



**Response to Ofcom's Third Invitation to Apply for  
DTT Multiplex B Capacity**

*17 October 2011*

## Channel 5 HD

Response to Ofcom's Third Invitation to Apply for DTT Multiplex B Capacity

17 October 2011

### 1. Executive Summary

1.1 Channel 5 is pleased to submit this application for capacity on DTT Multiplex B. We are doing this as we are committed to extending the distribution of Channel 5 HD, the free-to-air linear high-definition simulcast of our main public-service channel, to the Freeview platform.

1.2 We are convinced that the continued success of the Freeview platform is vital to the future of UK broadcasting and of high value to both the wider media industry and the viewing public; and that the platform's success is based upon high-quality free-to-air channels, especially those from the PSBs. We also believe that high-definition TV will continue to be in high demand in the UK to enable full use of popular HD-ready equipment – and HD channels will become a necessary feature of any successful digital broadcasting platform. We recognise HD's potential role in driving penetration of new improved transmission equipment and standards for the platform and thereby allowing a still wider choice of channels and services in the future. Therefore, adding Channel 5 HD to Freeview will help both to continue the work to future-proof the UK's largest digital platform and to drive more efficient use of DTT spectrum and more viewer choice.

1.3 Channel 5 HD is a simulcast of Channel 5, our main public-service channel, which has been distributed on the Sky and Virgin Media platforms since July 2010. From launch on Freeview, it would carry a significant and increasing amount of native HD hours, up-scaling the remainder from standard definition. Our current plan is for Channel 5 HD to occupy the DTT video stream for 24 hours per day, although we wish to reserve the option of exploring possible ways for other providers to make use of some of the day time and late night hours (subject to Ofcom's agreement).

1.4 Channel 5 HD's schedule allows a rich variety of general entertainment material in HD, with diverse original UK production sitting alongside some of the very best US drama. The most popular genres in our schedule are drama, entertainment, documentaries, sport and feature films. Channel 5 HD includes considerable volumes of native HD content in these five key genres, including *Neighbours*, *CSI: Crime Scene Investigation*, *Big Brother*, *Royal Navy Caribbean Patrol*, Europa League football and the blockbuster movie premieres for which Channel 5 is well known.

1.5 Further, we will increase the amount of native HD over time, with the aim of 82% of the peak-time schedule being in native high definition by 2016.

## **2. Applicant Details**

Name: Channel 5 Broadcasting Limited

Address: Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN

Telephone: 020 8612 7000

## **3. Main Contact (for Public Purposes)**

Name: Customer Services

Address: Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN

Telephone: **08457 050505**

**020 8612 7700**

Fax: n/a

Email: [customerservices@channel5.com](mailto:customerservices@channel5.com)

## **4. Main Contact (for Ofcom Purposes)**

Name: Martin Stott

Address: Northern & Shell Building, 10 Lower Thames Street, London, EC3R 6EN

Telephone: 020 8612 7723 (office)  
07768 230368 (mobile)

Fax: n/a

Email: [martin.stott@channel5.com](mailto:martin.stott@channel5.com)

## 5. Proposals for Evening Hours and day time / night time hours

**Table 1: Proposals**

Evening Hours (6pm-11pm)	<b>6pm-11pm:</b> Simulcast of Channel 5 At launch: Estimated 50% in native HD, remainder in up-scaled SD Native HD shows to include: Drama (eg <i>The Mentalist</i> , <i>NCIS</i> , <i>Home &amp; Away</i> ), Sport (eg football), Films (eg premiere blockbusters), Nature (eg <i>Nature Shock</i> , <i>Extreme Fishing</i> ), Entertainment (eg <i>Big Brother</i> )
Day time / night time hours (other than Evening Hours)	<b>11pm-6pm:</b> Simulcast of Channel 5 Native HD shows to include: Drama (eg <i>Neighbours</i> ), Current Affairs (eg <i>The Wright Stuff</i> ) and Feature Films

Does the proposal constitute a Qualifying Service? Yes

**Table 2: Qualifying Service**

Requirements of a Qualifying Service <sup>1</sup>	How met by proposal
This expression is defined in section 2(2) of the 1996 Act (as amended by the 2003 Act) as "...any of the following, so far as they are provided with a view to their being broadcast in digital form— (a) a television broadcasting service included in Channel 3; (b) Channel 4; (c) Channel 5; (d) S4C Digital; (e) a television programme service provided by the Welsh Authority with the approval of the Secretary of State under section 205 of the 2003 Act; (f) the digital public teletext service."	The proposal is for the service to be a simulcast of Channel 5 broadcast in digital form (although we wish to reserve the option of exploring possible ways for other providers to make use of some of the day time and late night hours).

