

## Statement from Tim Burrowes, Unmade Media

### **Why is Ten failing to capture a larger audience?**

Ten being the third commercial is not a new phenomenon. For most of the time it has existed, Ten has been Australia's third channel.

It was able to do that and still be commercially successful for a couple of reasons: First, it ran (and runs) on a much lower cost base than Nine and Seven. It spends less money than them on content including on sport and news. And second, it attracts a younger audience than Seven and Nine. That's attractive to advertisers, who often prefer to speak to younger audiences which are potentially less set in their ways.

However, Ten's numbers have gone backwards disproportionately fast over the last decade-and-a-bit. While there are several factors behind it, if I had to pick a key moment, I'd say it was while Lachlan Murdoch was in charge in 2011. He decided to give up Ten's AFL rights because he thought he could win NRL instead. But when Nine beat them to it, Ten was left almost high and dry.

### **The Project for example used to be a ratings hit for the channel, but is now way down from what it was. Why do you think it has lost audience?**

While the Project always did reasonably well - by Ten's audience standards, at least - it was never a winner against the main early evening news bulletins for Seven and Nine.

TV viewing habits have changed radically, and because Ten's audience is the youngest, it's happened to Ten fastest. Streaming has become a major alternative way of viewing TV content.

The types of content most likely to still attract bigger broadcast audiences is sport and news - stuff that people really have to watch live. That's not Ten's strong point.

### **How much of Ten's decline can be tied to Paramount takeover and why?**

In my view, not much. Ten was already third when CBS (as Paramount was then) bought it. Paramount has deep pockets. They were willing to put together a \$4bn+ bid for AFL in 2022 and only narrowly missed out. If they'd beaten Seven in that auction, the picture would look very different today. However, Paramount is playing a different game. In my view, they are already prioritising a streaming future, both through its paid service Paramount Plus, and its ad-supported service Tenplay (soon to be known as Pluto TV as it is in other parts of the world I suspect). If Paramount remains the owner, there will be a time when sports rights come again and they win.

### **Is Ten the canary in the coal mine for free to air networks?**

Yes - all three of the commercial networks are losing audiences and advertising at an alarming rate, and that is still accelerating. The problem for the local players is that although they are making up some of the shortfall in streaming, there are far more competitors there - Netflix, Amazon Prime, Disney+ etc. On the other side of all this disruption, they'll still have good businesses, but they'll be much smaller than they were before