



Statement 2010

Overall strategy / major themes for the year

STV holds the broadcast licences for the central and northern regions of Scotland and attracts more than 4 million viewers each month, making us Scotland's most popular peak time TV station. We have a strong recognisable brand, an innovative and growing digital business, and are well placed to deliver a distinct, creative and relevant schedule for viewers, including a high level of original production, across Scotland in 2010 and beyond.

At the heart of STV's strategy is our commitment to content, presenting a service that is relevant and unique to Scotland. Our plans for 2010 will allow us to continue our strategy of taking control of our destiny and our schedule, investing in more high quality Scottish content and the creative economy of Scotland. We intend to deliver a distinct schedule for Scotland, comprising an increased level of home-grown production and some key acquisitions to complement the best of the network material. STV will remain committed to the ITV Network but also to injecting a significant amount of Scottish content in this digital age.

As a commercial broadcaster with Public Service Broadcasting obligations, our primary target demographic is all adults across Scotland, plus 16-34s and ABC1s as a specific target group. Through implementation of a stronger schedule for 2010, we aim to maintain and build on the strong position we have in the broadcasting landscape.

STV is at the heart of news and current affairs in Scotland and performs an educational role in the life of the nation. STV welcomed the recommendation within the Digital Britain White Paper that public funding be made available for channel 3 news services. We are delighted that Scotland has been selected as a pilot area and will participate fully in the process in 2010.

STV provides a platform for new talent and internship for those wishing to embark on a career in broadcasting. Throughout 2010, we will continue to embrace our partnerships with various educational institutions and will further develop ideas to engage with new talent, via programming and online opportunities.

Delivery of content via multiple platforms will be a key theme for 2010, as we aim to further intensify our digital strategy. With viewers becoming more media literate, we will continue to provide a more enhanced online service, with rich content and additional interactive opportunities. We will add more programming to the STV Player and our growing online news team will provide an increased level of sports, entertainment, local and national added-value news, supported by video. We will continue to grow our interactive site, STV Local, engaging with communities across the country.

Our work with Digital UK will intensify in 2010 as switchover takes place within the STV north licence area that year, and continues in the STV central licence area in 2011. We will ensure open communication with our viewers to help make the switch as seamless as possible, will introduce educational on-air promotions and will work with Digital UK where possible to help facilitate a smooth transition.

The future of terrestrial broadcasting is very much in the spotlight and throughout 2010 we aim to engage with stakeholders across all sectors, ensuring they are aware of our plans for the future of broadcasting in Scotland. Our focus will be to ensure that Scotland maintains a strong Scottish broadcaster in STV, delivering a relevant and distinct schedule for viewers and contributing significantly to the creative industry in Scotland.

Significant Changes

There are no significant changes planned for 2010.

Innovation, Experiment and Creativity

STV's digital business is a core part of our clear vision to be Scotland's media brand of choice and we will continue to develop our online offering. We aim to work in more creative ways to build rich content. For example, in 2009, we engaged with new columnists via an innovative writing competition and this will roll out well into 2010. We aim to expand on these ideas to find new talent and further engage our audience. stv.tv has grown from virtually no traffic to over a million unique users a month in less than two years and we are consistently striving to reach higher targets. Our online video site, the STV Player, offers viewers catch-up services using world class technology. In the final quarter of 2009, the STV Player averaged 1 million page views per month.

We will continue to schedule dynamically and creatively, in order to produce a schedule that is distinct and relevant for viewers in Scotland.

In 2010, we plan to launch a station-wide health related campaign that will cut across our entire business – from digital to sales, from marketing to content – with a view to engaging with our viewers in a large scale initiative. Plans for this are in the early stages and we see ourselves fulfilling a strong public service broadcasting remit, as well as making this work commercially for our business and driving some strong on-air and online content.

STV has been awarded spectrum for the delivery of High Definition services and we are committed to delivering this important consumer development to our viewers.

We will continue to innovate with our on-air competition, Watch To Win, which engages viewers by asking them programme related questions and offers a range of top prizes.

Tier 2 arrangements

Our programme plans for 2010 are designed to meet or exceed all minimum licence quotas for STV.

We have a target of 206 hours of news per licence area which will be fulfilled via STV News programmes and bulletins in each region.

