

# The Role and Management of Public Service Broadcasting as part of the Regional/Local Media Landscape – Comparative Analyses between Japan’s NHK and the UK’s BBC

By Yoshiko NAKAMURA\*

## Introduction

The last ten years have seen a sea change in the world of broadcasting, ranging from the digitalization of terrestrial television broadcasting, the spread of the Internet to the use of digital devices ever more diverse and sophisticated. Much has been debated and reexamined concerning a changing role expected of public service broadcasting, how it should adapt to digital-age challenges and what fresh services it could offer. In Europe, the history of development of broadcasting services was primarily guided by public service broadcasters, while, in Japan, the NHK, Japan’s public service broadcasting, has led the way by breaking new ground with Hi-Vision and data broadcasting services, both of which were built on the basis of expertise refined over many years.

In both Europe and Japan, the legal framework, ‘convergence law’, was put in place in order to accommodate emerging telecommunications technologies, network architecture and a flexible migration of content across multiple platforms. At the same time, the unchanging philosophy of universality has continued to be upheld and reaffirmed; ‘Information, education and entertainment for all.’ Hence various new services, offered in accordance with the spirit of duty as a public service broadcaster. TV programmes are now offered via telecommunications networks, enabled by advances in digital technology. TV contents are made accessible on a video-on-demand basis. All these services were developed in order to better serve viewers with new media access, increasingly diversified and individualised, and were aimed to ensure universality, albeit a different type, of the new age<sup>1</sup>.

\* Yoshiko Nakamura is Senior Media Analyst at NHK Broadcasting Culture Research Institute

On the other side of ‘universality’ is local/regional TV. Neither in Japan nor abroad has there been much discussion on the role that public service broadcasting should play on a ‘local/regional’ level and no specific points of discussion have been clarified on an international level. We can think of two possible reasons for the lack of debate. One reason stems from the nature of funding for public service broadcasting. In all countries, public broadcasting services are supported by collection of viewing fees, the receiving fee in Japan, the licence fee in the UK and contribution a l’audiovisuel public in France. Regardless of income level, viewers are charged a uniform fee and each household owning a TV set is expected to pay the fee. Historically, the primary mission of public service broadcasters has been to offer programmes across the country while drawing their operational expenses from the public funding system.

The other reason is a somewhat elusive nature of the very definition of the words, ‘region’ or ‘local community.’ Every country has its own geographical scope and conceptual perception for the words, which resulted in vastly different regional/local broadcasting services unique to each country.

With no shared philosophy in place, it’s rather difficult to shape a meaningful debate, on an international level, as regards the future prospects of regional/local broadcasting services. Around the year 2000, in the midst of vigorous discussion about new possibilities of digital terrestrial TV broadcasting, the view was widely shared among public service broadcasters of various countries that the quality of local broadcasting services should be enhanced in the coming digital era so that fee payers could enjoy the benefits of digitalization. Correspondingly, as a measure to strengthen their local bias, the UK’s BBC increased the number of reporters covering regional/local events and created the scheme to make available regional/local information by making greater use of the Internet, rather than TV. The BBC also utilised satellite broadcasting facilities which have a footprint across the entire country, and started to broadcast regional versions of BBC One, its main channel, which enabled viewers to gain access to their local broadcasting, regardless of where they happened to be in the country. In Japan, NHK continued to improve the quality of universal services through BS digital broadcasting<sup>2</sup>, and, simultaneously, for more local bias, moved to increase air-time for local broadcasting in our main programming service, NHK General TV.

Today, however, with many advanced countries having made the complete transition into digital terrestrial broadcasting and efforts underway to provide universal broadband service, discussion is being started anew on the role of various media, public service broadcasting included, in terms of bringing regional/local information. The renewed discussion began in the shadow of the fall of Lehman

Brothers, the US investment bank, that hit the world in September, 2008. The implosion of the bank triggered a global financial crisis, which then exposed, in 2009, Greece's deteriorating fiscal situation and subsequent financial debacle. The world is still mired in a recession and many countries have yet to come out of the wood. The global recession has hit commercial broadcasters, the main providers of regional information services, especially hard, for they are dependent on advertising revenue. Particularly in Europe's broadcasting industry, where the dual system of commercial and public broadcasters has traditionally ensured diversity of information, the financial plight of commercial broadcasters was seen as a crisis of democracy (OJEU 2012). The recession has affected the size of budget in public service broadcasting as well. With viewing fees unchanged, an effective decrease in funding, and austerity-induced cutdowns in government subsidies, public service broadcasters are now struggling with smaller funds.

There are two alternatives to counter the situation. The creation of a system to introduce new media-players is one possibility. The other is to beef up the role of public service broadcasting and further improve the quality of their services and thereby remedy flaws of the market mechanism. The UK government has removed regulation on cross-ownership media between broadcasters and newspaper on a local level, and they are also on course to implement local TV services for the purpose of encouraging new entrants into the industry. In Japan, responding to worsening business conditions in commercial broadcasting, the government has eased legal restrictions on consolidations and alliances among flagship stations in Tokyo. In the wake of the Great East Japan Earthquake, in March of 2011, the government gave permission for commercial trials of "white space" technology on a local scale, mainly for transmission of disaster-related information, the importance of which cannot be overstated after the Great Earthquake.

