



Digital Britain The Interim Report: A response from EM Media

Introduction to EM Media

EM Media is the Regional Screen Agency for the East Midlands; one of a network of nine agencies covering the country. We work in harmony with a range of partners locally, regionally, nationally and internationally to support and invest in the digital media sector (comprising film, games, TV and interactive content and services). EM Media secures finance, nurtures talent, invests in success and raises the region's game in terms of the film and media sector. EM Media is acknowledged at all levels as an agency that has consistently set a ground-breaking and progressive agenda. After successfully operating an ERDF investment fund – the first sector and region specific fund of its kind in Europe, EM Media is unashamedly ambitious for the digital media sector; having demonstrated the sector's true value to the East Midlands economy as well as its ability to act as a catalyst for ideas, aspiration and growth. The digital media sector is the most exciting and prolific of the creative industries, in our experience.

We are working to a vision whereby East Midlands' sustainable digital industries are leading and competing globally. We focus our effort and resources in three key areas:

- Content creation
- Market development
- Business growth

And we do this through shrewd investment activity, high quality service delivery and relevant market brokerage for new digital products and services.

EM Media's relationship with Digital Britain

In *Digital Britain* we wholeheartedly welcome this focus on the contribution of the digital media sector to the economy and perhaps more fundamentally the importance of digital literacy to daily life. We recognise well the digital landscape described in the document and the challenge in ensuring the UK remains competitive globally. We also appreciate first hand the leap of faith, communication and support required when transitioning from analogue thinking and behaviours to digital interaction and delivery. EM Media is keen to play its role within the national, regional and local delivery networks that already

exist, in reaching and developing key talent in the form of content creators as well as consumers. Along with our partner national and regional screen agencies we are well placed to play a significant role in the conception and implementation of the *Digital Britain* delivery strategy. The issue highlighted here is one of visibility of this impressive and effective network that is yet to be acknowledged, built upon and fully exploited rather than (in our view) there being an assumed current deficit in the national support and development network.

Discussions and decisions on digital networks, as described in *Digital Britain* should not confine themselves to issues of wired and/or wireless. Nor should they be driven by providers or current practice alone – a user centred design model for further discussion may add texture and future proofing to the approach. And testing out the Digital Literacy issues mentioned could be implemented immediately, through media literacy pilots and programmes that are already underway. We are happy to discuss further a key literacy programme; *Cine Hubs* which began in schools in Derbyshire two years ago, that is now being rolled out across the East Midlands region. It is a fantastic example of positive multi-agency engagement to place media at the heart of the curriculum. Such a project makes a clear contribution to delivering on digital life skills, for example, and with *Digital Britain* as a strategic backdrop there is a clear opportunity to further build dissemination and testing models. A similar digital life skills model could clearly be developed for adult market segments to actively address the digital divide question. EM Media has a range of existing examples of practice relevant also to the ideas of digital work skills and digital economy skills, expressed in *Digital Britain*. The enclosed review and economic achievement documents offer further detail and examples of practice.

The final version of *Digital Britain* would be strengthened by, at the very least, more effective cross referencing with *Creative Britain*; with which a clear synergy can be detected but must be more clearly articulated to avoid the temptation of governmental silo working. The final document could potentially reflect a more considered sharing of commitments and priorities currently presented in parallel.

An appropriate package of support derived from BERR and DCMS jointly to stimulate the digital media sector whilst well overdue will be positively welcomed in better positioning the sector in relation to its contribution to the UK economy.

The Objectives

Objective 1

We recognise and support the strong (if heavy) focus on wired and wireless infrastructure; ensuring the 'pipes' are adequate for twenty first century usage and consumption. We agree that public and private partnership finance should be invested in infrastructure and that public intervention must be clearly defined and have a clearly articulated supporting rationale. We reiterate the need to think of infrastructure also in terms of communication and people-based networks that together form the digital 'ecosystem'; perhaps a more accurate mental image.

We also welcome the focus on citizens and support all measures to counteract the potentially damaging effect of a 'digital divide.'

Objective 2

In terms of a dynamic investment climate, by way of example please consult page 10 of the enclosed economic achievements document which provides a simple visual of how dynamic EM Media's investment activity has been over the last year in the East Midlands. The document lays out simply EM Media's approach to investment in digital media; in content and in actively creating market opportunity.

I offer the example of the East Midlands to demonstrate the live connection between emerging government policy and existing, intelligent practice. Working across film, games TV and interactive sub-sectors presents no fears, offers tremendous synergies and stimulates the East Midlands and the UK melting pot of next generation content creators. The USP of the East Midlands is that it is a region of innovators and early adopters.

In terms of making the UK an attractive place for both domestic and inward investment in our digital economy, we would support, in this era of convergence, consistent levels of financial incentives across the spectrum of digital media, such as the application of tax credits for the videogames and interactive sectors along similar lines to those that already exist for film production.

We would encourage that the final report fully considers how the interactions between the five objectives could help create a dynamic investment climate. For example, by linking digital networks with the economics of digital content, the proposed Rights Agency could work with the Next Generation Access Networks Strategy Group to explore how any public incentives in next generation broadband deployment could facilitate market-led business models that generate revenues for content creators alongside free access to consumers.

