

I would like to cover 6 main points:

1. What is a TV channel? How does regulation fit definition.
2. Licensed and unlicensed TV and regulation
3. Niche market protection
4. Bandwidth / channel number / frequency
5. The audience experience. The “old model” and Ofcom’s remit.
6. Illustrative models for Public Service Broadcasting delivery.

1. The definition of a TV channel should be clear; what differentiates a channel from a website with video content?
  - i) A website with video-on-demand is not necessarily a channel.
  - ii) The definition of a TV channel should be the delivery of scheduled programmes. (The channel may or may not also include a video-on-demand facility)
  - iii) Is a TV channel anything that is watched on a television or a television-like device? (This would mean that surveillance systems are TV channels!) Therefore selection and availability to the public should be a part of the definition.
  - iv) Do other regulatory bodies, such as the ASA, recognise and therefore regulate the TV channels as defined? The ASA has asserted that The Country Channel is not a TV channel because it doesn’t have an OFCOM licence. Radio Caroline in the 1960s was unlicensed, but had an audience, and changed the face of Radio broadcasting.
  - v) 4iP would not accept a proposal from The Country Channel because it saw us as a TV channel, thus contradicting the ASA but still discriminating against The Country Channel.
  - vi) Public Service Broadcasting is currently defined in statute, but not in fact. The Country Channel is a PSB TV Channel. At the time we launched (June 2006), few were covering countryside topics, with only 3 or 4 countryside hours per week, across the 5 major channels. Since then, others have followed suit, and even the BBC has used Country Channel ideas.
2. Should there be a recognised two tier system of Licensed and unlicensed channels? Licensing can be onerous – both in expense and formal commitment. The situation exists in business with different types of companies - different legal definitions, but all companies nonetheless.

The internet has enabled TV companies like The Country Channel to get going (and to continue running) by not hitting the bottom line ie transmission costs are low. The Country Channel's viewers are 80% UK based and 20% worldwide, and growing. I estimate 100,000 per month across the two main outlets – [www.countrychannel.tv](http://www.countrychannel.tv) and Channel 167 on Sky (10 hours per week).

The Country Channel fulfils licence criteria with wholesome, well-made content, and also has a strong educational element. Does the channel not therefore have a Public Service Broadcasting function?

3. The BBC, with its Public Broadcasting remit tied to the licence fee receives £3.2 billion per year and makes another £0.8 billion selling to us through the use of our "public" airwaves and its retail outlet. When I started The Country Channel, the BBC, ITV, Channel 4 and Channel 5 did little countryside programming – look at the change in two years! We know they have copied us and used our story leads (Countryfile in particular). But the Charter expressly forbids the BBC from damaging the market place with its massive presence. It is licensed, funded and overpaid as an organisation with the ability to cover everything should it choose to ie to stifle growth elsewhere. The cost of BBC1 is £97,400 per hour, every day, every week of every year. Give me 10 hours of BBC1's budget and I'll give you a robust channel for a whole year! Licensing can legislate against innovation and a free market. The Country Channel is better placed to deliver value for money, as we have struggled on a shoestring for over two years. (The Charter and The Trust are specific about the need for value for money!)
4. The problem with any review is that it is driven by context ie the "old model" that existed before it.

What does a population require of Public Service Broadcasting? The questions about delivery / content do relate to the availability of the transmission system. Should the government be responsible for delivering the route to market?

The system of transmitters was originally developed for the BBC to carry its content to the audience – paid for by our taxes. Should the population be asked to pay a high price to unlock bandwidth and frequencies or should the transmission systems be put in to enable the flows of content without a double tax? (See Barack Obama's statement this week) We have already "paid for" transmitters. We are now paying for Broadband and internet infrastructure with our monthly payments to the telecoms companies. Government has not paid for the fibre optic networks to deliver content / channels to the population. The unregulated environment has allowed channels like The Country

Channel to get established and to grow. The benchmark for costs should not be driven by the false market costs created by the big channels ie over-inflated values.

5. The focus for TV should be the audience experience. It should not be driven by money alone. The shopping channels, Big Brother, Phone-in shows etc, etc have helped to drive the credit crunch. It is time the Public Service Broadcasting showed the "Meejah" that money really is the route of all TV evil. (Russell Brand / Jonathan Ross episode?) Too much money = the illusion of too much power.

World communications have changed at an alarming rate and Corporate TV is usually self-justifying.

The BBC (the biggest corporation) and the other channels have a vested interest in preserving the "old model". The cost of radio licences and spectrum is also in the "old model", so companies have been forced to evaluate risk and go unregulated in order to deliver their content.

The commercial value per head of the population is something that is measured (badly) by the advertising industry. Should this be considered in the payback that the big five licensed channels get for free? ie a sweetheart deal from government that delivers no requirement for the audience on a cost per head basis to the big five who get their transmission costs underwritten for free. The Country Channel doesn't have this luxury – why not?

6. The present 4 models for Public Service Broadcasting delivery, focus on the present "visible" structure. I think it should be a requirement to look outside the "old models" and address the present without bias or sentimentality. (The BBC could operate very efficiently on half the money – why waste it!?)

A recent service that has started up is the Gaelic Channel (mirroring S4C) with an estimated potential audience of only 180,000. From what I understand, this will be funded to the tune of £18 million. If my facts are correct, this PSB value

is approx £100 per head. What is The Country Channel worth? We already have an estimated reach of 350.