The Japanese and the British do not mean the exact same thing when they use the word, 'regional/local'. There's a difference in geopolitical implications. Likewise, between these two countries, there's a difference in the state of regional/local broadcasting/services and policy approach to regional/local information media. Whilst keeping these differences in mind, this essay attempts to look at two public service broadcasters, Japan's NHK and the UK's BBC, and examine the present state of services provided by each and the roles these public service broadcasters play in their respective countries by drawing extensively on field surveys. It also attempts to investigate what roles they play on a regional level and what operations are in place to serve local communities, while they are both coping with two conflicting issues, budgetary constraints and the need to expand services.

## Britain's public service broadcasting and its regional characteristics

The expression, 'national broadcasting,' speaks for itself. It literally means a type of broadcasting reaching the whole population across the country. In the UK, digital terrestrial TV broadcasting is accessible to anyone and basically features the same TV and radio output wherever one lives in the country. In this platform, more than 50 TV channels, four HD channels, 25 radio channels and interactive services are available on the basis of six multiple frequency bands. BBC, the public service broadcaster, offers eight TV channels; two general programming channels, BBC One and BBC Two, the youth-oriented BBC Three, the culture & leaning-oriented BBC Four, the child-oriented CBBC, the infant-oriented Cbeebies, BBC News for 24-hour news and current affairs, and BBC Parliament covering parliamentary activities. Commercial TV broadcasters, ITV, Channel4 and Channel5, offer three to six channels. There are other commercial channels in digital terrestrial broadcasting which specialise in shopping and hobbies.

Where the Japanese say 'regions', the British use the word 'nations,' which include three zones, Scotland, Wales and Northern Ireland, where minority languages, Gaelic or Welsh, are spoken. These three plus the area of England constitute the four 'nations' in the UK. In each of these 'nations', the BBC, the nation's public service broadcaster, has an operational base and offers local TV programming, mixing it up with national content. On the radio side, a station in each 'nation' produces its own services, with Scotland's Radio nan Gaidheal offering Gaelic-only content, Wales' BBC Cym ru Wales offering Welsh-only content and Northern Ireland's BBC Radio Foyle offering Irish Gaelic content. In addition, the BBC works in collaboration with MG Alba, an organization established by law, to offer BBC Alba, which is TV broadcasting, with a view to protect and promote the Gaelic language and its cultural heritage.

There are areas in the UK which are called 'regions.' 'Regions,' as opposed to 'nations,' are dictated by analogue transmitter boundaries. The BBC divides England into 12 distinct areas for provision of localized news and radio services. Commercial broadcasting divides the country into 14 'regions,' and a licence is awarded on a regional basis. ITV plc. owns 11 licences, SMG owns two and UTV owns one. While they are based in London and form national networks, they incorporate into their national programming some of their local news coverage and in-house programmes. ITV is the only broadcaster, apart from the BBC, that is legally bound to offer regional news. Hit hard by the recession, ITV had to reduce the number of news production facilities in England from 17 to nine, which prompted rethinking about expectations hitherto placed on commercial broadcasters to promote and maintain the diversity of news and regional plurality of the media.

'Local' radio broadcasting takes advantage of frequency bands whose reach is even smaller than that of 'regions.' BBC operates 40 radio stations in England, six in Scotland and ten in Wales. BBC local radio broadcasting is offered to the Channel Islands, too. Furthermore, 296 commercial radio stations (as of May 2012) and 198 community radio stations are in operation.

*The state of BBC regional/local services*

In terrestrial broadcasting, BBC's regional/local stations focus their resources on covering local news, utilizing radio, rather than TV, to provide services. 40 local radio stations are a product of the public spiritedness, rather than a result of technical advances enabling sharing a wider range of broadband, of people who had a desire for decentralization. On the back of the growing desire to leave the largest metropolitan area of the country, 'England,' and to take root in the regions, an increasing number of people came to espouse the idea that the establishment of broadcasting systems was necessary that could express finer characteristics of each region to shift attention to local communities.

In England, where radio broadcasting started in the 1920s, broadcasting zoning was determined according to coverage areas of transmitters, therefore, it was no indication of social homogeneity in the area of England (BBC 1969a). In 1967, the BBC started to experiment with local radio broadcasting in eight areas including Leicester, Nottingham and Brighton. By the 1970s, the coverage area of radio broadcasting had already become as large as it is today. Lord Hill, then Chairman of Governors of the BBC, reminisces, "Radio Leeds was a trial station back then. We did a piece on a heavily-indebted young married couple who fled the area and, at the same time, reported on the vicar of the parish and other residents who said that, should the couple come back, they were ready to help them sort out the debts. You know what, the couple heard the message on the radio and they did come back. The old neighbours welcomed them back with open arms." He continues, emphasising the social benefits brought by the emergence of local radio stations, 'The station was 120% involved in local affairs in the area it served. It was proven that residents could be moved to engage and participate in a local community through the radio.' (BBC 1969b) The contents and scale of the BBC's local services, which had largely reached today's levels in the 1970s, haven't changed much in 40 years. The example of BBC Nottingham, responsible for both TV and radio services, may help shed some light on the state of BBC regional/local services.

