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***Response to New music radio stations :
Public Interest Test Consultation, 14th February 2024***

Sirs

I write to comment on and make input to this consultation on the BBC'S proposals to launch new music radio stations on DAB+.

Introduction and credentials

Now largely retired, I have been involved in the commercial media industry for my entire fifty year career, first in advertising agencies and latterly as Director of the UK advertisers' representative trade body and an independent consultant.

In these roles I helped shape numerous aspects of the industry : from the world's most comprehensive and effective advertisement content regulation to various market competition interventions.

One of these - Contract Rights Renewal, which regulated a consolidated ITV's ability to leverage its monopoly trading position - is held in competition law circles to be one of the most effective market interventions worldwide.

I am a long time devotee of the BBC but also a staunch believer in and supporter of commercial media and the important symbiotic relationship between the two.

I would start by stating that I find it curious that the BBC is running its own public interest test on this matter. While I understand that this is how things are set up, it does not foster confidence.

The BBC cannot reasonably be expected to be impartial on its own proposals. Nor have the Corporation's recent behaviours indicated that it can be impartial concerning its own and its personnel's activities.

Whether the defence until untenable of a former Chairman's involvement in political party funding facilitation, or of various executives' and presenters' taking of public positions on social media or many other recent instances, it has exemplified neither the leadership, detachment nor objectivity required.

As the media landscape has evolved, grown and become more complex, so has the role of the BBC.

It provides a key counterpoint to the activities of the commercial sector, keeping the bar high for standards of content (if, sadly, not always behaviour – see above).

And it caters to sectors and genres that are not well served for various reasons, including but not only economic ones.

Its mandated licence fee funding, in all but name a tax that is enforced with criminal prosecutions, provides for this.

The BBC's consultation questions

Question 1: What do you think about the potential public value of our proposals for the launch of new music radio stations on DAB+, including the extent to which our proposal contributes to the BBC's mission to serve all audience through the provision of high quality and distinctive output and services which informs, educates and entertains?

The proposals undoubtedly offer some public value, but indiscriminately and only insofar as literally anything additional would.

The real question must be not whether, but how much extra value do the proposals offer over what the market does and strives to provide?

Then answer here is very little, as the duplication between the proposals and the current offerings is considerable.

Indeed, Government's designated sector regulator, Ofcom, could better require its commercial licensees to step up certain aspects of their obligations – such as increased quotas for new music - than idly allow our mandated funded public service broadcaster to imitate them.

The consultation places particular emphasis on younger listeners and how and how much they now listen. Some have said they have effectively been lost but as the consultation's own data show, this is not true. They merely use different means to access the content they seek.

This is an issue that exercises all media outlets and is far unique to the BBC. It therefore begs the question – why should be the BBC be afforded special dispensation unilaterally to divert scarce licence fee funding?

Its counterparts do not have mandated funding and have to raise it commercially, and operate under regulation that is at least as strict (if perhaps less self-inflictedly bureaucratic).

As to “high quality and distinctive output and services which informs, educates and entertains”, I have written on this to previous regulatory consultations. In short, high quality and distinctive are both worthy but subjective, while the well-rehearsed troika of “inform, educate, entertain” is similarly appealing but can be applied to any form of programming whatsoever – even the worst.

Question 2: What do you think about the benefit to audiences who will listen to the stations, as well as wider potential social and cultural impacts?

This is a surprisingly loaded question for a supposedly objective consultation, as it clearly seeks to lead respondents by presupposing there will be benefits.

Yet these would be very few, particularly if Ofcom were to specify some modest modifications to existing commercial licences, see above and below.

Question 3: What impact (positive or negative) do you think our proposal for new music radio stations on DAB+ might have on fair and effective competition on commercial radio stations providing music content on radio?

By any analysis, each service proposed is already largely delivered, and every audience catered for, by existing stations, whether BBC or, mainly, commercial.

Commercial radio is far from the proverbial “licence to print money” which ITV’s regional franchises once were. It has to fight hard every day for viewers and the advertisers which fund it.

The overlaps between the proposed services and these are many and subtle and would therefore impose significant distortions to their activities. Any such distortions might therefore have significant adverse consequences on their viability.

Why should The BBC quite unilaterally therefore now seek to launch new stations which interfere with legitimately-licensed and heavily-regulated commercial services?

Is it because the BBC is losing overall reach and share of reach to its commercial counterparts? Perhaps, but that is hardly reason, let alone a good one, to move its tanks onto others’ lawns.

Question 4: Are there any steps you think we could take to minimise any potential negative effects on fair and effective competition or to promote potential positive impacts?

Put simply, there is no need for such services so this question is redundant.

A vibrant commercial market can and does provide without recourse to licence fee payers’ funds.

Provision of any enhancements considered appropriate and necessary could easily and most cost-effectively be delivered at any time should Ofcom decide, simply by adjustments to the relevant commercial incumbents’ broadcast licence obligations. It does not require a self-preserving and self-interested intervention by the BBC.

Although not directly germane to this consultation in the narrowest sense, it is indicative that this week has seen the [announcement of the BBC’s intention to carry advertising around its radio and podcast content on third-party platforms.](#)

Conclusion

In summary, I see no legitimate reason beyond self-interest in allowing The BBC to launch radio stations into spaces already well-served by commercial interests, especially given the many well-documented pressures on its budgets and funding by licence fee.

These spaces might arguably be yet slightly better served by Government and its designated regulator, Ofcom, by simply adjusting the relevant commercial incumbents’ broadcast licence obligations on the margins. I believe they would be happy to entertain such adjustments.

I would be happy to provide further comment if and as required.

Yours faithfully

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