



department for
**culture, media
and sport**

BERR | Department for Business
Enterprise & Regulatory Reform

news release

2008/236
17 October 2008

Digital Britain – the future of communications

JOINT DCMS/BERR PRESS RELEASE

An action plan to secure the UK's place at the forefront of innovation, investment and quality in the digital and communications industries will be developed by Stephen Carter, the first Minister for Communications, Technology and Broadcasting.

Already a major force in the economy, worth over £52 billion a year, the digital and communication sectors are growing in significance as the country faces up to current financial and market challenges. Vital to underpinning global economic activity, they are critical to every business in our economy, acting both as a catalyst for creativity and allowing efficiency gains. And they have a major impact on our culture and quality of life.

Drawing on expertise from across Government, regulators and industry, Lord Carter's report will be a comprehensive analysis of our digital economy. Titled 'Digital Britain', the work has at its core an ambition to accelerate the rate of growth, and cement the UK's position as a world leader in the knowledge and learning economy. To achieve this Stephen Carter will bring forward proposals for both Government and industry, to support the development of these critical sectors.

Stephen Carter said:

“Communications have been revolutionised in the last 20 years, with consumers and businesses alike embracing the opportunities and taking advantage of the reality of the new technologies.”

He added: “Digital Britain is about capturing the opportunities on offer for UK PLC and the public, and advancing our standing as a world leader in these industries.

“Our ambition is to see Digital Britain as the leading major economy for innovation, investment and quality in the digital and communications industries. We will seek to bring forward a unified framework to help maximise the UK’s competitive advantage and the benefits to society.”

Stephen Carter’s report will take forward and build on the wide-ranging work from Government, regulators and industry that already addresses issues around communications and convergence. It will bring together extensive expert analysis to develop a strategy for a fully digital Britain.

Culture Secretary Andy Burnham said:

“We need to move quickly if we are to maximise the benefits of convergence. Over the last year we’ve worked with experts to get a clear understanding of the issues to address and obstacles to overcome if our businesses and citizens are to take full advantage of technology. Now is the time to move from the think tank phase to the delivery phase and focus on the actions needed to bring benefits for both the economy and an enriched society. This is a change of gear by the Government, and the Digital Britain Report, led by Stephen, will be a key contribution to the digital future.”

Secretary of State for Business Peter Mandelson said:

"The Government is determined that the UK will strengthen its place as a world leader in the communications and digital technology sectors. For the present financial and banking crisis, Britain must get through the worst and prepare for the upturn. The digital economy will be central to this. The digital Britain report will lead the way"

To ensure the UK maximises the benefits of convergence right across the economy and society, a strategy will be developed to secure four key conditions: open markets; empowered and informed consumers and citizens; universal access to public service content; and a responsive regulatory framework. Priorities in each of these areas will be:

Open markets providing investment, innovation and choice, at all levels of the value chain including infrastructure, service provision and creation of content.

- **Broadband Development:** examining options for maximising participation and levels of service across the UK.

- **Digital Radio:** identifying barriers to wider investment and development of digital radio platforms, and drawing lessons from the current digital switchover television programme.
- **Investment in Content:** exploring business models for content development in a digital age, and the impact of new media on the content market.
- **Spectrum:** identifying the barriers to the release of spectrum and a fully functioning market in the trading and use of spectrum.

Empowered and informed consumers and citizens fully equipped to take advantage of the opportunities convergence brings.

- **Internet:** looking at a range of issues affecting internet users, such as user security and safety and a workable approach to promoting content standards.
- **Media Literacy and IT skills:** identifying inhibitors to IT take-up and barriers to maximising the economic and social effects of digital technologies including empowering consumers.

Universal access to high quality, public service content through appropriate mechanisms for a converged digital age.

- **Public Service Broadcasting/Content:** evaluating the impact of digitalisation and the new technologies on public service broadcasting assets and public service licences, in the UK as a whole and in the nations and regions.
- **Independent Production:** examining how to ensure the health of a vibrant independent production sector, including examining the impact of the current quota system.

A responsive regulatory framework that maximises investment and innovation by providing certainty and equipping regulators with the right tools to achieve their objectives.

- **Intellectual property:** the DIUS study of copyright will be important to the Digital Britain report.

The extensive research already carried out by Government and industry regulator Ofcom will underpin this work. The Digital Britain report will draw on all the available evidence to develop a comprehensive action plan. It is clear that for many people convergence is already a reality and content is increasingly being accessed through different technologies.

The Digital Britain report will consider what future legislative and non-legislative measures are required to support the development of these critical sectors and will be published in spring 2009.

Notes to Editors

1. The information and communications technologies and broadcasting together account for 5.9% of GDP, with a turnover of over £52 billion a year. 500,000 people are employed in these sectors in the UK.
2. Convergence can be defined as the merging of the individual communications industries (IT, broadcasting, telecommunications etc) into a single converged market. The breaking down of the traditional barriers between technologies has the potential to alter dramatically the landscape of the relevant sectors and those who interrelate with them. In practice convergence covers a wide range of issues, as well as most of the regulatory and legislative regimes that are currently in place.
3. The Government has already undertaken much important work in this area, particularly:
 - The recently published Caio review on next generation broadband access;
 - The Digital Radio Working Group currently scheduled to deliver a report in December;
 - The recent memorandum of understanding to address file sharing between Internet Service Providers and rights holders;
 - The Byron Review on children and new technology leading to the UK Council for Child Internet Safety;
 - The work of the Convergence Think Tank; and
 - The Digital Inclusion Action Plan.
4. The new position of Minister for Communications, Technology and Broadcasting was created by the Prime Minister in recognition of the important role these sectors play in our economy and our society. There is no change to the respective responsibilities of BERR and DCMS in this area. The Minister for Communications, Technology and Broadcasting is a joint appointment to both BERR and DCMS and will report to both Secretaries of State.

Public enquiries 020 7211 6200

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