

## **Darren Childs** **CEO, UKTV**

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**Welcome to Media Masters, a series of one-to-one interviews with people at the top of the media game. Today, I'm joined by Darren Childs, chief executive of UKTV. Darren has held a number of international positions, including global managing director for BBC Worldwide, and European senior vice president for Sony Pictures. He also spent eight years in Asia working for Star TV. Since getting the top job at UKTV in 2010, Darren has steered the broadcaster to record profits of £92 million and revenues of £355 million. Known for its range of channels including Dave, Gold and Drama, the broadcaster has recently announced plans to extend its video on demand service by investing in machine learning.**

**Darren, thank you for joining me.**

It's a pleasure. Nice to have you.

**Darren, the huge success of UKTV, 10 percent of TV market share, is probably the most underreported story in British media.**

It's been picked up quite a lot recently, so I think the news is starting to spread. One thing I've realised is customers get what's going on before the industry does sometimes. We see it every day with increased viewership and with increased levels of engagement with our audiences. So we've been kind of on this journey for the best part of eight years, just seeing it grow quarter by quarter by quarter by quarter. And I think what's happening right now is the industry is starting to recognise what we've done. And a big part of what UKTV has really been about is being underestimated by some of the titans in this industry, and we've been quietly working away, working hard, building an amazing team of people and executives, working on great content, rebuilding the entire business from the bottom up in order to actually be competitive at a time where we are in peak disruption. TV is in peak disruption right now. It happened to the record industry 10-15 years ago. It's happening to the retail sector right now. And I would say TV is absolutely in peak disruption right now. My job as chief executive of UKTV is to make sure that UKTV navigates that turbulent period and keeps going, and keeps growing, and continues to be successful. And I do that with a very talented group of people that work here.

**Well, it's being disrupted by you. You guys seem to me to be the primary disruptors.**

Yes, we don't see it so much as that, we see it as really getting ahead of what customers want. If you look at the original term 'broadcast', it was almost a bunch of people in suits telling everybody what they were supposed to watch and when they were supposed to watch it, and there really wasn't a huge amount of real customer insight being fed into the business. And again, from day one that's one thing we wanted to change. It's something I learned from trying to enter new markets in my previous jobs. When I first landed in India in June 1991, there was no research, there were no consultants, and I often tell this story here about how... in fact, back then when Mumbai was called Bombay, before they even changed the name of the city, the only way we could find out what people wanted to watch or what they were watching was knocking on people's doors – and that's what we did. We'd stay at the Taj Mahal Hotel down on Marine Drive in Bombay, we'd leave in the morning and we'd walk down the road and we would just talk to people, and asked to be invited into their houses, and we'd sit with them, and we had some great stories and some great memories of crazy meals with eccentric families in Bombay back in the early 90s. The questions were, "What do you want to see on television?" "What do you enjoy?" "What are you watching?" "What do you watch on your own?" "What you watch with your family?" And that kind of insight and learning for us was always really critical. We just carried it forward into what we're doing here, which is like, understand the end customer. We know, everybody knows, that actually watching television on a device of your choosing, when you want, where you want is a better customer proposition than having to be in front of the television set at 7:30pm on a Thursday night. So, from a customer proposition perspective, that is a better product. So we've just embraced that and run with it. And because we haven't had the burden of incumbency of some of the big boys, we've been able to embrace it. So UKTV Play is not even two years old and we're just about to tip into having two million registered subscribers in the UK. It's a huge part of our viewing experience now, and it's a huge part of our engagement with customers. And we actually don't see it as disruption, we see it as adding that next layer of engagement with our product. We work really hard to make great TV shows, and we want as many people to see them in any way that they can. So we are embracing all of that new technology to get our content to customers – frictionless, easy as possible – so that they can engage with us, and that's allowed us to be really competitive.

**You mentioned there about the shows that you're producing. The tired kind of industry stereotype of UKTV is with the Gold channels and classic comedy, but the original shows like Taskmaster are actually the most watched across your network, aren't they?**

That's right. And that's no criticism of anything that happened before 2010, but UKTV actually was set up in the early days as a business to exploit the quality and huge depth of the BBC archive, back in the old days before BBC Three and BBC Four, before the iPlayer, when shows would be shown a couple of times – or actually just a single time – and tragically, in some instances, they would be shown a single time and then the tapes would be wiped over for the next episode, and somebody way before me decided that would be a great opportunity to actually take that amazing

content and give people a second chance to watch it. And that was the UKTV business model when it launched 20 years ago. In 2010 when I started, we realised that actually with the introduction of video on demand, that just felt like a better place to watch archive content than a linear schedule. You know, when you want to go and watch a particular show, if you want to go and watch Fawlty Towers, then you don't have to wait for it, you just go and find it and search for it, and you can watch it as and when you please. We realised that that would be a better solution, and therefore we needed to also start moving into making our own content. And it was a very deliberate decision for us, it was a very deliberate decision to bring a very distinct and different tone of voice to our production and our shows than what else is being done in the marketplace. We knew that we just could not compete against these hugely funded terrestrial broadcasters and to cut through in that crowded market. We knew it would be really hard. So we knew we just had to try really hard and find something that we thought would ignite interest, and the first big show out of the gate for us was Dynamo, which went on to sell in 150 countries around the world, and Dynamo went on to be a global superstar. You know, Dynamo was a piece of talent that had been rejected by most other broadcasters when it came to us. And we saw something.

