



## REVIEW OF THE RULES FOR MANDATORY DAYTIME PIN PROTECTIONS - CALL FOR INPUTS RESPONSE FROM SKY

### EXECUTIVE SUMMARY

1. Sky welcomes the opportunity to respond to Ofcom's call for inputs on the rules around mandatory daytime pin protections.
2. The way in which consumers watch TV is changing. Linear viewing is in decline as viewers choose to consume an increasingly varied mix of linear and on demand audiovisual content across a range of platforms and devices. As a result, consumers now expect and demand access to a wider range of content at all times of the day.
3. The ability for broadcasters of linear channels to meet this demand is restricted by the watershed, which expressly prohibits the broadcast of content unsuitable for children during the daytime. In 2004, Ofcom introduced an exemption to the watershed. Rules 1.24 and 1.25 of the Broadcasting Code (together referred to as "Daytime PIN" in this response) provide that broadcasters may show post-watershed content on premium subscription movie and pay per view ('PPV') services provided this content is subject to mandatory restricted access before the watershed.
4. Sky's experience is that a 'Digital Watershed' is both technically available on television platforms and more importantly it can give viewers what they want - more control over how they watch programmes, with effective and appropriate protection for the most vulnerable viewers.
5. Mandatory daytime PIN would provide better protection than the watershed, and would provide protections tailored to an individual customer or family's need. It would strengthen the range of protection and tools already on offer. Sky's set-top-box has proven functionality that allows viewers to protect their families. This would be a robust and logical development that would reinforce the watershed rather than undermine it.
6. Sky believes that extending PIN protection to a wider range of linear channels would be of significant benefit to viewers. In particular, it would extend the range of high quality, varied content available to all adult viewers while still providing sufficient protection for viewers under eighteen.
7. More flexibility would create opportunities for broadcasters to invest in and show more original and UK commissioned content. Sky has invested significantly in UK drama, but we are unable to show much of this on Sky Atlantic during the day. The vast majority is only suitable after the watershed. Extending Daytime PIN to entertainment channels would give Sky Atlantic the flexibility to invest in more of the core content that its viewers love. It would allow channels such as Sky Atlantic, which are aimed at adult audiences, to remain in step with audience expectations.
8. In 2004, Ofcom called introduction of Daytime PIN a "*progressive move which would support consumer choice and offer responsible broadcasters who choose to take advantage of it greater artistic and commercial freedom*".<sup>1</sup> Sky Movies customers have benefitted significantly from the change in the rules, which have allowed Sky to improve the way movie viewers discover the high quality films they love by organising its channels thematically.

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<sup>1</sup> [http://stakeholders.ofcom.org.uk/binaries/consultations/Broadcasting\\_code/statement/260992\\_new.pdf](http://stakeholders.ofcom.org.uk/binaries/consultations/Broadcasting_code/statement/260992_new.pdf)

9. The increasing demand for post-watershed entertainment content viewed without time restriction is making these rules appear unnecessarily restrictive and out-of-step with consumer expectations. Twelve years after the introduction of Daytime PIN, extension of this exemption to entertainment channels would be a natural evolution of the Broadcasting Code.

**April 2016**

**[The remainder of Sky's response is confidential]**