

TG4 Annual Report 2005

Introduction

In what was an eventful and highly competitive period in the industry, TG4 can look back on a year of considerable achievement across all of its main areas of activity. A large output of high quality and original Irish language content was commissioned, acquired and broadcast, there was a continuing increase in the channel's viewing figures across all audience segments and the profile of TG4 was enhanced by increased website traffic, regular positive media coverage, awards and prizes and a very healthy commercial revenue stream.

The channel's scope to develop and grow was constrained only by the limitations imposed by its ongoing low level of Exchequer funding and no effort has been spared in seeking to increase this and to access all other appropriate sources of funding.

The mixed schedule format continued to reap rewards for the channel with the Irish language and children's strand forming 59% of the broadcast output. National audience share for 2005 was a very creditable 3.2% with a very strong year-end performance: TG4 had its highest ever weekly share of 5% for the Christmas 2005 holiday period, the most competitive week in the television market. The channel's reach for this period was 1.28 million viewers per day.

Sport continues to be a key part of TG4's success. While developing further its established a reputation as the main provider of televised Gaelic games coverage from August to May (men's and women's). 2005 saw the introduction of an even wider range of sports on TG4. Innovations included domestic coverage (Eircom League and FAI Cup soccer) and global events (exclusive extensive live coverage of the Wimbledon Tennis Championships and the Tour de France) as well as snooker, horse and greyhound racing and motorsport.

The channel has been careful not to be reliant on any one genre and has been heartened by the strong performance across the range of factual, drama, reality shows, music and entertainment with series such as *Cúla4*, *Laochra Gael*, *Ros na Rún*, *Cogar*, *Bean an Ti*, *Siar sna Seachtóidí*, *Paisean Faisean*, *Hector san Afraic*, *Geantraí*, *Underdogs*, *Meirligh*, *Trom go Trim* and *Glór Tire* all performing strongly.

Exceptional events during 2005, some planned and some unforeseen, gave TG4 the opportunity to test its ability to provide meaningful and complementary coverage. The Údarás na Gaeltachta Board elections and the death of Pope John Paul II each provided a challenge for our Nuacht and Internal Production teams. The channel's coverage of major annual cultural events, like the Gradam Ceoil TG4 and Oireachtas na Gaeilge was also augmented and positively received.

The annual provision of Irish language programming from RTÉ to TG4 (365 hours) was another key part of the success and enhances the channel's output. In particular, the daily *Nuacht TG4* service continued as the anchor for the programme schedule and a daily visible manifestation of the *súil eile* approach to news gathering and processing in providing an attractively different and differentiated view of affairs.

The channel remains primarily a publisher-broadcaster but has also developed its in-house production capacity to service certain scheduling requirements more effectively. The two daily *Cúla4* zones (for pre-school and primary-school kids) and the *Comhrá*, *Soiscéal Pháraic* and *7 Lá* series were all recorded in-house during 2005.

Whilst our programme schedule had won regular and widespread approbation, particularly for the service to children and adults, we were conscious that we had been less successful in serving teenagers and young adults. Accordingly, October 2005 saw the introduction of the daily *Síle* zone in the schedule, a wrap around mixture of programmes, series and inter-active information for young adults presented by Síle Ní Bhraonáin and distinctively branded and marketed.

The schedule has a particular need for innovative acquisitions, content that will serve both national and niche audiences. TG4 has been particularly successful in attracting viewers for its regular slot for Western films and first-run showing of the most high-profile US tv drama series aimed at teenagers.

In Spring 2005, a pilot scheme was introduced for analogue terrestrial transmission of the TG4 signal to the Belfast area from a local transmitter on Divis Mountain. In addition, in April 2005 both TG4 and RTÉ were made available to Northern Ireland subscribers to the Sky satellite services. Both of these developments are of enormous significance for TG4 and for the Irish language community and the television audience in Northern Ireland.

TG4 has been assiduous in seeking additional funding for Irish language programme-making. 2005 saw the inauguration of two key partners in this regard – the Irish Language Broadcast Fund in Northern Ireland and the *Sound and Vision* funding scheme operated by the Broadcasting Commission of Ireland. TG4 has been working closely with the administrators of both Funds. It has already been successful in attracting funding from the ILBF and looks forward with confidence to working in partnership with the BCI fund, building on the extensive preparatory work on suitable projects that has been carried out by the TG4 Commissioning Department in anticipation of the fund. The main task and key objective continues to be the provision of a high-quality national television service in Irish. The commissioning of distinctive and cost-effective programming to meet our schedule demands are at the heart of this project.

TG4 commissioned 499 hours of original Irish language programmes in 2005 and also had the RTÉ contribution of an additional 365 hours of Irish language news/ programming.

A further 120 hours of children's programmes were dubbed into Irish.

Media Coverage

As a public service broadcaster, TG4 is conscious of the need to achieve and maintain a high media profile. While operating on a limited publicity resource, TG4 has been assiduous in maximising publicity in other media for its programmes, personalities, programme-makers and corporate activities.

As a result of a carefully planned strategy and utilising a personal approach, the channel again succeeded in 2005 in achieving a largely positive and supportive media profile in both print and broadcast outlets, notwithstanding the rivalry and media competition that exists in Ireland.

The national media gives an increasing amount of space and time to TG4-related topics and personalities and regional and local media are particularly attuned to the challenges and success of the service. The following sample of media comments during 2005, from both the Dublin and non-Dublin media, are broadly representative of the overall year-round nationwide coverage and media attitude to TG4.

Irish Independent 10 Jan

"From no hopers to giant killers as TG4 slays competition."