### **They saw the stereotype of a regional accent.**

Exactly right. A guy from Bradford on national television, even in 2010 it was a bit risky.

### **It was regionalist! As a fellow Yorkshireman, we do get this, don't we?**

That's exactly right. But we just kind of saw somebody with just an incredible talent, and we thought, "You know what, this guy's already got a huge audience."

### **A truly global talent.**

And again, credit to the guys upstairs – who, for those who know what I'm talking about, were sitting in the basement of UKTV Towers – most of the executive team was sitting upstairs above us, but credit to the guys upstairs who spotted that talent and brought it to us, and worked and moulded and created something which went on to be a huge success. And that for us was a real turning point, that we knew that we could actually make something that, if it was distinctive enough, if it had a unique tone of voice, wasn't replicative or derivative of things that were already being seen on television, we could actually get things that could cut through. And that was the start of the journey for us, and we've been going at it now for the best part of eight years. As we sit here today, we've got 100 shows in production right now, this week. So it's scaled up incredibly quickly. And you're right, most of our top rating shows are original content. And that's because in order to get audiences to come to watch what you're doing, you need to give them something exciting and something new. And as archive is sitting in the video on demand space, that's always available, so there's no real appointment to view – but if you can make something distinct and fresh and exciting, you still can get large audiences. Taskmaster has proved that to us. Season seven is huge. What's interesting about how the audience has evolved for something like Taskmaster is now about half of its viewership is on demand, and half of it is live.

And so we see the on-demand piece as incremental to the live audiences, and it gives people another opportunity to spend time with talent that they love, shows that they love, and that's all good from a customer perspective.

**And do you think ultimately the customer journey is going to be one of moving entirely to viewing online and viewing on demand rather than watching linear television?**

I don't think linear television will disappear. I think for a certain demographic it's still the main way that they watch television, but even as we sit and have this conversation at the beginning of 2019... we were looking at some data a couple of days ago, and when you look at the younger end of the audience demographic, the 16- to 24-year-olds, TV has lost 20 percent of that audience in 12 months. So when you look at year-on-year comparisons between January 2018 and January 2019, 20 percent of the youngest demos have gone. So it's really changing, and it's changing very quickly. And I think the big challenge for a lot of the larger broadcasters is how do you stay relevant once you've lost that younger audience. You know, the old model we all grew up with was that you stayed with networks from the cradle to the grave. I think that model has gone, and it's a big challenge for everybody. And I think certainly our perspective, and our approach, is it then becomes a creative arms race. Who can be more creative? Who can make the best shows? Who can entertain people in the best possible way? They will be the winners, because actually the technology and the distribution piece which gave the incumbents an advantage is now ubiquitous, and we can get content to as many homes as any other national broadcaster in this country.

**And rebranding UKTV 2 as Dave was a genuine innovation! I remember at the time thinking that it was borderline foolish, thinking, "Wow, that's daring." Because it could have failed, but in hindsight we can see it was an incredibly clever marketing move. Do you see Dave as a TV channel, or do you see it as a brand, given there's so much that you can watch on demand?**

Dave is just your mate. It's as simple as that. And it's the guiding principle that drives all the editorial decisions around that brand and around that channel, which is when you want to go and hang out with your mate, and you want to go and have a good time, come and spend time with Dave, and he will never let you down.

**It's a really good channel. It's self-aware as well. I watch Mock the Week on Dave and they're saying, "Oh, a few years from now this will be on Dave." And of course I'm watching on Dave.**

I know, exactly. We get ribbed quite a lot for repeats, and as I was saying earlier on, the industry sometimes takes a little bit longer to catch up than the audience does. But anything that's on any of our channels is only on it because people love it. People will write to me, or tweet me on social media or whatever, and say, "Why do you keep running Only Fools and Horses?" And the reason we keep running it is people watch it. In huge numbers still.

**It's a commercial station, you're not going to run things people aren't watching.**

Exactly right. And we look at the numbers every night and we kind of go, "You know what? The numbers are still huge. We'll keep going until people tell us that they're fed up of it or it's been overexposed." But it certainly hasn't happened in the eight years I've been here. And that's why we keep running it, because there's value in it. People love it, it's familiar, and it's just really bloody good television.

**Do you feel a bit like the underdog of British broadcasting?**

I don't think we see ourselves as the underdog. We're definitely the challenger brand.

**You're the Rocky Balboa of commercial broadcasting.**

Yes, but we like that. And the group of people that have gathered to make UKTV successful have all got that mindset. They're all kind of slight misfits, and truly amazing, people. But we've built a very unique culture here in order for them to be able to do their best work. And so we embrace that, and I always think in business it's always better to be underestimated.

