

Media Power in Europe: The Big Picture of Ownership



European Federation of Journalists



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Preface

The issue of media concentration is back on the political agenda, not least because of the rapid transformation of the global media landscape and the introduction of new information technologies that now give people the opportunity to get their journalism and information from a kaleidoscope of sources – the telephone, the computer, their iPod or Walkman, as well as their satellite television, digital radio and the traditional range of newspapers and broadcasting outlets.

Many politicians, particularly those in the European Parliament have repeatedly expressed concerns over the growth of huge media companies that are exercising unprecedented levels of political and commercial influence. In the process they threaten diversity and pluralism in society.

The problem is we are overwhelmed by information, but is it of good quality? Is it strengthening our democratic values? Is it creating genuine pluralism? Is concentration bad news for Europe, or is it opening the door to real choice for consumers and citizens?

This survey looks at the impact of media ownership developments in Europe. It finds that pluralism is under pressure and reveals that we do need some honest and critical thinking about how to answer searching questions.

The global media are dominated by American media interests. If Europe is to join the global market it must do so on its own terms, by ensuring that exploitation of the media economy does not mean we have to abandon notions of pluralism, local diversity, and respect for the social rights of people working within the sector – all of which are key elements in the European economic and social model.

This survey indicates what is happening and is also a wake-up call to the European Union that pluralism is not just an issue to be left to local politicians – it is a European issue that requires a European response. Without it there will be policy drift and the European model of democracy that we have taken for granted for generations will be compromised.

Aidan White
 General Secretary

Freedom of the media – and the freedom of expression in general – are the backbone of democracy. This is why the Media are often called the “Fourth Estate”. Freedom of the media is fundamental to the EU as stated in the Treaty of the European Union, the European Convention on Human Rights and the Charter of Fundamental Rights. Media plurality is essential for such freedom to exist.

The European Union must address the problem posed by threats to media plurality such as the ongoing media concentration and the emergence of media monopolies. Put it another way, the market trend towards concentration in the European media sector during recent years entails two dangers. The first danger is the creation of significant market power of undertakings – or even monopoly – that significantly impedes competition, ultimately to the detriment of consumer welfare. This very often coincides with the second danger, namely the possibility for a limited number of media companies to curtail media plurality, diversity and freedom of information. The distinction between these two different facets of media concentration is obviously important. The first is purely economic and market-related; the second pertains to the fundamental democratic values.

CHANGES IN THE MEDIA LANDSCAPE – THE ONGOING PROCESS OF DIGITISATION

The ongoing process of digitisation of communication channels has a significant impact on the concentration level in this sector and thus on the plurality of the media. Some believe that the media market has never been more diversified than today and that the general public has never had greater access to media content. Furthermore they expect that media companies with new players, new types of electronic services and new forms of delivery will lead to lowered barriers to entry and increased consumer choice to promote diversity¹.

At the same time there are fears that the media will become standardised and centralised. The argument that the choice of media has never before been so broad is true. But this is a simplified picture of reality, since a small number of companies often control both distribution channels and the content distributed. The increase in the absolute number of offers did not lead to more diversity, i.e. different offers, instead it led simply to “more of the same”. One can expect that the digitisation process will still increase concentration in the area of the media significantly. The switch-off of analogue dissemination gives strong internationally operating media companies, which have the possibility to invest largely in new and multiple channels

and to feed enough content to fill these channels, an even better starting-point. Once a strong position is established, competitors working on a smaller scale will have even more difficulties to be heard and viewed by broad audiences.

Furthermore, the process of digitisation will increase the importance providers of cable or satellite services. Positions of so called gatekeeper who control the bottlenecks might be created. What itself can actually lead to a reduction of plurality and diversity depending on how access is guaranteed and who can decide on content of cable networks, terrestrial capacity and satellite dissemination, a trend which can be observed in several European countries. The cable markets in most countries have gone through a series of consolidation in recent years (the UK, Poland, Ireland) with two main companies in Ireland and the UK, three in the Netherlands and Spain, four in Germany, and five in Belgium.

MEDIA CONCENTRATION ON THE RISE: TREND TOWARDS MULTI-NATIONAL AND MULTI-MEDIA COMPANIES

In the last ten years, media concentration has been on the rise in all parts of Europe. It is reaching new levels of concern particularly in relationship to the domination of a number of markets by transnational companies. The increase of media concentration encompasses two additional phenomena: On the one hand media ownership is no longer local in nature. Most of the media are held by larger co-operation, “Family” newspaper and “Family” TV station are disappearing. On the other hand media ownership is not even anymore limited to national markets it is increasingly transnational and even multi-continental.

As a result, national media regulations do no longer apply and economic competition rules are difficult to enforce. Media firms move into other countries when their home market is saturated or concentrated to a degree where media regulation does not permit further growths or merger, to attain critical mass, to pool resources and to share risks.

Additionally there is another trend within ongoing media concentration. One characteristic of media concentration is the phenomenon of more and more vertically and diagonally integrated markets. Big media players have interests in several media markets. Bertelsmann is active in publishing and broadcasting, Axel Springer and Lagadère are interested in publishing and radio. The problem of cross-ownership is that content can be used and (re)used on the several media of the company. A practice which often injures the journalists’ author rights on a journalistic work.

FOREIGN OWNERSHIP

In Central Eastern Europe foreign investment plays an important role. The encroachments by Western media groups have prevented or made difficult the development of independent or nationally-based media groups in these countries. The data on media ownership in these countries presented here demonstrates this trend clearly. For instance in the case of the Czech Republic, German and Swiss companies own 80 percent of Czech newspapers and magazines. Foreign capital--mostly German, Austrian, Swiss, French, and Scandinavian--also dominates print media in Bulgaria, Hungary, Poland, and the Baltic states.