<sup>1</sup> Source: Ofcom Third ITA, September 2011

## 6. Selection Criterion 1: Promote the efficient use of the radio spectrum

6A. *Generally explain how your proposal meets the different aspects of selection criterion 1 as detailed in Section 4, particularly in promoting efficient use of spectrum and encouraging take up of DVB-T2/MPEG-4 compatible reception equipment.*

6A.1 Channel 5 recognises that legacy technology standards DVB-T and MPEG-2 limit the number of services that can be carried on the DTT platform to eight to eleven standard definition channels or as few as a single HD service per multiplex. More efficient technologies DVB-T2 and MPEG-4, together with a 64QAM modulation mode, are estimated to be able to increase the capacity provided by a given block of spectrum by 65-90%<sup>2</sup>. In time, this might mean up to 50 new SD channels or the equivalent of at least six HD channels per multiplex across six multiplexes, without the need to use additional scarce and valuable spectrum. The new standards provide a path to a vastly more efficient platform and the possibility of the launch of new services in what is currently a hugely-popular but supply-constrained environment. The increase in efficiency could pave the way for future evolution of the DTT platform<sup>3</sup>.

6A.2 However, viewers need to buy new receiving equipment to access services using the new standards. With 30.7m DTT set-top boxes or integrated digital televisions already installed<sup>4</sup>, there needs to be a compelling consumer proposition to drive take-up of the new equipment – and migration of the platform over time to the more efficient standards.

6A.3 Channel 5 believes that the availability of top-quality HD services is that necessary compelling proposition – and that our proposal for Channel 5 HD, when taken together with the current HD line up of BBC One HD, ITV1 HD, Channel 4 HD / S4C Clirlun and BBC HD, would increase the momentum on the path to greater spectrum efficiency. Adding Channel 5 HD to Freeview HD would mean the platform better meets viewers' expectations, as there would be a full line-up of five HD channels, equivalent to the main five terrestrial PSB channels<sup>5</sup>.

6A.4 We believe there is already strong evidence of demand for free HD services. There are already 7.0m Freeview homes<sup>6</sup> that have HD-ready sets; across all homes, 50.1m Freeview-enabled TVs are forecast to be HD-ready by 2015<sup>7</sup>. In addition, there has been strong growth of Freeview HD receiving equipment since the platform's

---

<sup>2</sup> Source: BBC 2008

<sup>3</sup> For our views on this, see *Joint response by BBC, ITV, Channel 4, Channel 5, S4C, Arqiva and SDN to Ofcom call for input into the long term future of the UHF spectrum* 15 June 2011

<sup>4</sup> Total number of DTT enabled sets. Source: Ofcom Digital Television Update – Q1 2011

<sup>5</sup> The BBC has announced plans for BBC HD to be replaced by BBC Two HD. If this proposal clears the necessary regulatory hurdles, this will mean the five HD channels will almost exactly mirror the five main PSB channels

<sup>6</sup> Source: 3 Reasons May 2011

<sup>7</sup> Source: 3 Reasons May 2011

commercial launch in early 2010: 2.1m homes are forecast to have Freeview HD on their main TV set by the end of 2011, rising to 8.2m by 2015<sup>8</sup>.

6A.5 Freeview HD is already proving to be a key proposition to drive mass-market sales of DVB-T2 / MPEG-4 receiving equipment. The availability on DTT of extensive HD coverage of the 2012 Olympics, together with the launch of Channel 5 HD, will provide a dual impetus for consumers to purchase Freeview HD equipment in even greater numbers. Adding Channel 5 HD to the platform will enhance the Freeview HD proposition, allowing consumers to view the UK's most popular channels in HD without paying a monthly subscription. And of course by the completion of digital switchover at the end of 2012, all homes in the UK will be able to receive Freeview HD signals.