**And where you going to take the business over the next few years? Is it more of the same, or are you going to change direction?**

Commercial television, which is the business that we're in, is going through some huge change. In very simple, broad terms there's two potential revenue streams for a business like ours. A lot of it comes from advertising, a lot of it comes from pay TV platforms. Both of those businesses are going through disruption right now. Advertising markets are changing. We've seen what's happened to print, and the decline in print advertising in the last 10 years. So there's a lot of change going on in the ad market. There's a huge amount of change going on in the distribution market. You know, if we were sitting here having this conversation five years ago, we wouldn't be talking about Netflix and Amazon Prime because they weren't here. And yet, in a very short period of time...

**They've come to dominate.**

Yes. Well, I don't know whether they dominate, but they've made a massive impact – and from a customer perspective that's brilliant. More choice. I'm very much pro-choice, and I've never been one for regulating competition out of the market. I think the only people that suffer when you regulate competition out is the customer. And I think Netflix and Amazon Prime and Apple, as they launched this year, they've got great business models, and they're global business models, and they will just bring more choice and great content, and it will raise everyone's game to be more creative and make better television. That's got to be good for the consumer. So no, that doesn't worry me at all. For me, the thing that I worry about is making sure, as the chief executive of this company, I have an organisation that can adapt and change to that, because there are no guarantees any more that incumbents survive digital

disruption. There's a ton of cases of businesses, well-known cases, of dominant organisations that failed to adapt to change, and adapt to the introduction of digital business models that are no longer in business, or they are in very different businesses to the ones that they were in, because they lost market share. My job is to make sure that UKTV doesn't end up in that situation. And that then becomes about the culture of the organisation, the ability to take risks, the need and desire to keep trying new things, failing fast, trying new things, if they don't work, you know, no one gets fired. We celebrate that kind of stuff in a way, which sounds a little bit corny but it is genuinely true. We have a very open culture of where, if people try stuff that doesn't work, that's not a black mark on people's records. And that's very different to the world we all grew up in, and we all worked in, where if you made a mistake your book was marked, and it could have quite a serious impact on your career. I would say there are some organisations in this business that are still a little bit like that, quite frankly – but you can't innovate without taking risks, and you can't ask people to take risks if your environment does not support risk-taking. And I go to lots of lots of conferences where you'll see leaders get up and go, you know, "We're a high-innovation, risk-taking organisation," and the moment that someone makes a mistake they're out the door. They're saying the words, but they're not living the actions. And that's what's been critical to our success. UKTV's success is a huge team success. It's not about me. It's a huge team success. And all of that success is shared with the 350 people that are upstairs that really are innovating and changing and trying new things, taking editorial and creative risks, all with the best intentions, all with full effort and passion and commitment to what they're trying to do – and my job is to make sure that they're supported and they can continue to do that.

**I'm different from you, I take sole credit for the success of this podcast even though there is a hardworking team supporting me. But I'm going to deny they exist for the purposes of this recording.**

It's a very old world! A very old world.

**Who do you see as your competition? I don't necessarily mean other broadcasters, but I have the UKTV icon on my iPhone, I can watch our programmes, but I can also click on Angry Birds, I can click on the Guardian's app and look at their video content – in a sense, your competition is anything that's going to take my eyes away from your content.**

That's correct. That's correct. And actually, we often talk about not just being in the television business but being in the attention business. Unless we can bring audiences, customers, to look at our creative output, we don't have a business model. So it is all about that. It is all about a deep understanding of what we think customers would like – not necessarily what they're looking for, but what we think they would like – what would surprise them, what would engage them, and doing it that way. But yes, we're definitely in the attention economy, and I think that's probably where a lot of the younger audiences have gone. They're probably all playing Fortnite and computer games, and that's a big challenge for TV. TV and print were the dominant media for the best part of 50 years, and there's new players in town. That's just the world we're going to have to live in, and when VR and things like that come to play that's just going to become more and more dominant. The great

thing is, and the thing that allows us all to sleep at night, is people love watching television, so it's not like the product's broken. It's not like people are deserting television, they're just finding different ways to watch it. And a lot of the loss of younger audiences is due to measurement rather than actually a younger audience not watching TV. They are watching television, but a lot of the time they're watching it on devices that we can't measure. So you've got to kind of understand what's going on with a measurement piece as well to really understand what's going on with viewership. But TV as a product is in really good health. It's still the most dominant media in most people's lives. Three or four hours a day of viewing in the UK, five hours in the US, you know, people spend a lot of time with our product. And as long as we can keep innovating and being creative and entertaining them and surprising them, I think it will continue to be successful.

**And do you think the increase in analytical tools that you have as a broadcaster helps you inform that decision? Because in the old days you would just have some kind of rough approximation as to how many people might have watched, but as you briefly alluded to there, you can now break it down in terms of demographics, age range, dwell time, all of those kinds of things. Does that help, or is it more about the price of everything and the value of nothing? If you're commissioning a show, is it still essentially a creative leap?**

It starts off as a creative leap, but ultimately we are a business. So we're a commercial company, and data is critical. We've made shows that we've loved internally that we thought were the best things that we'd ever made, and when we started drilling into the data we realised that wasn't something that was shared with a lot of our customers. And we can see that in the data; we can see how many people are leaving pretty much on a minute-by-minute basis, so we can see whether a show's building audience through its time slots, whether it's losing audience through its time slots, and the data side of the business is really important to us both on the linear broadcast, in terms of really understanding what's going on there, but in particular on the video on demand side. And as you said earlier on, we've done a lot with machine learning and AI on UKTV Play to use data in order to just create a better customer experience for everybody. So we're helping them discover great content that we think they're going to like, and that means they're going to spend more time in our ecosystem rather than somebody else's, and that's good for our business, and it's good for them.

