

**Speech by John Woodward,
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Cultural Convergence

To

The Media Festival

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Good morning, it's a pleasure to have been invited to speak. I want to make a specific contribution this morning to the policy debate about public service content. And in particular Ofcom's proposal for a potentially new and separate pot of "competitive funding" for public service content. A subject that formed the basis of a very stimulating seminar at Ofcom Towers yesterday afternoon.

I want to look beyond broadcasting and suggest using the broadband dividend – because there will be one – to offer something new to the public. Something that will enrich people's lives. So the next fifteen minutes is about "poetry" enabled by broadband "plumbing".

In the late 1980s when I was much younger I ran something called the "25% campaign" – based on the dangerous idea that independent producers should be allowed to make programmes for the BBC and ITV, instead of just Channel 4.

I think you'll agree that seemed to work out quite well. It brought new energy and greater efficiency into mainstream TV production. It became a successful example of "creativity" and "innovation" at the service of the "creative economy". Long before such overworked phrases became the staples of a generation of policy wonks.

One of the key principles underpinning that lobby was that a new plurality in programme supply would put more innovative and engaging content at the heart of what used to be called “public service broadcasting.”

Back in the 1980s, of course, the word Googol, still meant the figure 1 followed by a hundred zeros, Big Brother was a character in a George Orwell novel and Cabinet members tended not to comment on the performance of contestants on Come Dancing.

Twenty five years on – it’s all rather different. Not least because broadcasting from us to them is approaching the end of its natural life cycle. The viewer, the user, is increasingly in control of what they watch and where and when they watch it – even if the much-trumpeted principle of the “wisdom of crowds” was rather neatly subverted by John Sergeant last week.

In a broadband world, perhaps the most exciting thing is that the audience can engage more deeply and more actively with the professional creative community. Viewers can create and co-create content, and terrifyingly they can communicate with one another, unmediated by the ruling class of the broadcasting world.

But some things remain constant. The audience's desire for a varied diet of content that surprises them and tells them things that they didn't know they wanted to know. And the recent audience research undertaken by Ofcom in the context of its Public Service Broadcasting Review unequivocally demonstrates that.

And here's the thing. Enhancing the diversity of content on offer in a way that offers different perspectives on the world – rather than getting your diversity only through the lens of two publicly-subsidised institutions with their own particular sets of values – suddenly that becomes doable for the first time ever.

And anyway I'm not sure that plurality of supply in terms of public service broadcasters should be left to the BBC and Channel 4. Although both of these organisations will continue to need and deserve secure and adequate funding to do their job properly.

My argument today is that policymakers at DCMS and BERR now need to think beyond the world of regulated broadcasting to deliver public service objectives. Because as Lord Stephen Carter neatly put it in his maiden speech in the House of Lords earlier

this month, “the levers of exhortation and the levers of regulation are ceasing to have purchase at a pace which few truly appreciate.”

In my view, universal access to broadband is the prerequisite to solving the emerging public service deficit identified by Ofcom but it could and should also be the underpinning for a tsunami of new, innovative public service content. Indeed I would go so far as to say that the opportunity exists for a step change in the form and content of public service output that hasn't been seen since the Channel 4 sparked a creative revolution against the complacency of the BBC and ITV in 1982.

Stephen Carter recently also said that “our ambition should be for the broadband system of the nation to be the engine of the nation's mind.” I agree and I believe there's an opportunity coming up for a well targeted intervention which could put flesh on the bones of that ambition.

And it will need to be an intervention because the market alone will not provide. And the last few months should have provided all the evidence a Keynesian – or anyone else - could ever wish for about the limitations of markets.

Will Hutton summed it up last week. He wrote, “markets have systemic weaknesses. They are unstable, unfair and vulnerable to manipulation – and no amount of intellectual theorising can surmount those realities.” Quite.

And increasingly, the content market is becoming more and more risk averse – both creatively and financially. And in future it won’t deliver content that isn’t designed from the get-go to be “de-risked” and profit maximising. In other words, there will be no room in the marketplace for content whose primary purpose is to contribute to the collective or public good, except incidentally.

As we know Ofcom’s analyses of the public service content landscape shows there are clear and growing deficits. In particular around content for children and also regional news and in the longer-term factual, comedy and drama.

Now let me focus in on the issue of “competitive funding” that I mentioned at the outset. Given the title of the session, I’m going to illustrate my argument through the lens of factual and arts programming. But bear in mind the principles I’m going to set out can just as easily be applied to any of the other genres that are giving Ofcom cause for concern. Here we go.

As you know, the UK has some of the richest cultural and artistic collections and resources in the world.

Think of collections around the UK belonging to the Tate. Think of the wealth of films and moving images in the BFI National Archive and in other National and Regional Archives. Think of the output of the National Theatre or the Sage in Gateshead. Think about the way in which the Watershed in Bristol acts as a hub by working in collaboration with artists, filmmakers and schools.

Think of the Royal Shakespeare Company's work in Stratford, and the Welsh National Opera in Cardiff. Think about the West Yorkshire Playhouse – or community initiatives like the one in Tilbury, Essex where at the Cruise Terminal next month young people will help stage the annual *12 Days of Christmas Spectacular*.