Different foreign companies now predominantly own the printed press in some of these countries. At the national level, some of the press markets are highly concentrated. In the broadcasting sector, commercial television, and to a lesser extent radio, is in many countries owned by the same company, Scandinavian Broadcasting System (SBS), and public service broadcasters are expected to contribute to diversity, but the fact remains that they do not always do so.

However, since accession to the EU the restriction of foreign ownership is only possible as non-EU investors are concerned (bearing in mind the expiring of eventual transitional periods).

TRANSPARENCY

Another concern of ongoing media concentration is the in-transparency of ownership. Media markets get more and more interwoven and fuzzy. Most people are unaware of who owns what. And sometimes data on ownership are not even available, which makes the consideration of the market and opinion power of a specific company even more difficult. Transparency is necessary within a competitive landscape in order to secure pluralism and democracy.

The obligation to publish the ownership of media is however not in every country compulsory, which was subject to this survey. In contrast, transparency of ownership and interests held by companies in media outlets varies widely between states. Only on the basis of appropriate data is it possible to determine if media plurality is vibrant or endangered. Principles, which oblige member states to protect pluralism, to ensure transparency, and support the work of relevant authorities, would provide a system of redress for organisations and individuals at the European level.

EXISTING EC LEGISLATION DEALING WITH MEDIA CONCENTRATION

EU legislation does not provide for any legislation dedicated solely to the control of media ownership. Rather, the rules aimed at providing plurality and diversity within the media industry are dealt with at national level and under the supervision of

The Commission which checks that national rules do not hinder the achievement towards and functioning of the Internal Market. However, the acquisition of control of a media entity may fall within the scope of the concentration regime of the EC Merger Regulation (provided it meets certain dimension thresholds) and thereby requires appraisal by the Commission.

Concentrations leading to a structural change in the relevant markets of the media, and hence affecting the plurality and diversity of media, are examined under the EC Merger Regulation. The rules applicable to the control of mergers are designed to make it possible for the Commission to check that mergers do not endanger competition, which is vital to the common market. Consequently, the primary objective of Community competition law is an economic one. In this connection the EC Merger Regulation clearly plays an important role in keeping markets open to competition. Although the ECMR is based on economic considerations, relevant concerns in terms of plurality may be considered when assessing the compatibility with the common market. By strictly applying competition rules to the media sector, the Commission, within the limits of its mandate, lowers market barriers for broadcasters and new entrants, thereby preventing market foreclosure and undesirable concentrations. However, it remains problematic to tackle vertical concentration, as they cannot be adequately dealt with using the instruments of general competition law alone. This issue is of particular interest and is also an especially delicate subject because of the possibility of exploiting a program in different markets, guaranteed access to program resources and, not least, measures to avoid so-called “gate-keepers”. For the purpose of plurality of media non-discriminatory and equal access must be granted to infrastructure and services.

Further disadvantages of the EC Merger Regulation to the assessment of media concentrations lie within the threshold system which is purely based on quantitative considerations. As long as a merger does not reach the specific threshold it does not fall within the scope of the EC Merger Regulation. Further disadvantage for plurality proves to be the definition of concentration in art. 3 ECMR. According to this provision a concentration may take the form of a traditional takeover, joint control, acquisition of all or part of a company’s assets, concession of exploitation rights or a link enabling one company to exercise competitive influence over another. Hence, the ECMR can only assess so called external growth. The internal growth of a company can only be taken into account in relation to regulations concerning abuse of a dominant position. The relevance of art. 81 EC to media concentration is however of less importance. The prohibition of cartels in art. 81 EC does not create a base for a merger control in the traditional understanding. The purpose of the provision is not the quantity, but the quality of decision making of the competitors. Furthermore the de-minimis principle and limited assessment of joint ventures does not provide sufficient protection of plurality of media. Hence, the concentration notion of the ECMR shows once again the dichotomy between competition and media law.

The core part of the ECMR is the assessment of acknowledgement of a dominant position. Only concentrations with a high influence on at least one media market and between companies of large turnover can be recognized. Below this specific degree of market dominance the European competition law trusts in the self-regulation powers of the market. As the centralizing tendencies of media concentration have grown, the Commission has become an active player in intervening over the European television market. The Commission has received several notifications concerning the merging or formation of joint alliances between media, telecommunications and multimedia corporations. But as the majority of the media mergers during the last years notified to the Commission have passed the assessment it is questionable whether the Community interest in fostering companies large enough to compete at international level has become more important.

However, in applying antitrust and merger control principles, competition policy can make an essential contribution to the maintenance and development of media plurality, both in the traditional television markets, as well as in other broadcasting markets and the new media. Open markets create the environment for the fostering of plurality in the media. Concluding, it can be stated that the role of competition law is a necessary, but insufficient, means of keeping the media's power of opinion in check. Since EC competition law can take into account non-economic factors only to a very limited extent, it seems deficient to deal with the threats to plurality which cross-country and cross-ownership consolidation of sources of opinion could cause². This will lead to the permission of certain forms of concentration which are acceptable from a competition law point of view, for instance, where the merger involves companies each operating in different geographic markets, but remaining problematic from a plurality point of view.

The Commission has made it clear on a number of occasions that it considers media plurality to be fundamental to both the working of the European Union and the cultural identity of the Member States, but that responsibility for the control of media concentration rests primarily with the Member States. Member States retain the right to issue national laws on the control of media ownership, as is expressly recognised, for instance, by art. 21 (3) of the ECMR. The disadvantage of leaving plurality concerns to the competition authorities of the Member States is the conflict of interest that can occur in Member States, namely fostering domestic economy instead of safeguarding plurality. Considering the present Italian situation the entrusting of media plurality related issues to the Member States is not a satisfactory solution. Moreover, considering the democratic importance of media plurality also to the European Union itself, it cannot be categorised simply, or primarily, as a domestic or economic issue. Whatever a possible Community measure may look like its creation is vital for a sufficient safeguard of plurality. For a plurality of media which is essential to the freedoms of expression and information, and hence to a functioning democracy.