**How does the machine learning work? Is this basically like Skynet from Terminator 2?**

That's exactly right. Exactly right. It's in a secret bunker. No, it's the way that the software is being put together, which is a once you go into a registration situation, which we launched just over a year and a half ago, it means that we've got a better understanding of what people are watching, when they're watching it, and it allows us to 'super serve' them on an individual basis. And again, it's a fundamental change in the business model of broadcast. By its own definition, it means 'from one to many'. Video on demand is completely the opposite business model, which is where you've got many individual customers, and our job is to make sure we can super

serve all of them. You know, we toyed with the idea of actually allowing people to customise their own channel, because Dave had been so successful. You could have the Darren Channel.

**You could have Paul.**

Paul, exactly right. And it would just be all the shows that you wanted to watch. But we thought it was a little bit too spooky and a little bit too little bit too Orwellian. So we've backed off from that one a little bit. But yes, recommendation is really important, discoverability is really important. And again, better products. What's in our mind all the time is how can we make a better product for the customer.

**I think all this technology is witchcraft now. UKTV is jointly owned by Discovery and the BBC Studios which is the commercial arm of the BBC. How does that work in practice?**

Actually, I've got to say they've been very supportive. They've been very hands off.

**If it ain't broke don't fix it.**

Exactly right. And I think because we've been delivering 36 quarters of consecutive growth they give us a lot of freedom to go off and do what we think is in the best interests of the business. I think my guiding principle is what's ultimately in UKTV's best interests will eventually be in the shareholders best interests. Now, that may not be the case on day one, but ultimately it will be. And I think that's been proven with just the rise of the financial performance of the business as well as the rise of the audience share side of the business as well. But actually it works really well. I've got some really good board directors that are very supportive. They let us get on with it. And whenever we've gone to them and done slightly crazy stuff they've been very supportive.

**It's been widely reported that the BBC and Discovery have agreed to break up UKTV and split the ten channels. Can you tell us the latest?**

Yes, to be honest with you, it's not something I want to comment on. It's something that they are discussing with themselves. I think probably the best way to answer it is we've built a brilliant business that, if I could create another hundred percent equity in it and have two controlling shareholders, they'd both be very happy. But I can't. So they are trying to work out where the best home for this business is in the long term, and as owners that's perfectly within their right to do it. And I think once they've worked that out, they'll hopefully share that with us.

**Do you think UKTV might have a role in this new on demand TV platform that the BBC and ITV are planning to take on the likes of Netflix?**

So you're talking specifically about the SVOD market, subscription VOD market, which is where people pay a monthly subscription to get access to content. I actually do. I think there is a role, and there is actually a lot of expertise in this building, and also we're kind of neutral. So we kind of sit outside of all of the main broadcasters'

control. I think that could potentially be a solution to stop them arguing about kind of some of the day-to-day stuff. Our priority is customer first. And so that's how we would look at doing something like that, what's in the best interests of the customer. And we try and leave some of the politics and egos to one side, because they just get in the way of making good business decisions.

**So before you came to UKTV you ran global media organisations all around the world. Can you walk us through your career briefly? Did you always want to be a television executive?**

No! I've never had a career plan. So people ask me this all the time but I've never actually had one, ever because I think they can they can narrow your horizons if you've kind of set yourself in a trajectory. All I knew is I never wanted to be a lawyer, because I've never met a happy one.

**Sensible advice.**

Yes. So it's the advice I give to my kids as well. "You can do anything, just don't become a lawyer." But no, I knew I wanted to do something creative. I knew I wanted to work with creative people; they make every day an absolute joy to come to work, because it's always fun, and it's always interesting, and you're always dealing with new stuff. So it's always a new show, it's a new piece of talent, it's a new idea. It's constantly exciting and super engaging. And we're solving problems on a kind of hourly basis. Again, as we try to manage the business through that disruption curve that we're in right now. So I never really had a career plan.

**What was your first proper job?**

I've never had a proper job! I was watching this great documentary last night about the singer from AC/DC talking about the Great North Road and how all these bands from Yorkshire and Humberside used to take the Great North Road down to London to seek fame and fortune.

**All Yorkshire has produced is Shed Seven, I think.**

I think that's right. Yes.

**What's Donnie produced? We should point out to our listeners you are from Doncaster.**

What's Donnie produced musically? Oh, God!

**That's for another podcast, I think.**

That is for another podcast, isn't it, yes.

**Idea for a show there!**

It is! So I moved to London. I actually worked in the city originally. So nothing to do with television. It solidified the fact that I really wanted to be in the creative space. Managed to get across into a TV business in the early 90s – this is when BSB and Sky were two separate businesses – and then they merged...

