that they are unlikely to have an impact on competitors' incentives to invest and compete in the market.

Next steps

In general, we welcome trialling potential changes to BBC Sounds, as we consider that this could be a useful way to generate data about the audience impact as well as any potential impacts on competition. We will monitor the progress of the trials and engage with the BBC to understand what the data will measure and how it plans to assess the trials' impact. The BBC have said they will carry out a further materiality assessment if they wish to proceed with any element of the trials, either at a similar scale or scaled up.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ali-Abbas Ali', written in a cursive style.

Ali-Abbas Ali