In non-news, each licence is required to share a minimum total of 1.5 hours of programming per week, making a total of 78 hours across the year. This will include 29 hours of current affairs. STV is also required to produce 30 minutes of non-funded Gaelic material per year, and to broadcast 30 minutes of funded Gaelic in peak, along with 52 hours of funded Gaelic material per year (subject to delivery).

STV is committed to an increased number of home-grown productions in 2010 and we are confident that we will outperform this target. We regard these targets as a floor, not a ceiling.

We have a host of original programming planned for 2010, with a significant amount of this material planned for peak, and we look forward to confirming our schedule shortly. We are placing a number of our new programmes in high profile 8pm and 9pm slots, providing maximum opportunity to build strong and loyal audiences.

We are confident that we will meet our targets in relation to independent productions in 2009 via the Network. STV remains supportive of the independent production community and we will commission independent productions on a merit basis. At our headquarters in Pacific Quay we have been able to offer favourable rates for independent production companies to use our office space and post production facilities. In the past year we have built fruitful relationships with Shed Productions, BBC, Natural World/Discovery Channel and Talkback and we hope to further develop our ties with the independent production community going forward.

We plan to subtitle all of our regional programming in 2009.

Programme Offer

News

Securing the future of news in Scotland has been a critical theme for us in 2009 and we have welcomed the recommendations within the Digital Britain White Paper for the setting up of Independently Funded News Consortia with associated pilot schemes. As the current provider of the service on the Channel 3 Network in Scotland and the only incumbent provider to be bidding for pilot scheme funding we believe that our excellent track record and ability to innovate in the delivery of news services places us in a strong position to run future services. We will participate fully in the process in 2010, which will help ensure the continuation of a well-funded, comprehensive and high quality news service on Channel 3, providing plurality and real consumer choice for viewers in Scotland. We remain committed to providing viewers in Scotland with what research has shown is a much valued, comprehensive and wide-reaching multi-platform news service.

It is anticipated that the news pilots will come into effect late 2010. As per our licence conditions, we will continue to invest in our current news service, which provides high quality, comprehensive, impartial coverage nationally, regionally and locally.

We will maintain our distinct and accessible 30 minute programmes each weeknight at 6pm, STV News at Six, across both licence areas. In addition to our main 30 minute evening programmes, we will provide a 5 minute insert into the ITV Lunchtime News and headlines into the evening and late ITN news, across both regions. We will continue with our split-news local bulletins for the north and south regions of STV north's transmission area; and the east and west regions of the STV central transmission area. These sections are incredibly popular parts of the programmes and we have a vision to introduce a further local opt in the Highlands and Islands. We have also expressed willingness to produce a local opt for the Borders regions. These developments would very much depend on the outcome of the IFNC process.

We will continue to have journalists based in our production centres in Glasgow, Edinburgh, Dundee, Inverness, Aberdeen, as well as Stornoway, at Holyrood, and Westminster, allowing us to deliver comprehensive coverage throughout the year.

Behind both of our regional news programmes is an ethos of story telling and connecting with our viewers. STV News in the north and central regions deliver very strong audience shares, offering a strong counterpoint to the BBC. We believe that plurality of news services across Scotland is essential. STV News consistently outperforms the main 6pm competition on the BBC. In 2010, we will continue to deliver a range and balance of fresh, relevant news stories and in-depth, critical reports where necessary.

The news section of our website is the most popular section of the website. Traffic to our online news pages increased in 2009 and interactivity continues to be key to our news offering. We have six dedicated members of the team working on online news, as well as other digital team members ensuring the site is fully up-to-date. We regularly include online polls, tying in with topical stories and current events, encouraging our users to interact with the site, and will continue this in 2010.

Social networking is growing ever more popular. Users of our site can now follow STV news on Twitter; and John MacKay's blog has its own Facebook page. In 2010, we'll be investigating ways of engaging with social media even further.

We will continue to welcome viewer's news via email and mobile phone, making sure we are reporting the news that matters to them across platforms.

b) Current Affairs

In 2010, we intend to bring our viewers up-to-date and comprehensive coverage in the current affairs strand.

2010 will see the return of our weekly programme *Politics Now*. Presented by STV's political editor Bernard Ponsonby, the show will cover all the key political issues shaping life in Scotland, with reports, interviews and debates in an accessible and informative way.

