



STV Review 2012

Overall Strategy / Major Themes for the Year

STV has confirmed its place at the heart of communities and the creative industries in Scotland in 2012.

The signing of new Channel 3 networking arrangements with ITV and the Secretary of State's recommendation, in November to permit the long term renewal of the Channel 3 licences to STV in Central and North of Scotland has provided a strong platform for us to enhance the consumer experience and further build the STV brand.

STV is committed to delivering high quality public service content that not only informs but engages its audience. It is imperative that we deliver a schedule that is distinct and relevant to Scotland, reflecting the cultural, political, sporting and wider differences that make the country unique. Our focus is to create and deliver a distinct schedule for viewers in Scotland - combining the best Channel 3 network material with a diverse range of original, relevant Scottish productions.

STV reaches an average of 94% of Scots over the course of a month and on average attracts a higher audience share at peak time than the ITV network. *STV News at Six* is also currently achieving its highest audience share figures for 10 years. These are all clear indicators that STV is delivering programmes that are relevant and engaging for audiences across Scotland.

Throughout 2012, STV's transition from a traditional broadcaster to a digital media company has continued to develop as we make content readily available and free across multiple platforms anytime, anywhere.

The creation of innovative, high quality and relevant material across new platforms remains key to our business and we continue to work with partners to deliver unique, compelling content wherever and whenever our consumers choose to access it. In 2012, the STV Player launched in Apple App store and Google Play and in the first three months achieved 269,000 downloads. The STV Player also went live on YouView in August.

In 2012, we continued to deliver the most comprehensive local television news service in the UK, via three distinct evening programmes and an opt for Tayside; extensive online news coverage at stv.tv; the STV News App via iPhone and Android; an additional news and current affairs programme, *Scotland Tonight*, four nights per week; and the continued roll-out of a network of local websites via the STV Local service.

Our website, stv.tv, is achieving 3.3 million unique browsers and over 20 million page impressions per month and is the go-to place for news, sport and entertainment in Scotland.

STV's local offering continued to evolve throughout the year with the launch of metro sites for Glasgow and Edinburgh in May 2012, providing us with opportunities to engage with communities across the country at a local level.

STV continued to support and partner with the charity, the STV Appeal in 2012. STV dedicated programmes to the Appeal, which supports children and young people in Scotland affected by poverty. The STV Appeal 2012 raised over £2million.

In 2012 STV also continued to play a key role in enabling significant investment in Scotland's creative industries and provided considerable employment opportunities across the country.

Significant Changes

There have been no significant changes in 2012.

Innovation, Experiment and Creativity

As Scotland's leading digital media company, STV prides itself on being at the forefront of advancing technologies and creating an environment that fosters innovation.

In 2012, the STV Player launched on YouView and is now live on YouView set top boxes and available within the STV licence areas of Scotland. STV was selected as one of the first two initial additional content partners from over 300 expressions of interest from potential content partners.

In November this year we announced STV will be the first UK broadcaster to implement Gigya's social infrastructure technology on stv.tv, making our sites completely social, and helping to form deeper relationships with existing consumers. With Gigya, stv.tv will be able to leverage a comprehensive range of social plugins that are designed to work seamlessly together, allowing users to easily engage with content and each other. Gigya will be integrated across stv.tv in early 2013.

In 2012, STV made TV and legal history by becoming the first broadcaster to film during sentencing at the High Court in Edinburgh. An STV camera filmed Lord Bracadale passing sentence on David Gilroy, offering viewers a unique insight into trial proceedings. This was the first time in the UK that television news cameras were allowed to film a sentencing in a criminal court and STV was instrumental in making that happen.

In the past year, state of the art technology has been introduced within our Aberdeen studio. Investment in new automated technology is enhancing our news gathering capabilities and the efficiency and quality of our programme production. Further investment in new equipment and training for video journalists across all four STV news centres has further added to our delivery of high-quality news.

News consumption across multiple platforms has been further enhanced with the STV Local network and the launch of Glasgow and Edinburgh Metro sites. The sites provide compelling, lively and up-to-date content covering what's happening in Scotland's two largest cities focusing on news, going out, magazine features and a trusted listings section incorporating a business directory and a comprehensive events service.

STV recognises the demand for comprehensive and engaging local services, which are commercially sustainable, and we are committed to delivering this across platforms via an ambitious and comprehensive service. The Metro sites are proving to be successful commercial models while serving local communities and providing a new platform for advertisers.