### *BBC's local services in England today*

BBC holds 12 production centres in the area of England and transmits TV news services from these centres to 15 areas. BBC Nottingham is the parent station of three stations, BBC Nottingham, BBC Leicester and BBC Derby, and serves the area called East Midlands. Across England, BBC Nottingham employs some 3,000 staff members. In production centres in charge of both TV and radio, 130 staff members, on average, are stationed. In the case of radio-only production centres, the number of staff is usually around 35.

They broadcast 'East Midlands Today', a local TV news programme, three times a day during the week, at 1:30p.m., 6:30p.m. and 10:25p.m.. For the whole area of England, they produce a weekly programme aired every Sunday, 'Politics Show' (20 minutes out of 60 minutes. Politicians are interviewed on locally controversial issues) and a current affairs programme, 'Inside Out' (30 minutes).

Their local radio station operates on a 24-hour basis, principally based on the radio format called 'speech base,' which takes the form of a phone-in show inviting local listeners and experts. Professional DJs take turns hosting shows and provide an array of local information, from news, sports, weather forecasts to traffic news, along with the prerequisite music.

It should be clear by now that the BBC's local centres and stations are not responsible for producing dramas and entertainment programmes for national use. The BBC's purposes for providing regional/local services are expected to comply with the public aims set out by the Royal Charter and Agreement, the constitutional basis for the BBC as presented to Parliament, and the first public purpose clearly states 'sustaining citizenship and civil society.' The main purpose of local services is to ensure the citizens' right to call local policy makers and administrators to account for their actions and judgments. For example, when problems occur which adversely affect local residents in their normal everyday lives, whether it be concerning the health care insurance system or hospitals going bankrupt, the BBC is expected to investigate, expose a failure of duty on the part of the authorities and, through broadcasting, create a public forum to discuss the state of the flawed system. As was made clear by the 1970s' story of Radio Leeds, residents moved by the radio to help one another, the BBC's principal public mission is to stimulate debate within and between the communities of the UK, and to encourage people to get involved with their local communities, and this mission essentially remains unchanged.

Today, however, austerity measures are biting hard and the licence fee stays the same. The budgetary conditions are further exacerbated by the government's decision to reduce subsidies for the BBC's programming and service provision (DCMS 2010). BBC World Service for international audiences, and S4C, the Welsh-only service, are now obliged to fund themselves through licence fee

revenue instead of government contributions. Budgets for the BBC's regional/local services suffered the same fate. The budget for 'Inside Out', the local current affair programme, suffered a 20 percent cut and local radio stations a 10 percent. The BBC took various coping measures, such as cooperation with other stations in the neighbouring areas and the expansion of local radio coverage. For example, the BBC has recently switched to broadcasting the same content across the area of England after 9:00p.m.. Another measure is outsourcing programmes instead of producing them (BBC 2012a).

*The UK government's policy to introduce local TV services*

There is no TV service production on a local level in the UK. Eyeing this potential opportunity, the UK's Liberal-Conservative coalition government formed as a result of the general election of May 2010, advocated for the creation of commercially viable local TV stations as a pillar of their media policy. Today, Ofcom (The Office of Communications), the independent regulatory body for broadcasting and telecommunications market, is working to licence local TV.

This is not exactly news given the fact that it was the former Labour government that started debate on how to deal with a decreasing diversity of the media on a local level. During the somber period of transitioning to terrestrial digital broadcasting, the former government saw as a new policy challenge the task to build a nation-wide infrastructure which could give every man, woman and child a broadband connection. On the other hand, alarmed by dwindling circulations of local newspapers and the difficulties faced by ITV to continue with regional news provision, the then government proposed the initiative of Independently Financed News Consortia, IFNC (DCMS 2009). IFNC was a grand scheme built around the expectations that local newspapers, existing news production companies and independent production companies would form a consortium in each nation, such as Scotland or England, and those consortia would provide regional/local news, partially funded by licensee fee revenue. It was, however, a pipe dream at that stage, with no concrete steps proposed and many questions unanswered. Would IFNC be able to offer a special broadcasting platform? Or, will they base their scheme on on-line service provision in the broadband age? While these questions hung in the air, the former government was dissolved.

Likewise, the Conservative Party proposed a plan put together on the basis of their own research on examples abroad (Parry 2009). The plan suggested the creation of local TV service very much like newspapers and radio service, stating that it would be possible to make local TV commercially viable by giving local TV stations the permission to solicit advertisers on a national scale. The idea of devising a local TV franchise was also floated, in which participants could share contents.