Major Players in the European Media Landscape

MULTINATIONAL AND MULTI-MEDIA COMPANIES

BERTELSMANN AG: THE GLOBAL PLAYER

The group is one of the largest media enterprises in Europe and one of the top ten global media groups. The company stands therefore clearly as an example of a transnational or even trans-continental media group. The big financial back-up allows the company to invest in new markets and to expand its dominant position. Moreover, it benefits largely through its operation not only in different geographical but also through different product markets from the creation of synergy effects: TV shows can be promoted by its publishing activities, the book sales can be promoted by author's interviews on its print or broadcasting media and so on.

The most turnover was made in Europe – without Germany- (42.2%), Germany (29.7%) and the USA (22.4%). Bertelsmann is active in several media markets. Through the RTL group in broadcasting and through Random House and Gruner+Jahr in publishing. Its BMG division is active in music publishing, Arvato AG provides media services, while the direct group operates the direct to consumer services.

The group holds the controlling stake in the **RTL Group** (recently increased to 90.4%). It operates 31 television stations and 30 radio stations in ten countries, and worldwide content production. Its television arm includes the RTL Television family of channels in Germany, M6 in France, Five in the U.K., RTL channels in the Benelux countries, in Croatia and Hungary, and Antena 3 in Spain. Its best-known radio station is RTL in France. Fremantle Media is a subsidiary of RTL Group and is one of the largest international creators and producers of program brands in the world. It produces programming in over 40 countries.

Random House is the world's largest consumer book publisher. Random House Mondadori enjoyed a turnaround to profitability in Spain and Latin America. Random House is a wholly owned subsidiary of Bertelsmann.

The **Gruner + Jahr** printing and publishing company is Europe's biggest magazine publisher. It produces more than 125 magazines in ten countries on three continents, as well as the publications' complementary websites. Bertelsmann AG owns 74,9% of the company; the Jahr publishing family in Hamburg owns 25,1%. Gruner + Jahr acquired a majority stake in **Motor-Presse Stuttgart**, a deal that is still subject to antitrust approval. With a revenue share of 60% outside Germany, Gruner + Jahr already is Europe's most international magazine publisher. This acquisition adds a number of countries in which Motor-Presse already does business but where G+J is not yet represented, e.g. Brazil, Mexico, Argentina, the Czech Republic, Portugal,

and Switzerland. For instance in **France** Gruner+Jahr represents through its fully owned subsidiary Prisma Presse with 18% market share the second largest newspaper publisher in France. In **Italy** Gruner+Jahr established in 1989 a joint venture with the Italian market leader Mandori (50%-50%). The joint venture G+J/M publishes 7 magazines.

The **BMG division** consists of the **Sony BMG Music Entertainment** joint venture and the **BMG Music Publishing** company. Bertelsmann owns a 50% stake in Sony BMG; BMG Music Publishing is a wholly owned subsidiary of Bertelsmann AG.

Arvato AG, whose 250 subsidiaries make it one of the largest internationally networked media services providers, is Bertelsmann's media services division. Arvato AG includes the Arvato Print companies, the Arvato Direct Services (customer loyalty systems and call centers), Arvato Logistics Services, Arvato Storage Media (CD and DVD production), and Arvato Systems (international IT services) units. Arvato AG is a wholly owned subsidiary of Bertelsmann AG.

Direct Group Bertelsmann bundles Bertelsmann's worldwide direct-to-customer business with media products. More than 30 million club members drive Direct Group's business and ensure its position as one of the world's biggest media traders. It is present in 22 countries, including famous brands like France Loisirs (France), Book-of-the-Month-Club (U.S.), Der Club (Germany), Circulo de Lectores (Spain), and BMG Direct (U.S.). Direct Group Bertelsmann is a wholly owned subsidiary of Bertelsmann AG.

LAGADÈRE: THE MULTINATIONAL AND MULTI-MEDIA PLAYER

Hachette-Filipacchi Presse, is part of French industrial conglomerate (cars, munitions, telecommunications, aerospace) **Lagardère**. It has interests in the book, magazine and multimedia publishing industries, and it has a European presence through licensing its titles for local editions.

Lagardère Media has four subsidiaries:

Hachette Livre is responsible for educational, reference, general publishing and leisure titles in France (Hachette, Editions Filipacchi and Le Livre de Poche), Spain, Italy, the USA and the UK. Gollancz, Weidenfeld and Nicolson, Orion, Cassell and the Octopus Publishing Group are part of its UK assets.

Hachette Filipacchi Médias (HFM) is the news and magazine division. It is the world's largest publishers of magazines, with 238 titles in 36 countries. Its French publications include several general and special interest magazines. The company is also involved in newspaper publishing: it holds the major stake in Le Journal du dimanche equally it has interests in the local press in Southern France.

Hachette Distribution Services (HDS) controls the distribution of press and other media products. These wholesale and retail holdings, similar in operation to the UK-based firm, W.H.Smith, include Hachette UCS and Canada's largest newsstand chain.

Lagardère Active includes film and television production and radio broadcasting. The advertising group, **Interdeco**, the leading media buyer in France is also owned by Lagardère, and **Hachette Filipacchi Global Advertising** operates out side France, specialising in the promotion and sales of the group's magazines.

AXEL SPRINGER VERLAG: DIAGONAL INTERWEAVING AND GEOGRAPHICAL INCREASE

Founded in 1946, Axel Springer is the largest newspaper publisher in Germany and one of the world's leading media corporations. The company's core business consists of newspapers, magazines and digital sales channels. As many other big media companies Axel Springer has cross-interests. With the recent acquisition of the TV station ProSiebenSat.1 the company expanded its interest beyond the print media market. The advantage of so called cross ownership (or diagonal concentration) is the possibility to exploit the same content, for instance data provided by new agencies on different markets.