STV's social media presence is comprehensive and a relevant point of contact for the STV audience. @WeAreSTV on Twitter and STV's Facebook page continue to grow as we seek new platforms to engage with our audience.

In 2011, along with Channel 4 and BBC Scotland, we entered into partnership with Creative Scotland, agreeing a programme of work which focuses on increasing investment in and promoting Scottish talent, and bringing home-grown culture into every home in Scotland. This presents an excellent opportunity for us to invest more in writing talent and development in Scotland, focusing around drama, entertainment and factual programming and in 2012 contributed to the commission of a 20-part cookery show for BBC2, *Country Show Cook Off*.

Tier 2 Arrangements

For 2012, STV Central and STV North broadcast a joint total of 1618 hours of regional programming including news and non-news against a licence minimum of 494¹ hours (including original news in each region, plus a unified schedule for non-news), therefore significantly outperforming our obligations. This incorporated a range of original production both in and out of peak time and included 1068 hours of the through-the-night strand, *The Nightshift*. As a result of broadcasting separate local news programmes for Glasgow and Edinburgh, we also considerably over-delivered our licence requirement for sub-regional news.

STV has met the independent quota requirements for 2012.

In 2012, we exceeded our quota for 90% of subtitled programming. We also exceeded our requirements with regards audio described services and met the requirements for visually signed services.

Programme Offer

a) News

2012 has been an exceptional year for news on STV. As a Public Service Broadcaster, news content is at the core of our commitment and this year our regional coverage exceeded our licence requirements.

In addition, the *STV News at Six* is currently achieving a 10 year high in audience share. Ten years ago the *STV News at Six* had a 21% share. It now averages 27% share and regularly reaches 29% - 30% share.

Two stories dominated the news agenda in 2012 and on Monday 15th October 2012 with coverage of the signing of the Scottish independence referendum agreement, the *STV News at Six* was the top news programme in Scotland with 29% share and 450,00 viewers. Our *Scotland Tonight* special also claimed the top slot that day, achieving higher audience figures than both the national edition and local edition of *Newsnight* by a clear margin in both share and total audience.

Alongside the referendum, the downfall of Rangers football club dominated the headlines in 2012. Rangers' stories accounted for 15m page views on stv.tv – 7% of all page impressions across the year and a *Scotland Tonight* special in June reached 226,000 viewers across Scotland and an impressive 24% of the male audience in its slot.

Sport played a key component in the news agenda in 2012 and STV delivered live coverage of the Olympic homecoming parade from Glasgow and Edinburgh.

¹ STV Channel 3 licence obligations: News: 208 hours per licence = 416 hours in total. Plus 78 hours of non news = a total of 494 hours.

In addition to covering extensively the top stories in 2012, STV made TV and legal history by broadcasting footage of murderer David Gilroy's sentencing at the High Court in Edinburgh in April. STV was permitted to film Lord Bracadale as he passed sentence on the 49-year-old, with footage of the judge's full statement to the court available online shortly after it was delivered. It was the first time permission had ever been granted to film during a sentencing in the High Court in Edinburgh and STV's footage was used by broadcasters including BBC and Sky News. The broadcasts allowed viewers a rare insight into the closing stages of what was a controversial murder case.

In October 2011, STV confirmed that we would launch dedicated Edinburgh and East of Scotland 30-minute programmes at 6pm following a hugely successful pilot. Every evening we have dedicated news programmes being broadcast in Glasgow, Aberdeen and Edinburgh, with a bulletin for the Dundee and Tayside area, allowing STV to deliver local news stories and additionally prioritise stories relevant to its regional audience. STV news operations around the country retain full editorial control over the output in their respective regions. From the opening credits to the news stories featured, and dedicated newsreaders within each region, viewers are receiving a much more relevant news bulletin - this has been the key driver in pushing our ratings to a ten year high.

Online news and sport is an increasingly significant platform for STV's audience to consume content. The stv.tv website is achieving 3.3 million unique browsers and over 20 million page impressions per month - on average a third (1.1 million) of the monthly unique browsers visit STV's online news pages. This will continue to be a key area of growth in 2013 as we seek to deliver additional online news coverage throughout the day.

Throughout 2012, STV continued to invest in technology, including studio automation equipment in the Aberdeen and Edinburgh studios. These state-of-the-art additions allow the newsrooms to achieve even higher levels of efficiency. In addition, we have installed satellite broadband technology in Inverness, enabling us to ingest stories from remote locations.