### **I had a ‘squarial’, and a dish.**

I’ve still got one somewhere! And when the two platforms merged, we all got made redundant. There was a lot of people out looking for work at that time, and in the early 90s the economy wasn’t robust in the way it is right now. And then, just through a bit of luck, a few connections, was introduced to the guy that was trying to launch Star TV in Hong Kong. So I went over there for three months, stayed for eight years. This is pre-launch. The satellite had just been recovered actually, it was an old Telco satellite that had been brought back to Earth and was being reconditioned and rebuilt for TV. So the whole project could have ended in ‘91, and I could have been back in back in London but luckily they reclaimed it, rebuilt it, relaunched it.

### **And so they don’t just burn it up in the atmosphere and build another one? They actually go into space?**

They went and got it, yes. That’s right. It was a shuttle job, kind of go in, big robotic arm, reclaimed it, brought it back, repositioned it. I don’t know whether they do that any more. I’m sure launching and building has probably got a little bit cheaper than it used to be back then. But then we launched Star TV in early ‘91 – we had no idea what we were going to do at the time – and went off to New York, did a deal with MTV to licence their brand. We launched MTV Asia October 21st, 1991, I think, from memory. And it just took off. It just took off. And again, it was the beginning of multi-channel television. So most of Asia just had very staid state broadcasters, and all of a sudden we rock up with five new channels and there was a big demand for it. But we’d go to India, and we’d walk up and down the streets asking people strange questions – and getting some very strange looks – about what we should be doing, and we kind of realised actually they weren’t that bothered about Bon Jovi and all that kind of stuff. Def Leppard, which I remember in ‘91.

### **Yorkshire band.**

Exactly right!

### **That’s Def Leppard, not Bon Jovi. I don’t think Jon Bon Jovi is from the mean streets of Sheffield.**

He’s not! He’s not. But they just weren’t interested in it. And because India had this super vibrant music scene, most of it was cut from movies. There was no music clip industry back then but people would take a movie – every Indian movie always has a couple of dances in it – and they would pull it all out, and that’s what kids were listening to. So we were based out of Hong Kong playing Bon Jovi and Def Leppard, and no one was listening to us. And so I was pushing really hard; I was head of programming then, pushing really hard to go local. And again, it’s an important lesson that I learned very early on in my career which still plays out today here at

UKTV, which is going local and listening to what customers want. And anyway, the way that plays out, we had a big fall-out with Viacom and MTV who didn't want us to go local. They didn't think the MTV brand should have Asian music around it, because it wasn't up to scratch – which was arrogant beyond belief.

### **Borderline racism really, isn't it? Cultural imperialism at best.**

No, actually I've still got it at home somewhere. A note from someone very senior at Viacom saying MTV is not about what local people want to watch, it's about showing them what's hot in America. And that was a big learning lesson for me, which is like, we can stay irrelevant and we can be up there, we keep going, we can be irrelevant and no watches, or we can actually do something which engages with audiences and gives them something that they want. And so, after a couple of years we ended up having quite a public divorce from MTV at the time, and we ended up launching our own music channel – and literally at that moment we went 100 percent local, and the thing just exploded. They just absolutely exploded. You know, the presenters were getting mobbed as they were getting off planes. It was like being in a Beatles movie. Front page newspapers whenever we went to town, and it's because we tapped into understanding what was actually relevant in people's lives and not trying to broadcast to them but trying to understand it.

### **Seems revolutionary now, doesn't it?**

It does! And then we did the same. We just took the same model. We kind of went, "We've learned that that mistake, that's Taiwan. Let's take it to Australia. Let's take it to Indonesia. Let's take it to Thailand. Japan." And we just literally did the whole region with pretty much the same model, which was the best of what's going on locally, and a kind of snapshot of what's going on around the world. Local presenters, local dialects, local languages, and the thing just exploded and it really took off. And then it was kind of a personal decision, it was time to come back to London, managed to get a big job working for Sony Pictures at the time. And again, I think they'd heard of some of the things that we'd done, and that we'd shaken it up, and we'd stood for something, which is something I think is very important in people's careers. You've got to make a stand for something. Someone said to me very early on, "If you don't stand for something you'll fall for anything." And that's something I remind myself of every single day when I come to work. What are we standing for? What do we want to do? What are we trying to achieve? And there's real clarity within UKTV about what that mission and that purpose is. So I came back to London and then did a seven-year stint at Sony Pictures, so a big Hollywood film studio, glamour, limousines, all that kind of stuff. It was fantastic. Then a couple of years at Worldwide, I was brought in there to help get the company ready for the IPO, when that was going to be separated.

### **Is that BBC Worldwide, the commercial arm of the BBC?**

BBC Worldwide, yes. And I always thought there was a great opportunity to build, you know, having come from a US studio and seeing how US media dominated the world globally, and how irrelevant UK media was. It just wasn't even on the map. I think back in '95 in India there was BBC news and that was it, you know? And being

a good, proud Brit I kind of thought, you know, “We could do something really interesting here and get English content onto a global stage at scale.” It’s as good if not better than American content. The only reason the Americans are doing it is because they’ve been focusing on it for the last 15 to 20 years, and they’ve seen international markets as a way of helping grow domestic markets. But that wasn’t to be for political reasons, they decided that separating the two businesses wasn’t the right reason, which brought me here. And that’s basically it. That’s the career in a nutshell.

