



THE AUTHORITY FOR TELEVISION **ON DEMAND**

Minutes of the fourth meeting of the ATVOD/Industry Forum Fees Working Party held at the offices of NBC Universal, Wednesday 14th December 2011, 10.00am

Present:

ATVOD:

Pete Johnson (mins)

Industry Forum

Janet Greco – Consultant, Broadcast Projects, representing Microsoft (by phone)

Martin Stott – Channel 5

Steve Middleton – IP Vision

Derek Nelson - Classical TV

1. Apologies

1.1 Apologies were received from Gidon Freeman of NBC Universal.

2. Minutes

2.1 Minutes of the last meeting were approved as an accurate record.

3. Matters arising

3.1 There were no matters arising.

4. Membership of the working party

4.1 It was agreed that membership of the working party would be discussed at the next Industry Forum meeting in light of the withdrawal of Chris Gosling (Retired Life TV) and Mark Rowan (EvertonTV).

5. Responses on audience metric data

5.1 PJ summarised the responses received to the requests for information:

- 16 service providers were asked about the audience data they collect. The service providers delivered their ODPS via a range of different mechanisms, including satellite, cable, set top box , open internet and mobile networks. Those approached also included providers of different scale (including 'micro' and 'small' scale rate payers) and using different business models (free to view, PPV, sVOD).
- 7 service providers responded. One of the service providers who provides more than one ODPS provided different answers for each service. All other service providers provided a single response regardless of the number of services provided. In total, responses were received in relation to 11 services.
- With the exception of one service, all collected audience data. However for services operating on websites which also included unregulated services offering video content, it was not always possible to distinguish between the viewing of content on the regulated and unregulated services.
- The data was most commonly in the form of 'number of times viewing of a programme begins' and was aggregated monthly or more often.
- Where audience data was collected but did not take the form "number of times viewing of a programme begins", it took the form of 'number of times a programme is downloaded'. At least one service which mixed streaming and downloading combined both metrics in internal reporting and counted each download as a single instance of a programme starting to be viewed.
- The service which did not collect audience data operated a subscription based 'all you can eat' business model.
- Only one service had provided an actual audience figure and others had commented on the commercially sensitive nature of such data.

5.2 JG reported back on her discussions internally with Microsoft and her investigations into commercial third party audience reporting by companies such as Comscore, Neilson and BARB, based on information obtained from analysts who work with such data. She noted that while no single company appeared able to give audience data for all notified services across all platforms and territories, it appeared to be possible that using a combination of BARB and ComScore data, such reports may, with limited exceptions, provide figures for all but the smallest services. It was noted that such reports would be subject to a charge and that further work was required to establish their applicability.

5.3 It was suggested that it might be possible to adopt a scheme in which service providers self-certified that they fell within a particular band based on audience size, with ATVOD using a range of techniques, including use of commercial third party audience reporting (as mentioned above), for verification purposes, as required. DN stated that audience data was not always available to smaller service providers in particular in a manner and at a cost which would enable them to self-certify. There was some debate over whether reliable audience data was available for services on certain platforms and about the cost and other implications associated with service providers using 'plug in' solutions such as

the Brightcove Analytics Module and Adobe's Omniture in order to self-certify. SM stated that as every piece of content had to be pulled from a server, self-certification should be possible for all services. JG suggested that the type of service might have an impact on the metric available and method of verification used by ATVOD in a particular instance, and further suggested that segmentation of different types of service provider into groups identifying their relevant associated metric(s) might also be a useful research exercise.

5.4 It was **AGREED** that 'number of times viewing of a programme begins' was considered the most promising metric, with 'number of times a programme is downloaded' likely to be useful as a proxy measure in circumstances where number of times viewing begins cannot be ascertained (though it was considered that subscription services should normally be able to access such information). However, there was still a significant amount of further work to be done before a possible tariff or methodology for verification could be fully identified. Consideration would also have to be given to the issue of 'shorter-form' versus 'longer-form' content as there may be concern that a metric based on number of times viewing of a programme begins may disadvantage services which offer programmes of shorter duration.

5.5 The working party also discussed several other audience metrics:

- Number of unique users – although this metric features widely in a number of third party reports, it was only identified by two out of eleven respondents as data currently collected for internal reporting
- Number of hours/minutes viewed – this data was not as widely collected as number of times viewing begins and in some cases where it was collected the service provider relied on estimates
- Bandwidth – this was not considered a useful metric given that bandwidth varied according to a range of (non-audience related) factors, including file format
- Number of purchases – this was not considered a useful metric given the various business models (subscription, PPV, etc)

5.6 Given that the aim of the working party was to "to identify a fee structure with longevity and around which an industry-wide consensus could be built" and that consultation on Year Three fees would need to begin in January 2012 in order for a new tariff to be set before the beginning of the next regulatory year, it was **AGREED** that the working party would recommend that ATVOD should not attempt to introduce an audience based fee structure for Year Three. Instead, the working party **AGREED** that it would work to resolve outstanding issues with regard to an audience based metric and to build an industry consensus with a view to making a recommendation in time for the consultation on Year Four fees (ie fees for 1 April 2013 – 31 March 2014).

6. Next steps

6.1 PJ to establish the extent to which commercial third party audience measurement systems were capable of providing data for services notified to ATVOD and at what cost.

ACTION: PJ

6.2 A fifth meeting would be scheduled once this action is completed.

ACTION: PJ

6.3 The Industry Forum would be asked to consider whether the composition of the working party remained appropriate given the loss of two members.

ACTION: PJ

6.4 Once approved the minutes will be published on the ATVOD website and a report on progress would be given at the January Industry Forum.

ACTION: PJ

7. AOB

7.1 There being no other business, the meeting closed at 11.00am