



COMMERCIAL BROADCASTERS AS KEY PLAYERS IN THE DIGITAL AGENDA AND DRIVERS OF EUROPEAN COMPETITIVENESS

Brussels, 24 May 2011 – On the occasion of the launch of its brochure on “*Content & Consumers – How commercial broadcasters have updated their business models in the online world*”, the Association of Commercial Television in Europe (ACT – www.acte.be) calls on the EU Commission to consider the content industry as a key stakeholder in the Digital Agenda. With 32 member companies licensed in 30 different European countries and distributed across 45 European markets and beyond, the ACT represents the commercial broadcasting sector in Europe and forms part of the cultural and creative industries accounting for 6.9% of total EU GDP and approximately 14 million jobs in Europe.

When speaking to the press in Brussels, Philippe Delusinne, ACT President & CEO RTL Belgium, said: “The content industry is a major contributor to growth and employment in Europe. Commercial broadcasters are enthusiastically embracing the online opportunities and take financial risk in developing new content for all platforms. As businesses which will be all-digital within a couple of years, we are natural partners in Commissioner Kroes’ work but the Digital Agenda debates are dominated by the concerns of the ICT sector. The experiences of Europe’s content companies will be decisive in persuading consumers to sign up to a digital Europe and we call on the Commissioner to acknowledge the key role of our sector at next month’s Digital Assembly”.

Commercial broadcasters have updated their business models and are transforming from broadcast only into **multi platform operators**. The former media landscape of 47 channels has developed into a multi channel environment with 9800 channels now available in Europe. With average daily viewing in Europe increasing to 228 minutes per day in 2010, television is as popular as ever. The consumer is at the heart of commercial broadcasting and today we offer our content and services anywhere and anytime and on whatever platform viewers want. All over Europe ACT members are investing in video on demand, catch-up services and apps.

While the core business of linear TV viewing remains phenomenally popular – television continues to increase in Europe in the 11th consecutive year – today millions of viewers tune in or click to watch our content on their linear TV set at home, on the move on their mobile phones, tablet or the Internet. While every broadcaster has its own online strategy, we see three trends emerging:

- First, viewers love the convenience of “catch up TV” services allowing them to watch a programme they may have missed.
- Secondly, video-on-demand is now really taking off. There is certainly no single on-demand strategy, with different advertising or subscription financed models being offered, in many cases on a “multi-screen” basis so that the consumer can access the content they want to see on a TV, a computer or mobile device.

- And finally the third trend: the market for mobile apps has the potential to be the third platform for distributing audiovisual content, alongside television and online.

Commenting on the situation of commercial broadcasters in Italy, Gina Nieri, ACT Vice President and Member of the Board Mediaset Group, said: “In Italy the TV industry alone is worth around €12 billion, accounting for 1% of GDP. It employs around 50,000 people, while around 12,000 subcontractors and SMEs operate throughout the entire supply chain. The audiovisual sector is at the core of the media and culture industry in Italy and generates investments reaching €25 billion yearly. In order for us to remain competitive in the future, it is essential to ensure fair competition and a true level playing field with new entrants in the market”.

Today commercial broadcasters respond to consumers’ choice and distribute their content where there is consumer demand for it and an economic viability. **Pan-European distribution** has proven to be particularly suitable for **news programmes** and there are numerous examples of broadcasters whose news bulletins are available either via streaming or on-demand, on the internet without any geographical restrictions. Furthermore, broadcasters seek redistribution via cable and satellite in territories where there is a strong demand for it, which is mainly in neighbouring markets with a common language or cultural affinities but also to diaspora populations. Examples of content crossing borders are various such as programmes being offered in Turkish to Turkish viewers in Germany or Romanian content being offered to the Romanian diaspora on a global scale.

Concluding the press conference, David Wheeldon, ACT Vice President and Director of Policy and Public Affairs BSkyB, said: “We believe in the value of content. That is why we are ready to invest billions in content each year. In the UK the creative industries account for 6% of UK gross added value and are a significant sector in the UK economy. Traditional broadcasters are readily embracing new media technologies and offering viewers ever greater choice and flexibility in the way they access content. However, in order to continue to invest and to innovate we need an IP framework that provides choice and flexibility for investors in content and does not mandate the way content rights are exploited”.

To see the **ACT Brochure** please click on the ACT website at: www.acte.be

About the ACT:

The Association of Commercial Television in Europe (ACT) represents the interests of the commercial broadcasting sector in Europe. Formed in 1989, the ACT has thirty-two member companies licensed in 30 different European countries and distributed across 45 European markets and beyond. Our members operate several hundred free-to-air and pay-tv channels and distribute many more channels and new services. The ACT members encompass several business models: free-to-air broadcasters and pay-TV players, digital platform operators and multimedia groups. www.acte.be

Press contact:

Ross Biggam

Director General

Phone: +32-2-738 76 13

GSM: +32-477-407 733

E-mail: rb@acte.be

Utta Tuttlies

Head of Communications

Phone: +32-2-738 76 18

GSM: +32-495 – 24 64 67

E-mail: ut@acte.be