The Group also operates state-of-the-art printing plants and highly-effective sales organizations. The focus of foreign publishing activities for newspapers and magazines in Western Europe is on France, Spain and Switzerland; in Eastern Europe the emphasis is on Poland, Hungary, the Czech Republic and Russia.

FAKT became Poland's largest daily newspaper. In 2004 the company launched REGGEL, a quality newspaper for the larger Budapest area.

Moreover the company is active in printing. Arvato AG, Gruner+Jahr AG und Co. and Axel Springer AG agreed on a joint venture which combines their five German rotogravure printing operations. The project is subject to approval by the anti-trust authorities.

Axel Springer operates on the German newspaper market with daily and Sunday newspapers sold at newsstands, national and regional newspapers distributed by subscription and free advertising publications. In Germany it publishes *Bild* the best selling national daily in Europe, with sales of around 4,5 million. The company also has equity holdings in regional newspaper publishing houses. The magazine portfolio contains classic publication genres devoted to cars, finance, computers, consumer electronics and television programming.

In 2004 Axel Springer published over 120 newspapers and magazines as well as various special editions worldwide. In Western Europe activities were concentrated on Spain, France and Switzerland; in Eastern Europe the focus was on Hungary, Poland, the Czech Republic and Russia.

Springer expanded its broadcasting interests by acquiring the TV company ProSiebenSat 1. The acquisition is subject to approval by the German antitrust authorities. Logistics and distribution section encompasses logistics, market analysis, alliances with trading associates and foreign distribution. Also included here are stakes in press wholesale companies, import companies in Eastern Europe and the wholly-owned subsidiary ASV Vertriebs GmbH.

An alliance was formed with the publishing group Georg von Holtzbrinck for the purpose of acquiring a majority stake in PIN AG, which is second only to Deutsche Post AG in mail handling volume. PIN AG, which specializes in processing mail for mass mailers in major urban areas. The object of the alliance is to generate synergetic benefits through the exploitation of the Axel Springer distribution networks and to expand mail distribution activities to other major urban areas.

SCANDINAVIAN BROADCASTING SYSTEM SA

SBS Broadcasting S.A. is a Luxembourg based company but US owned. SBS Broadcasting S.A. was founded on October 24, 1989. The company has cross-interests in print and broadcasting media. Already big some years ago the company did not stop expanding and acquired more interests in radio and television stations throughout Europe.

In the Television sector the company owns interests in 10 TV stations in 7 countries. In its original geographical business area it operates TV Norge (Norway), TV Danmark and Kanal 5 (Danmark) and Kanal 5 (Sweden).

Moreover, the company established in the Flemish speaking part of Belgium VT4 and Vijf TV. Also in the neighbouring Netherlands it operates SBS6, a national satellite-to-cable station. Furthermore, it started the national satellite-to-cable stations NET5. In Hungary, TV2 was the first commercial broadcaster in the country. SBS has a 49% voting interest and an 84% economic interest in the station. In September 2004, the group launched Irisz, a satellite-to-cable general female entertainment channel in Hungary. The company launched its first digital television station under the brand "The Voice TV" in Denmark, followed by further station launches in Finland, and in Norway and Sweden. In Romania, SBS wholly owns Prima TV, which covers 87% of the country through satellite-to-cable distribution.

In addition to its existing free-to-air and digital television stations, the company acquired C More from Baker Capital and Nordic Capital. C More is the leading Nordic pay entertainment provider, with over 770,000 subscribers in Sweden, Norway, Finland and Denmark at present.

Through Broadcast Text International, the company has a leading position in providing subtitling and localization services.

SBS also operates 53 radio stations in Sweden, Finland, Denmark, Norway, The Netherlands and Greece. Within Kiss FM, Romania's leading FM radio network, as well as the FM Romanian radio network Radio Star and Greek Lampsi; Although the latter acquisition is subject to the approval of the Greek media authorities. Moreover, SBS broadcasting merged its Swedish radio operations with Bonnier Radio AB. In the jointly owned company SBS radio AB, SBS Broadcasting holds a majority share of 59%.

SBS also own and operate the Dutch weekly television and radio guide Veronica Magazine. Veronica Magazine is the largest weekly publication in The Netherlands with a circulation of approximately 1,1 million.

BIG FOREIGN PLAYERS

CENTRAL EUROPEAN MEDIA ENTERPRISES LTD (CME): AMERICAN INVESTMENT THROUGHOUT SEVERAL CENTRAL EUROPEAN COUNTRIES

Central European Media Enterprises, operates the leading group of networks and stations across Central and Eastern Europe.

CME and its partners operate nine networks in six countries CME and its partners are market leaders in Romania, the Slovak Republic, Slovenia, Ukraine and the Czech Republic.

Along with its local partners, CME operates Nova TV in Croatia, TV Nova in the Czech Republic, PRO TV, Acasa and PRO CINEMA in Romania, Markiza TV in the Slovak Republic, POPTV and Kanal A in Slovenia and Studio 1+1 in Ukraine.

CME is a Bermuda company, with subsidiaries in the Netherlands, London and in each operating country.

In addition to producing original programming and making local versions of international entertainment program formats, CME's stations ensure their overall schedules - including films and TV series from around the world - are carefully tailored to national tastes.

In March 2004, CME increased its holding in its Romanian operations to 80.0%. In April, CME launched its second cable channel in Romania, PRO CINEMA.

In July 2004, CME acquired 100% of Nova TV (Croatia) and OK in Croatia.

In May 2005, CME completed the acquisition of 100% of the TV Nova Group (subject to Media council approval of the remaining 2.5% of CET21).

WAZ: GERMAN INVESTMENT AND MEDIA CONCENTRATION IN CENTRAL EASTERN EUROPE

The German media giant, **Westdeutsche Allgemeine Zeitung (WAZ)**, has a European empire of more than 130 newspapers. The group expanded through the acquisition of regional papers in West Germany and Austria and, post-1989, in CEE countries. Foreign publishing groups dominate media ownership in Central and Eastern Europe. WAZ, Germany's second-largest media group, owns over 130 newspapers and magazines, dominating the media market in the region particularly in the Balkans. It also owns media outlets in the Czech Republic and Slovakia.