Building on this Parry Report, the Liberal-Conservative coalition government came up with the new local TV scheme. This scheme fell in line with both their economic policy and the public purpose of broadcasting. Introduction of local TV was to contribute to promotion of local industry and employment. At the same time, in the on-going political process of devolution, it would fulfill the mission for a democratic society, with local TV in place to be capable of holding local politicians accountable for their actions. The government decided on a basic framework for introduction and announced the first tranche of 20 pilot locations at the first phase of the process (DCMS 2011). It was also made clear that the creation of local TV was to utilize airwaves after analogue broadcasts ceased. While barriers for new entry would be set low by placing relatively light content obligation on new entrants, organizations based on small communities were encouraged to cooperate with existing broadcasters or newspapers.

#### *Licensing local TV and the current state of licence awards*

In order to initiate local TV programme services in digital terrestrial broadcasting, two types of licences are required, Local Multiplex Licence and Local Digital Television Programme Service Licence. Ofcom started to invite applications for these two types of licences in May, 2012. The licences will run for a period of 12 years. One Local Multiplex operator will be appointed and the BBC, the public service broadcaster, is allowed to bid for this licence, but is forbidden to undertake local TV programming operations because diversity of information sources must be ensured.

By the application deadline of August of 2012, four entities, including the BBC, launched bids for Local Multiplex Licence, and 57 entities from 21 locations placed their bids for Local Digital Television Programme Service Licence<sup>3</sup>. The following four locations produced one bidder; Belfast of Northern Ireland, Brighton, Bristol and Grimsby of England, while Leeds of England, Liverpool, London and Manchester each produced five bidders.

As of November of 2012, Ofcom has decided to award the licences to the following six entities; Made in Belfast of Belfast, City TV Broadcasting of Birmingham, Notts TV of Nottingham, That's Oxford of Oxford, SLTV/Sheffield Live of Sheffield and That's Solent of Southampton. That's Oxford was supported by Esther Rantzen, who was the presenter of a magazine-style television series on BBC, 'That's Life,' which lasted for 20 years. City TV Broadcasting of Birmingham, modeling itself on City TV, a Canadian local TV channel, focuses on providing programming to foster youth-education, culture and the arts. That's Solent is primarily run by a group of local newspapers, including Newsquest and Johnston Press. Each licensee has its own unique colours and characteristics. Each has earmarked a different date for going on air, the earliest launch expected to be Spring of 2013 and the latest around the beginning of 2014.

### *The role of the BBC in local TV service planning*

The government decided that a portion of TV licence money was to be set aside to help get the new stations up and running and, for that purpose, assigned two roles to the BBC<sup>4</sup>. One is for the BBC to contribute up to 25 million pound to develop network infrastructure for local TV. In the other role dictated by the government, the BBC would be obliged to purchase a fixed amount of local contents every year from 21 local TV programming service providers and incorporate them into BBC news programming. The purchase costs will be determined through a combination of fixed and variable price components, and would not exceed 5 million pound per annum. The BBC's support would be limited to a period of three years starting from fiscal year 2014 to fiscal year 2016. Furthermore, allocation of set-asides would be supervised by BBC Trust, the governing body of the BBC. The BBC held two sessions for potential local bidders, one in Birmingham, in May of 2012 and the other in Manchester, in June of the same year. As a result of these sessions, it was decided that in the first year the BBC would purchase 85 stories per month from each local licensee, and would guarantee an income of 150,000 pound per annum for each. This amount would decrease to an annual 60,000 pound for 35 stories per month from each licensee in the second year, and an annual 20,000 pound for 10 to 15 stories per month from each licensee in the third year (BBC 2012b).

### Regional/Local broadcasting services in Japan

Japan's broadcasting history began in 1925, three years after the launch of radio broadcasting in the UK. However, the present funding framework, in which NHK operates through receiving fee revenue, was established after WWII, by the Broadcast Law enacted in 1950. Along with the founding of the public service broadcaster, commercial TV broadcasting, funded by advertisements, was approved by the law. Since then, Japan's broadcasting services have been developed within this dual system.

It was stipulated by the Broadcast Law that the principle aim of NHK was that 'broadcasting may be received all over Japan for the public welfare,' and, the aim of commercial broadcasters was 'to ensure broadcasting opportunities for many people and maximise the freedom of expression through broadcasting.' In accordance with these policies and the national frequency usage plan, each administrative unit, a prefecture, was given three to five broadcasting stations to operate<sup>5</sup>. Japan's broadcasting has continued to this day through combined efforts of NHK, the national broadcasting house, and an array of commercial broadcasting businesses with a community-based bias.

