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Media Ownership

Summary of the consultation responses. looks innocuous enough to me.

BPD 6/3/1/3.2

Media ownership



12/11

The issue of foreign ownership of UK broadcasting licences received some comment. Opinion was fairly evenly divided between those who support the lifting of a ban on non-EEA ownership of broadcasting licences and those who want to see the ban remain in place. Several respondents called for reciprocal arrangements to be in place before the ban is lifted.

Those in favour of lifting the ban believe it would increase investment in UK broadcasting and do not believe it would result in foreign content being dumped on the UK market.

Those against lifting the ban fear that foreign ownership would decrease the opportunities for original UK based programming to be created and broadcast.

Several respondents were in favour of lifting the remaining restrictions on religious ownership of broadcasting licences.

Many responses from the radio industry commented that the proposed 'three plus one' ownership rule demonstrated over-regulation and was not practical in some of the smaller markets.

A selection of extracts is below:

Association of Independent Music are concerned by the proposal to open ownership to non-EEA nationals without reciprocity. They fear vertically integrated US media giants would dominate content and discriminate against UK creators.

BECTU are not in favour of ending restrictions on non-EEA ownership and want any future changes made to media ownership rules to be made in primary legislation.

British Academy of Composers and Songwriters want reciprocal arrangements in place before the ban on non-EEA ownership is lifted.

British Music Rights are concerned that lifting the ban on non-EEA ownership would result in a decline in the health of content creation and production in this country and reduce diversity.

British Screen Advisory Council welcome non-EEA ownership which they feel might strengthen direct investment into UK production.

BSkyB believe that OFCOM should rely on competition powers alone and all ownership rules should be scrapped.

Channel 4 questions the rationale for Channels 3 and 5 to be regulated by different ownership rules.

Channel 5 welcomes lifting the ban on non-EEA ownership and is broadly supportive of the proposed changes to media ownership rules. It is concerned that a single ITV company would be a dominant force in the advertising market.

Church of England believes objection to religious ownership 'in principle' is not acceptable and is a violation of human right to freedom of belief. It accepts the arguments of spectrum scarcity but hopes that the issue of principle will be left open so that it can be reviewed once the scarcity issue is resolved by digital switchover.

Commercial Radio Companies Association believe the draft Bill unfairly discriminates against commercial radio.

Daily Mail and General Trust welcomes the broadly deregulatory approach in the draft Bill and, in particular, the removal of the restrictions on the holding of national radio licences by national newspapers. But they feel that there are a number of areas where the existing draft proposals are either more restrictive than necessary to maintain media plurality or, in certain cases, potentially more limiting than the current position.

Diocese of Carlisle want restrictions on religious ownership of broadcasting licences lifted.

Directors Guild feels that the cultural and economic case for lifting ownership restrictions has not been made especially when the proposals are not reciprocated.

Edinburgh Media Policy Group was concerned that the changes to the cross-media ownership provisions would lead to too much media consolidation.

Evangelical Alliance believes the restrictions on ownership of certain TV and radio licences by religious organisations and their officers are unduly discriminatory.

GWR recommends that plurality of ownership should be an Exceptional Public Interest concern under the provisions of the Enterprise Bill, making the radio-specific rule unnecessary. They feel that radio is over regulated under the draft Bill and would prefer to see the requirement for three separate voices spread across all media with competition law regulating radio ownership at the local level.

ISBA supports opening up ownership of UK media assets to foreign, non-EEA, companies provided it leads to significant inward investment in the UK media and greater competition in the marketplace. They are in favour of 3+1 for radio ownership and are against ownership of more than one national analogue radio station by the same holder.

ITC believes the proposed liberalisation of media ownership rules will help to attract investment to the sector but should be balanced with measures to safeguard original UK content.

IPA is not overly concerned with regard to proposals to open up the ownership of UK media assets to overseas, non-EAA companies provided there are safeguards to ensure the content quality necessary to attract good audiences.

International Communications Round Table believes that competition law is the best tool to determine ownership.

ITV is opposed to the lifting of cross media ownership restrictions for the Channel 5 broadcasting licence.

Musicians Union opposes the lifting of the restriction on ownership by advertising agencies and the relaxing of restrictions imposed on religious organisations and local government on the grounds of conflicts of interest and the furtherance of free speech. They also fear lifting restrictions on foreign ownership will affect domestic production.

News International welcomes the broadly deregulatory approach of the Government's proposals and the reform of the foreign and cross-media ownership rules

Newspaper Society are concerned that cross-media rules contained in secondary legislation might introduce more regulation at local and regional level.

Scottish Media Group feel that more restrictions have been placed on local media markets. It urges a pragmatic approach to the regulation of media in less well-served areas and more use of the Competition Act. They do not think that '3+1' is a workable option and request greater clarity in the use of terms such as "local", "regional" and "media voices".

Public Voice does not believe that the proposed relaxation of media ownership rules will bring benefits for consumers.

Telewest supports the lifting of the ban on non-EEA ownership of broadcasting licences and see no link between ownership and content. They see no need for reciprocity as "in reality, no UK commercial broadcaster has the balance sheet needed to expand and compete internationally. What they need is access to international finance, which only relaxation of ownership rules can provide."

Trinity Mirror comments that lifting non-EEA ownership is a welcome proposal and one that they fully support. They feel that cross media rules should be more deregulatory.