Towards PSB 2.0? How PSM ethos is applied to online media in Europe: a comparative study of Spain, Italy and Britain

The issue of whether PSB should be maintained and fostered in the digital era has animated media policy debates in Europe for a decade (Prosser, 2005; Barnett, 2006; Syvertsen, 2003; Harrison and Wessels, 2005). Although a constant tendency towards the commercialization of European media is now manifest (McChesney, 2000) and European policies on television are increasingly market –oriented (Harrison and Woods, 2001:478), “a general consensus has been revealed about the core values embodied within PSB” (Harrison and Wessels, 2005:83). On several occasions European Institutions such as the European Parliament and the Council have reaffirmed the relevance of PSB in the new era and the importance for PSB to develop online media services.¹ Although vocationally

¹ Recently, the European Parliament (2004) has once again underlined that PSB should evolve in the new information society to include new digital and on-line services that are crucial to achieve its remit, since “to promote cultural diversity in the digital age, it is important that public service broadcasting content reaches the audiences through as many distribution networks and systems as possible; it is therefore crucial for public service broadcasters to develop new media services”. European Parliament resolution on the risks of violation, in the EU and especially in Italy, of freedom of expression and information (Article 11(2) of the Charter of Fundamental Rights) (2003/2237(INI)) adopted on 22 April 2004. Moreover in its 1999 Resolution, the European Council stated that “Public service broadcasting has an important role in bringing to the public the benefits of the new audiovisual and information services and the new technologies,” emphasizing that the “fulfillment of the Public Service Broadcasting's mission must continue to benefit
more concerned with establishing a functional media market in Europe than with protecting PSB, the European Commission has reaffirmed the importance of allowing PSB to expand online. In the 2001 “Communication on the application of state aids to public service broadcasters,” the European Commission has declared that “the public service remit might include certain services that are not ‘programmes’ in the traditional sense, such as on-line information services, to the extent that while taking into account the development and diversification of activities in the digital age they are addressing the same democratic, social and cultural need of the society in question” (European Commission, 2001).

However, it is important to bear in mind that the place and the weight of European Public Service broadcasters in the new media context is different from country to country, since the determination of PSB’s remit is still a prerogative of the Member States. This paper investigates how Public Service Ethos has been applied to online media in three different European countries: Spain, Italy, and Britain. Not only shall it bring out the main policies adopted by the governments of the three nations to regulate the evolution of PSBs in the Internet sphere, but also the policies and practices adopted by their PSBs: namely TVE (Spain), RAI (Italy) and BBC (UK). Furthermore, the essay will uncover how domestic-cultural factors, European influences and commercial pressures mould these policies and practices. Finally, the present study will sketch out...
some hypothesis on the “state of the art” of PSM ethos in Europe at this early stage of its development.

PSB in Western Europe is a creation of a social-democratic set of beliefs that recognize the crucial function of the State in providing the conditions for an effective social, cultural and political participation in a democratic society. In fact, a social-democratic approach to media policy, as the one developed in particular by the work of Garnham (1990), Curran (1991), McChesney (2000), Scannell (1989) ascribes to PSB a relevant role for the correct functioning of a democratic society. According to this approach “media pluralism and diversity are not necessarily best served by the expansion of commercial media, and there remains a strong role for national public broadcasters, either as the principal bearers of public sphere issues in the national media and communications system, or as an important countervailing influence to the commercial broadcasting sector” (Flew, 2006: 296).

Scholars have pointed out that it is impossible to isolate just one European PSB model (Syvertsen, 2003; Jakubowicz, 2007). The diversity of PSB models stems from the different historical, cultural and political traditions of each European nation (Levy, 1999). Yet, we can identify some common traits among the different European PSBs. More precisely, the main elements which characterize PSM ethos are the principles of “citizenship, universality, quality” (Prosser and Born, 2001: 258) and “trust” (Brevini, 2008). Altogether these principles function as a yardstick through which the development of PSB in the online sphere should be evaluated.⁴

⁴ For a recent reconfiguration of the same principles, it is worth recalling the last Recommendation of the Council of Europe regarding the remit of public service media:

- reference point for all members of the public, offering universal access;
- a factor for social cohesion and integration of all individuals, groups and communities;
TVE goes online: reformed and yet commercial?

Spain constitutes one of the most interesting cases to investigate, as its media law and Public Service broadcasting system has seen a radical reform prompted by Zapatero Government in 2005. (Bustamante, 2008; Rodíguez Pardo). This recent change in the legal framework and in the structure and organization of Spanish PSB has had an impact also on the new development of Internet activities by its PSBs.

A study of the internet activities of Spanish PSBs would be impossible without bearing in mind the essence and characteristics of Spanish PSB since its foundation. In fact, Television Española (TVE) - was born in 1956 as State television under the dictatorship of Franco. It was born with a very peculiar funding system that was based largely on advertisement in condition of public monopoly as well as on public resources. (Bustamante, 1989; Escobar, 1992). This twofold feature of television Española that on the one hand was subjected to a strict political control, on the other hand was largely commercial-oriented, has influenced and distinguished the activities and the role of TVE until the days of the reform-if not until today.

As Bustamante (1989) highlights as regard to TVE, “The two prime functions of television are : political persuasion and the acceleration of the economic process. (...) Both elements are crucial to understand the development of Spanish television during the years

- a source of impartial and independent information and comment, and of innovatory and varied content which complies with high ethical and quality standards;
- a forum for pluralistic public discussion and a means of promoting broader democratic participation of individuals;
- An active contributor to audiovisual creation and production and greater appreciation and dissemination of the diversity of national and European cultural heritage. Recommendation CM/Rec(2007)3 of the Committee of Ministers to member states on the remit of public service media in the information society (Adopted by the Committee of Ministers of the Council of Europe on 31 January 200)
of dictatorship(...)But this model, shaped during two decades (1956-76) and stamped in the collective memory of society, is not foreign to the concepts and decisions taken in the period of democratic transition and to the tardy democratization of television" (Bustamante, 1989 :69). More precisely, at the time of Franco’s dictatorship “Radio and television were media for non-polemical entertainment, and for information which was controlled, slanted or restricted with the Spanish population in mind” (Escobar, 1992 :242). After Franco’s death in 1975, notwithstanding the changes of the audiovisual legislation, TVE has kept been distinguished by a strong political influence as well as a strong commercial orientation (Bustamante, 2008). For example, the first law concerning television, *Act 4/1980, 10 January 1980, the Statute of Radio and Television* stated that the Director general of RTVE had to be nominated by the Government, while the Administrative Board had to be chosen by each house of the Parliament. ⁵ At the same time, the commercial model based mainly on advertisement was maintained. In fact, in the years following the establishment of Spanish Democracy and until Act 10/1988, when private broadcasters were legally recognized in Spain, TVE kept enjoying its position of monopoly as the only receiver of TV advertising with the exception of the autonomous television channels. ⁶ This evolution explains why, when the competition of commercial

⁵“The administrative board “was made up of twelve people, six named by the House of Commons (Congreso de Diputados) and six by the Senate, by means of a qualified vote of two-thirds in favour. (...)In practice, this arrangement was interpreted as meaning political representation within the Administrative Board each member being chosen proportionally on party political grounds to reflect the typical make up of the Parliament” (Escobar 1992:245).

