

**MINUTES OF THE 128th MEETING OF THE BOARD OF
CHANNEL FOUR TELEVISION CORPORATION**

**HELD AT 124 HORSEFERRY ROAD, LONDON, SW1P 2TX
ON 18th DECEMBER 2006**

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|------------|-----------------|------------------------|
| Present: | Luke Johnson | Chairman |
| | Andy Duncan | Chief Executive |
| | Anne Bulford | Group Finance Director |
| | Lord Puttnam | Non-Executive Director |
| | Stephen Hill | Non-Executive Director |
| | Kevin Lygo | Director of Television |
| | Andy Barnes | Sales Director |
| | Martha Lane Fox | Non-Executive Director |
| | Rod Henwood | New Business Director |
| | Tony Hall | Non-Executive Director |
| | Andy Mollett | Non-Executive Director |
| Apologies: | Sue Ashtiany | Karren Brady |

In attendance: Paola Tedaldi (Secretary) and Diane Herbert (Director of Human Resources), Jonathan Thompson (Director, Strategy and Research) and Janey Walker (Head of Education) (all in part)

Please note that commercially sensitive information has been removed from these minutes.

**Minutes of the 127th
meeting of the Board
held on 27th November
2006**

The Minutes were approved for signature by the Chairman.

**Directors' Report - C4
Paper 738 (49/06)
Chief Executive**

As agreed at the last Board meeting, the Chairman noted that the Directors' Reports would be taken as read and the Directors would report by exception on key issues.

2007 Objectives

The Chief Executive reported that the staff objective setting process for 2007 is now complete.

Ofcom Review

The full financial submission went to Ofcom on 4th December. LEK will publish their final report to Ofcom by the end of March.

The Channel took part in a "kick off seminar" at Ofcom on 11th December. This was attended by approximately 40 people, including representatives from the major broadcasters and PACT. The seminar was also attended by three independent experts who gave presentations and the Chief Executive gave an outline of the areas that they covered.

Other Developments

The appointment of Michael Grade at ITV was noted.

**Director of Television
Performance**

The Director of Television reported on the Channel 4 portfolio share. The Director of Television reported on **Unanimous** and the **Secret Millionaire** and upcoming programming, **Celebrity Big Brother**, **Ugly Betty**, **Desperate Housewives** and **Shameless**.

The Director of Television finally updated the Board on Channel 4's Christmas message this year which is provoking debate. He also reported that the Channel has done very well at the Comedy Awards, picking up 5-6 awards.

**Independent Production
Companies**

The Director of Television reported on Shine's acquisition of Kudos Film and Television, Princess Productions and Firefly Film.

Sales Director
Revenue

The Sales Director reported on negotiations with agencies.

Thinkbox has now been incorporated. A large event would be hosted in February and a presentation would be given to the Board as planned next year.

The Sales Director reported on the ad-sales market.

Group Finance Director
Finance

The Group Finance Director reported on the group full year forecast results.

Budget

The Group Finance Director reported on cost savings.

Commercial Affairs

It was confirmed that the Head of Commercial Affairs, Sara Geater, has resigned as she has accepted a role as Chief Operating Officer at Talkback.

VOD-to-PC

The Group Finance Director reported on the VOD to PC service and added that the people involved in its launch should be congratulated.

Channel4.com Redesign

Martha Lane Fox queried which part of the Corporation would be managing the redesign of Channel4.com. The Group Finance Director explained the split of this work is between the IS department and New Media Department.

Quarter 4 Review

The Group Finance Director reported that the quarterly review for December would be presented to the Board early next year.

New Business Director
Channel 4 in Ireland

The New Business Director reported that the Channel 4 service has now launched in Ireland on Sky.

VoD

The New Business Director reported that we launched our Video on Demand service to PC on 6th December.

**Ofcom Review of
Channel 4 – C4 Paper 740
(51/06)**

The Board discussed the Ofcom Financial Review paper.

**Statement of Programme
Policy – C4 Paper 741
(52/06)**

The Head of Education joined the meeting and gave a brief overview of the 2007 Statement of Programme Policy and the 2006 Review.

Tony Hall commented that this was a very useful exercise. There was also a general comment by the Board that the Channel should consider publicising this type of information more, including in an interactive form on the website.

**Education Strategy – C4
Paper 742 (53/06)**

The Head of Education reported on the current spend on Education and explained that the Channel has a licence commitment to show 330 hours of education programmes a year.

The Head of Education explained the proposed Education strategy for 2008.

The Board endorsed the future direction proposed.

**Date of next Board
Meeting for 2007**

The next meeting of the Board will be held from 3:00pm to 6:00pm on Monday 22nd January 2007 at Channel Four Television Corporation, 124 Horseferry Road, London, SW1P 2TX.

Chairman

Date