6B. *Explain the types of content you propose to provide that will have the necessary popular appeal to promote uptake of consumer equipment (eg premiering) and how this relates to the service type that is being proposed (eg higher picture quality of HD).*

6B1. Channel 5 HD is a 24-hour simulcast of Channel 5, the third most popular commercial channel in the UK, reaching 43.9m individuals a month<sup>9</sup>. It launched on the Sky and Virgin Media platforms in July 2010.

6B.2 Channel 5's programming is particularly suited to viewing in high definition. We broadcast a high number of quality primetime dramas, films, sports events and documentaries, which are the content genres which have moved fastest to predominantly HD production Table 3 shows that 65% of Channel 5's viewing is in those genres most highly desired in HD.

**Table 3: Channel 5 hours by selected genre**<sup>10</sup>

<b>C5 – all hours (2010)</b>	<b>% of C5 schedule</b>	<b>% of total viewing to C5</b>
Drama	11%	24%
Films (cinema)	12%	23%
Sport	3%	4%
Documentaries	13%	14%

6B.3 In addition to the four genres highlighted above, popular reality show *Celebrity Big Brother* was broadcast in HD for the first time in the UK on its Channel 5 debut (the launch night programme for *Celebrity Big Brother* was the channel's third best-performing programme of all time). We believe it is important for Channel 5's most popular shows to be made in HD and be available on all platforms – DTT as well as Sky and Virgin Media. Viewers will seek out platforms broadcasting in HD on which to view their favourite shows, so as strong supporters of the DTT platform it is

<sup>8</sup> Source: 3 Reasons May 2011

<sup>9</sup> Source: BARB

<sup>10</sup> Source: BARB

important that our top shows are shown on Freeview HD as well as the pay platforms.

6B.4 Channel 5 HD has proved to be highly popular with viewers in HD homes. In Sky HD homes, viewing to Channel 5 and its HD simulcast is 4% higher than the equivalent viewing in Sky homes without HD reception.<sup>11</sup>

6C. *Explain how your proposal will encourage manufacturers to build the new equipment as quickly as possible so that they can be offered widely for sale by retailers as soon as possible.*

6C.1 As referenced above, the launch of Freeview HD early last year has already encouraged manufacturers to build new equipment, starting with set-top boxes and moving to include Freeview HD integrated TV sets.

6C.2 A key component for marketing HD on DTT is a high-quality content proposition. Adding Channel 5 HD to the Freeview HD platform will complete the line up of five HD channels broadly equivalent to the five terrestrial PSB channels.

6D. *Explain how your proposal commits to undertake marketing, investment and promotion activities of new services on launch and over time (such as using existing branding) to drive take up of equipment as quickly and widely as possible.*

6D.1 Channel 5 is committed to drive Freeview HD take-up through extensive promotion, both to support our investment in the distribution of Channel 5 HD, and to help future-proof DTT, the UK's most popular digital television platform. We have a strong and proven ability to drive free-to-air television services – both through launching and developing our digital channels 5\* and 5 USA and other digital services such as Demand 5.

6D.2 As a simulcast of Channel 5, our HD channel is perfectly positioned to take advantage of our main terrestrial channel's promotional window – the most effective and efficient method of marketing television services to television viewers.

6D.3 We would use our on-air promotional assets including end pages on programme promotions, end credits promotions and live continuity.

6D.4 Channel 5's promotion of its own services has extensive reach to all parts of society. Across all TV viewers, the Channel 5 family of channels reaches 81% of adults every month; across Freeview TV viewers, this figure rises to 85%<sup>12</sup>.

6D.5 A large part of our on-air promotional activity is focused on supporting our channel brands – Channel 5, 5\* and 5 USA – and Channel 5 HD on DTT would be given similar backing.