⁶It should be noted that before the arrival of private broadcasters in Spain, the autonomous television channels were already operating at a regional level with a mixed system of funding. In fact, the Spanish Constitution (art 143 up to 148) recognizes to each Autonomous community the possibility of being assigned the direct management of a state television channel for the territory of the community. These autonomous channels have been afterward regulated by *Act 46/1983, of the 26 December 1983, on the regulation of the third television channel*
broadcasters arose in Spain, the financial and institutional crisis of TVE that for many years had become a self-funded institution through advertisement, was inescapable.\footnote{As Escobar explains “It was evident that the economic health of public television would depend on its ability to attract as large an audience as possible, and that it could only manage this by showing a popular range or programmes which could compete with the commercial channels, that is, by fighting on their own ground;”(Lopez-Escobar, 1992 :251)}

**The growth of the debts accumulated by RTVE from 1991 to 2006 (Informe Anual RTVE, 2005)**

This brief summary helps explaining the crucial importance of the Reform of RTVE undertaken by Zapatero Government in 2005, that has in the 17/2006 Act regulating radio and television entitled to the State \footnote{Act 17/2006, (05/06/2006) on radio and television entitled to the State.} its most important document. This law \footnote{It is worth noting that the law did not follow completely the recommendations of the Informe, with the result of having not fully resolved the problem of political influence on TVE.} is the result of the work of a committee of experts selected by the government that has produced a report (the so called “Informe de los Sabios”) on the situation of RTVE and proposed a radical change of its organization, funding and structure.\footnote{This Committee of experts that produced the Informe has been established by a Royal Decree (Royal Decree 744/2004, 23/04/2004) and was composed by Enrique Bustamante Ramirez, Victoria Camps Cervera, Emilio Lledo Iñigo, Fernando Vázquez Savater and Fernando Gonzalez. The report was finalized in February 2005.} More precisely, the Informe recommended establishing a more independent management of RTVE, a transparent
system of accounting, fixed limits for advertisement and growing state funding for RTVE.\footnote{For more information see Informe para la reforma de los medios de comunicación de titularidad del Estrado, Elaborado por el Consejo creado al efecto,según Real Decreto 744/2004, de 23 de abril}

Also, as Bustamante explains (2008) “With the informe we had to face two issues combined. On one hand the transformation of TVE into a more democratic PSB. On the other hand we had to face the new digital and online scenario” (ibid: 2).

Therefore, the history of the internet activities of RTVE dates back to the new reform. Before that, as showed in a recent survey commissioned by EBU and the BBC, the internet activities of TVE have been really minimal, being RTVE at the most remote place in the European ranking of EBU member websites (EBU and BBC, 2007). In fact, according to the Survey, the proportion of the active online audience who visited TVE’s site in the months of June 2007 reached 4.9 \%(ibid :15). To make sense of these numbers, it is useful to mention the reach of the BBC websites in the same period of 2007, that arrived at a proportion of 59.6\%(ibid :15). At the same time, RAI’s online sites attained 11\% in the same period.

As Bustamante (2008) explains, the investigation conducted at the time of the writing of the Informe showed that just six people were employed in the Internet Department of RTVE in 2004.\footnote{Interview with Enrique Bustamante, July, 2008} The reasons for this delay have to be found in the grave financial crisis faced by RTVE in the last decade\footnote{As Rodriguez Pardo (2006 :16) explains The “the accumulated loss since 1990 has been partially alleviated by constant extra subsidizing from the State, through each year State budget.(Ibid :16)} , the mishandling of the budget, the inefficiency of the organization. Moreover, when the debate around TVE, spurred by the first government of Zapatero started in 2004, it was difficult to achieve a long-period
strategy\textsuperscript{14}, if we think that of the constant turnover and the reorganization that was taking place at RTVE.

Moreover, from its launch in 1996, RTVE portal was characterized by lack of resources, to the extent that the content online was updated just once a week. As Carmen Caffarel, the General Manager of RTVE under the first government Zapatero\textsuperscript{15} put it at the time of the first re-launch of the portal in 2004 “The portal of RTVE was attended just by three people in the morning and the content sometimes was not updated in weeks”(Congresos de Los Deputados, 2004:22).

Hence, it was with the first government Zapatero in 2004 that the internet strategy of RTVE gained weight in the policy discussion around the Spanish public service broadcasting. As Bustamante (2008) explains “with the informe we had to face two issues combined. On one hand the transformation of TVE into a more democratic PSB. On the other hand we had to face the new digital and online scenario” (Bustamante, 2008:2)

From the discussions that took place at the Parliament at the time when the reform was starting taking shape, we can appreciate for the first time what type of development of the internet activities of RTVE seemed essential. As an MP from the Socialist Group declared “The internet portal of RTVE should be not just a complement to public service, but should be itself conceived as a public service, being one of the activities of RTVE as a public entity. Therefore our group consider that RTVE neither can keep being unconnected to the new media scenario, neither can start integrating in the information

\textsuperscript{14}Interview with Rosalia Lloret, July 2008
\textsuperscript{15}Carmen caffarel was the general manager of RTVE under the first government Zapatero from 2004.
society with so much disadvantages in comparison to the private competitors\textsuperscript{16} (Diarios, 2004: 22).

In my view this comment is very relevant in showing once again the double character of PSB ethos in Spain that persist in the online world: on the one hand, the need of delivering in the online sphere a public service with its classical connotation\textsuperscript{17}. On the other hand the strong commercial orientation and the necessity of being competitive in the market in order to collect resources through advertisement.

For this reason what we will see in the following development of the internet activities of RTVE is certainly a renewed commitment to news, forum, sports and debates online. However, there is also a strong impulse towards soap operas, fiction and entertainment.

As I mentioned earlier, even though the online activities of RTVE were launched in 1996, it was just in 2004 under the direction of Carmen Caffarel that the organization of RTVE’s online services started improving. The number of professionals working for the portal reached twelve in order to guarantee a constant update of the sites. Also, the portal was enriched by new contents in streaming produced both by TVE and by the National Radio (RDE). Where in June 2005 the pages viewed per month were 1.1 millions, in December of the same year they reached 13.4 millions.

However, the portal was under the supervision of the Institutional Communication Department, therefore with no specific division and no specific budget created yet.

