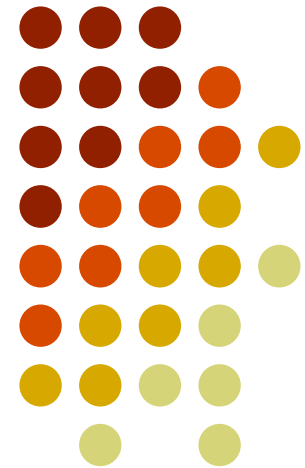


Lecture 4: Distribution

European Media and
Communication Policies

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Issues:

- Programme: questions?
- Questionnaire: please answer!
- Copyright infringements: penalties
 - (see e.g. www.antipiracy.fi)



Copyright infringements

- A Finn had uploaded ca 1000 music and video pieces and ca 80 films for public use to DirectConnect peer-network (2007)
- The court:
 - Fines €550
 - Damages €4 500
- A Finn had uploaded 2000 music pieces for public use to DirectConnect peer-network (2008)
 - The court:
 - Damages €3 000
- Maximum penalty: 2 years prison, even without the purpose of financial benefit

Topics:



- Packaging & editing: AVMSD (2007)
- Distribution: EY telecoms package (2002)



Packaging & editing: AVMSD

- Last time: TVWFD (1989)
- Main ideas in AVMSD (2007) derived directly from TVWFD
- Refreshment:
- The **country of origin principle**: a broadcaster needs to comply with the law as set out only in their jurisdiction, i.e. their own country of location:
 - No need to tailor their products for the various national regimes
 - The country of location: the country where the channel had its main office



- Other major stipulations:
 - Programming quotas: a majority of airtime for EU programmes,
 - 10 per cent of the schedule by independent producers – either in air-time or in budget terms
 - Advertising: limitations of time allotted to advertising (15% of the day, 20% maximum in any hour)
 - Detailed rules on the content of television advertising, e.g. concerning children, tobacco and alcohol.
 - General access to major events: the public should have access free of charge to events considered of major importance to society (such as big sporting and cultural events) – i.e. not only by pay-channels

Revision of audiovisual regulation



- Why the revision in 2007?
- Digitalisation & computerisation
- Two main directions:
 - Distinction between linear and non-linear transmission
 - Need for more effective advertising

Linear and non-linear transmission



- New technological means for transmission of audiovisual contents: internet & digital television
 - Earlier: "push", linear programming; passive audience; needs more control
 - Now: "pull", non-linear programming (pay-tv, internet e-commerce etc.); audience selection; needs less control – only the minimum

More effective advertising: product placement



- Digitalisation and computerisation brings users new means to skip advertisements
- Advertisements will become less attractive and cheaper
- New means of advertisement: product placement – “paid-for placement of goods in movies, shows and even news programmes”
- In USA a major source of income (3,5 billion \$ 2004)

AVMSD amendments: what's new?



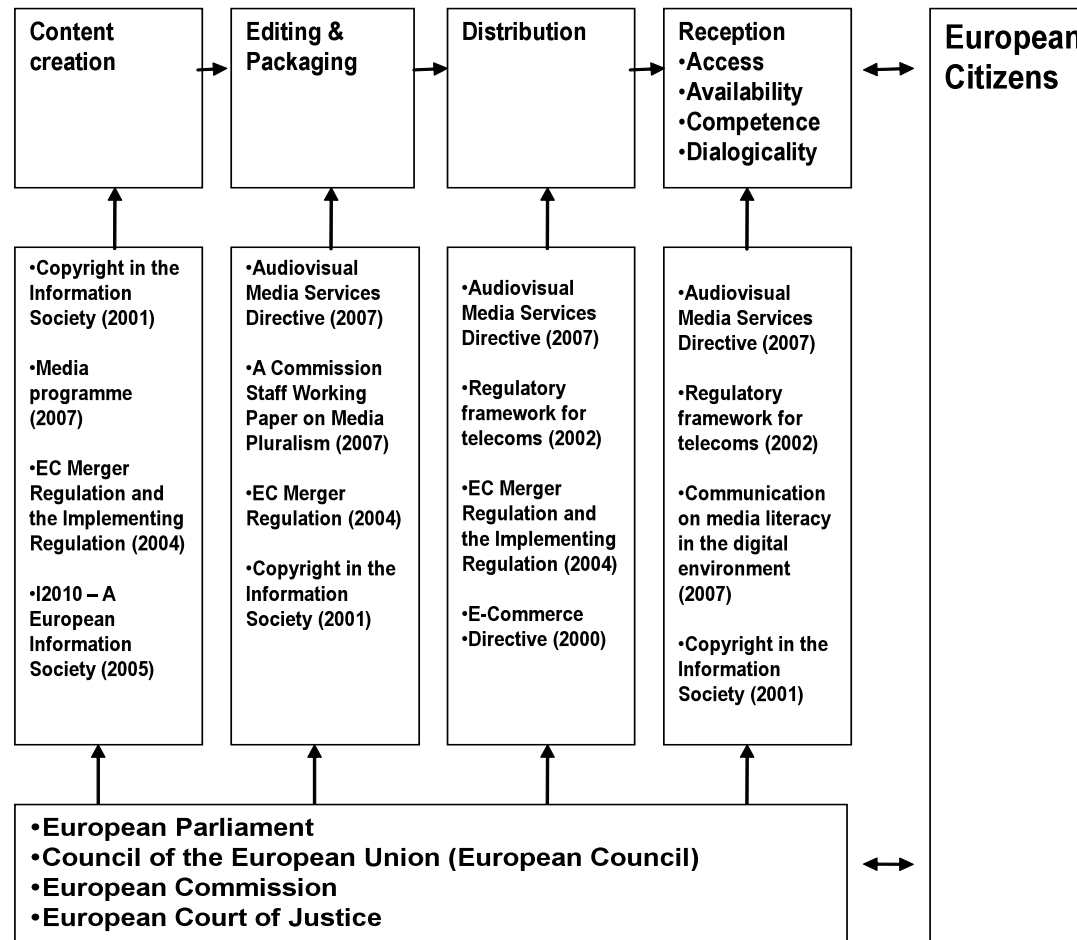
- New: attempts to create a technology-neutral regulatory environment
 - Distinction between linear and non-linear services
 - Extension of country of origin to non-linear services
 - Lighter regulation of non-linear services
 - Product placement allowed (with national restrictions)