**It’s been an incredible adventure. It’s easy in hindsight to say what was top of your to-do list when you started, but how much of this is as a result of planning, and how much of it is kind of serendipity?**

It’s a bit of both actually. There is a lot of planning, a lot of thinking, a lot of preparation, and a lot of clarity around purpose. One of the guiding things for me was, as I said earlier, my job is to create an environment where I think people can do their best work.

**How do you do that?**

Well, there’s a lot of things. That is another podcast because there’s a two-hour narrative behind that, because there’s so much.

**We can make this a two-hour podcast!**

We’ll run out of tape! But the principle behind it is that simple. If you’re in a competitive market, and the thing that you make is creativity, because we don’t make washing machines or cars, we don’t have a factory I can optimise, I can’t go onto the factory floor and go, “How can I increase throughput of washing machines by 10 percent?” For a lot of CEOs, that’s their life, that’s what they do. They’re looking at how they can improve supply chains in order to increase profits and margins.

**And a lathe that can be operated by two people, rather than three.**

Exactly right.

**I don’t actually know what a lathe is, if I’m honest.**

You must have done it at school! It’s a machine you make chair legs out of. And so the real thinking was, if we were going to compete and survive – and again, in 2010 there was no guarantee we were going to survive – again, a business built on archive, market disruption. Everything’s changing, everything’s up for grabs. And how do we get ahead of that? And it was very clear to me that the only way we would stand a chance is if I could put the best team on the pitch, absolutely the best team on the pitch, and that that is my job – make sure I’ve got the best team on the pitch every single day, making sure that they’re delivering.

**So that’s about attracting and retaining talent.**

That's exactly right. It's exactly right.

**You've got to have an environment that people are attracted to, to state the obvious.**

Exactly right.

**Because they have other options. They could go and work for the Beeb, ITV, Sky.**

Yes. And for the first couple of years it was really hard, because UKTV wasn't seen as a place where people would come and do their best work. Now it's very different. It's not to kind of belittle it, but we get now 300-400 applications for every single role here, where in 2010 we were out there, you know, dragging people into the building.

**I've had three or four inbound applications for this podcast, and I'm glad that you've chosen us!**

Exactly right! So yes, it was all about that, it was kind of how do we get the right people, how do you get them lined up in the right way? How do we get them absolutely clear about what success looks like? And how do we get them really to buy into it? And again, there's lots of things that get measured in business, but the most important thing that gets measured is engagement of people that work with you – and it's often done by the HR team, doesn't make it to the top table.

**It should.**

It's a thing that I am very focused on and care very much about. And I knew before I started in those kind of quiet weeks where you're transitioning out of one role into another, that if I could achieve one thing it would be to make everyone that worked at UKTV give a damn about its success. And we've all worked in organisations where people just come in, and they're clocking in and clocking out.

**Day's work for a day's pay.**

Yes. And they're not engaged in what you're trying to do. And I kind of thought, "If I can change one thing, if I can get everyone in that building to genuinely give a damn, then it would turn the future this organisation around." And that again, still to this day, is one of the things that I say to myself pretty much every day. Have I created the right environment, and have I hired the right people who genuinely give a damn about the success of this organisation? And you can spot the ones that don't. And we had a big change-out in the first couple of years where people were here because they wanted a job, not because they wanted an adventure. And I was very much in the mood for an adventure, and I thought we could do something really interesting, and so we did have to change quite a lot of people out, but we're in a very fortunate position now where I've got 350 people that do genuinely give a damn about this company's success. And it means that they are way ahead of me, they're faster than me, they're out-innovating me, the best ideas are coming from them. They're not coming from the c-suite down, they're coming from the bottom of the

organisation up. And it's an absolute joy to come to work when you've got people that are really kind of pushing the creative envelope and genuinely care about the organisation's success. And what's interesting about that is the ones that don't, they don't last. They don't survive, because they realise they're in the wrong place and they go somewhere else. Here, there's no way you can hide; you're either in it for the adventure or you're in the wrong place, and in order to do that you then have to go through all the recruitment processes, and our recruitment process is deliberately long. We don't hire people because they want jobs – we hire people because they want to come and work here, and that takes months to get that right.

### **We know in about three or four days.**

Yes. So we do a lot of interviews around culture and values, and making sure we're bringing the right people in. And people can fake it in an interview, and that's not good. Lots of organisations rush to get people in the door, and it's easy to get people hired. I tell you what, it's really hard when they're not right.

### **Hire in haste, repent at leisure.**

Exactly.

### **I know that. I run a small business, I've got 30 people – and if you get it wrong... it really is.**

You can destroy an organisation, and you can destroy a culture with a single cynical individual. So getting that stuff right is really important.

### **I've been there.**

Getting the rewards and remuneration piece was right. Making sure people were rewarded for success. You know, I'm kind of going, "Come on, we're going on this big adventure. We're going to build this great business, we're going to grow, we're going to grow market share, we're going to grow our revenue." You know, unless I'm going to share the benefits of that with them, then that's an irrelevant conversation to have. So we had to change all the compensation schemes so that people felt that the reward for their engagement was that they would be financially rewarded for it as well. And that's worked really well. We've restructured how we do appraisals, and actually the appraisal story is quite an interesting one because what amazes me still about business is how many people just do things because that's how they've always done them. And one of the things I think we've been successful in is there's not a single process where we've not asked ourselves, "Is there a better way to do this?" And just because we've done it that way for 25 years, is it driving the right outcomes? And if it's not we are quite comfortable with binning it. So we do some crazy stuff upstairs. We restack the entire building every three months, everyone moves around.