The WAZ Group is the second largest newspaper group in Germany and one of Europe's largest publishers of regional dailies and magazines. It produces 500 titles and has part-ownership of newspapers and magazines in several other countries.

In Romania the WAZ Group only own one paper, but in neighbouring Bulgaria they control the majority of papers in circulation and in Macedonia they run a virtual monopoly.

WAZ is an out-standing example for the ongoing trend of foreign investment in media markets.

WAZ sits in a dominant position in Bulgaria due to its ownership of **the Bulgarian News Group** and through its control of the **168 Chasa Media Group and Media Holdings**. It has the two largest and most influential dailies, *24Tschassa* and *Dneven Trud*, and dominates regional newspapers and magazine publishing.

In Macedonia, **WAZ** has recently bough majority stakes in the three major newspapers, merging them into a new company, **Media Print Macedonia**, managed by former Macedonian Foreign Minister Srgjan Kerim.

In Croatia WAZ has a 50% stake in **Europa Press Holdings (EPH)** and publishes two dailies, and 11 magazines, including the weekly news magazine, *Globus*. The Trade Union of Croatian Journalists (TUCJ) has recently signed an important collective house agreement with EPH.

WAZ also publishes five dailies in Hungary and has a stake in two Romanian newspapers.

RINGIER: SWISS INVESTMENT IN THE WRITTEN PRESS OF CENTRAL EASTERN EUROPE

Ringier is another example of a foreign company which is largely operating in the Central Eastern Europe. **Ringier** is operating in the publishing business in Switzerland, Central and Eastern Europe and Asia. Center of its activity is still Switzerland where the company makes 66,7% of its turnover, 28,7% of its turnover are made in central and eastern Europe and the remaining 4,6% are made in Asia.

Ringier publishes 4 newspapers in Switzerland, within the best-selling tabloid *Blick*. In Hungary it publishes 4 dailies, in Romania 7, in Hungary 4, in Serbia-Montenegro one and in Vietnam another one.

Furthermore **Ringier** publishes 14 magazines in Switzerland, 7 on Romania, 7 in the Czech Republic, 5 in Slovakia, 9 in Hungary, 4 in Vietnam and one in Germany.

Most of its Swiss newspapers and magazines have also internet portals.

Ringier again is an exaple of an important foreign player within the markets of central eastern Europe.

NEW TECHNOLOGIES

LIBERTY GLOBAL:

TAKING BENEFIT OF THE EMERGING MEDIA MARKETS

LibertyGlobal stands as an example for a company which invested in the new developments in the media landscape. Liberty Global, the result of the merger between Liberty media and UnitedGlobalCom, owns interests primarily in broadband distribution and content companies operating outside the continental U.S., principally in Europe, Asia, and The Americas. Through its subsidiaries and affiliates, Liberty Global is one of the largest cable television operators in terms of subscribers outside the United States. In Europe operations are conducted primarily through Liberty Global Europe, Inc., an indirect wholly-owned subsidiary. Liberty Global Europe provides services in 13 countries in Europe. Liberty Global Europe's operations are organized into two principal divisions: UPC Broadband and chellomedia. Moreover, the company has a 19% stake in **SBS** (see below). Through its UPC Broadband division, Liberty Global Europe operates the largest cable network in each of The Netherlands, France, Austria, Poland, Hungary, Czech Republic, Slovak Republic and Slovenia and the second largest cable network in Norway, in each case in terms of number of subscribers. The dominant position of the company in these many markets makes it clear, how easily a gate-keeper position might be created,

which enables the company (bearing in mind that the group is also active in content production) to influence the content broadcasted by controlling who has access to its transfer technology.

(Footnotes)

1. *European Publishers Council (1999): Memorandum to the economic and social committee on pluralism and media concentration, June. Retrieved from: <http://www.epceurope.org/issues/memor.shtml> (March 2005).*
2. *As Jonathan Hardy has commented: "In assessing market power through economic considerations, competition law is unable to grasp more complex operations of cultural or symbolic power which the Regulation of media (and now multi-media) pluralism has traditionally sought to address." Hardy (2001): Border Crossings; Convergence, Cross-Media Promotion and Commercial Speech in UK Communications Policy, paper presented at the 51st Political Studies Association Conference, University of Manchester.p.15.*

The research for this report was completed in August 2005.

Austria

To maintain the diversity of newspapers a “special subsidy of the press” is granted to all daily newspapers which do not only operate locally and have a minimum sold circulation. The leading newspapers in the national and regional markets do not get the subsidy.



TELEVISION

Austria was the last country in Europe with a public monopoly on the transmission of TV programmes through **ORF**. It is the sole terrestrial broadcaster, with two national channels, *ORF 1* and *2*, and nine local stations. It also operates its own transmission network. Part of the reason for the monopoly is that the country's mountainous terrain has only allowed three frequencies.

The first national commercial TV station, *ATV*, started operating in Austria in 2003. The majority stake in the company is owned by Germany's **Tele München GmbH**. Another major shareholder is the **Austrian Bank for Labour and Economics**, or **BAWAG**. The channel is a small player in terms of audience share with just 1%. **ORF, however, has** competition from Germany's commercial and public channels. More than two-thirds of Austria's TV households get German programmes through cable or satellite connections. *ORF 1* and *ORF 2* had a market share of 53% in 2003. *Pro-7 Austria* and *Sat-1 Austria* have a market share of 5% each. Foreign programming (*RTL, Pro-7, ARD, ZDF, Kabel 1, VOX*) accounts for a 37% share.

RADIO

The radio market has been open to private broadcasters since 1993, with ten regional and 44 local stations. Complaints about cross ownership in the print and radio sectors led to a law capping publishing house ownership of radio stations at 26%. **ORF** is also dominant in radio, with an 82% audience share. The competing commercial radio stations have audience shares below 4%.