### *The state of broadcasting after digital transition in Japan*

In Japan, terrestrial analogue broadcasting was discontinued and switched over to terrestrial digital broadcasting in all areas in July, 2011 but three, Fukushima, Miyagi and Iwate, which suffered considerable damages in the aftermath of the Great Earthquake of March 11<sup>th</sup>, 2011. Those badly affected prefectures also made a complete switch-over to digital in March 31, 2012. In European countries, including the UK, multi-channel TV services are available in digital terrestrial platform, while Japan's digital terrestrial broadcasting is characterised by Hi-Vision (HDTV) and One Seg broadcasts which can be received on mobile phones. Both NHK and commercial broadcasters offer the same number of channels as they did during the period of analogue broadcasting.

In the UK, different nations, regions and England proper each offer different broadcasts, depending on different ranges of access to airwaves in each area. In Japan, however, TV services are principally composed of national broadcasts. In terrestrial broadcasting, NHK, the public service broadcasting house, offers nation-wide services, ranging from NHK General TV and NHK Educational TV to NHK Radio 1, 2, and NHK FM. A Tokyo-based local network is in operation for audiences in Kanto-Koshin'etsu regions (Tokyo and nine prefectures) located in the centre of Japan. Since the advent of digital terrestrial broadcasting, it was made possible to run a regional network covering other three prefectures, Ibaragi, Gunma and Tochigi.

Today, there are 127 commercial companies operating terrestrial TV channels, but most of them are members of networks controlled by five flagship stations based in Tokyo (TBS, Nippon Television, Fuji Television, TV Asahi and TV Tokyo), and are provided with news and programmes by one of the flagship stations. In addition, there are 13 independent commercial stations broadcasting to specific regions or prefectures, like Tokyo or Kyoto, by utilising VHF. Terrestrial commercial broadcasting was initially expected to deliver the mission of sending rich local content to their local audiences. However, locally-produced content constitutes a mere 12.8 percent of their entire programming, most of which is local news and weather information<sup>6</sup>.

We also have CATV and radio stations offering services to areas smaller than prefectures. There are two types of CATV broadcasters. The first type of businesses only perform retransmissions of terrestrial TV channels for the purpose of serving people with poor reception, while the second type is more diverse, with some offering a platform of multiple channels, including community channels, specialising in news or movies, and others offering their own contents. 297 CATV providers are in operation across the country and, as of late June of 2012, 50.4 percent of Japan's households, 27.83 million, are CATV subscribers (MIC 2012).

47 radio AM stations, 52 radio FM stations and one shortwave station are in business across the country. AM broadcasters are members of Japan radio Network

and Nippon radio Network. There are only three independent AM radio stations. 52 radio FM broadcasters form two radio networks, Japan FM Network and Japan FM League. There are only ten independent FM radio operators. Adding to this mix are 246 community-based radio stations across Japan, broadcasting to cities, towns and smaller areas (NHK 2012a). As the sheer numbers suggest, it is radio broadcasting that assumes the task of serving regional/local communities. Immediately after the Great Earthquake, the role they played as providers of disaster and security-related information was highly appreciated and, post-earthquake, official licences were awarded to disaster-related news bulletin radio stations in three affected areas. Furthermore, the government is awarding trial broadcasting licences in the lead-up to the introduction of area-based TV broadcasting on a white-space platform, making use of channels vacated at the termination of analogue broadcasting.

*Discussion on broadcasting with the approach of multi channels era*

The most significant role expected of NHK has been, from the first day of launch, to convey the same information and content to all and sundry across Japan, regardless of where they live. Added to this first principle, the Broadcast Law stipulates that NHK has the obligation to provide broadcasts for regional communities. It was understood that a uniform provision of national programming across Japan would be hardly sufficient to have everyone appreciate the benefits of broadcasting. Only by creating output serving communities with different local traits, NHK would be able to meet the citizens' needs concerning broadcasting services (Committee on publicness in broadcasting 1990). In 1989, BS broadcasting, a nation-wide direct satellite broadcasting service, was started. The roll-out of BS channels stimulated debate on the differentiation between terrestrial broadcasting services and BS broadcasting services, which then prompted investigation on how better to live up to local communities' expectations. What we found through surveys conducted by NHK and the then regulatory body, the Ministry of Posts and Telecommunications are as follows.

- To broadcast national information and news to the region
- To broaden local residents' perspective by redressing information gaps
- To broadcast local affairs and events across the country
- To investigate problems on a local level
- To support cultural activities in local communities

The report by the committee on the broadcasting and public interest in Japan stated succinctly that local broadcasters were expected to lend a hand in the revitalisation of the community and promotion of local culture, through their mission to bring broadcasting services to all corners of Japan.