Objective 3

Perhaps least well articulated in the document are ideas to ensure quality control other than through the (in our view) somewhat limited solution of the current terrestrial broadcasters; who themselves are struggling to adapt to the digital landscape. The digital landscape is undoubtedly bringing for them fear (perceived and actual) of the loss of power and control, new business models of which they have no experience and new and unfamiliar ways of working; partnership borne out of necessity being a key one. Moving forwards, content creation is less rather than more likely to come through formal channels established out of 50 or so years of unchallenged practice.

Overlooked by the interim *Digital Britain* report is an understanding of where the new quality control points will be and in fact, are already. They are not within the traditional institutions. We would argue

that it is time to 'reset our defaults.' Young people (the under 25s) do not operate with the same terms of reference as older generations. The model of the (all powerful) broadcaster carefully selecting content for the (grateful) public to consume is out-moded. Living in a networked economy as we do, which is democratic in nature there is a resurgence in the power of personal recommendation and personal networks. Rather than trust being placed in longstanding institutions, taste, quality and viewing habits are being determined by peer opinion which is spread virally through mobile and other devices. Two key questions therefore arise. The first is how we find the new generation of quality content curators, who will need economic, life and work digital skills. The point here is that not only is it possible for young people to bypass the formal cultural institutions in favour of their chosen YouTube content, but rather that they will access, for example, the Tate Modern website as a consequence of clicking through the name of a director simultaneously making work for their own MySpace page; helping a fellow artist with documenting their installation and working on spoken word interpretation of works at the Tate.

Key challenges therefore include, identifying and creating flexible infrastructures, allowing interventions to keep up with and support the new arbiters of taste and identify where 'real-world' quality control can play a meaningful part. The notion of 'content' will challenge us constantly, as it is not only that which is formally distributed by currently recognised sources that will impact on citizens' lives and experiences. The example above may be arts specific, but extending the search/curation question to public services presents significant challenges to current notions of relevance, accuracy and permanence.

The second question is whether there is a different role for regulation in the future; that more actively targets meaningful, responsible, informed choice-making regarding the sharing of IP, along the lines of *Creative Commons* i.e. that is educative and preventative. If revenues payable can be agreed earlier in the distribution process, then 'free at the point of consumption' is an expectation that can be met and becomes the business model rather than illicit IP exploitative activity. Again, this implies a focus on growth areas rather than defensive contributions from existing gatekeepers, and a realistic evaluation of what could be lost at the model conversion point might help move industry forward.

Objective 4

The above comment regarding our support for a focus on citizens and all measures to counteract the potentially damaging effect of a digital divide is relevant here alongside the examples of digital literacy also given earlier and detailed in the review documents enclosed with this response.

Objective 5

We have identified earlier in this response our understanding of infrastructure; that the term encompasses people-based networks alongside the wired and wireless ones. We would also welcome wider debate about public service broadcasting and content within a digital context rather than an analogue one.

Actions

Action 10

EM Media would welcome playing a part in these discussions given the volume of high quality content we have commissioned in the last few years specifically through our investment fund and more generally in relation to our clear role in fostering UK creative ambition. Please see the accompanying review and economic achievements documents as evidence of EM Media's innovative, creative and economic achievements to date.

Action 11& 12

We strongly suggest considering an approach also of educating and supporting informed choices regarding IP sharing i.e. preventative activity.

Action 14 & 15

We believe there is a broader debate to be had about government plans for provision of original UK content. The current focus is a little analogue in tone and does not take into consideration where content is being generated, by whom or at what speed it is being consumed through viral take-up. Nor does it take into account the diversity of the UK; has consideration been given to the tremendous opportunities for non English speaking content?

Action 16

We are surprised at the prominence given to the debate about who Channel 4 should partner/merge with. The greater issue of a second formal public sector service provider set against the plethora of informal content supply networks and the role of public intervention within this landscape is the less domestic discussion and requires broader engagement and analysis.

On the Channel 4/BBC Worldwide issue, it is clear these two entities are more like-kindred than other options so far mooted but this is not to say that the post merger entity will fare any better in the market given so little mind shift will have been required. It is a comfortable match rather than an entirely strategic step change that will be required to compete in the digital landscape. In relation to the point above, the Channel 4/BBC Worldwide question is by far the more domestic conversation we would argue.

Action 17 & 18

Both of these elements require the inclusion of the human network element discussed earlier as a key contributor to infrastructure and consideration of consumers to avoid sterile technical discussion potentially in isolation from users.

Action 22

EM Media recommends a broader a definition of media literacy than that Ofcom is currently working to in order to better reflect reality.

In summary

EM Media welcomes the publication of the *Digital Britain* report. We look forward to making a meaningful contribution towards fostering UK creative ambition specifically and strengthening the digital economy more generally. The report provides a timely opportunity to focus on the contribution of the digital economy to the UK's competitiveness and global positioning.

Debbie Williams**Chief Executive, EM Media****9th March 2009**