\textsuperscript{16}See Dona Rosa Lucia Polonio Contreras, Grupo Parlamentario Socialista: “El portal de internet de Radiotelevisión Española, el cual no sólo debe configurarse como complemento de un servicio público, sino que debe ser concebido como servicio público en sí mismo, al ser una de las actividades que lleva a cabo Radiotelevisión Española como ente público. Desde nuestro grupo consideramos que Radiotelevisión Española no puede quedar descolgada del nuevo escenario mediático ni integrarse en la sociedad de la información con serias desventajas respecto a los competidores privados.

\textsuperscript{17} As explained at the beginning: citizenship, quality, universality and trust (Brevini, 2008)
It was with the reform that the internet development of RTVE gained new relevance. The Informe that paved the way to the new law on RTVE recognize the absolute need for RTVE of creating a portal with its own identity and resources and with the autonomy to develop its potential. The portal would serve as a technological platform that could modernize and better the new structure of RTVE, in order to (...) become the best point of reference for the development of the Group” (Informe, 2005: 126).18

Furthermore, it is interesting to juxtapose the stance of the Consejo (Council) that produced the Informe with the Annual Report of RTVE of the same year.

According to the Consejo, “the internet of RTVE should offer radio, tv, multimedia services, that are adequate for a bidirectional communication. That means that it should be strongly participative and democratic for the citizens, according to a vision of public

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18 “RTVE debe crear un auténtico “sitio” Web, con identidad y recursos propios, que disponga de autonomía para el desarrollo de sus potencialidades que sirva, a su vez, de plataforma tecnológica para la modernización y mejora de la nueva estructura empresarial, optimizando sus recursos técnicos y humanos y convirtiéndose en el mejor referente del desarrollo integral del Grupo.” (Informe, 2005 :126)
service” (Informe, 2005:127). This certainly illustrate the aspiration, for the Consejo that was asked to reform the public television of Spain, towards an authentic public service in the online sphere.

Nevertheless, the words or the Annual Report of RTVE 2005 are quite different. In explaining the new development of the online activities of RTVE, the Report states that “The presence of RTVE online becomes crucial both from the point of view of the public service and the business” (RTVE, Informe Annual 2005).

Once again, the debate around the public service online in Spain mirrors the debate about public service television. Whether there is, in the spirit of the reform, the urge of securing the aims of a public service, this also clashes with the strong commercial orientation that traditionally has characterized TVE and with its huge need of getting resources through advertising. However, it is clear that the last two years have been crucial for the development of the internet activities of RTVE.

According to the art 5th of the act 17 of 2006, the objectives of the Public service have to be defined by a “Mandato Marco” 19, emanated by the Parliament every nine years. The first Mandato Marco signed at the end of 2007, in line with the Informe gives new relevance to the internet activities of RTVE:

“It is part of the public service of RTVE to produce, develop and transmit through different platform - radio, TV, interactive media and internet- quality, equal and diverse content for every type of public and genre (...) in order to satisfy the need of information, culture, education and entertainment of the Spanish Society and to reflect its identity and cultural and linguistic diversity, and in order to promote pluralism and participation”

19 The first Mandato Marco, that can be compared to the Royal Charter of the BBC (with the exception of being emanated by the Parliament) has been signed on the 18th of December 2007. The following “contrato programa” that will better define the type of activities, the organization, the budget for RTVE has yet to be produced by the Government.
Hence, the “agreement on the foundation of RTVE as a corporation”\textsuperscript{20}, establishes a new separate division for the Multimedia and interactive Services of RTVE.\textsuperscript{21}The new division that was launched in 2008 counts already seventy professionals, a big change in comparison to the previous organization.

For the first time in RTVE history, the accounting transparency required by the 17-2006 Act will allow the new division to have a separated budget for a period of three years as a result of the Contrato Programa. Unfortunately, at the time of writing, the Contrato Programa has not been emanated yet and it is not clear how much public funding will be devoted to the new project. However, the twofold system of funding that has characterized RTVE will be kept for funding the new activities online. In the Contrato Programa, everything that is public service will be clearly recognized and therefore financed through public money. The activities that are not considered public service will instead be financed trough advertisement. Therefore, the Contrato Programa will define what public service is really in order to fund it with public money.\textsuperscript{22}

Notwithstanding the great delay of RTVE’s online presence, as appreciated by the new President of RTVE, Luis Fernandez\textsuperscript{23}, the new portal RTVE.es that was launched on the 20\textsuperscript{th} of May 2008 has already achieved the significant result of bringing the users from an average of less then 1.000.000 in 2007 to an average of 1.900.000 in July 2008.

\textsuperscript{20} Acuerdo para la costitucion dela Corporacion RTVE,12th July,2006
\textsuperscript{21} El área de Multimedia e Interactividad se constituye para gestionar, la plataforma de Internet de RTVE, así como para el desarrollo de nuevos proyectos de servicios multimedia e interactividad, que permitan a la Corporación RTVE estar alineada con otros Operadores de Servicio Público en esta materia.(acuerdo :8)
\textsuperscript{22} Interview with Rosalia LLoret, Madrid, July 2008
\textsuperscript{23} See Luis Fernandez, Diarios de Congresos de los deputados ,2006
Rosalia Lloret (2008) explains the promise to deliver more news: “We have 1000 people working for the news at TVE and we already collect the news produced by TVE but also by Radio National. The result is a very multimedia website, where we offer video and audio, but also texts.”

Besides, “we have a very similar platform to the BBC I player, Television a la carta. In fact, you can watch everything that is broadcasted on TVE for the 7 days after the production.” (Lloret, 2008)

Notwithstanding the reform, a strong entertainment and commercial vocation is apparent in the new portal. This is easily understood if we consider that, also after the reform, the public funding of TVE reached just the 35 % of the overall budget of RTVE, with a 65% of advertisement. Since the same approach is applied to the internet activities, it is clearly understandable why the advertisement for RTVE’s portal becomes relevant. Moreover, Lloret confirms that “we believe that the portal should also spur the online advertisement market that in Spain is still stagnant at a 7%”.

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24 Interview with Rosalia LLoret, Madrid, July 2008

25 In 2007 the total budget of RTVE was of 1.189, while the public funding reached 435 millions of euro

26 The budget for the Internet activities will be clearly defined by the Contrato Programa.

27 Interview with Rosalia Lloret, SOITU.ES, 13-05-2008
Hence, in the ranking of online media in Spain, RTVE is still placed in the category of “entertainment media” by OJD Interactiva, being therefore separated from the websites of newspapers as El mundo or El periodico, that are listed as providers of news. Despite the important growth of RTVE.es since May 2008—that led the portal to 18 million of pages viewed in July with 1.900.000 users—RTVE.es has still big challenges ahead. In fact it is worth observing that a big competitor, El Mundo online, in July 2008 had 10.500.000 of users and 303 millions of pages viewed (OJD Interactiva, July 2008).

