

## **STV Group plc (“STV”)**

### **Background**

STV has developed from its roots as the commercial public service broadcaster for Scotland to become a leading digital innovator with a strong commitment to delivery of high quality public service content.

This metamorphosis has largely been achieved in the last four years following the appointment of a new board and chief executive and subsequent change in strategy away from a previous course that left the company heavily indebted and on the brink of financial collapse. The reinvention of STV has been achieved through selling off non-core assets, focussing on the main STV business in Scotland and developing a complementary digital strategy.

STV is committed to being an innovative commercial public service broadcaster (with Electronic Programme Guide (EPG) listing; gifted spectrum; universality on Digital Terrestrial television (DTT)). But our vision extends to a future PSB remit delivering across multi-platforms. Channel 3 has evolved over its history. That is a dynamic process and we believe it still offers the best solution – a nationwide competitive system with scale which can provide strong regional content and responsiveness to differing audience needs.

### **STV is committed to innovative locally produced regional news:**

- We have provided more localised news within our evening news programmes since 2007;
- STV provides the most locally-focussed television news service in the UK, with audience share up by more than 10% this year alone;
- We have recently extended our news offering by launching the only peak time evening news programme produced and presented from the Scottish capital as well as the other key cities of Glasgow and Aberdeen together with a weekday opt-out presented from Dundee;
- We have recently increased our commitment to news and current affairs, launching *Scotland Tonight* in October 2011, a nightly news and current affairs programme broadcast across Scotland four nights a week including three distinct regional news bulletins;
- STV produced comprehensive coverage of both the 2010 general election and the 2011 Holyrood election campaigns, including leaders’ debates and full overnight results programmes;
- STV will review the opportunities provided by City TV licences to bring more localised services to audiences across Scotland;
- STV has a vision for future news delivery in Scotland that is relevant, distinctive and sustainable.

### **STV is committed to relevant, high profile regional non-news programming:**

- Non-news programming continues to have an important place within our schedule, particularly in peak time;
- Over the past few years we have produced a wide range of content including landmark series such as *The Scots Who Fought Franco* about Scottish connections to the Spanish Civil War and *Born Fighting*, tracing Scots-Irish contributions towards shaping America;

- Our programming, particularly in current affairs plays an important role in the democratic process – STV's comprehensive coverage of the 2010 Westminster and 2011 Holyrood elections was widely praised.

#### **STV Local:**

- We have invested behind a network of hyper local websites each serving a discrete community. There are currently 22 STV Local sites across Scotland each serving unique news and information and enabling local voices to be heard by encouraging dialogue and contribution. Our vision for full rollout spans 100 different STV Local sites for individual communities across Scotland.

#### **Current PSB content:**

2011 has been a year of strong news stories and increasing share for STV News, as we have expanded and improved our service, delivering the most local service in the UK.

We recognise the demand for comprehensive and engaging local services, which are commercially sustainable, and are committed to delivering this across platforms via an ambitious and comprehensive service.

In May 2011, we announced the trial of a new technology platform allowing us to launch a brand new service dedicated to Edinburgh and the East of Scotland and extending our total on-air news offering to three distinct 30-minute programmes at 6pm, with a bulletin for the Dundee and Tayside area. The pilot was a great success and in October 2011 we confirmed that we would continue with the service on a permanent basis. STV news operations around the country retain full editorial control over the output in their respective regions.

STV's audience share at 6pm has gone from strength to strength, increasing 10% year on year (Jun-December) across Scotland, with around half a million viewers watching each weeknight, and the on-air service reaching over 1.7m viewers per week<sup>1</sup>. News is one of the most popular areas of our website, with over half a million unique users visiting stv.tv/news each month.

The success and popularity of the pilot programme for the East has reinforced the fact that there is such a strong appetite for local news in Scotland and by providing tailored services, across platforms, this has allowed us to strengthen the relationship with our viewers even further.