Western People 16 Feb

'When Teilifís na Gaeilge was first launched eight years ago it was dismissed..... But the programmers at TG4 have proved the doubters wrong'.

Carlow Nationalist 8 April

'TG4 has some wonderful programmes in its schedule'

Dundalk Democrat 4 May

'TG4, as usual, proves to be the first stop for a dose of decent reality'

Sunday Tribune 5 June

'TG4 does lots of excellent documentaries but is also capable of some high-quality fluff, of which Paisean Faisean was the best.'

Sunday Business Post 26 June

TG4 goes from strength to strength. The Irish language channel has defied the sceptics'

Irish Independent 27 June

Editorial Bualadh Bos; TG4 set an example to much richer stations. They have bright ideas..., and the ideas work...seldom have they shown such ingenuity as with their coverage of Wimbledon. ... Revivalists, like rival television stations have something to learn from TG4'.

Evening Echo 23 July

'The folks at TG4... probably have the best all around variety of programmes. Sport, history, comedy, great films including classic westerns, and some very unusual and interesting documentaries. The best thing about TG4 is that they are not in your face about the whole Irish thing. I believe this home grown channel gives us the best all round entertainment value, and the cúpla focal as well'

Prizes and Awards

TG4 programmes and presenters won many prestigious awards and prizes at national and international festivals in 2005. Following on its extraordinary haul of a dozen major awards in 2004, the short comedy film *Yu Ming is Ainm Dom* continued to dazzle as it won the Most Original Prize at the Europe-wide Circom Awards 2005 (where *Ringy* a documentary on Cork's legendary hurler also won a citation).

Indeed, *Fluent Dysphasia* another short comedy drama from the *Yu Ming* team continued the multi-award success of its predecessor in 2005, winning the Audience Award at the Cork Film Festival, a commendation at the Kerry Film Festival, the Best Short at the British & Irish Film Festival in Berlin, the Audience Prize at the Montreal Film Festival and the Best Director at the Belfast Film Festival.

Cinegaeil Paradiso, Robert Quinn's affectionate look back at his father's innovative community-based film and cinema venture in Connemara in the 1970s won the prestigious Spirit of the Festival Award at the Celtic Film and TV Festival 2005 in Cardiff.

Cúilín Dualach a short animation won Best Animation at IFTA, Best Animation at the Kerry Film Festival and the Pucinella Best Short at the Cartoons on the Bay Festival in Italy.

Concerto Chaitlín Maude, an hour-long profile of the multi-talented poet, singer and activist was selected as the Best Irish Language Documentary at IFTA 2005 and the arts documentary *Harry Clarke, Dorchadas i Solas*, on the talented but troubled stained glass artist, followed its 2004 success by winning Best Documentary at the Fantasy Worldwide International Film Festival, Toronto, 2005.

The channel received five awards at the Oireachtas na Bealtaine Festival. They were, *Cinegaeil Paradiso*, and awards for TG4 personalities Brian Tyers (*GAA Beo*) Tomás Ó Mainnín (*Nuacht TG4*), Aodh Óg Ó Duibheannaigh (*FFC*) and Diarmuid Mac an Adhastair, (*Ros na Rún*).

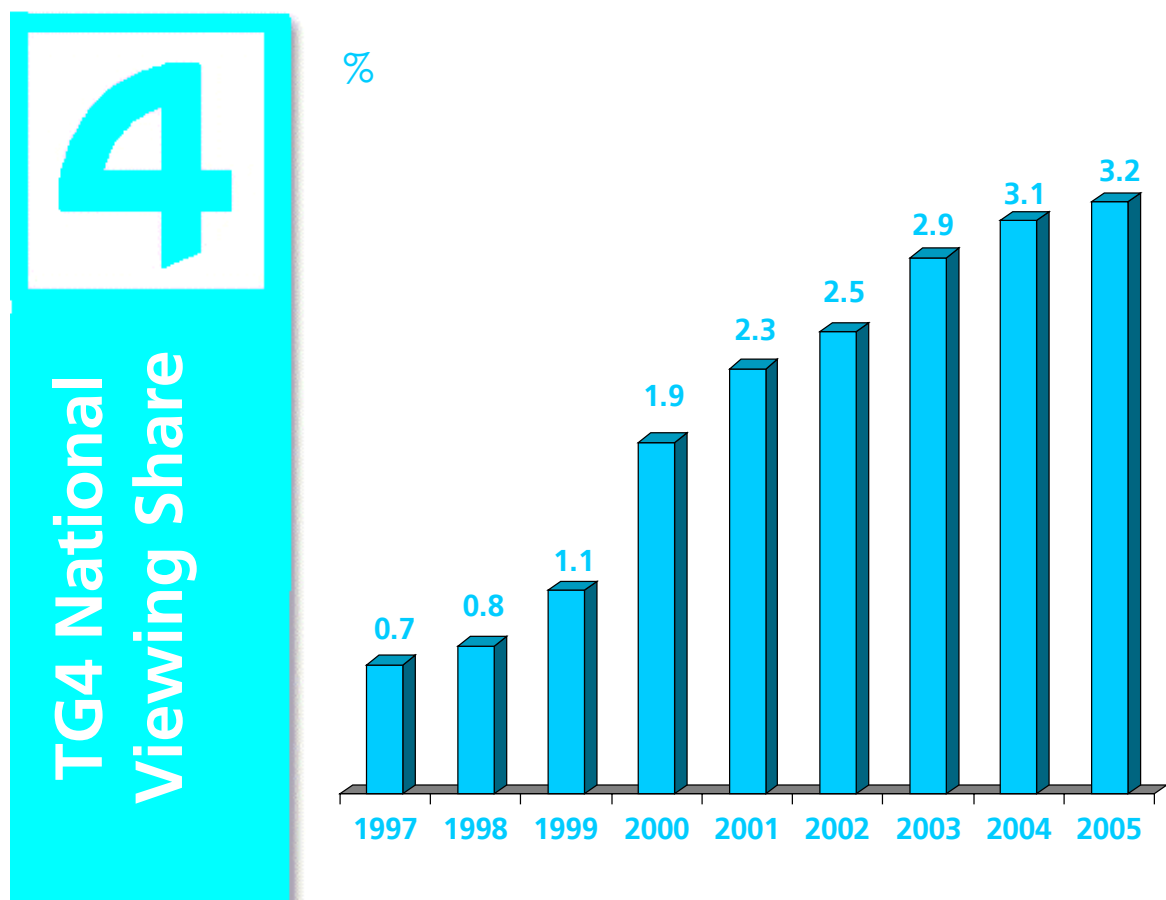
The channel's reputation for quality and innovation ranges beyond its programme output and 2005 saw recognition once again for the channel's branding and promotion outputs. This was evidenced again in 2005 in an ICAD award for a TG4 tv commercial for its highly popular *Paisean Faisean* series.