### **It's a cliché that people some people fear change. But what I've learned over the years of running a small business is that there's also a group of people**

**who actually can't be bothered with change. It's not about fear, it's just about laziness.**

That's exactly right. And you've just got to get them out. It's as simple as that, because they are a drag on any business, particularly now. So you could tolerate that 15, 20 years ago when the business world was a little bit more stable.

**But you can only spread a dime so thin.**

Yes. And incumbents were very protected because they had infrastructure that wasn't available to anybody. We couldn't have done a podcast 15 years ago because we wouldn't have had access to this equipment in order to do it. So it became, you know, the big radio guys had control of the narrative. And now it's all just changed. It's the same for television. You know, the growth in YouTube and another online video means there are no barriers to these markets any more. And yes, you've just got to embrace all that change. The only thing that is constant is change. And it sounds like a cliché, and it probably is, but it is absolutely true. So you've got to live in a world where, even things that we are doing right now, we should be prepared to close them down in two years' time and go, "You know what, it did its job, it took us so far, but it's not right for the next leg of the journey." And that is very different to certainly how... you know, I was trained and mentored when I first started working. But I think it gives us real competitive advantage. There are no sacred lambs in our business; if it's not working it's gone. And there's not an issue with that at all. And no one minds admitting that something's not working, and they're happy to kind of move on. So it just creates this very exciting, dynamic workplace where you're constantly evolving and changing and dealing with new challenges, and people are engaged in that success.

**But it seems evident to me that you're quite thoughtful about your own leadership style. You're not merely running the business but you're also trying to work on your role as leader as well as in it.**

Yes. I think leadership has changed, quite frankly, and I think they're all good leaders and there are some atrocious leaders.

**We've got examples of both in this booth, haven't we?**

Exactly right! And you learn as much from each quite frankly, and I think if you've had bad role models you can learn about how destructive that can be. And if you've had good role models... I guess one of the key components of my own success is I've always had brilliant mentors and I've always had brilliant people that I worked for. And it's just been amazing to actually watch some of the best in the business, and how they operate and kind of learn from them, but then not just take that as a kind of operating manual for how to do it. You've kind of got to create your own. And leadership is about creating the right working environment. It's about creating the right reward structure. It's about dealing with things, bad behaviour, when it's not working right. It's about getting the right people in, getting the wrong people out of the organisation. But it's also about setting a very clear purpose and strategy about what you're trying to achieve. I think one of the things I'm very proud of here is that everyone in this building understands what UKTV's strategy is, and I think where

medium and large-scale organisations struggle is that they'll have a big planning team, big strategy team, they'll go off and write some 500-page strategy deck, and it will go to the board and the board will go, "Brilliant. Love it. Great strategy. Well thought through." It goes in the bottom drawer, and then two years later the board is going, "Why is nobody executing this strategy?"

**Because no one bought into it, it's just a document.**

No one bought into it. No one understands it.

**Because it's written in management speak.**

Exactly right. And again, so we do a lot of stuff around strategic direction for the business and make sure that everyone understands what we are trying to achieve, and also what their role is in that strategic imperative. So they all know where it all fits together, so they all feel a sense of pride and ownership in the overall success of the organisation, because they know that their little bit of it, or their large bit of it, is making this contribution to what we're actually trying to achieve.

**So they know they matter, but they also know that what you're all trying to achieve collectively matters.**

Yes. And we ask them as well. We engage with them and say, "Do you think the strategy is right?" I think leadership is not about having all the answers quite frankly, it's about being able to ask all the right questions. And we often engage with them and get groups of younger staff members together for a sanity check. "Is this right? Is this relevant? Is this important? Is this going to drive success?" And we get all that feedback in, and that gets fed into the strategic plan, and factored into how we make... the strategic plan is designed to make is to help management make capital allocation decisions. That's what is there for. It's like, "We're going to do A, B and C so let's make sure we've got the right money against A, B and C in order to execute them." I've been in so many companies where they go, "We're going to do A, B and C," and then the capital allocation piece just doesn't materialise because no one gets it. And again, they get frustrated why things aren't happening, and they're not happening at speed. So it's things like that, and so being self-aware of your own leadership style is important for any leader in a fast-moving business. And you've also have to understand that people process data and information in very different ways.

**Frustrating, as a manager of a small business. I just wish everyone was like a mini clone of me because they'd be then very easy to manage.**

Well, we had it here, you know, again, early days. One of our strategic objectives is to increase our market share and viewership share of our linear and non-linear assets. And of course, the finance team would come in with reams of spreadsheets and tons of data.

**It's what they know.**

Yes. And it's all accurate and it's all insightful, and you just see the creatives just glaze over. And it's meaningless to them.