Historically, linear television has done what it can to provide opportunities for audiences to experience some of this avalanche of art, culture, information and community. Existing broadcasters have produced some outstanding work and initiatives around culture and the arts - whether it *The Choir* or *The Big Art Project* or indeed *The South Bank Show* or *Imagine*.

However, the truth is that in the analogue age, the broadcasters have never been able to do more than scratch the surface. A vast amount of cultural activity in the UK has never been made available not least because there hasn't been the bandwidth needed for that scale of distribution.

Fast broadband delivery is the gamechanger.

Now imagine, for a moment, a world in which it becomes possible to view, on-demand, thousands of hours of material from national and local archives, to watch plays from anywhere in the UK, to call up moving image content about art exhibitions of every size and shape across the UK – all with supporting editorial content and context. And all with audiences able to comment and supply their own context via wikis and blogs.

And of course all this material delivered to the home, to the PC, to the Xbox, to the handheld device. Whatever. Whenever.

Then imagine, this content is actually created by partnerships between arts and cultural organisations working with independent production companies.

In other words, you marry the world-class cultural expertise that already exists in public sector brands -

like the Tate, the Royal Shakespeare Company et al - with the dynamism of our independent production sector.

In this scenario, the reach and impact of British art and culture is transformed. What's more it is transformed at marginal cost since the public has already paid for most of this content creation through their taxes. A competitive fund which adds real value to these under-exploited public assets.

The result? The barriers that prevent schoolchildren from Llanelli having access to work in a museum or gallery in Liverpool fall away. Likewise, the barriers that prevent people in a care home in Altrincham watching archive material about growing up in Manchester seventy years ago disappear. You get the idea.

But how would people know that this content is available if it's delivered over broadband networks? After all, as yet another Ofcom report has demonstrated, when people know that content is available, they have relatively little difficulty finding it. The broadband challenge for content creators is about achieving visibility and profile.

And that's why brands are crucially important here. Organisations like Imperial War Museum, the RSC,

the English National Opera and the Old Vic can break through this barrier because they already have profile and they can promote their content off the back of an existing business model using their brand equity. But new organisations and entities too should be at the heart of any contestable fund and innovative marketing will be key to finding audiences.

But what of the BBC and Channel 4? Well, let's also assume that the BBC and Channel 4 won't be commissioning or co-financing this content unless asked to be a partner of the programme maker on an ad hoc basis. But they should be required to offer their public service platforms to facilitate distribution on a "must carry" or "must host" basis.

Now let's suppose that this competitive funding pot for public service content is made available in the form of a small number of contracts which, as Ofcom suggests, may be preferable to a large number of small contracts for individual programmes or services. And now you have the basis of a very small management structure.

Now to the really thorny issue.

So you have a fund of contestable cash to spend on public service content. How do you avoid the

expense, the egomania and the eccentricities of commissioning editors and their entourage? Seriously, this is an important issue if you want to guarantee innovation from the ground up rather than top down and if you want to secure a more networked and non-bureaucratic approach to funding which seems so much more appropriate to the broadband age.

Simple. Wherever possible funding should be allocated according to a system which is automatic. Programme makers should simply be required to hit some clearly objective criteria in order to unlock the money.

Meeting an audience demand identified by Ofcom, providing evidence of any necessary co-financing, demonstrating an effective broadband distribution strategy, demonstrating relevance to UK viewers in order to avoid the State Aid gremlins from Brussels. These would be my starting points. But the principle is that if you tick all the boxes then you get the money. All traditional broadcasters welcome to participate but definitely not needed as a precondition for securing funding.

A light-touch operation with creativity and audiences at the heart of the mission. Not an Arts Council of the Air, and not a Public Service Publisher.

Something new. Something that fills some identified gaps but it's also more than that. Something a bit radical, a bit dangerous, and a bit unpredictable in terms of what ends up on your screen. And it's that unpredictability that will surprise and delight audiences and drive innovation.

And as I say this is not an "arts specific" model. It could be applied to many different genres of content.

For example, in the regional news debate it doesn't require a great leap to see how local newspapers and radio could respond to a similar fund centred on local news provision.

So there you have it.

A contestable fund which fills a deficit but also drives innovation in content – precisely because it sits outside the structures of traditional and now failing broadcaster business models.

A fund which builds upon existing public assets and aims to massively extend their reach and impact and also encourages new blood to come into the content business.

With a “light-touch”, “automatic” commissioning process at its heart.

I want to round off with a quote from the much missed writer and director Anthony Minghella, who said in 2006:

“Divisions between us are becoming blurred. NESTA makes movies, art galleries show them. Filmmakers might direct operas, operas might use film. Museums might stage dance performances, dancers might make films for museums. Hip-hop artists might take over the NFT – they do. Let's not look for a new set of rules which talk about rationalising. Let's remember that broadcasting in its prosaic meaning, casting wide, is changing faster than we can keep up. Bandwidth is with us and just as there are new streams for content, so content will have to be provided, it's a virtuous circle, we all need each other; we all need to help each other.”

Anthony was talking about a less remarked upon type of convergence - cultural convergence. And he was spot on.

And I do believe that in a broadband world where bandwidth is expanding, there is an opportunity not only to fill identified public service deficits but also to radically improve the range and diversity of what the media can offer to UK citizens.