Co-incidentally a TG4 print advert, also for *Paisean Faisean* - was honoured with a Bronze prize at the internationally renowned Epica Awards and the channel's website, www.tg4.ie was shortlisted for the country's premier Website prize – the Golden Spider Awards 2005 – as one of the top Entertainment Websites in Ireland.

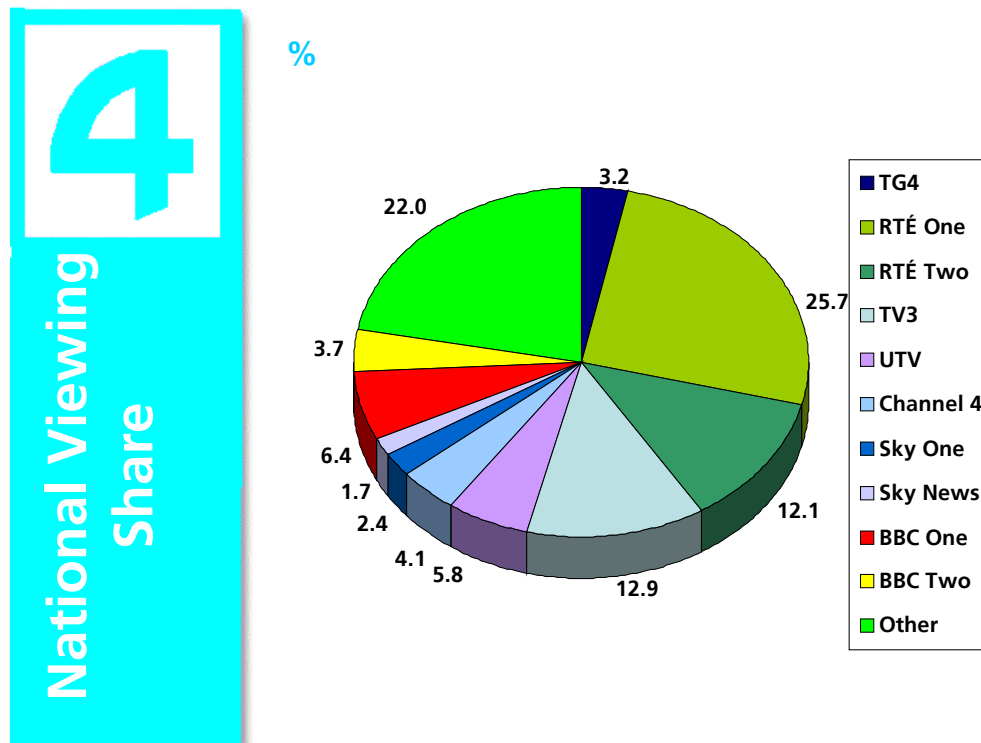
In addition to these prizes and awards, many TG4 productions were short listed and/or cited for special mention in all of the main festivals entered and many plaudits for the channel's innovative and challenging programmes came from television critics and media commentators.

TG4 Viewing 2005

The TG4 identity was inaugurated on September 27th 1999, the station having been established as Teilifis na Gaeilge in 1996. Since the changeover, there has been a steady rise in viewing to the station, culminating in a share figure for 2005 of 3.2%, almost five times greater than in the early days of TnaG.



TG4 has positioned itself well in the Irish television market. The following graph shows the share of overall viewing for all the main channels in Ireland for 2005.



Viewing to indigenous Irish channels now stands at just over half of all viewing from Irish homes. With 80% (and growing) of homes in Ireland currently able to receive multi channel reception, the external pressure on the Irish channels is immense. The trend over the last couple of years has been that, with increased competition, the share in Ireland to the major established terrestrial channels from both Ireland and from the UK has been falling while the amount of viewing to the smaller digital channels has been growing. This makes TG4's achievement of steadily growing its share each year all the more remarkable.

TG4's share of viewing in 1999 was 1.1%. This made it the 13th most watched channel in Ireland at that time, behind not only the other Irish stations and the UK terrestrial channels but also behind Sky One, Sky News, Sky Sports 1, Nickelodeon and MTV. The 3.2% share obtained in 2005 put TG4 into 8th place, surging ahead of Sky One, Sky News, Sky Sports 1, Nickelodeon and MTV.

