

By email to: xxxxxxxxxxxxxxxxxxxxx@xxxxxxxxxxxxx.mx

Dear Mr Poppit

Please state also the period covered by this phase of the project, together with the cost incurred under items (i), (ii) and (iii) in each year during that period.



Where information for the current year is incomplete, please include the best estimate (and identify it as such).

(b) What is the total cost to date of developing each of the earlier non-Flash versions of the player software, including the WM (Windows Media) version and the Radio Player, and also including the Beta versions and (where applicable) release version of each, and the writing of (and revisions of) the related webpages; specifying separately the costs in respect of (i) internal BBC employees, (ii) external consultants, and (iii) licencing fees contracted (including to Microsoft) for any proprietary technology included in the project?

Please specify those costs separately for each of the different phases of the development, broken down on a year-by-year basis: stating the period covered by each phase of the project (the period when development of each separate version of the software was being carried on), and the cost incurred in connection with that phase under items (i), (ii) and (iii) for each calendar year (or financial year) falling within that period.

(c) What is the total cost to date, broken down on a year-by-year basis since the commencement of the project, of running the iPlayer website including (in previous years) the cost of running the precursor versions of it such as the Radio Player: identifying separately (i) the costs associated with purchasing (or renting) the web servers and other hardware used for the streaming, (ii) the cost of the bandwidth consumed by the streaming, and (iii) all other set-up or continuing costs (other than development costs of the player software and the webpages).

Please state the commencement date of the project. If a breakdown for each year of the project is not feasible, please state the period covered by each phase of the project, and the average cost per year of that phase.

2. What is the forecast cost for the next 12 months (or alternatively, for the next financial year) of

- (a) Future development of the project software and webpages?*
- (b) Maintenance, repair and/or replacement of project-related hardware?*
- (c) The running costs of the project, itemising separately: (i) the cost of the bandwidth likely to be consumed by streaming (based upon the latest evidence of current trends in bandwidth growth); (ii) licensing fees paid to third parties (including to Adobe or Microsoft) for proprietary technology used in the project; and (iii) other related costs?"*

Question 1

The BBC iPlayer project has total incremental development costs of £4.8 million over four years until the end of the current financial year in March 2011 and is built on the BBC's continually developing technical infrastructure.

The incremental cost to maintain the BBC iPlayer is approximately £4 million per annum and includes transferring programmes into web formats, providing metadata about the programmes, as well as editorial oversight, support costs etc.

Further information can be found in the BBC's Online Service Licence at this link:

http://www.bbc.co.uk/bbctrust/assets/files/pdf/regulatory_framework/service_licences/online/online_servicelicences/bbc_online_aug09.pdf

Please note we do not hold information by calendar year – the above information is based on financial years ending 31st March.

- a) The BBC does not hold information relating to costs associated with the development of flash-based software used on the BBC iPlayer since its launch in December 2007. This is because the BBC iPlayer is one of a number of services using the BBC's embedded media player ("EMP"). The EMP forms part of the BBC's continually developing technical infrastructure and is used for short-form video and audio content delivery elsewhere on the BBC's website such as bbc.co.uk/news and bbc.co.uk/archive. Costs are incurred for the EMP as a whole rather than its use by distinct services.
 - (i) For the reasons explained above, internal BBC employees work as part of the EMP team rather than solely on software development for the BBC iPlayer and, consequently, separate costs for such staff are not held by the BBC.
 - (ii) For the reasons explained above, the BBC does not hold historical data on whether external software consultants have specifically worked on the BBC iPlayer and, consequently, does not hold information on the costs incurred as a result of such work.
 - (iii) The BBC confirms that it holds information relating to the licence fees contracted for proprietary technology used by the BBC iPlayer. However, we will not be providing you with this information as we consider it exempt under Section 43(2)(commercial interests) of the Act for the reasons set out below.
- b) The BBC iPlayer was developed in stages over a number of years. Initially, the BBC developed the Interactive Media Player ("iMP"). This was followed by the myBBCplayer, the trial for which completed in June 2006. From June 2006 to November 2006 the BBC iPlayer Beta was developed with limited functionality & user access. In November 2006 BBC launched a limited user access version. Then during November 2006 to July 2007 the BBC developed the beta version of the BBC iPlayer with a walled garden access. In July 2007 the BBC iPlayer Beta was launched. During July 2007 to December 2007 the BBC developed the full BBC iPlayer service. In December 2007 the BBC publicly launched the BBC iPlayer service.

The BBC does not hold separate costs for each of the above phases of the evolution of the BBC iPlayer or for specific versions such as the Windows Media version. However, we can confirm that the BBC spent £5.7 million in setting up the BBC iPlayer prior its launch.

- (i) Internal BBC employees did not work solely on non-Flash software development for the BBC iPlayer and, therefore, separate costs for such staff are not held by the BBC.