To sum up, RTVE’s policies regarding the development of new online services has been virtually inexistent until very recently. In fact, in the late 1990s and early 2000s, Spain’s PSB has undergone a tremendous crisis that the 2005 reform of Zapatero Government has started solving. Therefore, scarce resources were invested in the online expansion, until the latest change brought by the reform that saw the launch of a New division of Interactive Media. The division has been allocated a proper workforce, resources and funding, has launched a new portal and it is very committed to gain position in the online market place. However, notwithstanding the commitment to news, RTVE.es still maintains a strong commercial orientation, that certainly mirrors the ethos of TVE.

**RAI online: never a priority for Italian Governments**

Public service broadcasting in Italy is provided by RAI, under a 20-year License Convention between the State and RAI, that specifies the conditions of utilization of the license. Moreover, the Service Contract –contratto di servizio– signed every 3 years

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28For more info see http://ojdinteractiva.ojd.es/alfabetico.php
between the Ministry of Communications and RAI clarifies the remit of the public service broadcaster.

An analysis of the online expansion of RAI certainly needs to be framed in the peculiar context and history of Italy. In fact, it is important to remember that RAI has never been a totally independent Public Service Broadcaster, but has always been submitted to “lottizzazione” – the distribution of posts and power according to political affiliation. (Mazzoleni, 2005: 896). Moreover, the reforms adopted to reformulate RAI’s accountability, independence and supervision have in fact never succeeded (Mazzoleni, 2005).

These circumstances have certainly influenced the development of the online activities of RAI. The brief history of RAI’s online expansion demonstrates that the online expansion of RAI was never a priority for RAI executives and equally for the political majorities that were in power. According to the ex Ceo of RAI NET one reason for the delay has to be found in “the lack of competence of the leadership of RAI in the field of new media and new technology” (Contri, 2007:2). However, even in presence of a clear plan, the lack of continuity of its administrators makes it very difficult to carry out a long term strategy. As Matteo Maggiore claims “How can you have a solid and consistent corporate strategy in a company like RAI, when the Board of Directors changes every 6 months?” (Maggiore, 2007:4).

As a result, www.rai.it is still ranked in a very low position in the classification of the most popular websites in Italy (Nielsen NetRatings, 2008) in a country where 24 million people go on line every month just 3 millions unique users have visited the Italian PSB’ portal each month in 2008. Kataweb and RCS, the publishers of the most
important news outlet online in Italy (La Repubblica and Il Corriere della sera) reached respectively 7 millions and 6.4 millions of unique users.

The broadcasting Act of 1997 that constitutes one of the most important piece of reform of broadcasting in Italy and RAI. However, even thought it set the conditions for the introduction of digital terrestrial television in the country, it did not take into consideration the online expansion of RAI as a condition for its development.

The first policy documents that prove more attention for the potential of the internet are the Service Contract for the period 1997-99\(^{29}\) and the Service Contract 2000-2002\(^{30}\) where the importance for RAI to develop new media services and to experiment new technologies is reaffirmed.

If the governments of centre-left in Italy seemed to encourage-with the two Service Contract (1997-99 and 2000-02) - the expansion of RAI in the new media, the contract of Service of 2003\(^{31}\), signed by the Centre-right majority, showed a swift of attention. In fact, the main priority in the Service Contract 2003 became the take up of Digital Terrestrial Television that has so far being used by Berlusconi as an excuse for maintaining his unconstitutional dominance in the broadcasting market of Italy.\(^{32}\)

\(^{29}\) Also art 26\(^{th}\) concerning ‘multimedia services’ stated that “RAI will ensure new opportunities and know-how for experimenting new forms of multimedia productions and new audio visual languages, also for the offer abroad (for example, it will develop new internet services)”(Service Contract, 1997: art 26\(^{th}\)).

\(^{30}\) Art 25 of Service Contract 2000-2002 reaffirms that “RAI will ensure new opportunities and know-how for experimenting new forms of multimedia productions and new audio visual languages, also for the offer abroad (for example, it will develop new internet services).”

\(^{31}\) Art 23 (1) of the Service Contract 2003 declares “In order to promote the industrial development of the country and and the introduction of new techniques of transmission, RAI is obliged to foster the conversion of programmes and services to the digital terrestrial modality” (Service Contract 2003, art 23).

\(^{32}\) Where in the previous Service Contracts the development of multimedia services, like “internet services” were listed among the new obligations of RAI, art 25 of the 2003 Services Contract, listed a series of services that RAI can develop, placing the investment in the multimedia offer in the realm of possibility. The words “RAI will develop internet services” of the 1997 and 2000 Contract of Service are replaced in the 2003 Contract with the words “RAI can develop internet services”.

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Moreover, the Law number 112 of 2004, the *Gasparri Law* – that contained specific duties and obligations that “the general broadcasting public service licensee has to fulfill within its overall programming”\(^ {33}\)-went on in promoting the adoption of DTT, with no mention of the on-line expansion of RAI. Eventually, it is with the new Service Contract of 2007\(^ {34}\), that the new media expansion of RAI and in particular the internet expansion became again a priority. Nevertheless, it is interesting to notice that the final draft of the Service Contract 2007 had a more progressive spirit than the official version of the contract. A sign of the resistance encountered inside RAI to the new strategy to implement.

In fact, the final draft of the Service Contract of 2007 stated that “RAI will make available on the portal [www.rai.it](http://www.rai.it) every type of content produced by RAI to every internet users, right after the broadcasting of the same content on the TV channels.”(Art 6(3) Final draft of Service contract (2007). Moreover, the draft stated that “RAI Will negotiate the acquisition of copyrights of the programmes and it will allocate the 7% of the whole resources dedicated to the production or the out-source acquisition of the whole contents broadcasted by the TV channels. (…)Finally “RAI will offer to the users, the opportunity to download every type of content under Creative commons license” (Art 6(3) Final draft of Service contract 2007). As it is clear from the text, the two versions

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\(^{33}\) See art 6(1) Gasparri Law  
\(^{34}\) Art 6 of the Service for the period 2007-2009 declares that  
1. “RAI will define a clear strategy to add value to its own productions and its audiovisual rights on every multimedia platforms, from the digital terrestrial and satellite offer to to IPTV, mobile and Internet  
2. RAI will enhance and update the service offered on its portal [www.rai.it](http://www.rai.it) in order to enlarge the actual production with new content for the Internet”  
3. RAI will make available, within the limits of copyright law, every type of content produced by RAI to every internet users (…).Moreover, RAI will allocate increasing resources to the acquisition of the copyrights of the programmes (…)
showed wide discrepancies. In fact, the official Contract took a more restrained approach, pushing on the one hand the new media expansion of RAI. However, it failed to indicate the amount of resources dedicated to the on line expansion \(^{35}\) and abandoned the idea of providing on line content for free under a creative Commons License.\(^{36}\)

At a first sight I might seem that the policies developed by the governments guided by the left coalition and the right coalition were different. However, the reality demonstrates that the outcomes were very similar. In fact, the scarce attention dedicated in the last decade to the implementation of the policies on the new media development of RAI and the nonexistence of a clear design to enhance web activities, demonstrates that the online expansion of RAI was never a priority for RAI executives and equally for the political majorities that were in power, as the following account will show.