In fact there were several occasions in 2005 where TG4 had reeled in BBC Two and Channel 4, notably at the end of the year where viewing to TG4's Christmas schedule was very strong. In fact TG4 secured its highest ever weekly share of 5% at the end of 2005.

Live sport has always been a very important part of TG4's schedule, particularly live coverage of hurling and football. *GAA Beo* has featured consistently in TG4's annual Top 20 programmes for the past six years and 2005 was no different, accounting for half of the Top 20 programmes for the year.

The live coverage of the TG4 Ladies Football Final between Cork and Galway took first place with an average audience of over 200,000 viewers, amounting to one in four of all people watching television in Ireland that afternoon.

The next two places are for live coverage of the Allianz League hurling and football finals. TG4 also made a new departure in 2005 by adding live coverage of *Eircom League and FAI Cup Soccer, Wimbledon, the Tour de France* and the *Northern Ireland Snooker Trophy* to its existing line up of GAA, horse and greyhound racing. The importance of top quality live sport to TG4 is manifest but the channel could not grow its share of viewing year on year with one genre alone. The strength in depth and the variety that is in TG4's schedule has continued to be very popular with viewers.

The schedule changed substantially at the start of 2005 particularly on Monday nights. *Paisean Faisean, Nip/Tuck* and *The O.C.* were part of the brand new Monday night schedule, designed to attract younger viewers and in particular younger women. Younger viewers watch less television than any other demographic grouping and have been a particularly hard audience for TG4 to attract over the years. All three programmes regularly made it into TG4's top weekly programmes. On Monday nights from January to April TG4's share of viewing for 15-24s was 10%, three times the weekly station average. This strong Monday night performance was maintained throughout the year, continuing the momentum built up in early 2005.

The children's service, *Cúla4* has also been very strong, its programmes and links regularly pulling in share figures of over 20% with children. Also in October TG4 launched a brand new schedule zone, titled *Síle*, following *Cúla4* on weekday evenings and aimed at the young adult audience. *Síle* Ní Bhraonáin hosts top international series like *Pimp My Ride*, *The O.C.*, *One Tree Hill*, and *What I Like About You* as well as Ireland's first weekly TV view of the charts on *Pop4*. 40% of young adults had already watched *Síle* by the end of 2005 and the viewing share for young adults during the *Síle* block is ahead of the overall TG4 weekly average. The programmes within the block have had an impact with all the main series doing well.

As a public service broadcaster, TG4 needs to appeal to all population groups in Ireland. There is great variety in the TG4 schedule with different elements appealing to different audiences and a great variety of programmes made it into TG4's top listing for 2005.

Sport was prominent in that list, *GAA Beo* along with *Laochra Gael*, the series that profiles GAA stars of the last century. Drama is represented by films (notably the Friday night westerns and *scannán na seachtaine* on Tuesdays), along with TG4's flagship soap *Ros na Rún* and the internationally acclaimed series *The O.C.*, *One Tree Hill*, *Cold Case*, and *Nip/Tuck*.

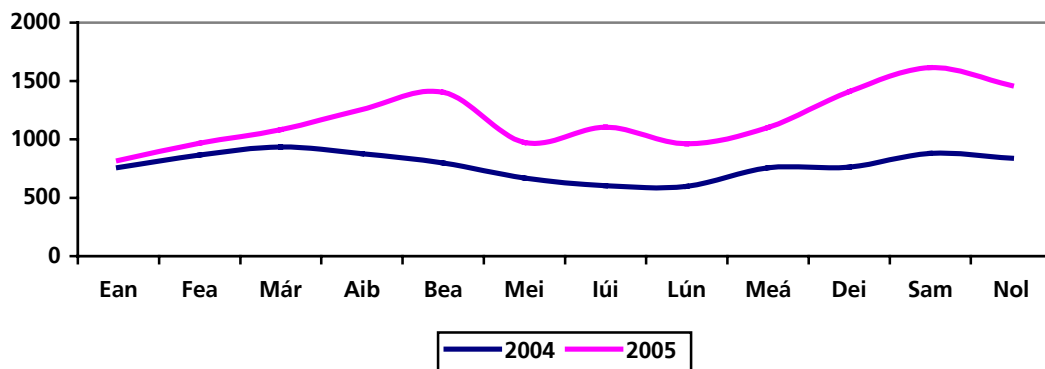
The documentary series *Cogar*, *Bean an Tí* and *Siar sna Seachtóidí* were also prominent as was the daily news service *Nuacht TG4* and lifestyle programming was present with *Paisean Faisean* and *Hector San Afraic*. Traditional music has always been popular with TG4 viewers. *Geantraí* has now completed 10 series and was once again very successful last year along with *Steip* the national *sean nós* dancing competition.

TG4 has its own take on reality programming in the shape of *Underdogs* and *Glór Tíre* where members of the public earned the right to play hurling against Kilkenny and win the prestigious country and western singing competition respectively. Both proved very popular with viewers during the autumn of 2005.

Website

Traffic to the TG4 Websites (www.tg4.ie / www.tg4.com / www.tnag.ie / www.cula4.com / www.rosnarun.com) increased by over 62% in 2005. Schedule supporting content and enhanced interactivity have been the main growth drivers. Once again over 50% of our visitors originated from the United States, with around 20% coming in from Ireland.

Average Daily Visitors



The popularity and quality of the website was recognised in 2005. The TG4 Website was honoured by major Irish and International awards. In November it was shortlisted for the Golden Spider Awards and in December it was shortlisted for the Irish eGovernment Awards and also in the New Media section of the Celtic Film and Television Festival.

Interactivity with the TG4 Website increased in 2005. The following content areas contributed to the growth in visitor participation with the website.