A Westminster General Election will take place in the first half of the year, with a campaign expected to generate considerable public interest and engagement. As a station, we intend to provide in-depth coverage of the political battle. In addition to extensive news coverage, we plan to broadcast half hour, face-to-face interviews with party leaders along with a set-piece debate where leading politicians will field questions from an audience of voters. On election night, we plan to broadcast a comprehensive results programme bringing viewers all the key results, action and drama from around the country. Our on-air activity will be fully supported by our online team, offering an alternative platform for viewers to gain information on the election.

As we have done in 2009, our experienced and dedicated news and political teams will react swiftly to current events. Our ability to control our own schedule and to schedule programmes dynamically means that we are able to quickly insert topical programming into peak time slots when appropriate. We will continue this into 2010.

c) Other Programmes

We have a range of new series in development, production and post-production for 2010 which will be rolled out during the course of the year. We intend to experiment and diversify our programming, aiming to reach a wider audience than previous. Whilst our target audience continues to be all adults we also aim to capture targeted demographics such as a younger male audience.

In line with our programming strategy, which is focused on increasing home-grown production, we have a range of dedicated first-run programmes with higher budgets and excellent production values planned.

STV has committed to producing a new series of popular drama, *Taggart*, in 2010. We will co-commission the series, with a view to transmitting the episodes first on STV, ahead of any other co-commissioner or co-producer.

In January we will broadcast 6 X 60" programmes as part of a series entitled *Football Years*. Narrated by Peter Capaldi, *Football Years* takes six significant years in the 'beautiful game' and revisits the highs and lows via a combination of archive footage and talking heads. There is a real appetite for football amongst Scottish audience and what's important about this documentary series is that we're confident it will hold even wider appeal across our audience.

We have been filming with troops in Afghanistan for a new series called *Scots At War*, which looks at the significant battles Scottish troops have been involved with from history to current

day. In line with our strategy to drive significant value into programming via fruitful partnerships, this six part series is a co-production with History.

We have also been filming with vets at the Royal Dick Vet Hospital in Edinburgh in the latter part of 2009, and aim to air this 6 part observational documentary in Easter 2010.

Our Champions League and Rugby programming will continue on STV in 2010, with the current deals running for the remainder of the current season. Sport is important to STV and we are currently considering how a new weekly sports or football focused magazine style programme might work well in our schedule and we have taken the idea to focus groups to help inform our decision.

We are also planning a significant new series for 2010, tie-ing in with the excitement around the World Cup, focused on Scotland's greatest ever football players. This programme will be interactive and will positively encourage viewers to go online to engage more closely with the series.

Our daily magazine-style show, *The Hour*, will continue in 2010. The series regularly performs well in what is an extremely competitive slot and is an excellent area for us to showcase some of the excellent talent we have at STV, as well as a place to find and develop new talent in the industry.

Our strong mix of planned original productions will be of relevance to viewers across both licence areas (north and central), reflecting cultural identity where relevant and engaging with the audience via high quality content.

In line with our programming strategy, we will explore potential acquisitions which we believe will perform well and appeal to the STV audience. We have acquired the much talked about and edgy Australian drama series, *Underbelly*, and this is scheduled to run in the first part of the year.

Additional Matters

Cultural and Other Diversity

As we enter 2010, STV will employ in the region of 350 members of permanent staff. We will engage with hundreds of freelance staff throughout the year as our production levels increase. STV remains committed to diversity both within our workforce and on-screen. For four years now we have received the 'Two Tick' award from Job Centre for inclusive employment practices and we aim to win this again in 2010.

We will continue to offer our one-minute programme sponsorship opportunities, which offer a number of groups in the community access to a broadcast audience and allow high profile opportunities for groups hoping to raise awareness of key issues, such as breast feeding, coping with stress and healthy diet. These campaigns have proved hugely popular in 2009 and we are confident of their future success in 2010.

In the structuring of the STV schedule, our Channel Controller and Commissioning Group will construct a varied schedule which reflects the distinctive cultures, institutions and communities across Scotland, touching on topical events where relevant and ensuring a strong mix of programming and a distinct schedule for Scotland. We will continue to broadcast a common schedule for non-news across STV north and STV central, creating a broad range of culturally diverse material which is available across the country.