In one of the several reforms of the Italian PSB of the last decade, between 1997 and 1999 RAI was reorganized in five consociates with specific aims: RAI NET responsible for web activities, RAI SAT for satellite channels (and the subsequent agreement with Sky), RAI WAY, for transmissions services, RAI TRADE for the commercialization of RAI production and RAI CLICK, a joint venture between RAI and Fastweb\(^{37}\).

Therefore, the beginning of the on line expansion of RAI dates back to the 1999, with the creation of RAI NET, with the aim of “enhancing the brand of RAI on the web”(Contri, 2007 :2). If at that time it was clear that the main web-activities of RAI had

\(^{35}\) In the official version of the Service Contract ,7% indicated in the draft has been substituted for “RAI will allocate increasing resources to the acquisition of the copyrights of the programmes”(Art 6 of the Draft of the Service Contract 2007)

\(^{36}\) For more information, see the website http://creativecommons.org/about/

\(^{37}\) The Italian company Fastweb, founded in 1999 is a significant player of the telecommunications sector in Italy. It provides ‘triple play’ services – TV, telephony and Internet access – to the Italian residential and business markets by means of its own fiber cable TV network. Fastweb has complemented its fiber optic network with ADSL access.” For more information see the profile of the company at http://company.fastweb.it/files/11/Profilo_Fastweb_UK_07.pdf
to be directed by RAI NET, in 2005 the picture was further complicated by the creation of RAI NEW MEDIA, a new directorate with the aim of coordinate the five divisions, but that in reality has never exerted its harmonizing functions, rather focusing on the DTT transition. (ibid :2).

Therefore, one might think that the main actor of RAI in the on-line expansion is RAI NET, since it provides the infrastructure for 400 websites of RAI’s programs, and other multi-platforms services. Surprisingly, two divisions of RAI – for instance RAI Educational and RAI International—are completely independent from RAI NET and “can decide by themselves their own on-line strategy” (Zela, 2007:1). Besides, many programs and channels are still running their websites independently (RaiNews24, Trebisonda, to name a few).

In part, this rather confusing organization of the Web activities of RAI explains why it is difficult to trace an overall strategy of RAI in the online world. The resource allocation for the Web activities seems to also be contradictory. After 20 million euros invested in 1999 to establish RAI NET, every year RAI NET has been assigned the 0,2% of the whole budget of RAI, an amount that equals 6 million euros. Also, the staff employed at RAI NET appears very limited, with just “6 journalists and 30 technicians that have to take care of 400 websites” (Contri, 2008:2).

Given the continuous turnover of managers at RAI, it is surprising that the CEO of RAI NET kept his position from January 2003 to March 2008 and that under his

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38 RAI Educational is the directorate in charge of the educational programmes of RAI that deals with arts, history, culture, science. See the website http://www.educational.rai.it/programmi.asp
39 RAI International broadcasts, throughout the world the programmes of RAI Radiotelevisione Italiana, as well as original programmes made for Italians who live abroad and for all those who have a family. “Since its inception in 1995, Rai International has worked under an agreement with the Italian government in order to develop the presence of public service in international radio and television broadcasting abroad” See the website http://www.international.rai.it/engl/whoweare/index.shtml
guidance, with such a lack of resources, a huge growth of pages viewed and unique users has been reached.\textsuperscript{40} Data from Audiweb – Nielsen Online (2008) show an increased interest for www.rai.tv, especially after the launch of the new portal, \textsuperscript{41} with an average of 2.8 millions of unique users every month in 2007, against an average of 1 million in 2003.

![Graph showing growth in visits to www.rai.tv from 2001 to 2007](image)

However, despite the growth, the web offer of RAI is still mainly commercial and entertainment oriented,\textsuperscript{42} rather than focused on news and public affairs that should be a priority for PSBs. There are several reasons for this outcome. First, the offer on the web mirrors the entertainment-oriented inclination of RAI. Second, the “scarce resources available to RAI Net make it necessary to collect advertisement on the Web; therefore the

\textsuperscript{40} The ex CEO of RAI Net, Alberto Contri, has been removed from his position in March 2008, despite the significant results obtained, according to the spoil system logic employed at RAI. It should be noted that under the years of Contri’s direction, from the monetary loss due to structural costs, RAI Net has been led to profits in 2005.

\textsuperscript{41} www.rai.tv has been launched in January 2007

\textsuperscript{42} See in details the Web offer of RAI at www.rai.it
entertainment offer seems the only option” (Contri, 2007:3). The third reason is the “difficulty to coordinate content aggregation of the news programs produced by every single news division of RAI with only six journalists employed that work just 5 hours per day because of union agreements” (Contri, 2008:3). Eventually, everything is complicated by the fact that “nothing is produced digitally, all the archive of RAI is recorded on cassettes and a lot of time is wasted in the digitalization of the source.” (ibid: 4). More astonishingly, the service offered by RAI Net is not continuous across the week, but it is suspended during the weekend. That means that no updates to the news and no upload of programmes are made from Friday evening to Monday morning. It is worth observing that the new management of RAI Net seems to be more concerned on the low level of advertisement investments on its web pages, rather then on the type of the offer.

Yet, an overview of the online presence of RAI would be incomplete without an analysis of the well-developed web activities by RAI Educational. RAI Educational, the division of RAI dedicated to educational program that promote history, culture and science, has launched programs on the web since 1997. So far, “RAI Educational Web manages 30 websites of educational programs. The amount of money dedicated to RAI Educational as a whole totals 0, 3% of RAI overall budget, while on average, the 20% of the budget of 9 million euros go to the web activities.” (Zela, 2007:2).

Some of the programs offered on the web by RAI Edu are the on-line translation of successful TV Programs, like for example the Divertinglese and Divertiopc, devoted to the learning of English as a second language and ICT alphabetization-43, or “La Storia Siamo Noi” (“We are history”), devoted to history. Others, like Medita are specifically created for the Net.

43 For more information, see the “D” website http://www.ild.rai.it/index.asp?t=8&pag=faq#40
Medita, a multimedia project launched under an agreement with the Minister of Education, consists of a Digital Multimedia Library dedicated to schools, “currently the most important online encyclopedia in Italy” (see www.medita.rai.it) and one of the biggest in Europe. It comprises 2500 audiovisuals, hundreds of multimedia learning objects and 1100 hours of videos. The material has been designed “to act as a complementary didactic activity. Each audiovisual item has an interactive section where teachers can attach their comments, lesson samples and additional audiovisual documentation” (see www.medita.rai.it).

