

**Ed Stobart, Managing Director and owner, Alleycats—written evidence (FCF0017)**

**House of Lords Communications and Digital Committee inquiry into the future of Channel 4**

Alleycats (Icebox Films Ltd t/a Alleycats) is an independent production company based predominately in Derry, Northern Ireland, but also with offices in Belfast and London, who make a wide range of films and series for the likes of C4, the BBC, RTE in the Republic of Ireland. We also make international content for ARTE in France and Germany, Discovery Science, Love Nature and PBS in the US.

Alleycats employs 14 year round staff mainly in Derry, which on a recent survey ranking the economic health of 57 towns and cities in the UK, came in at no 57 – the bottom. We turn over approx. £3 million a year, the vast bulk of that cash staying in the city, or elsewhere in Northern Ireland. The majority of my staff we have trained from zero experience into a world class team.

We had our first ever major breakthrough with C4 – before working with the channel, we were lucky to turn over £300 - £400k a year. We won in open competition a tender to make Helluva Tour, a major Ad Funded project sponsored by Fosters lager, to drive a campervan from the UK to Australia. The budget on this ended up at £1.2 million, and it properly put us on the map. It was a major risk on the part of C4 to give it to us over the London heavy hitters we were up against, and we've never looked back.

C4 was also part of our next big leap – into international co production, where we made Lost Kingdom of the Black Pharaohs, filming in Sudan in the midst of a revolution. This was a joint project with the channel, ARTE and Discovery Science. As a result of this show, we have a world class specialist team, working out of Derry, bringing in up to £1 million a year in export cash. We've done other shows for C4 besides.

The relevance of outlining this work history is C4 has been the catalyst at these key points in our evolution.

Prior to setting up Alleycats, I was head of Ginger Productions in London, an iconic company of Chris Evans/ TFI Friday fame, that was owned by an ITV company. Much that I enjoyed my tenure, what I learned there has led me to feel that it is far from certain that a privatised C4 would take the public-spirited kinds of risks that have enabled us to grow and develop as a company.

When an organisation's commercial imperative is the overwhelming driving force, it is just logical and natural that they are 1. risk averse, and 2. favour in house production, as it retains the cash and rights in the building. C4's unique publisher model has enabled it to think more broadly about what is good for the production sector as a whole.

To put it in crude commercial terms – no C4, no £1 million a year of export cash flowing into one of the most economically challenged parts of these islands. I've sat in meetings in former companies where 'doing the right thing' or even the interesting thing clashes with shareholder imperatives, and there is only one winner. I believe the independent sector in the Nations and Regions will come under serious threat as a result of privatisation.

The move to privatise C4 is also in my view politically motivated. I know much has been said about the commercial sustainability of its model, but as far as I can see, they are doing fine. It feels to me as spurious as the need for voter ID in English elections. So if it isn't broken, don't fix it. I have every confidence that the team at C4 will ride the changes that affect everyone in our industry, but still retain their unique model.

The upshot of their privatisation would be, in my view, to trammel its genuine independence, which might well suit a particular political agenda that does not respond well to serious scrutiny of its shortcomings. Privatisation I believe to be ultimately anti-democratic, and a genuine attack on a diversity of voices in this country. We would all be made poorer, both morally and financially as a result.

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