### *NHK's services in regional/local area*

NHK has 54 local centres in all prefectures and areas in Japan. NHK divides Japan into eight blocks; Hokkaido-Tohoku, Kanto-Kosin'etsu, Chubu, Kinki, Chugoku, Shikoku, Kyusyu and Okinawa<sup>7</sup>, and produces local programming in each block and subsequently broadcasts local contents on three networks, NHK GTV, NHK Radio 1 and NHK FM. A certain amount of airtime for local news is ensured on these channels. In 1954, a year after the launch of TV broadcasting, local programming appeared for the first time on national channels, 'Regional News' from 12:15p.m. to 12:30p.m. every Thursday and three-minute local news. In 1956, NHK Osaka, the second largest broadcasting centre after NHK Tokyo, started to produce non-news programming such as culture shows and entertainment shows which were then broadcast to all areas. In NHK's annual plan, published every year, the need to strengthen local broadcasts is always listed as one of the centrepieces for the coming year.

After the start of BS digital broadcasting in 2000, efforts have been concentrated on increasing the quantity of local broadcasts rather than the quality. According to 2012's programming by each block, airtime allotted to local news is, on average, 3 hours 3 min. per day on GTV, 2 hours 41 min. per day on NHK Radio 1 and 1 hour 26 min. per day on NHK FM. GTV's programming shows increased airtime during the week for local news and information, from 11:30a.m. to 12:00p.m., and from 6:10p.m. to 7:00p.m. (NHK 2012b). 'NHK Nodo Jiman (So proud of my voice)', an amateur singing contest visiting all parts of Japan, is a show that surely brings local flavours to viewers. There are also some locally-produced dramas set in local communities that are broadcast nationally.

These local broadcast production centres have personnel organisation exactly the same as at the NHK broadcasting centre in Tokyo, with general programming producers, reporters, announcers, camera operators, editors, sales people (collectors of receiving fees) and general affairs staff. In fiscal year 2011, NHK employs 10,542 staff. Out of 10,542, some 600 staff members work at NHK Osaka, the largest operations after NHK Tokyo and the main centre of its block. Other main block centres have some 200 staff stationed. There are a number of local stations responsible for producing local coverage within each block which is used on GTV or on the radio. Although the staff number at these stations varies by each block, some 60 to 100 people are regularly stationed. NHK has a highly centralised hiring process, in which all the staff are hired by NHK Tokyo and then deployed across Japan.

*Effect of receiving fee reduction on NHK's local services*

NHK holds the view that 54 local stations play an important role in each community and that they are more than just local news providers. They contribute to the health of these communities by offering public forums for a multitude of social and cultural events, sporting events and parental care support activities. In the study of relations between Japan's public service broadcasting and local communities, what is unique is NHK's philosophy that local stations need to form a human network through broadcasting services and non-broadcasting-related services alike. NHK's local stations have attained the status of 'a local notable' in their local communities.

However, NHK decided to cut its receiving fee, starting in fiscal year 2012, and intends to go ahead with the plans of slashing 280 staff in the next three years. There are two types of receiving fees at NHK, one for terrestrial and the other for satellite combined with terrestrial TV reception. The receiver enters into a reception contract with NHK, and NHK collects a fee directly from the receiver. The fee reduction is 7.5 percent. In the case of direct payment, the annual fee for a terrestrial TV contract costs 13,600 yen and the annual fee for a terrestrial-satellite packaged contract is 24,090 yen. The fee cut is believed to be aimed at recovering eroded public trust. In recent years, NHK's management came under public fire for a string of misappropriations and embezzlements of expenditures by NHK staff. There were also other factors going into the decision of fee reduction. Having completed the switch-over to digital terrestrial broadcasting, NHK now has to set aside less to invest in digital facilities and infrastructure. Another factor is a prolonged recession buffeting households.

The fee reduction will translate to revenue loss of 9.8 billion yen for fiscal year 2012. NHK plans to make up for the lost revenue by redoubling efforts to curtail expenditures and to downsize staff. Smaller budgets resulted in fewer broadcasting hours as well. Compared to the last year, a five-minute reduction at GTV, a 10-minute reduction at Radiol and a 38-minute reduction at NHK FM. While NHK concentrates its local resources on production of content for six-o'clock news shows, they have shifted local stations' traditional programming for Friday nights into a block broadcasting slot so that it could enjoy a wider viewership. It's worthy of note that NHK does not own its own local TV or local radio stations. The key to maintaining NHK's presence in local communities would be to enhance the quality of local news contents, rather than the quantity, and to engage with local people in a wide range of non-broadcasting activities.

### *The relations between NHK and the community-based CATV*

NHK and local broadcasters have differing ranges of activities, depending on the state of the local media and the cultural and social structure of each community. These points taken into account, it can still be said that NHK and CATV have some common ground in their activities.

The first connection linking the two concerns fee collection. NHK outsources fee collection-related work to local CATV businesses based in each prefecture. No less than 50 percent of Japan's households have signed up to CATV and CATV companies broadcast simultaneous retransmissions of all four NHK TV channels (terrestrial GTV and ETV, satellite BS1 and BS Premium). It was anticipated that, by outsourcing to CATV, fee collection would be made more efficient. The dissemination of CATV can lead to ever greater efficiency gains in fee collection for NHK. Therefore, sales people of local stations are in daily contact with CATV businesses. When CATV hosts business-promoting events, they are allowed to use NHK's cartoon creatures or photographs in NHK's possession. NHK also sends personnel or TV personalities to support CATV's business efforts at such events. The other connection is the formation of broadcasting alliances between NHK's local stations and CATV. According to an in-house survey by NHK Tokyo, close to 50 percent of all 54 local stations use CATV content on their channels during local news airtime. NHK often makes available broadcasting materials to CATV.