---

<sup>11</sup> Source: BARB

<sup>12</sup> Source: BARB

6D.6 In addition, we would alert viewers to the Channel 5 HD service on an individual programme basis –the native HD shows which will be on Channel 5 HD when it launches on DTT are among the most popular and widely viewed of any on Channel 5. For example, the equivalent of all of our top 10 viewed shows from last year will be available in HD by the time when Channel 5 HD launches on DTT (see Table 4).

**Table 4: Channel 5 shows ranked by share of viewing (September 2010-August 2011)**<sup>13</sup>

Rank	Title	SD/HD
1	CELEBRITY BIG BROTHER	HD
2	CSI: MIAMI	HD
3	EUROPA LEAGUE FOOTBALL: LIVERPOOL V S.C. BRAGA	HD
4	CSI: NEW YORK	HD
5	CSI: CRIME SCENE INVESTIGATION	HD
6	FILM: FINDING NEMO	HD
7	NCIS	HD
8	THE MENTALIST	HD
9	FILM: HANCOCK	HD
10	FILM: 300	HD

6D.7 We plan to launch Channel 5 HD on DTT in Spring or early Summer next year, in the run-up to the 2012 Olympics. We believe there will be considerable synergies from combining our promotional efforts with those of Freeview and the other PSBs, to market collectively the only HD platform to have Olympics coverage and all major PSB HD channels for no monthly charge.

6E. *State when you expect to launch your services and explain how your proposal will achieve this.*

6E.1 We plan to launch the Channel 5 HD service on DTT in Spring or early Summer next year. The precise launch date rests on a number of factors:

- Date on which Ofcom makes an allocation decision
- Date of conclusion of carriage negotiations with BBC Free-to-View
- Date on which Ofcom issues a licence for the service
- Time taken to put in place technical requirements
- Precise costs of carriage [*redacted*]
- [*redacted*]
- Advisability of co-ordinating launch with other PSB marketing plans, in particular around the Olympics and the potential replacement of BBC HD with BBC Two HD

---

<sup>13</sup> Source: BARB



We expand on these considerations in the ensuing paragraphs. At the very latest we would expect the service to be launched several weeks before the start of the Olympics, as we believe there are considerable synergies to be gained from presenting the launch of Channel 5 HD and the Olympics as mutually supportive reasons for consumers to acquire Freeview HD.

6E.2 The time taken for Ofcom to make a decision and issue a licence are by and large not in Channel 5's control. One factor will be the number of applications to this ITA that Ofcom receives and the amount of time Ofcom spends interrogating each application and assessing the relative merits of each. The details of any draft licence issued by Ofcom will need to be carefully considered, although we do not believe this will hold up the process unduly.

6E.3 We note that BBC Free-to-View wishes to conclude carriage negotiations within a two month period. While we believe this is perfectly manageable, it might not prove possible in practice to conclude negotiations in this timescale.

6E.4 There will be technical lead times associated with extending the distribution of Channel 5 HD to include DTT. To meet the requirement for carriage on high-power Multiplex B, Channel 5 will commission the necessary contribution networks to deliver the HD service from our broadcast operations centre in Stephen Street to the relevant coding and multiplex centre. Channel 5 has evaluated various technologies and will deploy a mixture of uncompressed and advanced compression technologies as appropriate for this purpose, ensuring a high quality and resilient solution is in place well in advance of launch. We estimate that up to four months will need to be allowed for this phase of the launch project.

6E.5 [redacted]

6E.6 [redacted]

6E.7 We believe there may well be sound marketing reasons for launching Channel 5 HD on DTT at a time that coincides with the run up to HD coverage of the 2012 Olympics and (if feasible) with the launch of BBC Two HD. It would then be possible to put forward two strong marketing messages for the Freeview HD platform at the same time: completion of the line-up of HD versions of the major channels and the opportunity to watch the major sporting occasion of the century in HD.

6F. *Explain how your proposal ensures any potential negative impacts on the DSO programme are reduced, including potential for consumer confusion and impacts of launching new services.*

6F.1 Channel 5 believes that the simplicity of our proposal – Channel 5 HD on DTT as a 24-hour simulcast - mitigates the risk of consumer confusion around the proposition and provides an easy message to market.