Critics:

- A violation of internet's self-regulation
- Promotes censorship to internet
- Promotes further commercialisation of audiovisual media
- Violates cultural sovereignty of European countries

Distribution: Telecoms regulation in EU





What is distribution?

- Distribution includes transmission, transportation, dissemination, delivery, relay, broadcasting
 - In EU terms, distribution is technical carrier: it has nothing to do with contents
- Earlier: many means and technologies, divided by the type of industry
 - Print
 - Radio & television
 - Telephony
 - Recordings



Distribution today

- Today: still different "user terminals" or "platforms", but at some point, most information is manipulated and edited in digital form
- Before the final distribution stage, the information is scaled and packaged into the form that fits with the user terminal (home TV, mobile phone, laptop computer, print newspaper etc.)



Technology neutrality

- A key term in EU telecom regulation
- Includes two major assumptions:
 - Policy should not privilege any specific technology (radiowaves, TCP/IP, telephony etc.)
 - Technology is “neutral” to the contents
- The aim: to create a single European market where all technologies can freely and equally compete

EU telecommunication regulation



- Telecoms package 2002: directives on
 - a common regulatory framework
 - access and interconnection
 - the authorisation of electronic communications networks and services
 - universal service and users' rights
 - privacy and electronic communications
 - competition in the markets for electronic communications services
 - unbundled access to the local loop



Need for a revision?

- Convergence: boundaries between technologies as well as between national markets blurring
- Economically: telecoms sector turnover ca. €290 billion (2006) and 4 % of the jobs in EU
- Argument:
 - Competition has already brought about ca. 30% fall in services
 - Also the standards of service improved, benefitting consumers



- “The EU’s regulatory framework aims to promote free and fair competition, which will boost Europe’s economy by supporting every area of activity which relies on telecoms, and create a strong telecoms industry in Europe. Consumers will be the ultimate beneficiaries”.
(EU information)

Proposals for reform (13 November 2007):

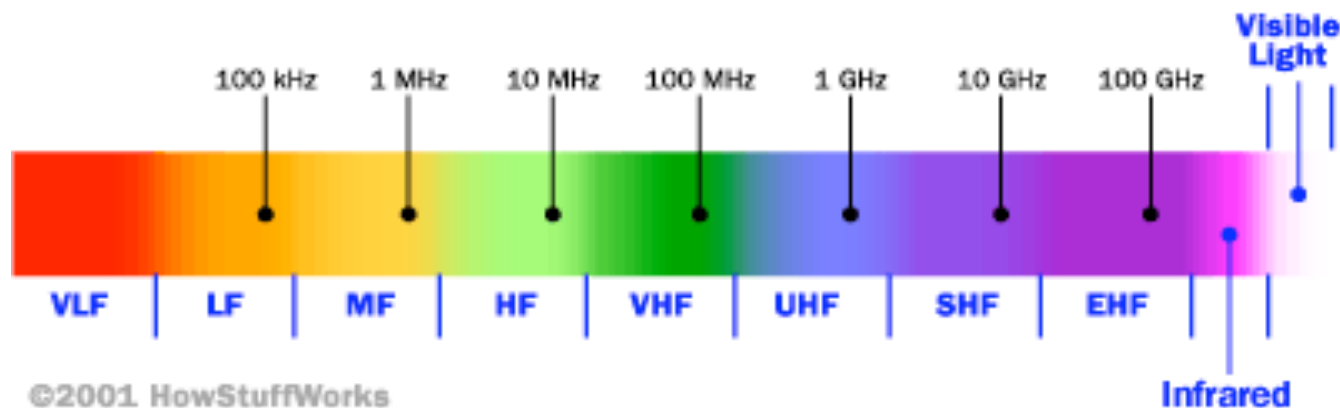


- More competition:
 - from ex-ante to ex-post regulation
 - functional separation
- Strengthening the internal market:
 - creation of European Telecom Market Authority
- Protecting consumers:
 - operators must publish their service prices
 - consumer protection from spam and criminal misuse
- Better regulation:
 - relaxation of regulation
 - commercial utilisation of **digital dividend**

Digital dividend



- A radio wave is an **electromagnetic wave** propagated by an **antenna**. Radio waves have different **frequencies**, and by tuning a radio receiver to a specific frequency you can pick up a specific signal.





Critics:

- Regulation of radio spectrum: surrendering national sovereignty
- European Telecom Market Authority: will favour big countries and big companies
- Security issues: towards a centralised surveillance and control system

Next time:

- Universal Service and broadband,
- Self- and co-regulation