Following the success of the STV News iPhone app, STV launched its first Android app in August 2011, providing news, sport, entertainment and weather. By end 2011, the STV News app had been downloaded over 120,000 times. This was closely followed by the launch of the STV player on Android tablets and phones, making this popular service now available via computer, Smart phones and PS3.

A significant event for STV News team was the 2011 Holyrood election campaign, of which we provided extensive and comprehensive coverage. Our coverage included

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<sup>1</sup> Source: BARB

a 7-hour long live programme from polling stations across Scotland, which was STV's biggest outside broadcast; two live leaders debates and a one-hour news special the day after the vote. The Survey findings and leaders debates were widely picked up by the Scottish media, with STV driving the news agenda and leading the headlines.

On 8 December, STV reported its strongest online performance and exceptional audience share for news programming as a result of the extreme weather in Scotland, demonstrating our reach and connection with its audience.

News coverage of the storm saw STV breaking all previous record highs with users flocking to the site and evening news programme to view footage and updates on the disruption caused by the weather.

STV's news programme *STV News at Six* achieved a record audience, which was almost double the Network share. The programme achieved an extraordinary average audience of almost 800k viewers (37% audience share).

More than 184,000 viewers tuned into current affairs programme, *Scotland Tonight*, which focused on the weather as its top story and discussion point.

STV online saw its best ever single day of traffic. Total unique browsers hit 556k, over twice STV's previous record of 263k during the 2010 Big Freeze. By way of comparison, the average number of daily unique browsers for November was 151k. The website saw almost 2 million page impressions, again double its previous best of 856k in December 2010. The average number of daily page impressions on the STV website in November was 574k. Total videos views reached a new one day high of 405k.

We continue to provide a contracted newsgathering/Scotland correspondent service for ITN.

### **Current Affairs**

For the first half of 2011, our weekly programme *Politics Now* provided high quality coverage of a wide range of issues on Thursday evenings. Hosted by Bernard Ponsonby, the show's rigorous questioning of senior politicians was complemented by insightful and engaging studio discussions.

In October 2011, STV launched *Scotland Tonight*, a news and current affairs programme bringing viewers across Scotland an in-depth look at the big news stories of the day along with politics, sports, business, arts, entertainment, live studio guests and special features. *Scotland Tonight* is a fresh and exciting approach to news and current affairs, providing a Scottish perspective on the issues that are important to people in Scotland.

Hosted by John MacKay (STV News at Six anchor) and Rona Dougall (ex-Sky News Scotland correspondent), *Scotland Tonight* airs live every night from Monday to Thursday at 10.30pm and has featured interviews with a range of guests from the First Minister to Donald Trump.

The programme considers the issues that are important to people in Scotland and as such, viewers are encouraged to interact with the show each evening. A dedicated website, [www.stv.tv/scotlandtonight](http://www.stv.tv/scotlandtonight), provides the agendas and discussion points for the show, alongside a dedicated Facebook and Twitter page allowing viewers to interact with the show live and immediately.

The new programme allows us to build on the success of our already ambitious news offering via STV News, stv.tv, STV Local, STV News apps and our popular election coverage, further demonstrating our increasing commitment to news and current affairs.

### **STV's current PSB obligations**

STV's PSB obligations are set out in its broadcast licences, which are a responsibility of the media regulator Ofcom. We have two licences; one for Central Scotland, the other for North Scotland.

For each licence, STV is required to deliver 4 hours/week of news with 25 minutes of sub regional news. We significantly over-deliver on local news and this year we will deliver twice as much micro-regional news across Scotland as our licences require.

We deliver three main news programmes at 6pm daily, whereas our licence requires only two.

Our regional current affairs quota is 33 minutes per week. With the introduction of Scotland Tonight Mondays to Thursday, we deliver almost double that - an hour a week. (Scotland Tonight qualifies as 50% news, 50% current affairs.)

For additional information, we also significantly over-deliver on non-news programming, the quota being 1.5 hours per week.