- Downloads (*Hiúdaí* Games, WebTV, Movie Clips)
- Correspondence to the website (Feedback, Schedule queries)
- Two major events (Harry Potter auditions & Goals of the Year vote)
- Ongoing interactive content through the year (Votes, Polls, Competitions)

The GAA Goals of the Year event generated over 53,000 votes and with a regular stream of feedback, it is clear that the website has become the primary point of contact for our audiences worldwide.

Goals of the Year – Viewers Voting – 2005 Competition			
Football Votes	16,159	Hurling Votes	36,860
Total Votes	53,019		

Income

The 2005 current funding budget for TG4 was €27,177,808 as set out at the beginning of the year:

- Grant-in-aid €23,989,000
- Net commercial income forecast €3,188,808

Actual funding for the year amounted to €27,651,619 based on:

- Grant-in-aid (as above) €23,989,000
- Net commercial income €3,662,619

The increase in the Exchequer grant-in-aid over 2004 levels was €696,920 or 3%

The surplus on net commercial income of €473,811 represents a 15% increase on budget and was utilised to increase expenditure on commissioned and acquired programmes.

2005 results show a net commercial income increase over 2004 levels of €674,635 or 22%. In total, this meant that there were additional funds of €1,371,555 available in 2005.

Income	Budget 2005	Actual 2005	Actual 2004	2005 Variances
Grant in aid	23,989,000	23,989,000	23,292,080	
Commercial	3,188,808	3,662,619	2,987,984	
Total Income	27,177,808	27,651,619	26,280,064	473,811

Programme expenditure.

Direct expenditure on programmes (main and support schedules) was €19,594,795 in the year, an increase of €1m on 2004 and €717,253 greater than the original programme budget allocation for 2005.

Expenditure	Budget 2005	Actual 2005	Actual 2004	2005 Variances
Programmes				
Commissioned	13,150,653	13,492,191	11,991,950	-341,538
Acq./Dubbed/ Packaged	5,015,652	5,408,408	6,079,033	-392,756
Additional Prog. Costs	711,237	694,196	520,075	17,041
Total Prog. Costs	18,877,542	19,594,795	18,591,058	-717,253

The main schedule programming spend was €17.2m which equates to 72% of exchequer funding and shows a 4% increase on 2004. The following table outlines main schedule programme spend in 2005

Programme Type	€m
Commissioned programmes	
▪ Adult schedule	13.49
Acquired/Dubbed	
▪ Adult Schedule	.84
▪ Children's schedule	1.96
Additional programme costs	
▪ Subtitling	.22
▪ Music rights, consultancy etc	.69
Total	17.20

Expenditure on support schedule was €2.39m

Genre	€m
▪ Sport	.09
▪ Entertainment	2.22
▪ News/Current Affairs	.08
Total	2.39

Commissioned Programmes

The €13.49m spent on commissioning yielded 499 hours. The following table shows expenditure and hours by genre for the last 2 years.

Genre	2005 000	Hours	2004 000	Hours
▪ Ros na Rún	3,386	36	3,313	36
▪ Documentaries	1,549	34	1,508	32
▪ Cogar (half hour docs)	598	11	539	11.5
▪ Sport	3,233	216	2,334	169
▪ Drama	1,269	14	999	11
▪ Music	931	80	1,567	103
▪ Entertainment	1,454	37	897	23
▪ Travel	153	5	290	7
▪ Studio	487	64	320	58
▪ Other	430	2	226	12
Total	13,490	499	11,992	462

Ros na Rún

The channel's flagship drama series had a very successful year in 2005, growing its audience and winning many critical plaudits for its range and sensitivity in storylines and the unique atmosphere of a non-urban Irish soap. The scale of the production (a partnership between Eo Teilifís and Tyrone Productions) and the range of technical, creative and administrative skills required on-site make it a perfect location for entrants to the industry to learn and develop. The series also makes a valuable contribution in the field of education with its schools-related scheme.

The channel was also gratified by the announcement in early 2005 that TG4 had sold *Ros na Rún* to the WYBE public network in Philadelphia, USA.

On the 24th June 2005, An Taoiseach, Mr Bertie Ahern T.D honoured the series by visiting the *Ros na Rún* production headquarters in An Spidéal.

Sports Rights

Given national and international market developments, the strategic importance of television sports rights acquisition/renewal became even more pressing during 2005. TG4 was successful in renewing some key contracts and in acquiring important and high-profile new sports deals.

In Gaelic games, agreement was secured with the GAA for a new three-year rights contract, in partnership with RTÉ. This new agreement will see TG4's exclusive rights extended to the end of the National Leagues in 2008.

An innovative agreement was secured with the FAI giving TG4 live access to a significant number of League and Cup soccer matches 2005-2009.

TG4 secured exclusive rights to the Tour de France 2005-2009, the world's most prestigious cycle race. This inaugural coverage was widely praised by both audience and media commentators.

The channel also secured exclusive rights 2005-2007 to the Wimbledon Tennis Championships, another highly prestigious sports event with a global profile and a large following in both female and male viewers. The inaugural coverage on TG4 was highly praised (see *Irish Independent* editorial quoted above).

The channel also broadcast its first ever live snooker coverage in 2005, with coverage of The Northern Ireland Trophy, from the Waterfront Hall, Belfast August 17- 21 featuring twenty of the worlds leading players.

This coverage, as so much more of TG4's sports output was produced by Nemeton, the independent production company based in Ring in the Waterford Gaeltacht, with whom the channel also extended its output deal for a further three year term that will end in summer 2008.