STV's video journalists have also received extensive training and brand new, lightweight equipment allowing them to film, report and edit their own material as quickly and effectively as possible. This in turn has led to increased local news stories both on air and online.

We provided a contracted newsgathering / Scotland correspondent service for ITN for the first part of the year; thereafter reporter Debi Edward transferred full-time to ITN as its dedicated Scotland correspondent, based out of STV's studios.

STV continues to expand and improve its news service, delivering the most local service in the UK, and in the final months of 2012 was awarded the contract to deliver bulletins on ITV's morning *Daybreak* programme. STV will broadcast three morning bulletins for both Central and North Scotland, further cementing our place as Scotland's most comprehensive provider of Scottish news.

b) Current Affairs

STV has a strong commitment to deliver high quality PSB content across all platforms and in October 2011 launched *Scotland Tonight* which quickly established itself as the most popular current affairs programme in Scotland. In 2012, *Scotland Tonight* celebrated its first anniversary reaching three million viewers over the year.

Scotland Tonight brings STV viewers across Scotland an in-depth look at the big news stories of the day along with sports, politics, business, art, entertainment, live studio guests and special features. The programme attracts high-profile guests to discuss a wide range of topics including arts and entertainment guests Ken Loach, Nicola Benedetti and Annie Lennox, sporting guests such as Ian Botham and darts legend Bobby George, plus actors such as Greg Hemphill, as well as regular appearances from MPs and MSPs.

The 30 minute programme is produced and presented from STV's news centres in Glasgow, Edinburgh and Aberdeen with a dedicated team of journalists delivering engaging reports and features from all corners of the country. 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.

In its first full year on air, *Scotland Tonight* has proved to be a successful format regularly delivering impressive audience figures. The audience continues to grow and has increased by 18% since its launch. *Scotland Tonight* has an average nightly audience of over 100,000 and regularly reaches 450,000 each week.

Scotland Tonight delivers news, sport and current affairs in an accessible and engaging style through dedicated on-air programming and digital content and is streamed live for viewers around the world. In 2012, two hour long special *Scotland Tonight* programmes were broadcast on the Rangers crisis and the Independence Referendum.

The programme has dedicated Facebook and Twitter pages allowing viewers to interact with the show live. Twitter contributors to the programme regularly include high profile MPs, MSPs and other newsmakers.

c) Other

In 2012, STV broadcast a number of relevant and engaging programmes, delivering our required 39 hours of peak-time, original productions. Original content was aired on the channel and made available on multiple platforms, for up to 30 days, via the popular STV Player.

The year started with the return of much loved holiday show *Scottish Passport*. The six-part series aired from January with a number of high profile Scottish faces visiting exotic locations to deliver a successful series with a peak audience of 365,000 individuals and 17.5% share.

Film review show, *Moviejuice*, also returned for two star studded series in 2012 hosted by Grant Lauchlan. Across a total of 23 half hour programmes, including two movie specials for Bond's *Skyfall* and Disney Pixar's *Brave*, Grant interviewed some of the biggest names in cinema.

STV's weatherman Sean Batty shared his passion and enthusiasm for weather with a special series, *Weatherwatch*. The two programmes performed well reaching a peak audience of 319,000 Scots and an interactive, live web chat which followed the first TX attracted hundreds of additional catch-up views.

In April, an innovative series supported by Greener Scotland of the Scottish Government followed eight well known Scottish celebrities as they let in the waste experts in *Too Good To Waste*. The four part series gave viewers an insight into how they could save more money and be less wasteful.

STV commissioned independent production company Demus to make *Animal 999* which aired from April. *Animal 999* went behind the scenes of the Scottish Society for the Prevention of Cruelty to Animals (Scottish SPCA) to highlight the good work Scotland's leading animal welfare charity carries out. The eight-part series reached over 1.1 million viewers and performed 33% higher than the slot average (based on same slot over the 6 prior weeks).

In June, STV aired *Charlie's Army*, commissioned from the independent production company, 1A Productions, and transmitted as part of the Incredible Stories series. The programme followed the story of proud Scot, Charlie Allan and his band of bearded, battle-re-enactment, fort-building bikers, who've started their very own 21st Century Scottish clan.

To support Scottish athletes in the run up to the 2012 Olympics, STV produced an innovative one-off special following six young hopefuls in *The Scots Going for Gold*. Sponsored by the Bank of Scotland, the enlightening documentary followed the Olympic and Paralympic hopefuls in the final leg of their quest to compete at the world's premier sporting event, offering an insight into their demanding training sessions as they compete at the very top level.