### *A case of KCT*

The relationship between NHK Kanazawa and Kanazawa Cable Television Net (KCT), a local CATV entity, is a case in point. Kanazawa is the capital city of Ishikawa Prefecture in the Hokuriku region located close to the central part of Honshu, the main island of Japan. Hokuriku is a region sitting on the Sea of Japan. Kanazawa has a population of 451,782 with the household number at 195,295. In this city, 46.4 percent of families are CATV subscribers (MIC 2012). One of the major shareholders of Kanazawa Cable Television Net is Hokkoku Newspaper who is one of the largest local newspaper companies in Japan. Ishikawa TV, the city of Kanazawa and Ishikawa Prefecture own shares in the company. Kanazawa Cable Television Net launched their services in the city of Kanazawa in 1992. They've expanded their services over the years and are now offering a rich menu of services, a wide range of specialised channels for movies, news and sports, along with community-based channels. They are also a provider of broadband services and cable phones, and play an important role in information infrastructure of the local community. Holding Kaga Cable Television Net in Ishikawa Prefecture as a subsidiary, they work in collaboration with six smaller CATV companies and continue to offer rich inter-local services.

KCT broadcasts three self-produced channels. The open-studio show called 'Hokkoku Newspaper 24' is broadcast live in which they offer local trivia and local news provided by Hokkoku Newspaper. Another show is 'Tokimeki (Heart-throbbing) Q,' which mainly gives information on local events and festivities. The third one is 'Kanazawa Community Channel' commissioned by the city of Kanazawa for the purpose of announcing local government news. 14 staff members take on multiple tasks for reporting and filming at KCT. NHK Kanazawa has a small monthly show called '610 Cable Television Network' on their regular evening news, which features information contents with singularly local overtones, provided by KCT and other CATV companies. In 2012, in celebration of KCT's 20<sup>th</sup> year, NHK and KCT hosted a joint-show for the first time, broadcast live in front of public audiences. NHK Kanazawa broadcast the show simultaneously on NHK FM. Truth be told, KCT has a stronger wish to work with NHK Kanazawa than NHK Kanazawa does with KCT. CATV companies need to boost the number of subscriptions to expand businesses. They used to solicit unsubscribed audiences by telling them that it was possible to watch digital terrestrial broadcasts on cable TV. Now that the digitalization is firmly in place, KCT seems to think that cooperation with NHK will give them a window of opportunity to raise their profile and help bring in new customers.

## Summary and some thoughts – partnership

With budgetary pressures on, both NHK and the BBC are still expected to improve their regional/local services. The aim of this essay is to develop some insights into optimal roles and operations possible for public service broadcasters of Japan and the UK, while giving a summary of their present situations. Their regional/local services can be summarised thus; they are both charged with the duty to broadcast local news and information to the areas they serve and, at the same time, are obligated to bring local information onto a national platform. Thus far they follow the same dictum. If, however, one looks at the details of their services, it is clear that, when it comes to diversity, the UK's BBC provide far more finely-textured services than NHK. The BBC makes the utmost use of two media, TV and radio, to reach all three levels of audiences, nations, regions and local communities. In the case of TV services, nations and regions are well served with rich provision of local news. The possibility of radio broadcasting is also well exploited with well-established local radio stations playing important roles as local information providers. On the other hand, Japan's NHK meets demand for local news, both on TV and radio, by programming some prefectural local content into national channels. However, given the limited amounts of airwaves allocated to NHK, its local stations have been doing a laudable job in bringing together

people in a community and supporting cultural and social activities through non-broadcasting services.

Amid economic uncertainty, the UK government introduced an institutional framework to encourage TV services on a local level and the BBC is given a part to play in this new scheme, but this time not as a service provider. The BBC agreed to play an active role in supporting new local TV services in the UK by providing capital funding for the development of infrastructure and content. They even agreed to contribute a portion of licence fees, their main source of income, to this scheme. This new role does not, one supposes, go against the BBC's management philosophy, because the BBC themselves stated that a public service broadcaster can help to create social values and work for the good of the society through cultivating partnerships with other companies<sup>8</sup>. When the pros and cons of the Labour Government's INFC plan were being debated, the BBC made a proposal for multiple alliances among broadcasters, stating that, as a part of public service partnership, they were ready to make available their regional infrastructure, studio spaces and primary source materials to other companies, including ITV who was, at that time, being forced to cut back operations. They even suggested a possibility of offering BBC news on an on-line platform provided by a local newspaper. Although it was the government's policy that assigned an active role to the BBC in this new scheme, it's turned out to be in line with their concept of 'partnership' which is expected to foster a social environment more congenial to public service broadcasting.