Mediaprint, Austria's biggest newspaper owner, also has stakes in private radio station *Kronehit*.

The Austrian cable sector is highly regionalised, featuring only one major operator with activities in multiple parts of the country, **UPC Telekabel**. The company has a market share of around 40% and is 95% owned by Netherlands-based **UPC Europe**. UPC Europe is wholly owned by U.S.-based **Liberty Global** and has five networks in Austrian cities. The city councils in each city own the other 5% of UPC Telekabel.

The other cable operators are mainly Austrian owned and of less importance (capturing between 2.4% and 8.1% market share).

WRITTEN PRESS

By far the largest player in this market is the **Mediaprint** group (**Mediaprint** had a market share of 56.8% in 2004). **Mediaprint** is a holding company set up by two of the largest Austrian newspapers, the tabloid *Kronen Zeitung* (circulation 1,009,000) and the *Kurier* (circulation 254,000). *Kronen Zeitung* and *Kurier*, together, make up more than 50% of the total circulation of Austrian dailies. Germany's **Westdeutsche Allgemeine Zeitungsgruppe (WAZ)** owns about 50% of the capital shares in both companies. Through **Wirtschafts-Trend-Zeitschriftenverlag, Mediaprint** is also active in magazine publishing, including publishing the popular magazine *Profil*.

The second-biggest player is **Styria**, which is focused on regional newspapers. It publishes *Kleine Zeitung*, which has a circulation of 292,000. **Styria** is also involved in magazine publishing with a focus on regional publications.

Foreign investment plays an important role within the Austrian press market. Thirty-three percent of the Austrian daily newspaper market is controlled by foreigners, mostly German, but also Swedish and Italian companies. **Gruener+Jahr**, a **Bertelsmann** subsidiary, has a 75% stake in **Verlagsgruppe NEWS Group**. **WAZ** is a major shareholder in **Mediaprint**. (See report on **Germany** for further details on **WAZ**.) Sweden's **Bonnier Group** is involved with the business daily *Wirtschafts Blatt* (circulation 39,597), which is modelled on the Swedish title *Dagens Industri*. The other 50% of the shares in *Wirtschafts Blatt* are held by **Styria** and **UIAG**, which is in turn held by a private entrepreneur and a few other individual shareholders.

MEDIAPRINT

Mediaprint is the largest publishing house in Austria. German media group, **Westdeutsche Allgemeine Zeitung** is a major shareholder. Apart from publishing the two leading daily newspaper, *Kronenzeitung* and *Kurier*. A holding company deals with all aspects of business, advertising and distribution for both papers. It also publishes a regional weekly, *Kärntner Tageszeitung*, and is a shareholder in **Wir Zeitschriftenverlag**, which publishes popular magazine titles *Trend* and *Profil*.

The company also has interests in Croatia. It publishes the biggest and most influential daily newspaper in the country, *Vecernji list*.

There is a connection between **Mediaprint** and **News Group**. **Mediaprint** also has interests in radio broadcasting.

In 2004, **Mediaprint** signed a cooperation agreement with Austria's largest private book and newspaper distribution company, **Morawa**.

Mediaprint has invested in new printing facilities – twelve 48-page printing presses – in Vienna, Salzburg and Southern Austria.

NEWS GROUP

Owned by the **Bertelsmann** controlled **Gruner+Jahr** (75%) and the Fellner family (25%) it produces the best-selling business magazine, *Format* (circulation 91,000), the leading television guide, *TV Media* (circulation 295,000), and the current affairs title, *News* (circulation 294,000).

Gruner+Jahr also publishes four titles in Austria: *Brigitte*, *Geo*, *Parents* and *Schoner Wohnen*.

STYRIA MEDIEN

Styria Medien AG, is not only the biggest publisher of regional newspapers, but also has substantial interests in broadcasting (*SAT 1* and regional radio), weeklies and monthly publications as well as online services, with a geographical focus on the provinces **Carinthia** and **Styria**, which form the core of its business area.

Styria also has interests in book publishing: **Kneipp Verlag**, **Styria Pichler Verlag**, **Verlag Carinthia** and **Verlag Ingenium**.

Recently, Styria increased its share in **ET Multimedia AG** (*Wirtschaftsblatt*) to more than 80% by buying the shares of **UIAG**, the **Imperial-Gruppe** and the **Deutschen Beteiligungs AG** and taking over the operating management.

Two new subsidiaries are **diepresse.com**, an expansion of *Die Presse*'s profile online, and **Media Consult Austria**, which provides a magazine service specialising in corporate publishing.

Belgium

Belgium is a federal state, organised around geographic and linguistic divisions – the two biggest regions are Dutch-speaking Flanders and French-speaking Wallonia but there country also has a German phonic area and the capital area of Brussels. The main division of the Belgian media market into Dutch and French speaking communities has created two small markets.



For Flanders, the regulatory body for terrestrial television, cable and radio is Vlaams Commissariaat voor der Media (VCM). For Wallonia, the regulatory body is the Conseil Supérieur de L'Audiovisuel (CSA). Both have similar remits.

TELEVISION

The public broadcaster for the Flemish community is **Vlaamse Radio-en Televisieomroep (VRT)**, which has broadcasts on two channels. The French-speaking community in the south of Belgium has two public service broadcasting channels from **Radio-Télévision Belge Francophone (RTBF)**. The German language community has a public service broadcaster of its own as well, **Belgischer Rundfunk und Fernsehen (BRF)**.

In the case of Wallonia and Brussels the issue of transnational broadcasting is important. The French private channel *TF1* and the French PSB have a combined market share of over 30%. In contrast, the Flemish region is dominated by the local PSB, which has a market share of 77%. Broadcasters based in the Netherlands are less important, holding a market share of 4%.