The cycling and tennis programming, produced in-house, totalled 162.5 hours of Irish language sports programmes and contributed to the main summer schedule.

Event	Broadcast Hours
▪ Wimbledon	84.5
▪ Tour de France	71
▪ Cycling World Championships	7
Total	162.5

Acquisition for main Irish Language schedule

Adult schedule

50 hours of acquired documentaries were dubbed in the year.

Entertainment:

35 hours of acquired entertainment were packaged.

Children's schedule:

170 hours were acquired and 120 hours of these were dubbed during the year.

Staff and Staffing

The average full time equivalent number of staff charged to TG4 accounts in 2005 was 78 at a total cost, including pensions, of 4.25m. Core staffing levels remained constant during the year but there was an increase of 1 in the number of staff on temporary short-term contracts.)

Staff	2005	2004
▪ Number	78	77
▪ Costs	€4.248m	€4.033m

Capital

Total additions to fixed assets in the year were €2.09m.

Replacement of assets damaged or destroyed by lightning strike cost €1.23m of which €1.075m had been recovered from insurance by 31 December 2005. The claim is ongoing and a further €340k approx. is due to be recovered in 2006.

Capital grants from the Exchequer received in the year were €869k.

Sponsored Programmes

TG4 continues to grow its revenue from sponsored programmes with sponsorship revenue of 289,750 for 2005. This is an increase of over 10% on the 2004 figure of 262,620.

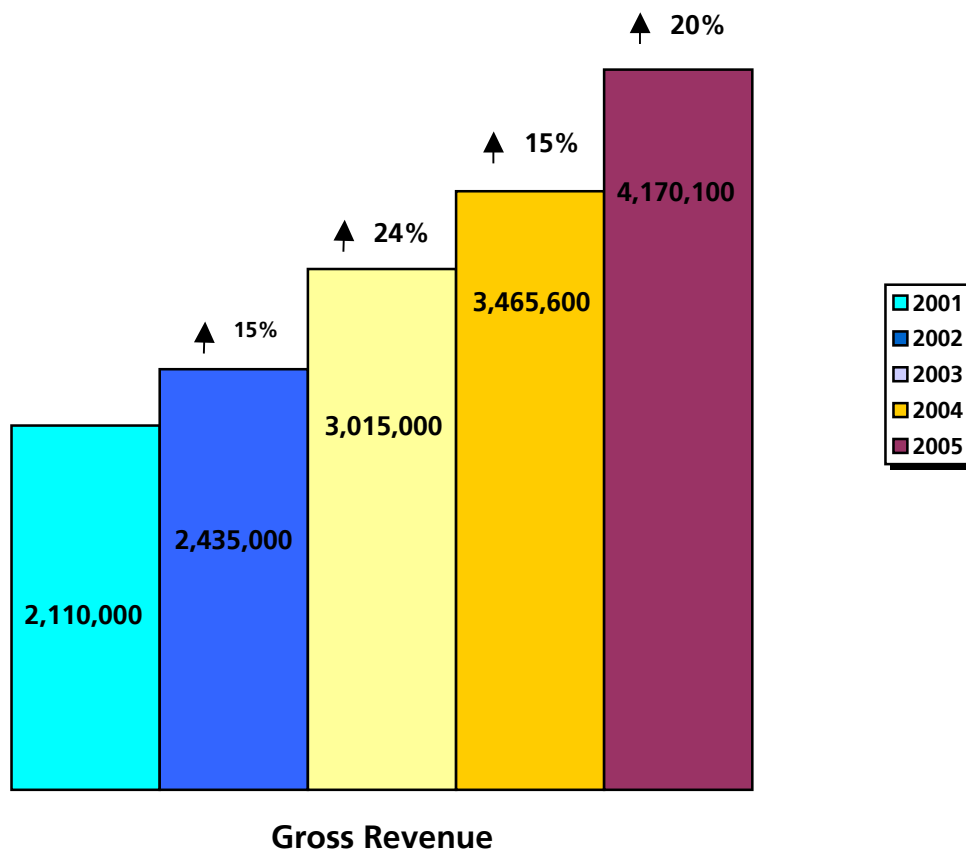
Programme	Sponsor
▪ <i>Ros na Rún</i>	Foras na Gaeilge
▪ <i>Aimsir Láithreach</i>	Eircom
▪ <i>Ladies Football League Final</i>	Suzuki
▪ <i>Peil na mBan – Semi-Final & Final</i>	Suzuki
▪ <i>Allianz League</i>	Allianz
▪ <i>U21's Hurling Final</i>	Erin
▪ <i>Late night Movies</i>	Heineken
▪ <i>Asian Cinema</i>	Tiger Beer
▪ <i>Hector san Aifric</i>	O2
▪ <i>Galway Races</i>	William Hill/Sanely Bet
▪ <i>Tour de France</i>	Cycleways
▪ <i>World Cycling Championships</i>	Cycleways
▪ <i>Paisean Faisean</i>	Nokia

Airtime Sales

With more competition in the Irish market than ever before, TG4 maintained its record on airtime sales growth again in 2005. Good scheduling, quality programmes and an effective marketing campaign helped to deliver record viewership to the channel. This was effectively converted to record sales levels by the sales team in Post TV.