In conclusion, the lack of a long term strategy, the continuous change of management and the lack of resources, have seriously compromised the expansion of RAI on the Web. In fact, the investments have been low since priority has been given to the DTT implementation rather than the online offer. The growth in unique users registered since 2003, seems to be more due to the obstinate work of the management of RAI Net itself, without any coordination with the central division of RAI, rather than the outcome of a well-planned strategy coming from the Executives Board.

Overall, RAI’s commercial orientation is mirrored in its online activities, with the exception of the independent division of RAI Educational that distances itself from the entertainment vocation of RAI and reaffirms the idea of a PSB that, through new technology could enhances the social, cultural and political cohesion of the Italian society.

\[44\text{ www.medita.rai.it}\]
BBC’s activities in the online sphere dates back to the mid 1990’s, when the director general John Birt first talked of the possibility of building the third great arm of the BCC, an online public service.

The evolution of the policies related to the online activities of the BBC have to be put in the context of the reform of the corporation, spurred certainly by the European influence dictated by State Aids decisions regarding PSBs (Craufurd Smith, 2001; Levy, 1999; Varney, 2004) and by the compulsory review of the Royal Charter that takes places every ten years.\textsuperscript{45}

Since the beginning, the BBC seemed to recognize the possibility of the Internet to constitute a new chance to connect with the citizens. However, as in the 1990’ the internet was a relatively unknown medium, the activities of the BBC online were limited to text based on its core programs and services, like BBC Radio 1, CBBC, the Planets, news and sports. That first approach fits certainly the category applied in a recent survey by EBU, the so called “Incremental Approach” of the internet activities of established broadcasters. (EBU and BBC, 2007 :12). It was then in 1997 that the new project BBC online was launched. The approval of the Secretary of State \textsuperscript{46} arrived in 1998 after a one-year pilot and a public consultation.

\textsuperscript{45} The BBC is constitutionally established by a Royal Charter that last ten years and it is complemented by an Agreement between the BBC and the Secretary of State for Culture Media and Sport. For further information see http://www.bbc.co.uk/bbctrust/framework/charter.html

\textsuperscript{46} The Secretary of State’s approval was required by the previous Royal charter in the case of the launch of new services under Article 3(b) of the Royal Charter.
As we gather from the letter sent by the BBC to the Secretary of state seeking consent for its public service online, the objectives of BBC Online, established by the original approval were:

I. Act as an essential resource offering wide ranging, unique content

II. Use the internet to forge a new relationship with licence fee payers and strengthen accountability

III. Provide a home for licence fee payers on the internet and act as a trusted guide to the new media environment

(Letter from the BBC to the Secretary of state)

As the Graf report (2004) on BBC online observes “the BBC’s ‘third arm’ of public service broadcasting, BBC Online shares BBC television and radio’s wider public purpose which is, broadly, to “enrich people’s lives with great programmes and services that inform, educate and entertain” (Graf, 2004:17). After becoming a permanent service, the BBC online kept growing, thanks to its vast investments and its capacity of bringing the public online. The appointment of Ashley Highfield as the first Director for New Media and Technology in October 2000 was certainly an important turning point for the advance of the service. The expenditure on BBC online increased from 23 million in 1998, to 40.7 millions in 2000 to 57 millions of pounds in 2001, (51.9 for the home service and 5.1 for the world service respectively)The pages viewed of BBC online grew from 176.7 millions in 2000 to 322.3 millions n 2001(BBC,2000 :80)

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47 For more info see Graf (2004)
As we can infer from the graph above, the total number of BBC Online users grew from 3.8 to 4.9 million in March 2001.
As showed in the chart above, the News division online was already the most successful of BBC online services, with a peak of high of 120.6 millions paged viewed in March 2001, followed by the sport division launched in 1999 and by the educational services.

On the wave of its success and given the wide range opportunity to expand its service according to the service approval conceded by the Secretary of State in 1998, BBC kept consolidating its position in the online world. In 2002 the new search engine tool was launched with total costs of £414,268 (BBC, 2002). Besides, the first Radio player was launched offering the opportunity to listen live to all the radio programs offered.

However, the political climate regarding online ventures started changing both at national and at the European level. Some claimed that the BBC online was expanding too much to comprise services that were not conceived at the time of the approval (Cave, Collins, 2004). The British Internet Alliance started complaining about the wide range expansion online of the BBC. Moreover, at a European level, the axe of the State Aids decisions started weighting more and more (Scott, 2007: Prosser, 2005) on the activities of PSBs in all Europe, making necessary for PSBs to distinguish clearly between public services and commercial activities in the online world.

Nevertheless, the first independent review of BBC online called by the Secretary of state, known as the Graf Report⁴⁸, concluded that the BBC delivered high quality service

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⁴⁸ The independent review of BBC Online (The Graf Report) set out by the Secretary of State in April 2003 was aimed to:
- Consider whether, in providing its online service known as BBC Online, the BBC is acting in accordance with the facts and assurances on the basis of which approval to proceed with the service was given;
- Produce an assessment of the market impact of BBC Online
in an effective way and that there was a wide support and public affection for BBC online. At the same time, some sites were “hard to justify in terms of the BBC’s remit or wider public purposes.” (Graf: 2004:10). “Sites - such as fantasy football, certain games sites, and the ‘What’s On’ listings sites - do not seem to me, to be sufficiently distinctive from commercial alternatives or adequately associated with public service purposes, to be justified by the remit (ibid: 10). Moreover, the report underlined that there were ‘indications’ that BBC Online may have an adverse impact on competition’ (Graf, 2004, 58). As a consequence, the BBC decided to closed five websites (Smith: 2006).

This was the beginning of the new phase for the BBC online, what I would call as the “public value test era”. 49

A phase where, coherently with the reform and the introduction of a triple lock system “(DCMS, white paper; Barnett, 2006), every new service of the BBC is closely investigated and subjected to a public-value and a market impact assessment. Moreover, every new service is today subjected to a service license that the BBC trust release to each service.

In this outcome we can certainly see the pressure of the commercial competitors, both at the European and at the national level that brought for a major scrutiny on the online activities of the BBC.

Therefore, the service license for BBC online requires today that the BBC delivers one or more of the BBC’s public purposes indicated by the Royal Charter 50 and its

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49 The Public Value Test was introduced by the last Royal Charter. This test consists of a public value assessment carried out by the BBC Trust of the consumer -citizen benefits of the proposals and a market impact assessment carried out by Ofcom.
content should contain at least one of the “public service characteristics”: high quality, challenging, original, innovative and engaging. (Agreement :7)

The BBC Trust has just completed the first service review of bbc.co.uk, finding that bbc.co.uk is highly valued by the public and meets the aims of the license. However, it pointed out that more management’s control is needed to make a better use of the resources (on BBC online 116 millions have been spent in 2006-2007 and 182 millions in 2007-2008)\textsuperscript{51}. Moreover, once again, the need for “distinctiveness” (Review: 13) from the services offered by commercial competitor is strongly demanded. Again, it is stressed that public values needs to be balanced with the market potential negative impact (Review: 14). Therefore, “for the first time in BBC history, there is an explicit injunction to take into account not only the public interest, but the commercial interest as well” (Barnett, 2006:20). If this is true for BBC’s broadcasting activities, the pressure from the commercial sector is even stronger in the online world.