6F.2 Freeview has been promoting the Freeview HD service since launch in early 2010; we would work with Freeview and the other participating PSBs to develop a clear and consistent message about the requirements to view our services – and then broadcast it via our channels. This we believe to be the most effective way of communicating with TV viewers; we reach 81%<sup>14</sup> of the UK on a monthly basis via our family of channels, an ideal target audience to which to promote Channel 5 HD.

6F.3 We understand from Digital UK that there are no continuing adverse impacts on the DSO programme from the promotion of the Freeview HD programme.

6G. *Explain how your proposal will maximise utility of the reserved capacity throughout the 24-hour period, through scheduling, content sourcing and capacity sharing.*

6G.1 Channel 5 HD will maximise the utility of the reserved capacity in two ways: first, we will seek to make the greatest possible physical use of the capacity enabled by the proposition; and second, we will look to maximise viewer desirability for the services on the capacity, ensuring their widespread use. Maximising both the supply of services and demand for such services will drive the greatest possible consumer satisfaction from the capacity.

6G.2 Channel 5 HD will occupy the DTT video stream for 24 hours per day, although we wish to reserve the option of exploring possible ways for other providers to make use of some of the day time and late night hours. Any such arrangement would clearly be subject to Ofcom's agreement and require a variation to the original licence.

6G.3 As stated later in this document<sup>15</sup>, we will broadcast a significant amount in native HD, and at the highest quality made possible by the capacity provided.

---

<sup>14</sup> Source: BARB (adults)

<sup>15</sup> See section 8B

## **7. Selection Criterion 2: Contribution to the fulfilment of the purposes and characteristics of public service television broadcasting in the British Islands**

7A. Generally explain how your proposal meets the different aspects of selection criterion 2 as detailed in Section 4, particularly how the purposes of public service broadcasting will be fulfilled in a manner that is compatible with section 264(6) of the 2003 Act.

7A.1 Channel 5 HD contributes to the fulfilment of the purposes and characteristics of public service television broadcasting (PSB) by providing viewers with a considerable part of the Channel 5 schedule in the enhanced quality represented by High Definition.

7A.2 Channel 5's programme schedule already meets our statutory obligations as a public service broadcaster, and also serves the purposes and characteristics of PSB defined by Ofcom.

7A.3 The public service remit for the Channel 5 Service is "the provision of a range of high quality and diverse programming"<sup>16</sup>. We set out clearly how we intend to fulfil that remit in our annual Statements of Programme Policy, and report on the extent to which we have carried through that remit in our annual Programme Reviews<sup>17</sup>. Both these documents are considered by the Ofcom Content Board every year.

7A.4 The Channel 5 schedule comprises a broad mix of genres, including news, current affairs, entertainment, children's programmes, sport, drama, film and a wide variety of factual programming (including science, history, documentary, leisure and lifestyle). This diverse range of programming, organised in a balanced and appealing schedule, contributes to serving the interests of different audiences, as required under the Act.

7A.5 The high quality of Channel 5's programmes is assured by a professional team of programme controllers, who commission programmes from independent production companies with established reputations that also supply programmes to the UK's other main broadcasters. We also acquire some of the best programmes and movies made in the United States, Australia and other territories.

7A.6 Much of the Channel 5 schedule will be made in native HD by the time the service is launched on DTT (see section 8B). This will include *Big Brother* and its spin-off shows, established peak time programmes like *Extreme Fishing with Robson Green* and *The Hotel Inspector*, most of our observational documentaries, our football coverage, morning shows *The Wright Stuff* and *LIVE with Gabby*, all first-run

---

<sup>16</sup> Communications Act 2003, s265 (2)

<sup>17</sup> For 2011 Statement and 2010 Review, see <http://about.channel5.com/corporate-information/statements-and-reviews>

US acquired programmes, our soaps *Neighbours* and *Home & Away*, and many feature films (including all feature films that are new to Channel 5).

7A.7 A large proportion of the commissioned programmes shown in the Evening Hours (6pm-11pm) are made in HD, including *Big Brother*, all new US series and movies, Europa League football and the majority of commissioned factual programmes.

7A.8 An increasing proportion of our documentary, specialist factual, current affairs and leisure/feature programmes is being made in HD, as the technology becomes more pervasive and we seek to improve the quality of our HD service.