The commercial channel **Vlaamse Televisie Maatschappij (VTM)** was launched in 1989. The majority shareholder is Vlaamse Media Holding, a 50/50 joint venture between the **Roularta Media Group** and **De Persgroep**. It has a second channel, **Kanaal 2**, and the two channels command a third of the Flemish audience.

RADIO

Like the TV market, the radio market is also divided into two sectors: French and Flemish. The Flemish PBS **VRT** leads the market with about 75% of the audience share. The commercial stations do not play an important role in Flemish market. *Q-Music*, the closest competitor, is run by **VMM**, a joint venture between Flemish

press groups **Roularta** and **De Persgroep**. In contrast the channels produced by the French public broadcaster **RTBF**, although they are market leader, have a market share of just 26%. Germany's **RTL** is also involved in the Belgium radio market; it holds a major share in the Flemish *Radio Contact*. Furthermore, the group is a major force in the French-speaking community's broadcasting sector, with stakes in the most popular channel *Bel RTL* as well as the most successful radio network *Radio Contact*. Furthermore it also owns *Fun Radio*, a Paris-based music channel. The French broadcasting giant **NRJ**, with its involvement in radios *NRJ* and *Nostalgie* (the latter being run in cooperation with the Flemish **VUM group**), accounts for another 15,8% of the market.

CABLE AND SATELLITE OPERATORS

Belgium is the most densely cabled country in Europe (95% of households have cable). **Telenet** is the largest cable group in Belgium (40.6% market share). The cable market has largely remained in the hands of the Belgian municipalities who either individually, collectively (**Brutele, Teledis**) or as a partner among other shareholders (**Telenet**) participate. Some foreign investors have captured a significant share of the market. The overall market structure changed, as US conglomerate **Liberty Global**, used its subsidiary **UnitedGlobalCom** to buy a minority stake in **Telenet** from the UK's **Callahan Associates**.

The widespread cable coverage limits the development of direct-to-home satellite services. Only 9% of viewers currently have their television programs delivered by alternative means.

WRITTEN PRESS

The newspaper sector has seen increasing ownership concentration since the 1960s. Twelve of today's 22 major newspaper titles target the Flemish-speaking part of the population, nine dailies target the French-speaking readers and there is one newspaper for the German language community.

Three publishers control almost 90% of the average daily circulation in Flanders. **De Persgroep** has the best-selling daily *Het Laatste Nieuws/De Nieuwe Gazet* (circulation 292,000), *De Morgen* and *De Tijd* (which it bought in a venture with **Rosel** in 2005).

The biggest publishing company is **V.U.M.**, which reaches a total circulation of 380,000 and publishes the second most successful newspaper *Het Nieuwsblad, De Gentenaar* (circulation 216,000), as well as two other top ten sellers *De Standaard* (circulation 81,000) and *Het Volk* (circulation 83,000).

Since the French-speaking population in Belgium is smaller than the Flemish-speaking population, the French language press did not develop media players big enough to dominate the Belgium market. However, Belgium's French language press is also controlled by three groups.

Rossel & Cie SA publishes *Sud Presse (La Meuse, La Nouvelle Gazette, Le Quotidien de Namur, La Capitale)*, *Le Soir*, *Grenz Echo*, *L'Echo* and *Nord Éclair*. **SA d'Information et de Production Multimedia (SA IPM)** owns *La Dernière Heure/Les Sports*, *La Libre Belgique/Gazette de Liège*. **Mediabel** publishes *Vers l'Avenir*, *Le Courrier de l'Escaut*, *Le Courrier*, *L'Avenir du Luxembourg*, and *Le Jour*. The majority share in **Mediabel** is held by the Flemish company **V.U.M. De Persgroep**, through its involvement with **Rossel** in *L'Echo*, is also present in the French language market.

Sanoma, the Scandinavian media group, publishes 18 magazines in Belgium. Titles include French and Dutch speaking TV guides and women's magazines, some of which are versions of pan-European titles like *Marie Claire*.

THE MAIN PLAYERS

The main player is **DE PERSGROEP**, which plays a part in written (daily newspapers and magazines) and broadcast media.

Roularta is also a major player in the Belgian market through its array of magazine holdings but it has few holdings in the daily newspaper market.

VUM, CONCENTRA, SANOMA and VRT are powerful and influential companies but they are only focused on one specific component of the media industry.

DE PERSGROEP

The largest Belgian media player is **De Persgroep**. In 2005 the group owned by the businessman Christian Van Thillo acquired the **De Tijd** group in a joint venture with **Rossel**. The group owns three major newspapers: *Het laatste Nieuws*, *De morgen* and *De Tijd*. It publishes magazines through its subsidiary, **Magnet Magazines**. Titles include *Dag Allemaal/Expres*, *Joepie*, and *TV-Familie*.

The group also publishes the daily freesheet "*Metro*" in French and Flemish and the free weekly *zonemagazine* with different local editions.

It is also a 50% owner of Flemish TV company **Vlaamse Media Maatschappij. Roularta**, a holding company which is engaged in TV and radio market, owns the other 50%.

ROULARTA MEDIA GROUP (RMG)

Roularta Media Group (RMG) is Belgium's largest media conglomerate. Its business centres on the *De Zondag* and *De Weekbode* newspapers. It has general and academic book and magazine publishing interests within Belgium: key publications are the *Knack* and *Trends* magazines. It has a 50% stake in Flemish television station VTM and other radio and TV broadcasting investments. It owns around a third of commercial printing group Mercator. It holds subsidiaries and partnerships in Portugal, France, the Netherlands and Norway. Its biggest stake in foreign media is in Portugal's **Impresa** group.

Newspapers

The company publishes *De Zondag* (the only Sunday publication in the Dutch speaking part of Belgium with circulation of 520,000), *Brugsch Handelsblad*, *De Weekbode*, *De Zeewacht*, *Kortrijks Handelsblad*, *Het Wekelijks Nieuws*, *Krant van West-Vlaanderen* and *De Streekkrant*

It also publishes the freesheet *Journal da Região*, distributed in regional editions in larger towns and cities, in partnership with listed Portuguese group **Impresa**.

