



EUROVISION 2013
FINAL DOCUMENTS



**Workshop 1 - Strengthening the Public Service
in the Face of the Digital Storm. Content: Film, Fiction, Sports, Etc.**

Chaired by: Stefano Rolando

Rapporteur: Gaetano Stucchi

The first workshop, "**Content: Film, Fiction, Sports, Etc.**" examined the topic of content for public television presented in the introductory paper, through two rapid-fire rounds of comments by the eight participants. The exchange of opinions began with some remarks by chairman STEFANO ROLANDO and rapporteur GAETANO STUCCHI, leading essentially to four talking points:

1. the risk of defining the public service mission through **stamps of quality** recognized to individual programs, while ignoring the global, integrated nature of that mission;
2. the risk of blaming ads as a negative factor for the quality of programming, leading to the perceived necessity of separating **wholly public-funded networks** from wholly market (**advertising**)-funded networks;
3. the crucial importance in the public service mission of supporting the national audiovisual system (**industry and independent production**), from which public TV cannot isolate itself;
4. the necessity that diligent and determined **product innovation** become not a sporadic, symbolic event but a structural and permanent habit of public television.

To begin, FRANK DIETER-FREILING of ZDF confirmed that the public service mission must cover the entire set of genres and themes that make up user demand. In particular, when it comes to sport content, Freiling emphasized that the huge financial efforts made by some European public broadcasters to acquire the rights to certain sporting events have been rewarded by ratings and an improvement in brand image (including post-hoc approval by the regulatory authority and political decision makers).

JUDITH LOUIS of ARTE France recalled the transnational character of her network, in which certain genres (e.g. sports and variety) have been excluded from the specifications. The content assigned to the network undergoes an intense, organized effort to modernize the approach and the language, starting with its distribution over a number of technological platforms.

JOHN SIMENON of Georges Simenon Ltd. explained the point of view of an owner of rights (to the complete works of his father, Georges), for whom public broadcasters are potential customers. While praising the genuine interest shown in his catalogue by many European public broadcasters, he complained that public service decision makers often take an overly passive attitude when it comes to political interference.

JEAN-BAPTISTE NEYRAC of Neyrac Films effectively described one of the consequences of France Télévisions e Arte's leadership in supporting French independent production: the offices of public service decision makers are besieged by French producers. Neyrac also emphasized the innovative approach to content like sporting events, which public broadcasters now transmit with impressive digital enhancements that complement the mere reproduction of those events. His point was to confirm the fundamental importance of the relationship between the public service and sports content for the purposes of promoting and supporting the public networks' brands.

JOACHIM A. LANG of SWR spoke in his dual capacity as network decision maker and writer and producer of creative content, emphasizing from both points of view the importance of two key concepts: quality and innovation.

MARTIN AJDARI of France Télévisions, using some high-impact slides, analysed the relationship between public and private broadcasters in the French market with respect to different kinds of content. In most cases, with the sole exception of some news and cinema content, the public service in France is by far the largest funder and distributor of original content in any genre. In sports, for example, he explained how the competition between public and private is driven by the gradual retreat of commercial operators, discouraged by the unprofitable nature of sporting events (too expensive, despite their ramifications for image and prestige), and by public broadcasters' fidelity to the genre, in the name of the inclusive force of this content as a result of its universal audience. The cost issue is a deal breaker for the private sector, but not for public TV. A similar concept applies to entertainment, to its power to unite and its impact on brand popularity; a situation, however, that requires public broadcasters to approach this (like other genres) on the basis of their founding values and specific criteria. Gender equality, too, is guaranteed far better in France by the public service (60% of programming) than by private broadcasters (TF1, M6 and Canal+ do not exceed 44-45% of their programming). Finally, Ajdari analysed the case of fictional content, which appears to be distributed more heavily by private broadcasters than by public, pointing out however that 60-70% of the fiction broadcast by private networks is actually American made. The statistic should therefore be gauged accordingly.