### **Just numbers on a spreadsheet.**

Then early on we very much decided that we'd actually do a sort of Janet and Jane version, we would do a picture version of it, and we'd do a data version of it, because we started to realise that people take in data in different ways. Some people want it visualised. Some people are quite happy with vertical tables of data. So adapting your communication style, not just your presentation, not just how you put presentations together, but how you talk to everybody, you've got to understand one size does not fit all, and you've got to engage with them at very many different levels and very different tones of voices around different issues, all with the first principle of this is about driving performance and success in a business, and these are the three things, if we get these three things right UKTV is going to be in great health. And they were kind of moon shots for us at the time, because one of the things we did early on was we actually wrote the press releases for 2017 and 2018. We wrote them eight years ago, and we went, "Okay, wouldn't it be brilliant if..." And we literally sat in a room in a pub down the road and literally wrote the press releases, and they've been strong guiding things for us about what we wanted to achieve. And then as we've knocked them off one by one to see those releases – they get reworded, and of course, turned into English rather than pub gibberish...

### **I was going to say, if you're writing them in the pub...**

So it was a brilliantly powerful way of doing a strategic plan, which is like what does success look like? Think forward. Where do we want to be in five years? And again, the question I kept asking everyone here was, if you're going to spend the next five years coming to work, what do we need to achieve for that to be the best five years of your career? And it's a simple question. But the depth and richness of the insight you get back by asking people what you need to deliver for them in order for them to deliver for you is very empowering. And again, that's the bedrock of what this company turnaround has been about.

**I've been a small business owner for two decades now. One of the things that I've learnt about myself over that time is what my own shortcomings are. And it's been a joyous discovery really, because it means that I can stop doing the things I'm not very good at. What have you learned about your own blind spots over the years?**

Everyone's got tons of them, and having an understanding of them is really critical. Self-awareness is really critical. The whole company rates my performance here. So I get some pretty brutal feedback on a pretty regular basis. But it's important – and I want to get that feedback from them as well.

**Can you tell from the form of words as well, that it's actually Janet in accounts, even though it's supposed to be anonymised.**

It's even worse! No, it is anonymous, which is brilliant because there's expletives in there and all kinds of stuff. It's some great rich reading.

**We'll just randomly attack a few people then in the organisation, because you're bound to get one or two of them.**

Yes, exactly. And I think the other thing is about... it's probably harsh to say, but liars like to use complicated words. And if you're not self-aware... I've been in many meetings where, not here but in previous roles, where people walk out and no one has any understanding about what's just been said it's all been jargon and gibberish. And no one feels confident enough in order to actually just say, "Actually, what does that mean?" And so being self-aware in that stuff I think is very important, and I think it's actually perfectly... I'd say it's absolutely required, and it's actually one of the key values within UKTV, is that everyone stays learning forever. And one of my personal mantras is 'student forever'. You've got to keep learning, and you've got to keep exposing yourself to new things. If you sit in a corner office and think you know it all, you're doomed. And again I think those come out old style command and control structures...

**They're from the 80s, aren't they? Type-A, alpha male...**

Yes, they were built for the industrial revolution; they weren't built for the creative economy. They were built when people ran factories. And you and I, coming from Yorkshire, we've seen those factories, and we have known people that probably worked in them. You know, where the boss does a lot of telling and not a lot of listening. And they worked in that environment where people clocked in and clocked out, because he had to run a production line at certain times. The world's changed but so many of those practices still continue. So we don't have offices here. I sit with everybody else. There's no visible signs of hierarchy at all. The only thing I genuinely care about is the hierarchy of great creative ideas. And if you're not comfortable sitting with everybody else then this is the wrong place for you to come and work. And it really has helped increase the quality and depth of our creative output, which is what's driven all of our growth. So yes, you know, there's lots of old practices which people just blindly keep practicing, and wonder why their businesses are declining and whatever. But you know, I've said this before and it's quite controversial, but I genuinely do believe that any businesses with an operating model predicated on command and control will be out of business in the next 10 to 15 years because they just can't innovate quickly enough, they can't adapt their business quickly enough. The c-suite is not listening to either their customers or their staff in order to respond and change the direction of what the business is trying to do, and then tweak and tack. And yes, I think the digital world has bred a different type of leader who's much more purpose driven than command and control. And I think there's a there's a big lesson in there for everybody.

**We're not in a pub, but if you were to draft a press release for where UKTV will be five years from now, what would it say?**

I think it would say that our product is unique in terms of the creative output, the ability to surprise and wow our customers is unsurpassed by anyone else in our

business. And there's no reason why that can't happen. The great thing about once you start on those creative endeavours is when you start to see audiences reward you with bigger and bigger numbers in terms of viewership. So for us, it becomes this virtuous circle. The more creative we can be, the better the TV shows we can make, the bigger our audiences, the bigger our advertising revenue, the more valuable we are to pay TV platforms that the distributors... you know, and we went through a big test with that last year with Virgin. It's the first time a major network business had come off a pay TV platform and our customers rallied behind us, and it was resolved very quickly, and very successfully, financially, for us. I think that would be the main thing. I would urge everyone to continue to take creative risks, continue to challenge, keep challenging the status quo. Stay close to the customers, understand where the market is going and where the customer is going, and keep serving them with stuff that they just love to watch.

**Darren, it's been a hugely enjoyable conversation. Thank you ever so much for your time.**

It's a pleasure.