7A.9 Our current news service will continue to be made in SD until the end of our current contract in 2012; we will review the feasibility of moving to HD production as we consider plans for the next contract period.

*7B. Explain how your proposal meets the purposes of public service broadcasting eg. to inform and increase understanding of the world, stimulate interest through varied content, reflect/strengthen cultural identity, and awareness of different cultures/viewpoints.*

7B.1 The current Channel 5 schedule contributes to the purposes of PSB. As our HD service is a simulcast, it serves the purposes of PSB in equal measure.

7B.2 In this section, we set out in detail how Channel 5 contributes to the purposes of PSB.

**7B.3 Purpose 1: To inform ourselves and others and to increase our understanding of the world through news, information and analysis of current events and ideas**

- Channel 5 has sustained a commitment to high quality and innovative news and current affairs. Since its launch, *Channel 5 News* has challenged the accepted norms of how peak time bulletins could be made accessible and relevant to new audiences. Today, *Channel 5 News* continues to pioneer new approaches to audience involvement and we see news as a crucial part of our PSB contribution.
- Like news, the grammar of television current affairs runs the risk of becoming set and stilted. In developing *The Wright Stuff* as a significant and valued current affairs programme, Channel 5 has recognised and met the challenge of bringing the discussion of topical, relevant issues to large audiences in accessible and engaging ways. The level of our continuing commitment is demonstrated by the fact that we exceed our annual quota for current affairs programming by over 200 hours.

**7B.4 Purpose 2: To stimulate our interest in and knowledge of the arts, sciences, history and other topics through content that is accessible and can encourage informal learning**

- Accessible factual programmes continue to form a key part of Channel 5's overall programme strategy. We have pioneered science strands such as *Extraordinary People*, which focuses on untypical individuals as the basis for exploring and explaining scientific phenomena, while *The Gadget Show* remains the UK's leading consumer technology programme.
- We retain a commitment to a range of history programmes including our well-established *Revealed* strand.
- Factual programmes continue to feature prominently in our peak time schedules, and play a key role in Channel 5's PSB commitment. Across the year we show an extensive number of documentary series that cast real light on the realities of business and leisure life today, from *Eddie Stobart: Trucks Trains & Planes* to *Royal Navy Caribbean Patrol*.
- While informal learning and self-directed inquiry are increasingly carried out on-line, broadcasting continues to have immense power to spark interest and suggest areas for viewers to explore for themselves. In recent years we have invested heavily in our website and our Demand 5 service, which makes a major contribution to supporting our PSB programming and making it more readily available and accessible.

**7B.5 Purpose 3: To reflect and strengthen our cultural identity through original programming at UK, national and regional level, on occasion bringing audiences together for shared experiences**

- Channel 5 has built up the amount and quality of our original programming, across all hours and within peak time. More than half the channel's schedule comprises original programming, and we are committed to maintaining this level.
- Since our launch, Channel 5 has invested nearly £1.3 billion in UK production. Although there was a dip in our spending on commissions due to the recession, we are committed to increasing investment in production from now on (as evidenced by the commissioning of *Big Brother*). More than 800 separate independent production companies have worked for Channel 5 since we launched in 1997 and we remain a major destination for the independent production sector.
- Channel 5 aims to provide programmes that form part of the national conversation. This approach underpins our commissioning of *Big Brother*, which we have proved remains a must-watch fixture among younger viewers; and also leads to our commissioning of sports programmes of national resonance, such as home international cricket matches and Europa League football.

- Channel 5 remains committed to a high level of original programming for children as an integral part of our PSB commitment. *Milkshake* is broadcast for 24 hours every week and consists predominately of original programming (over 975 hours of original children’s production were broadcast in 2010). Channel 5 is the principal provider of original UK programmes aimed at younger children besides the BBC, representing the only commercial PSB commitment to children of any significant volume.