This is also because of the orientation of the European Commission and its continuous activity to limit the scale of public services and the opening of the Review of the Communication of 2001 seems to go in this direction.

\textsuperscript{50} The BBC’s main activities should be the promotion of its Public Purposes through the pro vision of output which consists of information, education and entertainment, supplied by means of—(a) television, radio and online services; (Royal charter ;3)

The Public Purposes of the BBC are as follows—(a)sustaining citizenship and civil society;(b)promoting education and learning;(c)stimulating creativity and cultural excellence;(d)representing the UK, its nations, regions and communities; (e) bringing the UK to the world and the world to the UK,(f) in promoting its other purposes, helping to deliver to the public the benefit of emerging communications technologies and services and, in addition, taking leading role in the switchover to digital television.

\textsuperscript{50} “A service licence must define the scope of the service, its aims and objectives, its headline budget and, where appropriate, other important features, having regard to the needs of licence fee payers and others who may be affected. In particular, a licence must describe the key characteristics of the service.”(art 17,Agreement)

\textsuperscript{51} It should be noted that in 2006-2007 the BBC spent 116 million on bbc.co.uk and 37.7 on BBC Jam, the now suspended service for an overall costs of 153.7. In 2007-2008, 3.9 millions have been spent on the I player. (BBC,2007,BBC 2008)
Hence, we can certainly trace this pattern manifesting in the recent decision of the Trust to close BBC Jam after many complaints from the commercial competitors at the European level.

As Scott (2007) observes “the Trust's problem was that it hadn't conducted an assessment of the public value to be gleaned from market intervention of this type, and therefore couldn't simply explain to the EC Commission that the public service requirement in the Article 86(2) EC 'get out of jail card' was satisfied. Facing the risk that the BBC's activities may be found subsequently to have involved reliance on unlawful state aid, the Trust adopted a safety-first approach” (Scott, *ibid*: 1).

On the other hand, in conducting the first Public value Test in April 2007, the BBC Trust showed to be capable of fair judgment. In fact, the BBC Trust gave final approval to BBC on-demand proposals for the online seven-day catch-up TV service through the BBC I- player. As the Trust makes clear in the conclusion paper of the PVT “we have not altered our view that each of the proposals is likely to deliver significant public value, enough to justify the likely market impact.” (BBC Trust, 2007:2).

The BBC player, launched over Christmas 2007 with an overall spend of 3.9 millions, in March 2008 has reached requests of content for 4.7 million a week. Also, bbc.co.uk has kept increasing its appeal with the British public, reaching an average of

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52 BBC Jam is a free interactive online learning service for 5 to 16 year olds, reflecting UK school curricula. For more details see “No Jam tomorrow” By David Puttnam, The Guardian, March 26, 2007 available at [http://media.guardian.co.uk/mediaguardian/story/0,2042548,00.html](http://media.guardian.co.uk/mediaguardian/story/0,2042548,00.html) or “Jobs at risk as BBC Jam scrapped”, by Jason Deans, March 14th, 2007, The Guardian, available at [http://media.guardian.co.uk/newmedia/story/0,2033642,00.html](http://media.guardian.co.uk/newmedia/story/0,2033642,00.html) and “Puttnam weighs in on BBC Jam” by Andrew Scott, available at [http://lsemediapal.blogspot.com/search?q=jam](http://lsemediapal.blogspot.com/search?q=jam)

53 BBC Jam is a free interactive online learning service for 5 to 16 year olds, reflecting UK school curricula. For more details see “No Jam tomorrow” By David Puttnam, The Guardian, March 26, 2007 available at [http://media.guardian.co.uk/mediaguardian/story/0,2042548,00.html](http://media.guardian.co.uk/mediaguardian/story/0,2042548,00.html) or “Jobs at risk as BBC Jam scrapped”, by Jason Deans, March 14th, 2007, The Guardian, available at [http://media.guardian.co.uk/newmedia/story/0,2033642,00.html](http://media.guardian.co.uk/newmedia/story/0,2033642,00.html) and “Puttnam weighs in on BBC Jam” by Andrew Scott, available at [http://lsemediapal.blogspot.com/search?q=jam](http://lsemediapal.blogspot.com/search?q=jam)
3.6 billion per month and 16 million unique users per month (BBC, Review 2008), being the third UK most visited website after Google and MSN.

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<tr>
<th>Property Name</th>
<th>Unique Audience Reach (000)</th>
<th>Time Per Person</th>
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<tr>
<td>Google</td>
<td>29,957</td>
<td>01:34:23</td>
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<tr>
<td>Microsoft</td>
<td>27,403</td>
<td>02:52:31</td>
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<tr>
<td>BBC</td>
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<td>12,894</td>
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<td>10,640</td>
<td>00:35:25</td>
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United Kingdom: Top 10 Parent Companies
Month of July 2008
Home/Work Panel

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Hence, a last comment should be made on the risk for the BBC to crowd out other commercial competitor in the online market.

Ofcom that is responsible for conducting Market impact assessment for new BBC’s services and it is responsible for the efficient functioning of media markets in the UK has showed a very interesting tendency in the UK online market. From 2002 to 2006 in fact, “BBC’s online spend increased by over 50% in five years, while online advertising spend in the UK increased by over 1600% in the same period”(Ofcom, 2008: 79)

This could suggest that the BBC has not necessarily limited the growth of the market. In fact, Ofcom continues: “growth in the UK’s online advertising market has been constant and strong over the past few years – actually faster than countries in which there is no comparable public subsidy” (ibid :79) This is certainly an illuminating report, that does not seem to be considered enough in the first review of the service licence of the BBC.

![Figure 43a Relative increase of BBC’s online spend and total advertising spend](image)

*Source: BBC Annual Reports; The Advertising Association*
Therefore, the BBC’online expansion, for its reach, offer and public support is certainly in harmony with the application of PSM ethos online. Since its early beginning, it has been considered the “third arm of the BBC”. Also, the huge amount of resources invested has brought it to become a point of reference for information, education, entertainment and participation online. However, the commercial pressure coming from the national and the European commercial world has already started limiting its reach and potential, the suspension of BBC Jam being a clear example of this trend.