In September, a week of specialist programming culminated in the *STV Appeal 2012: The Big Live* hosted by Lorraine Kelly. The dedicated programming included a hard hitting documentary, *Born to Lose?*, and a unique show featuring celebrities undertaking challenges to raise money for children and young people in Scotland affected by poverty. The STV Appeal 2012 programmes reached 3.4 million Scots across a six week campaign and helped to raise £2m for the charity.

As in news, sport contributed to STV's tailored schedule of programming with UEFA EURO 2012 screening in the summer. All matches transmitted on STV were also streamed live at stv.tv/euro2012 with further dedicated pages for every match including all the essential stats, news and highlights. As well as all key matches, we presented our own special UEFA programming for the important Celtic playoff in August.

An innovative sponsorship with Healthier Scotland, in association with the Daily Record, resulted in *Coached off the Coach*. Made by STV Productions and presented by Kelly Cates, the six-part series enlisted some of the country's top athletes to challenge and inspire a group of typical Scots to get fit by trying something new. *Coached off the Coach* delivered a strong performance reaching 1.2 million Scots across the series.

One hour documentary, *Desperately Seeking Subo*, followed the journey of Elaine C Smith as she co-wrote and rehearsed the stage show 'I Dreamed A Dream' about Susan Boyle's life so far. *Desperately Seeking Subo* was an independent production produced by Top Left Productions and RPM Arts Ltd. The programme averaged a 16.1% audience share and 284,000 viewers – this was 13% up on the average slot performance and tracked above the network.

In November, STV aired a brand new wedding dance format. Created by STV Productions, *First Dance* followed two couples as they battled to win a £10,000 prize by performing the best first dance at their wedding. The audience for *First Dance* averaged over 200,000 viewers and performed particularly well with the 16-34yr audience.

In the final month of 2012, STV celebrated Scotland's sportsmen, women and teams for their outstanding achievements across the sporting spectrum in 2012 with the *Sunday Mail Scottish Sports Awards*.

On Hogmanay we also produced one and a half hours of celebratory and seasonal programming. Presented by Lorraine Kelly, Fred MacAuley and David Hayman the three programmes brought 2012 to a successful close.

Additional Matters

a) Cultural and Other Diversity

STV currently employs 400 staff in locations across Scotland and in London. During 2012 we have engaged approximately 650 freelancers to support the activities of STV Productions, our developing digital platforms and our news teams.

STV has staff of differing ethnic origins, ages and abilities both on and off screen. We are committed to enhancing the skills base of our organisation and training is made available to staff members where appropriate.

STV continues to broadcast a unified schedule for non-news programming, offering our viewers across the country access to a range of programmes reflecting different aspects and cultures of Scotland.

STV's sales team offers bespoke innovative packages for clients including sponsored programmes, generating commercial opportunities for the business whilst offering exposure to lesser known minority groups or topics on a national television platform.

b) Promotion of Media Literacy

STV has a robust compliance process and dedicated announcers ensuring that all of our programming is clearly signposted and that the content is clear, enabling our viewers to make informed decisions about what programmes they choose to watch. Scheduling decisions are discussed at the forum of STV's Commissioning Group, chaired by the Channel Controller.

By migrating our content onto new and emerging platforms, STV encourages its viewers to interact with us in different ways. HD, mobile, STV News App on iPhone and Android, STV Local, Social Media - these services and platforms benefit from high profile promotion and viewer take-up has been extremely high and continues to grow. For example, in 2012 the STV Player launched in Apple App store and Google Play and in just six weeks achieved 120,000 downloads.

In 2012, STV was selected as one of the first two initial additional content partners for YouView from over 300 expressions of interest from potential partners. The STV Player is now live on YouView set top boxes and available within the STV licence areas of Scotland.

Corporate Social Responsibility is very important to STV with staff across Scotland engaging regularly with members of the local community and further afield to increase understanding about the company and the industry. We have a team who facilitate studio tours to schools, community groups and businesses.

STV has developed strong links with educational institutions over our 50 years in existence, shedding light into what many regard to be a hugely competitive and exciting industry to work in.

We have offered 70 work placements in 2012 across a variety of business areas including News and Content.