Promotion of Media Literacy

We will continue to make our viewers aware of the nature of the content on STV, allowing them to make informed decisions about their viewing and ensure that it is relevant and

appropriate for them. We have dedicated announcers who are well informed regarding programme content and compliance procedures, helping ensure that viewers are fully informed via on-air announcements. STV's marketing and PR activities also strive to enlighten viewers as to the nature of our content. Scheduling decisions are also carefully considered by STV's Commissioning Group.

We frequently promote our website and STV Player both on-air and in the press, allowing viewers to access additional information and support material on our programming as well as catch-up and archive services. With increasing numbers of viewers utilising our online services, we will continue to update the content available and provide new added-value and in-depth content, encouraging viewers to engage with television via new technologies.

One of our new series outlined for 2010, will actively encourage viewers to go online to pick their Scotland dream-team, linked directly to one of our new series. By tapping into a popular pastime and hobby, we are certain a high percentage of viewers of all ages will engage with the series online.

On stv.tv, content is available 24 hours a day, seven days a week, meaning that post-watershed material is available for catch-up. Where we have provided an on-air warning prior to the original transmission, we will indicate this online with a 'G' (guidance) and provide a short explanation as to the reason for this. There is also an option online to restrict access to content.

STV is a member of the Media Literacy Forum and will actively attend meetings in 2010. Throughout 2009, STV has carried out a comprehensive public affairs plan, engaging with a number of stakeholders including politicians and opinion formers. We have clearly outlined our priorities as a Public Service Broadcaster and the issues facing the industry in a digital era. We have a very clear communications strategy and an open-doors policy with regards to our work. These messages have in turn been relayed via the press and via public debate, encouraging wider understanding.

We will continue to offer our staff relevant training to develop and enhance their skills base; and, as in 2009, we intend to engage significantly with the freelance community throughout the year.

We are also well represented in the industry conference circuit and are already lined up to participate with TV in the Nations and Regions Salford Conference and the Edinburgh International TV Festival. We also intend to engage with Westminster Media Forum and will take advantage of other opportunities, to ensure understanding across the UK about the issues facing STV and the industry.

Digital switchover takes place for STV north in 2010 and for STV central in 2011 and we will work closely with Digital UK's representative in Scotland to communicate fully the implications of the initiative. Where possible, we will support the organisation via public relations, on-screen promotional information, via our current affairs programming and online at stv.tv and we have devised a comprehensive marketing plan to ensure a co-ordinated and effective approach. On-air promotions are due to begin early 2010 in STV north; and our news programmes will highlight key dates for viewers. We recognise that consumer knowledge is key to a successful switchover and we will help facilitate this as far as possible.

We intend to continue to be transparent about our role in Scotland and will continue to communicate this via a range of channels. We plan to develop further our fruitful relationships with educational institutions, such as Napier, West of Scotland and Stirling Universities. We will continue to work with a range of bodies in the creative industries including Chambers of Commerce, SISG, BAFTA Scotland, RTS, SCDI, NESTA and RSAMD, to promote awareness and understanding.

We will continue our relationship with Common Purpose, an organisation which works with adults and children to create fully engaged and properly informed citizens, to develop leaders of society. We anticipate studio visits at both our Glasgow and Aberdeen studios. We will

also continue to open our doors to members of the public, educational institutions and community groups and will offer our usual range of studio visits, in a bid to encourage greater understanding of broadcasting in Scotland.

Public Input

Viewers regularly contact us via our feedback initiative, Your View – either by telephone, email or through the contact form on our website. Our viewers continue to be of paramount importance to us in 2010 and we will always welcome feedback on our programming, brand, schedule and online activities. Our website, stv.tv, is now better equipped to deal with comments and these are regularly monitored by our dedicated digital team.

Focus groups carried out in the latter part of 2009 will inform our programming and scheduling decisions in 2010. We intend to carry out further independent research in 2010, which will be carefully planned and managed by our marketing team. Our Research Manager will also work more closely with our Station Controller going forward to ensure that programme performance and careful slot analysis plays a key informing role in future commissions.

We anticipate gaining valuable feedback via our frequent studio tours throughout the year, which allow us to engage with the public on a more first-hand basis.

We will continue to engage with elected officials throughout 2010, ensuring open lines of communication with MPs and MSPs at Westminster and Holyrood.