

Broadband Stakeholder Group

Mission and Objectives 2007-2008



Introduction – What is the BSG?

- The Broadband Stakeholder Group provides a neutral forum for collaboration for organisations across the converging broadband value-chain to discuss and resolve the issues related to the development and exploitation of broadband that affect them all.
- It aims to be a 'critical friend' of government and the regulator, and comprises companies from the telecoms and technology sectors through to content providers, rights holders. It also has direct representation from government departments and Ofcom.
- It focuses on strategic, medium- to long-term challenges that affect the whole broadband-enabled value chain, with the ultimate aim of helping to create a strong and competitive UK knowledge economy.

This document sets out the BSG's mission and objectives for the next two years. The plan sees our focus on the development of a globally competitive communications infrastructure continue and also strengthens our work on digital media policy and regulation. We will also look to make a valuable contribution to the digital inclusion agenda. To do this we will work to understand the implications of the changing marketplace on the policy and regulatory framework in the UK and Europe, and look overseas to assess how the UK fares against global competitors in terms of next generation broadband access.

Addressing key challenges in the converging value chain

The BSG was established as a cross-sector government advisory group in 2001 to help the UK lead the G7 in broadband penetration and connectivity¹. Good progress has been made against this objective, but the challenge of being a world leader in the deployment, adoption and exploitation of broadband has not gone away. Indeed as new products and services are developed in the UK and around the world that require greater bandwidths, the challenge to deliver next generation services in the UK via a commercially effective models will become more profound.

Key challenges:

- How will the next generation of broadband access networks develop to support emerging services and applications and enable the UK to compete in the global marketplace?
- Given the significant investment costs involved, how will these next generation services be made available outside the more commercially attractive high-density areas?
- In a world where the consumer's relationship towards media is increasingly on-demand and interactive, and new innovative business models are required

¹ The UK target was to have the most competitive and extensive broadband market in the G7 by 2005.

to support investment, what does an effective media policy and regulatory framework look like?

- As entertainment, information and public services move increasingly online and across different platforms, how can we ensure that citizens and consumers are not left behind, and thus denied access to potential social and economic benefits?
- How can UK plc make the most of the convergence opportunity and thrive against our global knowledge economy competitors?

What is the BSG model and why is it well placed to address these issues?

The Porter Report on UK competitiveness² highlighted the significant impact that 'institutions for collaboration' (IFCs) have on competitiveness and argued for the existence of new and more effective institutions to 'enable a stronger private collective action, and to strengthen the development and the interaction within clusters³'. As an IFC, the BSG model has proved successful over the last five years in tackling cross-sector medium to long-term problems that face policy makers, regulators and business. Its essential features are:

- A well-established and unique forum for enabling cross-sector dialogue
- Good representation of commercial players across the value chain
- Neutrality and independence
- A culture of collaboration towards shared medium- to long-term UK plc goals
- Direct and regular participation and commitment of DTI, DCMS and Ofcom
- A proven record of taking an informed, balanced approach to complex commercial, regulatory and policy issues.
- The ability to effectively influence policy debate at UK and EU level
- A dedicated and experienced secretariat

Mission

Mission for 2007-08

Based on the challenges currently facing industry, it will be our mission in the next two years to:

- **Maximise the benefits of an inclusive broadband-enabled society to ensure UK competitiveness**
- **Promote the development of globally competitive communications infrastructures and services**
- **Champion a policy and regulatory framework to capitalise on convergence**

² UK Competitiveness: Moving to the next stage, DTI Economics Paper No. 3, May 2003.

³ P.31: "A wide variety of organisations also have a significant effect on competitiveness. These entities, which we refer to as institutions for collaboration (IFC's), are neither firms, government entities, nor universities. They include, for example, chambers of commerce, industry associations, professional associations, trade unions, technology transfer organisations, quality centers, think tanks, university alumni associations, and others. IFC's perform important roles as intermediaries that organise and perform collective action and enable more effective collaboration between parts of a cluster".

Objectives

This mission breaks down into some more specific objectives:

- Work to ensure that the availability of bandwidth in the access layer meets commercial demand and is not a constraint in the development of new products and services or in delivering public services
- Investigate how sustained, efficient investment in next generation broadband can be enabled in a commercially viable manner
- Monitor and report on the development of next generation access networks and digital economies in overseas market
- Propose measures that will allow the UK to maximise the benefits of an inclusive broadband-enabled society.
- Continue to provide a focal point for UK industry to discuss, and as appropriate, convey a joint response to the revision of the TV without Frontiers Directive.
- Facilitate debate between industry and policy makers in UK and Europe to discuss and resolve self- and co-regulatory approaches to media regulation.
- Work with industry, government and other organisations to take a coherent approach to media literacy and digital inclusion.
- Engage more proactively with mid-tier entrepreneurial companies driving innovation.
- Perform a 'knowledge transfer' role, aiding understanding of the converging marketplace in order to inform effective policy making.