LUCA MILANO of RAI argued that a priority of the public service is to produce domestically made fiction content for the domestic market and to reject all forms of outsourcing. The challenge is to reconcile stories with a strong local identity with ambitions for an international audience; that is, to square objectives of social and cultural inclusion (which are very strong, for example, on the general-audience network RAI1) with the need for diversity and innovation indispensable to the genre's vitality. Milano pointed out that of RAI1's top 100 transmissions by ratings last year, 67 were Italian fiction. This denotes a strong consensus among adolescents and adults, but it is weaker in the young adult bracket with its appreciation of innovative, transmedia forms of production and distribution, which generate fragmented pockets of viewers. Managing this double-pronged strategy, supported by several experiments carried out by RAI Fiction (prequels, web presence, social TV, etc.), requires more flexible forms of regulation suited to our technological world. In any case, Milano is optimistic about the future, as various international awards have demonstrated that the content produced by RAI Fiction—already highly successful in Italy, but little known abroad—may one day become competitive even against the sophisticated, niche market fiction typical of U.S. and international cable TV producers (HBO, Showtime, etc.).

Last to speak in this initial round was MARIA PIA ROSSIGNAUD of the Osservatorio TuttiMedia, who briefly but effectively described the new active viewing habits rooted in international audience behaviour, especially younger viewers who are now completely comfortable with practices very different from traditional consumption (mashups, fandom, social network memes, etc.).

At this point PAOLO GARIMBERTI, former president of RAI and current president of Euronews, expressed his appreciation for the four points proposed at the start of the workshop and for the fact that the discussion was finally focused on content rather than just on the financial problems of the public broadcasting service.

In his opinion, three kinds of content are indispensable for successfully performing the public service mission:

- truly independent news (unlike CNN Turk during the recent protests);
- fiction with a strong national character;
- full coverage of sporting events of national rather than local-club importance ("team Italy should always be free and unencrypted", he remarked, referring to the Olympics, the World Cup, etc.). It should not be possible to manage such content according to a purely commercial, "merchants of the temple" logic, as is now often the case among international sporting federations.

Freiling agreed wholeheartedly that national public broadcasters should assert this obligation and right, following the impeccable example of the BBC. The matter of applying existing European legislation nationally in a consistent and effective manner was emphasized by Jean-Noël Dibie, who complained that some countries (especially those recently admitted to the EU) are not fighting at all to achieve lists of "protected" sporting events that must be broadcast unencrypted, or to ensure that those lists are respected where they do exist.

Louis of ARTE France highlighted her network's commitment to exploring forms of content built on innovative, transmedia models (offered over a variety of platforms), without forgetting to involve the audience in these efforts.

Simenon stressed the need to support these courageous choices by giving public television networks enough resources to pursue their ambitions. Neyrac pointed out that prohibiting ads during the evening lineup of France Télévisions has had the opposite of the intended effect: rather than encouraging more freedom and experimentation in programming and the production of new content, it has left ratings as the sole criterion influencing the decisions of the public networks. Lang stressed the need to respect the dignity of audiovisual professionals, by defending their traditional values while encouraging them to explore new paths. Ajdari noted that European regulations on sports content are limited to prohibiting pay TV from holding a monopoly on public-interest events, without necessarily reserving these to the public service; he acknowledged that the dominance of ratings in influencing the editorial strategies of public broadcasters (even if inspired by the need to serve a universal audience) should not stand in the way of more aggressive risk-taking and innovation. Garimberti drew attention to the problem of massive evasion of Italy's television tax, one of the lowest in Europe, which penalizes RAI in comparison with its counterparts in other countries. Milano specified the need for broadcasters to build solid relationships with every age group, going beyond advertisers' traditional view of target audiences in favour of their new approach to the dynamics and functioning of the advertising market in today's financial and technological context. This new context was also mentioned by Rossignaud, with reference to the broad discussion taking place more or less globally as to the concept of digital identity and its relationship with macroscopic social phenomena such as the development, control and use of "big data".