**7B.6 Purpose 4: To make us aware of different cultures and alternative viewpoints through programmes that reflect the lives of other people and other communities both within the UK and elsewhere**

- Channel 5 has always had a commitment to commission a variety and range of producers from across the UK. Indeed, the makers of many of our most popular commissioned shows (including *The Hotel Inspector*, *Extreme Fishing with Robson Green*, *Cowboy Builders* and *The Gadget Show*) are from outside London.
- We have consistently exceeded both quotas for regional production. Over the last six years (2005-10), Channel 5 has spent over £110m on productions outside the M25.
- Our programmes reflect the range and diversity of life in Britain. From *Big Brother* to *The Wright Stuff* to documentaries such as *Eddie Stobart* and *Stansted - the Inside Story* they help tell the stories of a range of individuals and communities.

*7C Explain how your proposal meets the characteristics of public service broadcasting, e.g. high quality, original, innovative, challenging, engaging and widely available.*

**7C.1 High quality**

The provision of high quality programming is at the heart of Channel 5’s statutory remit. It is also crucial to our commercial success that our programmes are seen as of a comparable quality to those of the other PSB channels

**7C.2 Original**

Channel 5 invests heavily in UK production, having spent £1,276 million since we launched in 1997. Over half our schedule consists of original production – and this investment helps support the independent production sector and contributes to the economic benefits the creative industries bring to the UK economy.

**7C.3 Innovative**

Channel 5 is always looking for new subjects, new angles and new approaches when planning our programmes. *Chanel 5 News* changed the way TV news in Britain is

made, and continues to have an influence on how news is produced. The channel continues to be a launch pad for the careers of both on- and off-screen talent.

#### **7C.4 Challenging**

Channel 5 has an established reputation for accessible science programmes that use human interest stories to explain scientific and medical issues, in series such as *Extraordinary People*. Our programmes about the natural world, major engineering feats and historical events all show our viewers phenomena new to them.

#### **7C.5 Engaging**

We pride ourselves on the open, accessible and straightforward approach of our programmes. This is evident in the style of *Channel 5 News* and *The Wright Stuff*, in the way we use human stories to explore scientific ideas and concepts in our science and technology series, in the down-to-earth approach of our programmes featuring lifestyle and social issues, in our documentaries about modern British life, and in our entertainment programmes.

#### **7C.6 Widely available**

Channel 5 is available free-to-view on analogue and on all digital platforms. By the end of 2012, following the completion of digital switchover, Channel 5 will be able to be viewed by the same number of households as the other commercial public service broadcasters. A large proportion of our most popular programmes are available on our on-demand service, Demand 5. Launching Channel 5 HD on DTT will mean that viewers on all platforms will be able to watch our programmes in HD.

## **8. Selection Criterion 3: Contribution to enhancing or maintaining the range and diversity of high quality television services available on digital terrestrial television**

8A. Explain how your proposal meets the different aspects of selection criterion 3 as detailed in section 4, particularly the extent to which your proposal contributes to enhancing or maintaining the range and diversity of high-quality Television Services.

8A.1 Channel 5 HD will provide a high-quality addition to the DTT platform, which can be demonstrated in three ways. First, it is a simulcast of Channel 5, itself a high-quality popular channel. Second, there will be a large proportion of shows in native HD, including many of the most popular programmes on Channel 5. Third, the shows broadcast in native HD will benefit particularly from being viewed in high definition.

8A.2 Channel 5 is the third most popular commercial channel on each and every television platform in the UK. We spent £162m on its programmes in 2010, including premium acquisitions such as *CSI: Miami* and *Neighbours*, and original UK production with such high-value shows as *Extraordinary People* and *The Hotel Inspector*. Recently, Channel 5 has added to these shows with the commission of *Celebrity Big Brother*, *Big Brother* and their *Bit On The Side* spin-off shows – all broadcast in HD – which have proved extremely successful. Channel 5 HD is thus based on an extremely high-quality foundation.

8A.3 We expect to launch Channel 5 HD on DTT with a large part of the schedule in native HD. In particular, we estimate 50% of the Evening Hours (6pm-11pm) will be in full high definition at launch.

