

Media Ownership Consultation Responses
Broadcasting Policy Division
Department for Culture, Media & Sport
2-4 Cockspur Street
London
SW1Y 5DH

25th January 2002

Dear Rt Hon Tessa Jowell MP,

Emap's response to the Government's Consultation on Media Ownership

Background

Emap plc is a listed UK media group with 18 local radio stations, 65 consumer magazines, 6 music television channels, and business-to-business media. Its radio stations include Key 103, Radio City, Radio Aire, Metro Radio, and the Kiss and Magic radio networks.

Introduction

Progressive regulation has an extraordinarily positive impact on radio broadcasting. Our view is that the relaxation of regulation contained with the 1990 Broadcasting Act allowed the radio industry to innovate and develop substantially. The Government now has a new opportunity to help commercial radio kick-start another decade of growth and improved service to listeners, communities and advertisers. Emap in general supports the CRCA submission to the DCMS on media ownership, and would also like to amplify certain points.

OFCOM

Current regulation has become outdated, and over the past couple of year has been ever-increasing. Now that Government has decided to create a single over-arching communications regulator, it is essential to reduce the amount of regulation that will be applied to radio by OFCOM. The 'Horizontal Radio Group' as recommended by the Towers Perrin report into OFCOM will, we believe, encourage micro-regulation of radio.

Foreign Ownership of UK Media Companies

Any relaxation of rules preventing foreign ownership of analogue radio should be on the basis of reciprocity, and digital rules should be brought in line with analogue rules. Detailed proposals should be created by OFCOM to ensure that where there is not reciprocity, foreign companies must follow a robust set of rules designed by prevent regulation from being avoided using financial devices.

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Radio Ownership

Emap supports the abolition of the current UK-wide radio ownership points system and the “new points system” for local radio ownership, as agreed with the Radio Authority. The scheme is robust and transparent. Current radio ownership rules restrict consumer choice and industry development by limiting the number of services an operator can own in a locality. The way to “deregulate further” would be to raise the percentage of points within a market which one operator could own.

Cross Media Ownership

Emap supports the view that media regulation in conjunction with the competition authorities should continue to govern cross-media mergers. The “three plus one” principle suggested by the Radio Authority to govern cross-media ownership, based on the suggested local radio ownership rules, is transparent. However, a “public interest test” may be the only feasible approach to deal with the myriad of local market conditions that will be at issue. Our view is that establishing an exchange rate mechanism between radio, television and newspapers will be too complex, and cumbersome.

The BBC

The BBC's increasingly commercial and competitive behavior makes its regulation by OFCOM essential, to ensure that its focus returns to delivering the type of broadcasting which needs to be publicly funded.

Yours sincerely,

TIM SCHOONMAKER
CHIEF EXECUTIVE