Work programmes

Our work will fall into three main work streams:

- Next Generation Access
- Content/Media Policy and Regulation
- Digital Inclusion

To support these activities work will continue on monitoring the commercial marketplace and global competitors. The following outlines our plans in these areas, although we will remain flexible to apply the BSG model where appropriate.

Three main work streams

1. Next Generation Access

The publication of BSG's report on Next Generation Access in Jan 2007 will launch a series of work on NGAs:

- We will facilitate a debate on the report's findings within industry, regulators, central and local government, through seminars, round tables, conference presentations etc
- The report's recommendations are likely to stimulate work around:
 - Sector-specific regulation (for which Ofcom is directly responsible)
 - Non-sector specific regulation (planning, streetworks etc)
 - The role of public sector interventions (DTI and RDAs)
 - Effective use of existing infrastructure and investment
- We may also undertake research on value chain economics to further inform this debate

2. Content and media regulatory/policy environment

BSG's facilitation of a cross-sector UK industry response to the review of the TVWF directive will continue through the next year, but we will also look to tackle a number of the regulatory/policy issues that are emerging in its wake:

- We will look to facilitate the evolution of the self- and co-regulatory environment as Chair of the Co- and Self-regulatory Forum
- We will facilitate discussion around a cross-sector approach to online audiovisual content labelling (initial meeting 22 November)
- Media literacy – Improved citizen/consumer understanding and engagement with digital media and technology is perhaps the most important challenge in the value chain. Improving media literacy also goes hand in hand with reforms in media regulation. BSG has joined the Associate Parliamentary Media Literacy Group and the Media Literacy Task Force, and will look to feed into this debate.

3. Digital Inclusion

- Digital Strategy – The DTI will shortly be undertaking a review of the government's Digital Strategy, looking particularly at the digital divide. BSG will feed into this review process

Two supporting activities

Understanding the commercial market place

Convergence offers significant opportunities for the UK, but it also brings huge disruption and uncertainty. Understanding this fast changing environment is essential for strategy and policy development. BSG will continue to facilitate cross-sector dialogue to increase understanding among stakeholders to ensure that policy making is informed by an accurate understanding of the marketplace. In particular it will seek to engage more proactively with the growing number of entrepreneurial mid-tier companies that are driving much of the innovation in this space. Relevant issues could be, but are not limited to: software, standards, DRM, social networking, content (production, management, delivery), mobile TV and IPTV, the connected home and devices.

Understanding global competition

Allied to understanding the converging market place is the need to understand our global competitors. BSG will operate an NGA 'observatory', which monitors and reports on the development of NGAs in overseas markets. We will benchmark overseas activities against the UK's progress (based on a balanced set of demand and supply-side metrics), and comment on the implications for UK plc.

How does BSG work?

The BSG currently consists of an Advisory Council (top-level representatives from key members), an Executive (the main decision making body) and Working Groups. Early next year we will also be introducing two working groups – Next Generation Access and Content/Media – to develop and guide the respective work streams with the secretariat.

BSG supports cross-sectoral collaboration in three ways:

- *Inform* – As well as informing members on market developments through face-to-face meetings, seminars and conferences. BSG will also enhance engagement online by aggregating views, opinions and information through the website (currently being updated to allow for more interactive functionality).
- *Debate* – Providing a forum for cross-industry debate and networking is one of the BSG's primary functions and biggest strengths. Open debate also acts as a useful issue-finding mechanism, and emerging issues can be further developed into work streams to determine possible solutions as necessary. We will continue to work with Intellect to run the Convergence Conversations and will explore opportunities to run further seminars and events.
- *Influence* – While cross-industry consensus may not always be possible, it is often necessary to influence policy development and regulation at UK and EU level, either on an agreed position, or simply to provide policy-makers with access to the debate. BSG has a sound track record in facilitating this type of engagement and can continue to provide a useful focal point across a wide range of issues.

Membership

As part of this next phase of work BSG will be actively strengthening its membership, and will be inviting a variety of organisations to join the Executive and working groups. To discuss how your organisation can become more closely engaged with BSG and play a role in the development and realisation of these new work streams contact camilla.young@intellectuk.org