I would like to submit a response for the Ofcom consultation on phase 2 of the PSB Review.

<u>Introduction</u>

I am the managing director of Quicksilver Media, an independent production company I founded in 2006.

Quicksilver makes Channel 4's foreign affairs series *Unreported World*, and regularly makes documentaries for Channel 4's *Dispatches* strand. It won the Royal Television Society award for International Current Affairs in 2007. Channel 4 is Quicksilver's main customer, although the BBC is an increasingly important client.

Until 1998, having joined the BBC as a trainee, I worked within the BBC current affairs department in a variety of roles on programmes such as *Panorama* and *Newsnight*, and made a number of award-winning series and documentaries. I then joined the independent sector, winning a current affairs BAFTA in 2006.

Why Factual Television Matters

Current affairs and factual television play a vital role in reflecting and interrogating what's happening in British life and in the wider world. Without these programmes democracy would work less vigorously and our cultural life would be immeasurably poorer. Furthermore thanks to Channel 4 and the BBC the UK is a world leader in these areas of television, with many programmes exported, and many jobs created in production companies and facilities houses.

Channel 4's distinctive PSB voice

As someone who has worked with both broadcasters, I know that Channel 4 shares the BBC's fierce editorial integrity, and its passionate commitment to excellence in factual programming.

Channel 4's PSB tackles subjects that the BBC doesn't in ways that it doesn't (and vice versa). There are always exceptions, but loosely the BBC is the heavy armour of television. Channel 4 is a guerrilla force – more iconoclastic, opinionated, more likely to introduce voices from outside the mainstream. Viewers benefit enormously from this diversity – and, of course, that was a key rationale for Channel 4's birth.

ITV has largely withdrawn from current affairs and factual TV. Without Channel 4's factual output, the BBC would control the topics covered on current affairs and factual television. This, self evidently, would not be in the best interests of viewers.

The need for the BBC to have competition

ITV and the BBC compete in entertainment. However when it comes to PSB the competition is primarily between C4 and the BBC.

In current affairs and factual TV competition between Channel 4 and the BBC is pervasive. Programme teams are driven by it. *Newsnight* and *Channel 4 News* give their viewers better programmes because of their rivalry. The same applies to *Panorama* and *Dispatches*, and to *One World* and *Unreported World*.

If C4 is not significantly involved in PSB I am convinced there will be a significant erosion of the BBC's commitment to PSB. Time and again throughout my career I have observed the BBC allocate resources because of the need to meet competition, and withdraw resources where there is no competition. In any organisation complacency fuelled by monopoly is corrosive. The BBC and viewers benefit from competition.

The need for a new funding settlement for Channel 4

Channel 4 say they are facing a funding gap and I have every reason to believe them. Shrinking budgets are part of our everyday experience of working with all broadcasters. However this process of shrinkage is particularly marked at Channel 4. Independent production companies are highly adept at efficient working, but we have passed the point where simple cost cutting provides answers. We are now in the realm of curtailed ambition.

Channel 4 – whether publicly or privately owned - will increasingly need to focus on maximising advertising revenue. This means targeting resources on making television that fits the lowest common denominator. Such television can be outstandingly good but it is likely to be entertainment driven. It will be about escaping from the world we live in, rather than understanding it. Current affairs and factual TV on Channel 4 will become a rump of the cheap and second rate, and the BBC will then decrease its efforts in this area. UK leadership in the field will disappear.

I hope these observations are useful for your deliberations.

Eamonn Matthews December 4 2008

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