At the invitation of chairman Stefano Rolando, Gaetano Stucchi offered an initial conclusion by mentioning the recent discussions over the formulas adopted by emerging countries in the serial fiction market (Scandinavia, Turkey, South Korea, etc.), whose growing success appears to result from a winning combination of stories, characters, and narrative styles that are deeply local/national yet whose themes are profoundly universal. Citing the lecture by Lord Patten of Barnes, chairman of the BBC, at the recent Premio Italia in Turin, Stucchi urged national public broadcasters to "raise their voice"—in the name of the audiences they represent—to national and European regulators and political institutions regarding the more general issues of the dynamics and the future of the global audiovisual communication system. As Lord Patten said, public broadcasters have a duty to make sure the Internet remains an open and democratic territory. The battle for net neutrality, in fact, is none other than the digital-age version of the concept of universal public service, the irrevocable basis of the European model of public television.



Workshop 2 - Strengthening the public service in the face of the digital storm: funding and distribution platforms

Chaired by: Bernard Miyet and Luciana Castellina

Rapporteur: Jean-Noël Dibie

According to **Carolina Lorenzon** of Mediaset, "It is the content produced by the major television channels that allows the supply of audiovisual goods (legal and illegal) to multiply on the many platforms available today". This point of view is shared by **Claudio Cappon** of the EBU and RAI, who emphasized the lack of continuity in the linear and non-linear distribution and consumption of audiovisual content and recalled the special role played by the public service, as demonstrated by the fact that in France, it is France Télévision that finances 60% of quality TV fiction.

On the basis of these considerations, **Bernard Miyet** introduced the workshop and stated the challenge of achieving a fair balance of costs and profits for every audiovisual work.

Eric Lambert specified that in Europe, with the exception of the BBC, public broadcasters are still questioning how their hertzian broadcasting complements online multicasting and explained why the latter is so successful:

- economies of scale in terms of technical costs and rights trading;
- speed of execution.

Alain Modot, citing the three levels of financing for the production of premium fiction (domestic market, regional platforms and international distribution), described a way to optimize the entire process thanks to partnerships based on the sharing of risks and returns from investments (financial and/or cultural).

Bernard Miyet expressed regret that this is not a model suited to the digital age, because whoever possesses the content automatically has a dominant position that will favour direct distribution.

Lieven Vermaele, getting back to the success factors of online distribution explained by **Eric Lambert**, urged the major public and private broadcasters to develop common national platforms that can simplify the interface with "customers" and negotiations with suppliers.

Jean Stock began by reminding the participants that when the Eurovision Festival was born 27 years ago, cell phones were still in their infancy. Today, there are 4.3 billion smartphones in the world, half of them in Asia. Yet the quantitative consumption of audiovisual works is stable, despite the 500 channels available online to "connected" viewers. This process is irreversible, because no-one would agree to give up the freedom of choice they have acquired. Therefore, we should no longer reason in terms of average audience and should speak, rather, of cumulative audience. When calculating this cumulative audience, VOD and SVOD, which is also spreading in China where satellite dishes are banned, must also be factored in.

Jean Stock proposed a new challenge for European public broadcasters: to become the promoters of high-definition (4K), soon to become the global television standard.

Bernard Miyet thanked him for this interesting suggestion, but brought the discussion back to the financing of audiovisual content in the age of convergence.

Andrea Fabiano, describing RAI's efforts at multi-platform multicasting, used a maritime metaphor to argue that a captain must battle not only the storm, but the fear it causes his crew. Long-time broadcasters like RAI, to weather the digital storm, have to create public value by involving the industry's new players.

Returning to this idea, **Lieven Vermaele** noted that in the United States, cable networks pay for the content they broadcast and American households spend three times as much as Europeans for access to audiovisual content.

Rapporteur **Jean Noel Dibie**, at the request of the chairman **Bernard Miyet**, gave a summary of the workshop and thanked the participants for their input on new ways of financing production downstream, but emphasized that none of these (at least for now) appears to offer alternatives to the funding provided upstream (by the primary broadcaster), which—for the moment—remains irreplaceable.