NHK has also pursued the philosophy of 'partnership,' not unlike that of the BBC, through non-broadcasting services. NHK has hitherto formed a vast array of partnerships with other organisations, in such diverse areas as promotion of grass-roots volunteering and local sporting activities and offering support to preserving cultural heritage. However, NHK has strategically avoided using the world 'partnership' for NHK's local activities, funded by the receiving fee system, nonetheless, beneficial for the community. According to the survey by the Committee of NHK's performance review from audiences' perspective set up by NHK's chairman, 71 percent of the surveyed answered that when they said 'my hometown,' what they had in mind were 'cities, towns, villages and streets' (NHK 2012c). The survey says, 'Viewers have a far smaller concept of 'hometown' than NHK previously assumed, far smaller than area coverage of local TV stations. Viewers want news coming from their more immediate surroundings.' Mindful of these perceptual gaps as regards 'hometown' and of the limitations placed on NHK in broadcasting, the survey continues, indicating a need to cooperate with other entities in broadcasting, 'Some clever scheme may have to be put in

place to collect information from viewers and various organisations in a timely manner. Only then can NHK respond to finer needs in a local community.’ As to the business relations between NHK and CATV, their alliance may fulfill hitherto overlooked local needs which couldn’t have been served by NHK singlehandedly. However, although NHK’s sales departments have developed strategically beneficial relations with CATV in the area of fee collection across Japan, NHK does not see CATV as strategically important partners in the area of broadcasting services.

Fee revenue, which is a type of public funding, is unlikely to increase in the future for both the BBC and NHK. It is more likely to either stagnate or decrease. Partnership with other entities may present a chance for public service broadcasting to maintain its valuable existence and to bring services up to a new level. If the UK’s scheme to create local TV services turns out to be a success, local communities will be able to receive genuinely local information coming from their own environs, the vision of which the BBC was not able to fulfill. With increasing funding problems projected in the future, strategic alliance between NHK and CATV is not necessarily a non-starter. It can enrich our menu of local news provision. In the light of the recent developments, it is important to uphold the concept of ‘partnership’ as a business strategy to meet two major challenges, namely, fiscal constraints, efficiency issues and improvement of local news services provided by public service broadcasting.

However, there are challenges for broadcasting partnerships on a regional/local level. First and foremost, we must clarify in our mind what type of regional/local information local communities expect from public service broadcasting. Another problem is whether there are good enough programme creators on a local level who can measure up to the creative abilities at public service broadcasting houses. According to interviews conducted in Japan and the UK, public service broadcasters are casting a skeptical eye on levels of professionalism of journalists from new local TV houses and existing CATV. Given the fact that partnership is inevitable in the long term, what is absolutely necessary at this stage would be development of local talent.

## NOTES

1. In Europe's public service broadcasting, two types of catch-up services are offered; simulstreaming, a service offered simultaneously with broadcasting, and video-on-demand services. NHK is prohibited by law to broadcast any content other than reruns through the Internet, therefore cannot offer simulstreaming on NHK On Demand, NHK's catch-up services.
2. In Japan, there are two types of satellite broadcasting, one is from broadcasting satellites and the other from communications satellites. The former is called BS broadcasting and offered on NHK and terrestrial commercial networks. There are also a total of 24 specialised channels for movies and sports, some are charge-free and some are pay channels. As for CS broadcasting, more than 200 specialised channels are available, just like satellite broadcasting abroad. They are all pay channels.
3. According to Ofcom, while they were in the process of soliciting opinions, the local MP worked hard to add Sheffield to the list, consequently, the number of cities increase to 21.
4. In 2006, in negotiations over licence fees, it was decided that, in addition to funds made available to the BBC for programming and services, an extra 600 million pound was to be ring-fenced for the purpose which the BBC should support the public transit to digital terrestrial broadcasting for the next six years. The annual fee was adjusted upward based on extra contributions. The present government announced the decision, during fee negotiations with the BBC, that, after the completion of digitalization in 2012, the extra funds would go towards broadband promotion, local TV services and others.
5. In Japan, there are different designations for large area units, one 'to' (Tokyo), two 'fu' (Osaka, Kyoto), one 'do' (Hokkaido) and 43 Prefectures (ken)
6. 12.8 percent indicates a proportion of local programming in commercial TV stations. It's a statistic made in 2005, when commercial TV broadcasters were relicenced. No change since the 1980s.
7. Among NHK's local stations, there are three stations which do not broadcast, Chiba, Saitama and Yokohama, all of which belong to the Kanto-Koshin'etsu block.
8. After the announcement of the management strategy, 'Building public value' in 2004, the importance of 'partnership' has been increasingly obvious. The former Director General of the BBC made a speech, in November, 2009, entitled 'Beyond 2012 - The Future for the BBC.' In the speech he said, "Partnership will be a central theme" and added that he was all for the idea of sharing technologies and resources in order to support PSB.

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