- The target set for 2005 was €4,050,000. This target was achieved and exceeded by 120,100 delivering €4,170,100 for the year.
- This was an increase of 20% on the previous year, which compares favourably with overall revenue growth across the TV marketplace of 13% during 2005 (Source Carat Ireland)

TG4 Airtime Sales 2001 – 2005 (€m)



Marketing

A significant change to TG4's marketing activity in 2005 was the commencement on February 1st of QMP Publicis as the station's marketing communications agency. With a marketing budget of €800,000 the first task undertaken was to develop a marketing strategy for TG4 based on viewership targets for the following three years. Following a series of workshops with QMP, a strategy was developed around a number of campaigns with a dual aim of enticing new viewers to the station and secondly converting existing viewers from occasional to regular adopters.

The following is a brief synopsis of the advertising campaigns undertaken by TG4 during 2005.

Ros na Rún: Highlighting a controversial storyline in *Ros na Rún*, the campaign certainly caused a stir among the general public with features carried on national radio and on daily newspapers. Using television, print and radio, the campaign achieved its aim and has resulted in an increase in audience numbers for *Ros na Rún* during the year.

GAA Beo: The campaign was principally targeted at sporting enthusiasts and therefore the media used was mainly print particularly sporting sections of the mainstream publications. The programme has seen an increase of 5% in viewership to an average of 90,000 viewers per game.

Paisean Faisean: Yet more controversy with this campaign as the creative used was very much based on the content of the programme i.e. Girls dressed by Boys. The media usage reflected the target audience and was therefore concentrated on a younger profile using a mix of gym sites, fashion sites and publications together with television and radio. Viewership figures remained on par with those of the previous year.

Glór Tíre: The concentration in this campaign was predominantly on radio with a strong emphasis on local radio. Running for a four-week period in September, there was a further burst in late November when the competitive element of the programme came into play. There was a 12% increase in the first showing of the programme and a 100% increase in the repeat edition.

Underdogs: The series which is in its third year is aimed at both the sporting and light entertainment audiences. TG4's campaign played very much on the theme of Cats, (Kilkenny) against the Dogs. Using television, radio, print and outdoor the programme increased its viewership by 25% to an average of 50,000 viewers per episode.

Branding

TG4 since its foundation has always been at the forefront of branding and image development. The past year saw a continuation of this strategy with a number of new initiatives such as the production of the second series of station idents. TG4 also invested considerably in the branding opportunities available at Croke Park and now have a continuous presence at the national stadium throughout the championship season.

Sponsorship

The unique relationship which involves sponsorship and broadcasting rights for the ladies football championship continues to reap the benefits for TG4. The finals from Croke Park have continued to strengthen in viewership numbers and 2005 was no exception.

TG4's *Gradam Ceoil*, which promotes and celebrates the best exponents of traditional music in Ireland with a range of awards, also became one of the station's programming highlights for 2005. TG4 is now regarded as the prime carrier of this significant, distinctive and highly popular element of our culture and heritage.

Comórtas Físeáin TG4, which is aimed at secondary school students, allows participants to produce their own short film/video. As sponsors and administrators of the competition, TG4 enables the student's work to be broadcast to a national audience while the overall winner represents Ireland at an international festival. This sponsorship gives TG4 access to an audience that is often difficult to capture while also giving students a taste of working in the film industry.

The past year has seen TG4's marketing communications becoming more focused on predetermined targets in terms of achievable audience ratings. While there may have been a slight reduction in the number of campaigns undertaken, a greater investment has been made in each advertising burst to ensure delivery of the message to potential audiences.

The TG4 brand has undergone further development and this will continue to be reflected in all of TG4's marketing initiatives in the future.

Independence

On the 5th October 2004, the Government decided to establish a Project Management Group (PMG) to oversee the establishment of TG4 as an independent entity.

On the 30th June 2005, the Minister for Communications, Marine and Natural Resources, announced the appointment of Deloitte and Touche along with William Fry Solicitors to assist his Department in the preparation of an Implementation Plan for the establishment of the independent statutory body. The PMG held four meetings between July and November 2005. The Independent Consultants presented their report to the Department on the 30th November 2005.

The Minister for Communications, Mr Noel Dempsey, T.D. visited TG4 headquarters on the 13th May. He met the workforce and was updated on progress to date. This was followed by a visit from the Assistant Secretary, Éamonn Molloy, to Baile na hAbhann the following week.

Joint Oireachtas Committee

In early Summer TG4, along with other major players in the broadcasting sector, received and accepted an invitation from the Joint Oireachtas Committee on Communications, Marine and Natural Resources to make a presentation to the Committee and discuss with it the issues that need to be addressed in the forthcoming broadcasting legislation.

The Committee held its public hearing on this matter at Leinster House on 13 July and a TG4 delegation of senior managers attended and made a presentation. The Committee Chair, Noel O'Flynn TD and all the other members who participated expressed their strong support and approval for TG4's work to date. The session had a question and answer format and covered a range of topics including future funding, statutory basis and optimum regulatory arrangements.

Corporate Affairs

The channel played an active role in 2005 in all of the sectoral bodies involved in the development of the broadcast and production sector, North and South. It is represented at board/officer level on all of the key agencies and organizations – IBEC's Audiovisual Federation, IBEC's Telecommunications and Internet Federation, IBEC's Cable and Broadcasting Group, The Television Broadcasters in Ireland Group, the Celtic Film and Television Festival, the Northern Ireland Irish Language Broadcast Fund etc.

Sound and Vision - BCI Fund

The *Sound and Vision* funding scheme operated by the Broadcasting Commission of Ireland announced its first funding round in late October 2005 with a closing date for applications in mid December. TG4 has been in regular dialogue with the administrators of the Fund prior to its first round announcement. The TG4 Commissioning Department had identified and developed a number of projects and were submitted as applications to the fund.