- (ii) The BBC does not hold historical data on whether external software consultants have specifically worked on the non-Flash software development for the BBC iPlayer and, therefore, does not hold information on the costs incurred as a result of such work.
- (iii) The BBC confirms that it holds information relating to the licence fees contracted for proprietary technology used by the BBC iPlayer. However, we will be withholding this information under Section 43(2)(commercial interests) of the Act for the reasons set out below.

Information regarding the Radio Player is as follows:

- i) The BBC does not hold historical data relating to the costs of developing the original BBC Radio Player, which launched in 2002. When the Version 2 build was undertaken prior to launch in January 2005, it used existing BBC internal designer, client side developer and software engineering resource. Not all of these staff worked exclusively on the Radio Player and, as a consequence, separate costs are not held for work on the Radio Player.

The BBC Radio Player had no subsequent public beta versions.

- ii) The BBC does not hold information on whether external consultants were employed on the BBC Radio Player prior to 2005, and no external consultants were employed on the project after this date.
- iii) The BBC confirms that it holds information relating to the licence fees contracted for proprietary technology used by the BBC Radio Player. However, we will be withholding this information under Section 43(2)(commercial interests) of the Act for the reasons set out below.

c) (i), (ii)

The BBC does not hold historical data in the form you have requested. This is because the BBC uses a combination of elements such as shared infrastructure and a managed service for web serving and other hardware for streaming, and information is not held on a service by service basis.

The streaming element of the BBC iPlayer is delivered under the BBC's Technology Framework Contract ("TFC") with Siemens (the BBC's principal technology supplier). We confirm that information relating to the provision of these services by Siemens is held by the BBC, but that the BBC will not be providing you with this information as we consider it to be exempt under section 43(2)(commercial interests) of the Act for the reasons set out below.

- (iii) It is not clear to which specific costs you are referring. If you would like to provide details of the specific information you are seeking, we would be happy to consider your request.

Question 2

a) As explained in our response to question 1 above, the BBC iPlayer project has total incremental development costs of £4.8 million over four years until the end of the current financial year in 2011.

b) As explained in our response to question 1 c) above, the BBC uses a combination of elements such as shared infrastructure and a managed service for web serving and other hardware for streaming, and information is not held on a service by service basis. The BBC does not, therefore, hold such information specifically in relation to the BBC iPlayer.

c)

(i) Please see the answer to question 1(c)(i) and (ii) above.

(ii) The BBC confirms that it holds information relating to the licence fees contracted for proprietary technology used by the BBC iPlayer. However, we will be withholding this information under Section 43(2)(commercial interests) of the Act for the reasons set out below.

(iii) It is not clear to which specific costs you are referring. If you would like to provide details of the specific information you are seeking, we would be happy to consider your request.

Section 43(2)(commercial interests)

In accordance with section 1(1) of the Act, we confirm that the BBC holds information relating to the TFC and to licence fees for technology used in connection with the BBC iPlayer. However, we will not be providing you with this information as we consider it to be exempt under section 43(2)(commercial interests) of the Act because disclosure would be likely to prejudice the commercial interests of both the BBC and third party suppliers including Siemens by disclosing information that would be likely to:

- weaken the BBC's bargaining position with suppliers of goods and services;
- have a detrimental impact on the potential commercial revenue of suppliers in the wider market;
- weaken the BBC's and supplier's position in a competitive environment by revealing market sensitive information or information of potential usefulness to competitors;
- harm the ability of the BBC to obtain goods and services in the future;
- harm the ability of suppliers to provide goods and services in the future.

As section 43 is a qualified exemption, in accordance with section 2(2) of the Act, we have considered the public interest factors in this case, specifically, whether in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

In favour of disclosure, we recognised that there is a public interest in the following:

- that there is transparency in the accountability of the BBC for public funds;

- that the BBC is using public money effectively, and that the BBC is getting value for money when purchasing goods and services;
- that the BBC's commercial activities are conducted in an open and honest way.

On the other hand, in considering factors that might weigh in favour of the public interest in withholding, we took into account:

- that companies provide the BBC with commercially sensitive information, so that the BBC is able to make robust decisions regarding its suppliers of goods and services, including ensuring that the BBC obtains the best value for money from each transaction;
- that the BBC maintains a strong bargaining position vis-à-vis suppliers during contractual negotiations in order to ensure that the licence fee is spent effectively;
- that the competitive position of companies in their particular market is not disadvantaged by doing business with the BBC. It would not be in the public interest to disclose sensitive information about a particular company if that information would be likely to be used by competitors to gain a competitive advantage.

We are satisfied, in terms of section 2 of the Act, that in all the circumstances of this case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

We hope you find this information useful.

Appeal Rights

If you are not satisfied with this response you have the right to an internal review by a BBC senior manager or legal adviser. Please contact us at the address above, explaining what you would like us to review and including your reference number. If you are not satisfied with the internal review, you can appeal to the Information Commissioner. The contact details are: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, telephone 01625 545 700 or see <http://www.ico.gov.uk/>

Yours sincerely

L. Stiller

Legal and Business Affairs Manager

Future Media & Technology