Our links with Edinburgh's Napier University continue and for their 2011/2012 TV Production course, we ran a mentoring scheme, providing students with one-on-one advice and guidance from an STV staff member. Six students each undertook a one week work placement in either Studio Operations and Content development.

In 2012 STV established a link with The University of the West of Scotland's Broadcast Production degree course and has committed to the provision of ten work experience placements during 2012/2013 within STV Creative.

In 2012, we provided learning opportunities through STV Learning, a programme which supports staff in their continued professional development, and as part of an extended offering of training opportunities. This service includes informative sessions in areas such as the creation and commercialisation of websites and presentation skills.

We welcome regular visits from school parties and community groups from throughout the STV North and Central transmission area. Senior technical and editorial staff also give lectures and talks to outside organisations on a regular basis.

In addition to this, STV has strong links within the communities across Scotland and, as part of our CSR programme, we regularly welcome pupils and students into our studios for informative tours. Our weather presenter, Sean Batty, provides educational presentations for school pupils on meteorology and weather presenting. The feedback on these experiences is

very positive and the continued high level of interest from schools suggests this is a successful and engaging method of learning.

Public Input

Our audience is of paramount importance to us and we continue to engage with them and welcome their feedback on our content. We offer a clear, immediate and direct route for viewers to feedback to us via our Your View service, which allows viewers to get in touch via phone, email and online. We also broadcast on-air announcements directing viewers to the Your View webpage on www.stv.tv in order that they can provide feedback easily and readily.

STV's website allows viewers to offer their opinions via the comment sections online, providing us with immediate feedback.

STV's ScotPulse, an online market research panel designed to provide direct access to valuable consumer insights, was a continued success in 2012. Over 12,000 panel members have been recruited, delivering an average 50% response rate to surveys. This is supported by a dedicated website – www.scotpulse.com – that encourages community and helps to deliver higher engagement levels.

ScotPulse was utilised to research viewer opinions on a number of programmes and issues for STV in 2012, giving consumers the opportunity to have their voice directly heard on issues that matter. Research topics included changes to STV Local, digital habits in Scotland and opinions on a variety of topical issues e.g. the downfall of Rangers football club and cameras in the courtroom for *Scotland Tonight* and STV News.

ScotPulse is also available to commercial clients in support of online and on-air campaigns to research the effectiveness of advertising campaigns, as well as providing an effective method of surveying their own customer database. In 2012 ScotPulse worked with many high profile clients including Glasgow 2014 who wanted to analyse whether there was an 'Olympics effect', Bank of Scotland, researching the effectiveness of their Olympic sponsorship activity in Scotland, SSPCA, Strathclyde Fire & Rescue and Disney Pixar's blockbuster *Brave*.

We maintain an active programme of engagement with elected representatives at Holyrood and Westminster, providing an important opportunity for feedback and dialogue with MSPs and MPs.

In support of its public service broadcasting status, STV plays a prominent role engaging at all levels with a variety of stakeholders. We support organisations such as BAFTA Scotland, RTS, CBI, SCDI, Skillset and Scottish Chambers of Commerce.

STV has a very strong social media presence and engages with the public via sites such as Twitter and Facebook on a daily basis and across a range of topics. We see a high level of interaction, particularly via our presenter and programming focused accounts and regard this as a valuable source of public input.

In 2012, the STV Appeal raised substantial £2m for children and young people in Scotland affected by poverty. The STV Appeal was launched in 2011 by The Hunter Foundation and STV and in its inaugural year raised almost £1.3m. The STV Appeal 2012 received support from some of Scotland's leading Scottish businesses and is spending 100% of the money donated on those children who need it most as all overheads are met by STV and The Hunter Foundation.

The STV Appeal works closely with six major charities active across Scotland who are recognised as well established experts in the area of child poverty - Aberlour, Action for Children, Barnardo's Scotland, Children 1st, Save the Children Scotland and One Parent Families Scotland. In 2011 and 2012, the Scottish Government committed to match fund up to £1 million of the total amount raised.

The STV Appeal 2012's activities and range of specialist programming really connected with communities across Scotland and we anticipate even further engagement with the 2013 Appeal.

Conclusion

2012 has been a successful year for STV, on air and online. News remains at the core of programming as we deliver in excess of our public service broadcast requirements and create a comprehensive schedule that attracts and engages audiences across Scotland.

The launch of the STV Player on YouView encapsulates our aim to create and deliver content that our audiences want to consume anytime, anywhere.

As Scotland's digital media company we play a key role at the heart of the creative industries in Scotland.