Comparisons and challenges ahead

What this study seems to tell us on the online expansion of PSBs in Europe is that there is an evident parallelism between their online and off line activities. This is true especially for each typical broadcasting ethos that is replicated online as a consequence of different cultural and political factors. For instance, where a strong commercial orientation is present in the broadcasting offer, the same feature characterizes the online offer. Where the major concern is instead to offer news and public affairs, the same approach is followed online.

Clearly, the three case studies examined present different solutions regarding the development of their Internet activities. We could certainly see these results as the product of three main factors. First, the peculiar way of development of PSB online is shaped by the national, political and cultural context in which each PSB is situated. Second, a relevant element in defining the online media policies of PSBs is stemming
from the position and power that PSBs have in each national market and therefore from the different pressures coming from the commercial competitors. Third, an increasing influence on the online expansion of PSBs is exerted by Europe, throughout the decisions on State Aids to PSBs and the current policy debates around a possible review of the Communication 2001 by the EC (Ward, 2003: Jacubowicz, 2007).

More precisely, whereas the BBC recognized the potential of the web back in 1997, TVE’s policies regarding the development of online services were nearly inexistent at that time. In fact, in the late 1990s and early 2000s, Spain’s PSB underwent a tremendous crisis which only recently, with the 2005 reform, has been brought to an end. As a consequence of this crisis, no resources were invested in new services or in developing long-term strategies. In Italy, the incessant change of government and, consequently, of management at RAI, has thwarted the expansion of PSB on the web. So far, the investments have been minimal since priority has been given to the DTT implementation rather than the online offer.

During the process of the Royal Charter Renewal, it was already clear that the “BBC online” constituted “the third arm of the BBC”, not just a complementary service to broadcasting. The same conclusion cannot be drawn for RAI, where there is still no clear-cut and centralized strategy and where many of the services constitute a mere replica of the broadcasting offer. The growth registered since 2003 seems to be more due to the obstinate work of the management of RAI Net itself, without any coordination with the central division of RAI, rather than the outcome of a well-planned strategy coming from the Executives Board. TVE, notwithstanding its delay in the online world seems to have now cultivated a more long-term strategy project. The New division of Interactive Media
has been created with a proper workforce, resources and funding. This also demonstrates that the Internet offer has become an independent service for TVE and that specific programs are conceived just for the Web.

Furthermore, the different funding models adopted by the three broadcasters (license fee for the BBC and a mixed model of public funding and advertisement for the others) are highly conditioning for the online offer. In fact, with its huge resource at its disposal, the BBC has been able to offer wide-ranging activities and different type of PSM output, from educational and cultural programs for the web, to news, public affairs and interactive forums. On the contrary, the scarcity of resources dedicated to RAI Net has prompted the necessity of offering fictions, reality TV shows and programs that could be sponsored online, in order to collect advertisement. This approach is similar to the one of TVE on the web, which is currently looking for new forms of online advertisement. Therefore these funding arrangements have a precise bearing on the degree of commercialization of the offer on the Web.

As for the second factor, which influences the policies regarding online activities of the three PSBs studied, the commercial world has been far more concerned about the expansion of BBC online in the UK rather than the expansion of the respective PSM in Italy or Spain. It is understandable considering that the BBC is the third best in the ranking of top websites of the UK, while RAI and TVE are not yet included in the top ten list of their respective countries.

As a result of the last reform, strongly advocated by the commercial broadcasters, the BBC is now subjected to far more scrutiny on the launch of new services online than the others PSBs. These controls extend from the approval process with the Public Value test
to ex-post controls through the service licenses. In contrast, RAI and TVE have no restrictions for the launch of new services. It is merely within the faculty of the management to decide the strategy. The pressure from the commercial world is so fierce towards the BBC, that the Educational Service of BBC (BBC Jam) has been suppressed following complaints from educational publishers to the European Commission, with unfavorable prospects for the expansion of BBC online in the field of Education. On the contrary, in Italy, there is no high competition from educational publishers and the educational services of RAI are well maintained and supported.

Eventually, the influence coming from the European Union has had a bigger impact in the UK, where the activities of BBC are all license –fee funded, rather than in Italy or Spain, with their smaller presence and different funding model. The British Internet Alliance for example is lobbying strongly in Brussels against the expansion online of the BBC, claiming that the online activities are not in line with the remit of the BBC and are damaging internal competition. Until now this pressure is less perceived in Spain and Italy as regards to the online expansion of RAI and TVE.

Finally, in the introduction I presented the yardstick of public service ethos identified in the principles of citizenship, quality, universality and trust. These principles are certainly more typical of the liberal model where the BBC is set, rather than the southern –European model where RAI and TVE are located.

It is therefore difficult to see a full realization of PSM ethos online when considering the offer of RAI or TVE on the web. In fact, what we observe on the web is a duplication of the same ethos of RAI and TVE in the broadcasting world. It is easy to detect a strong commercial orientation that mars the online offer of TVE, although in presence of a huge
willingness to obtain more political independence and to gain market prominence. Likewise RAI’s presence on the web shows a strong commercial orientation and presents the same lack of continuous strategy, scarcity of resources devoted to PSM aims as well as the same strict ties to politics. Yet, the development of the educational department, with its strong focus on the online offer constitutes the exception to the dominant paradigm.

On the contrary, the online expansion of the BBC, with its high level of accountability, public support, high reach, and originality certainly can stand within the yardstick of PSM ethos online. What has been done so far by the BBC represents undoubtedly the closest implementation to the principles of PSM ethos among the three cases evaluated. The weight given to online services in the remit of the BBC is something that should be followed by all European broadcasters, given the importance of online media for achieving democratic goals.

I have demonstrated that the peculiar national, cultural and political connotations of the countries in which PSM are operating is heavily affecting their evolution in the online platform. However, in the future a growing influence of the European Commission on the online expansion of PSM is likely to be observed. Or, more precisely, we will probably see a growing influence of commercial lobbying activities that is conditioning EC’s policy –making on placing new boundaries to the online expansion of PSM. The discussion around the revision by the European Commission of the 2001 Communication regarding State Aids to PSB has already showed this trend.

I would like to conclude this paper by introducing the notion of PSB 2.0 as a policy toolkit that links the concept of PSM ethos with the online media. PSB 2.0, as I envisage
it, constitutes a set of new policies that PSM and member states governments in Europe should develop to bring PSM ethos online.

PSB 2.0 needs therefore to be legally and financially supported by Member States. It should aspire to achieve universality and a stronger partnership with the public. It should aim to obtain a more close involvement of civil society and other players including cultural institutions such as libraries, universities, museums, public institutions. These entities could collaboratively construct a public forum.

Yet, this analysis has demonstrated that the ethos of PSBs’ online activities so far replicates the ethos of their offline activities. Consequently it is crucial to carry out a radical reform of those PSBs that have not showed a strong PSB ethos in their traditional offer. This should be the precondition for the development of PSB 2.0.

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