Northern Ireland

The newly established Irish Language Broadcast Fund began operations under the Northern Ireland Film and Television Commission in 2005. TG4 has been closely involved at all stages in the establishment of the Fund and was gratified by the close fit between TG4 programming priorities and those drafted and published by the Fund as it invited submissions from producers and broadcasters for funding under its schemes.

In all 13 projects, with TG4 support, were successful in attracting financial support from the ILBF in 2005. It is an ILBF requirement that part funding be provided by the broadcaster partner in all projects. Most of these projects went into production during the year and the first programmes were broadcast on TG4 in January 2006.

In Spring 2005, a pilot scheme was introduced for analogue terrestrial transmission of the TG4 signal to the Belfast area from a local transmitter on Divis Mountain. In addition, in April 2005 both TG4 and RTÉ were made available to Northern Ireland subscribers to the Sky satellite services.

Both of these developments extend reception of the TG4 signal in Northern Ireland and are of enormous significance for TG4 and for the Irish language community and the television audience there. The channel is grateful to all those, North and South in the broadcast industry, in the various Government Departments and at elected political level involvement who ensured that these initiatives were brought to fruition.

Capital Projects

2005 was a very successful year for capital work and saw the completion of a number of key projects that maintain TG4's position at the cutting edge of television presentation and broadcast technology.

The most significant was the completion of Phase 2 of the Broadcast Ingest project. This system now allows multiple-user access to over 100 hours of video and audio storage. Content can now be recorded from a Flexicart and dubbed directly to the transmission servers.

This development also compliments the installation of two new video servers for tape-less delivery of commercials, one from the UK based company IMD and one from and Australian company Adstream. They use IP based technology to deliver commercials to TG4 that are then dubbed to transmission automatically by use of Telestream's Flip Factory, a software package that converts media files from any format to GXF, the file format used by TG4.

The year also saw Metra Information LTD, a New Zealand based company and part of the New Zealand government's Meteorological office, bid for and win the tender to supply information and graphics for TG4's weather service and bulletins. This contract included the installation of two data servers for storing and processing raw weather data and three workstations used for preparing and transmitting the weather graphics. The new arrangement makes it possible to incorporate the locally-recorded weather footage from the time-lapse camera located on the TG4 Ceannáras building in Baile na hAbhann. This camera also uses IP technology and can be viewed on the Internet.

Another project was the installation of a new 650KVA generator to service all of TG4's current power requirements. The specification includes sufficient capacity to cover any additional requirement that might arise from future developments.

The 30Mbs data link to RTÉ in Montrose was also completed in 2005. This two-way link to Montrose serves to supply content in either direction and also enables TG4 to receive commercials via an Optical fibre network from London. It is envisaged that this link could also be used for business continuity purposes.

TG4 also changed its Air Time Sales system in 2005. The new successful company is the Harris Corporation, using a system called Landmark 2. This is based in the sales house office (Post TV in Dublin) but can be accessed from TG4 Ceannáras in Baile na hAbhann via a VPN (Virtual Private Network).

TG4 also went live with an on screen graphics system called Delta during 2005. This new development allows us to enhance and augment our on-air look.

TG4 also continued to upgrade PCs throughout the building and installed a new voiceover unit for continuity announcers and further developed the in-house Intranet system *Foras Feasa*.

A new percolation bed for effluent treatment was built this summer and a new telephone exchange was installed in the TG4 Dublin office. A new MPEG2 encoder to distribute TG4's transmission to NTL was installed in Montrose.

On the 1st of January 2005 the tower at TG4's headquarters in Baile na hAbhann was struck by lightning. The strike caused a moderate amount of physical damage to equipment in the TG4 Ceannáras building with fire systems, structured cabling distribution boards and phone lines having to be replaced.

However, the strike was far more destructive and damaging in its effect on a wide range of key software and hardware systems. There was significant damage to the internal broadcast infrastructure. The entire camera system for Studio 1 has had to be replaced. The Virtual set, used for *Cúla4*, also had to be replaced, as was the in-house Talk-Back system.

The lightning strike also damaged some parts of the broadcast glue (Digital converters and distribution equipment), this has meant that all the original glue and associated wiring had to be replaced. TG4 has also had to replace the Sound desk in Studio 1, the lighting desks in studios 1 and 2 and a number of high quality monitors throughout the facility. The total estimated cost arising from the lightning strike was €1.23m for 2005.

TG4's asset register was also updated and completed. All assets purchased by the company since 1996 were catalogued and can be searched by product code location with appropriate rates of depreciation applied.

Conclusion

There remain many challenges for TG4 for 2006 - to secure increased public funding with a view to being able to output six hours a day of original Irish language programming, managing the process in the lead-in to independent status for TG4, maintaining and increasing our audience share, extending reception and achieving due prominence on all delivery platforms in Northern Ireland and marking the channel's tenth on-air birthday in an appropriate and celebratory way.

Priorities 2006

- Secure adequate funding to increase the amount of Irish language programming and to augment the current programme schedule
- Direct, co-ordinate and manage the establishment of TG4 as an independent statutory entity
- Commission new high quality programmes and celebrate the 10th birthday in an appropriate manner
- Work in partnership with Programme Funds on the commissioning of programmes
- Revoice 200 hours of children's programmes
- Allocate at least 70% of public funding to Irish Language programmes
- Maintain and increase audience share
- Develop Web service and increase interactivity
- Maintain a positive trend on commercial revenue and sponsorship and identify new sources of revenue
- Direct and implement the TG4 Capital Plan, including the final stage of the Lightning project and the installation of new personnel, commercial and presentation systems
- Meet regulatory and legislative requirements
- Ensure the due prominence on all digital platforms in Northern Ireland