

## MUSICIANS' UNION SUBMISSION ON THE DCMS CONSULTATION ON MEDIA OWNERSHIP RULES

1. The Musicians' Union is the only representative body in the UK, for full and part time musicians whatever genre of music they perform. With over 31,000 members it is the second largest musicians' union in the world and is mandated by its members to enter into trade agreements with media producers in order to facilitate the recording of music for media production.
2. We agree with the Consultation Paper's assertion that "the market alone, even regulated by competition law is not thought to provide the best results for society and for democracy". We feel that regulation of media ownership is essential to ensure not just a diversity of programmes, but is vital to a modern democratic society.
3. We would remind the department that the previous white paper – "A New Future for Communications" gave a commitment to ensure that people have access to a diversity of programming. We believe that such a diversity does not necessarily require a plurality of ownership, although obviously this will assist. However, we agree that a concentration of ownership may lead to a lack of choice for the consumers, particularly in respect of niche genres of music.
4. The BBC has traditionally demonstrated that a single broadcasting organisation can offer a diverse mix of programmes. We are concerned that the BBC seems to feel an increasing need to compete with the commercial sector. By doing so it is in danger of moving into populist ground to the detriment of its traditional provision of programming which caters for a broad cross section of interests and tastes.
5. We have no objection to the revoking of the rules which prohibit local authorities from owning media companies. We would point out however that while this de-regulating measure is aimed at allowing local authorities to provide public information services, there is no reason why intellectual property rights should not fully apply and would not wish to see local authorities granted exemptions from copyright legislation in respect of such local information programmes.
6. We are less keen on the concept of advertising agencies owning media companies. We find it difficult to imagine how a regulating authority such as OFCOM will be able to ensure fair competition when, due to the nature of the broadcasting medium, and the limited available spectrum, it is likely that the 'highest bidder' will receive preferential treatment, so limiting the scope for diversity. There should remain a clear distinction between the broadcasting sector and the advertising sector.
7. We agree that the current prohibition on non-EEA ownership of broadcasting organisations should remain in place.
8. We have no objection to religious organisations holding broadcasting licences, however, our concerns voiced in point 5 above apply here also. We would not wish to see any exemptions from the requirements of Copyright Law being

extended to religious broadcasters due to the nature of the programming. We would also make the point that the regulator should ensure a counterbalance by encouraging secular non-religious views being expressed by other broadcasters.

9. We have no objection to the removal of the rule that prohibits single ownership of the two London ITV licences.
10. Movement towards a single ITV company is already well under way. We are currently faced with the Carlton/Granada axis and have no objection to a formal transition into a single ITV company. The requirements of its licence should insist upon a diverse mix of programmes and the new regulator OFCOM should actively monitor and enforce the stipulations of the licence. In addition we would strongly recommend that there should be no watering down of the commitment to ITV regional production.
11. The Consultation Paper states that the Government is considering the abolition of the existing commercial radio points system. The current system has not stopped the concentration of ownership amongst the commercial radio companies (e.g. GWR, EMAP). We feel that whatever system is in place the regulatory authority should ensure that the public are offered a diverse mix of local programming and that minority tastes are not sidelined.
12. The Radio Authority/CRCA proposal that will ensure that there should be a minimum of three owners of local radio stations, in addition to the BBC, in each area, is welcome. We would hope that the “promise of performance” will guarantee diversity of programme content across and between these stations.
13. We have concerns regarding the lifting of the specific disqualification for ownership of more than one national radio station. Without this restriction being in place there is a great danger of an even more standardisation and dumbing down of programme content. This proposal also seems to conflict with the White Paper’s aims of plurality and diversity.
14. We are pleased that the BBC is pressing ahead with its proposals for the introduction of a number of new ‘free to air’ digital TV channels. Digital radio should ensure that consumers receive a much improved reception of music based programmes. However, the take-up of digital radio is much lower than that of digital TV, and the proposal that there be at least three owners of local digital sound programme service licences in each area is wholly dependent on encouraging the consumer to purchase digital radio receivers. We feel that this ‘chicken and egg’ dilemma will not be resolved by this proposal. The mass take up of digital radio is only likely to be achieved at a national level.
15. We believe that there should be a restriction in respect of the onward sales of radio licences and are certain that this practice has, in the past, led to a uniformity of populist programming. In addition to the restriction on onward sale for a period of two years we would suggest that once a sale takes place, after the two year period has elapsed, there should be a requirement that the original promise of performance be adhered to.

16. In the interests of democracy, the existing limits on cross-media ownership should be maintained. However, we have no objection to OFCOM periodically reviewing the position.
17. In summary, our main concern remains the maintenance of diverse programming catering for all tastes, particularly in respect of music. We would like to see obligations put on broadcasters which ensure that a full cross-section of live performance is on offer, not just a continual barrage of popular 'chart' music.

We do not wish to see any threat to copyright and performers' rights by extending exemptions to Local Authorities and/or other public and charitable bodies. OFCOM should have the necessary regulatory powers to ensure that the cultural diversity of the UK is reflected in the programmes that are on offer to the consumers via both radio and television. It should also ensure that intellectual property rights are respected.

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