8A.4 Since launching Channel 5 HD in July 2010, a large amount of our schedule has moved from being up-scaled SD to being broadcast in native HD. In addition to *Neighbours* and *Home & Away*, all new US acquisitions are shown in HD – from *Castle* to *The Walking Dead* – together with all feature films which are new to the channel as well as classic films where available. Most new commissioned programmes are produced in HD – such as *The Removal Men: Pickfords* and *The Bachelor* – and certain returning commissioned series have been migrated to HD, where possible (e.g. *Highland Emergency* and *The Hotel Inspector*).

8A.5 Channel 5 HD's most popular genres include films, drama, sport and entertainment. We would look to increase the amount of native HD content in all these five key genres, including movie premieres, dramas such as *Home & Away*, *Law & Order* and *NCIS*, sports such as football and boxing, and entertainment including *Big Brother*. We expect the amount of HD commissioned programmes – notably in the sport, entertainment and documentary genres – to increase over time as HD production becomes the norm.<sup>18</sup>

---

<sup>18</sup> A recent *Broadcast* survey of facilities houses, studios and Outside Broadcast found that HD was already becoming the norm. It stated that "By this time next year...standard definition projects will have all but disappeared: 85% of survey respondents say they already work solely in HD, and those



8B. *If applicable, explain how a proposal seeking to offer an HD service will aim to provide (in the longer term) HD programming in full, native HD format, including a timetable increasing over time.*

8B.1 As stated above, Channel 5 HD would look to launch on DTT in Spring or early Summer 2012 with an estimated 50% of the Evening Hours schedule in native HD.

8B.2 We will increase the amount of native HD over time, with a view to moving to as full a schedule as possible. Table 5 sets out an indicative roll-out plan for the Evening Hours:

**Table 5: % of Five HD schedule in native HD (Evening Hours)**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Evening Hours</b>	50%	63%	66%	72%	82%

8B.3 We assume that we might never reach a full 100% of the schedule in native HD. Though nearly all new programmes will be available in full HD, we will have to up-scale older shows and those with significant archive content.

8B.4 Outside of Evening Hours, we have made significant steps towards an HD schedule. In addition to *Neighbours*, *Home & Away* and some feature films, both *The Wright Stuff* and *LIVE with Gabby* are produced in HD.

---

Broadcast spoke to say SD projects are becoming a rarity". *Broadcast*, 1 September 2011:  
<http://www.broadcastnow.co.uk/technology/preparing-for-a-tapeless-world/5031437.article>

## 9. Other supporting information

[redacted]

## 10. Declaration

### (i) Applicants (except for Channel 3 licensees)

I hereby apply for and on behalf of Channel 5 Broadcasting Limited (the “**Company**”) to the Office of Communications (“**Ofcom**”) for the reservation of digital capacity sufficient for the broadcasting of one HD service (as specified in Section 2 of Ofcom’s Notice dated 5 September 2011) in order to provide the service(s) proposed in this application.

I also apply for, on behalf of the Company, the grant of a licence for a Public Service DTSP (except in the case of any proposed service that appears to Ofcom to be a Qualifying Service in which case I hereby give the Company’s consent to Ofcom to vary the licence to which the Qualifying Service relates in such manner and extent as Ofcom considers appropriate for this purpose) and the grant of a licence for a DTAS (if any) proposed in this application.

I confirm that the appropriate payment has been submitted for this application. I further confirm that the Company consents to Ofcom publishing this application on its website or otherwise disclosing this application to any person, together with the Company’s responses to any request by Ofcom for the Company to furnish additional information about its proposal. This consent does not extend to any part of this application or such responses that the Company has requested that Ofcom should keep confidential by including such information in a separate annex clearly marked ‘confidential’.

I declare that the information given by the Company in this application form is accurate and up-to-date to the best of my and the Company’s knowledge.

I further declare and warrant that the Company is not a disqualified person within the meaning of that expression as defined in Part II of Schedule 2 to the Broadcasting Act 1990 or as a result of a disqualification order under section 145 of the Broadcasting Act 1996, and that having made all reasonable enquiries neither the Company nor any person by which the Company is controlled will, as a result of this application, be in breach of any other requirement of Schedule 2 to the 1990 Act as amended.

Applicant holder of DRL licence: Channel 5 Broadcasting Limited

Signature:

Name: Martin Stott

Position: Head of Corporate & Regulatory Affairs

Date: 17 October 2011