Following Belgium, Netherlands and France, the *City Magazine* concept is now being introduced in Slovenia. To do this, **Roularta** has set up a joint venture company with **GV Skupina**, a major publisher of business magazines.

In France, it publishes *À Nous Paris*, a free sheet with a print run of about 350,000 copies that is distributed on the Paris Metro. It also publishes *À Nous Lille* and *À Nous Lyon*, freesheets distributed in the cities of Lille and Lyon.

Magazines

Roularta publishes 17 magazines in Belgium, including *Knack*, *Le Vif*, *Trends*, *Tendances*, *Sport/Voetbal*, *Sport/Foot*, *Vacature*, *Spijs&Drank*, *Cash!*, *Plus*, *Fleet Management*, *Fleet Wheels*, *De Kwaliteitskrant*, *Industrie*. It also has a 50% interest in *Sensa* and *Grande*.

With the French company **Bayard** it publishes the TV Magazine *Telepro* and four magazines for senior readers: *Plus* in Belgium, *Plus* in the Netherlands, *Vi Over 60* in Norway and *Lenz* in Germany.

It also publishes ten additional magazines in France. The **Studio Press group**, which is 100% owned by **Roularta** comprises four separate specialist publishers in cinema, DVD, audio, video, hifi and music.

Books

Roularta Books produces books for the RMG magazines' various target reader groups. Around 30 books are published every year under the '**Roularta Books**' and '**Globe**' imprints. **Globe** is a major joint venture between **Roularta Books** and **VAR**, the advertising sales house of VRT.

Academici Roularta Media NV is an active player in the **Roularta Media Group**. **AR-media** was created in May 1996 from a joint-venture between **Uitgeverij Academici** (Academici Publishing) and **Roularta Media Group**, which is more focused on publishing academic books.

Music Publishing

Roularta Media Group (RMG) is also continuing its expansion into new media with a focus on CD-ROMs and the Internet. **VTV** (66.67% owned by **Roularta**) specializes in video duplication, CD - DVD replication and logistic services

Printing

Roularta Printing is 75.66% owned by **Roularta** and its plant's first responsibility is producing all the **RMG** titles (both the news magazines and local papers).

Online

Various Belgian newspapers and magazines also offer Internet services (www.easy.be; www.KW.be. www.knack.be; www.levif.be; and www.trends.be).

Television and radio

RMG is also particularly active in radio and TV, video facilities and CD-ROM and DVD production. **RMG** owns 50 % of **Vlaamse Media Maatschappij (VMM)**, which runs the leading Flemish TV-stations *VTM*, *Kanaal 2*, *Jim TV* and radio station *Q-Music* and 100 % of *Kanaal Z/Canal Z*, the Belgian business TV-station.

Bosnia-Herzegovina

Bosnia-Herzegovina has a complex political system that was created in the aftermath of the war. The system consists of Federation BiH and Republika Srpska, with the District of Brcko designated as a separate entity. This has led to a complex set of regulations and laws. On the other hand, the absence of language barriers provides an opportunity for media. The Communications Regulatory Agency (CRA) is an independent agency that regulates broadcasting. When granting licences, the CRA makes the distinction between media financed through public or private funds and further whether the funds are domestic or foreign. That is because the licensing process is different for private and public broadcasters in Bosnia. Foreign companies who wish to work in BiH have to register with the Ministry of Foreign Affairs.

Public broadcasting in Bosnia and Herzegovina consists of **The Public Broadcasting Service of BiH (PBS BiH)**, **Radio and Television of the Federation BiH (RTV FBiH)** and **Radio and Television of the Republika Srpska (RTRS)**.

In the past, foreign institutions have invested in Bosnia in order to rebuild the media landscape. An example of that foreign involvement is **TV OBN (Open Broadcast Network)**, founded and financed by several countries. Today, **OBN** is a publicly traded company that has Britain's **OBN Limited** as one of its owners.

Another example of foreign-owned media is the radio network **FERN**. **FERN** began broadcasting in 1996 with the aim of breaking the information blockade in Bosnia-Herzegovina and providing independent and objective information about the implementation of the peace agreement and the election campaign. The radio's initial success persuaded its foreign donors, among them the government of Switzerland and later the Organisation for Security and Cooperation in Europe (OSCE), to support the radio until the 2001 election. Radio **FERN** was considered a popular and trusted countrywide news and information radio network. Radio **FERN** is now integrated into the **Public Broadcast Service (PBS) of Bosnia and Herzegovina**, along with elements of **Radio Bosnia and Herzegovina** and **Radio RTRS**. The radio service operates under the name **Bosnia and Herzegovina Radio I**.

TELEVISION

There are currently 39 TV stations, including those of three state-wide public broadcasters that form the Public Broadcasting System for **BiH: The Public Broadcasting Service of BiH (PBS BiH)**, **Radio and Television of the**



Federation BiH (RTV FBiH) and Radio and Television of the Republic of Srpska (RTRS). There are 14 public TV stations. The public broadcasters have a dominant position, which is not only due to their nation-wide reach. The public broadcasting channels *FTVI*, *RTRs* and *BHTVI* have jointly an audience share of 31.8%, whereby *FTV* (*Federal TV*) reaches by its own an audience share of 23.8%. Its closest competitor is *TV Pink BH*, which manage to cover some 80% to 90% of the population and reaches an audience share of 10.5%. *TV Pink* entered the Bosnian media market in 2003, part of the **Pink International Company**, owned by Zeljko Mitrovic. *TV Pink* is a commercial broadcaster with a strong focus on entertainment content and high marketing potential. The expansion of the company throughout the region can be attributed to two key factors: the lack of language barriers and a strong focus on entertainment content. The commercial channel *Open Broadcast Network (OBN)* has an audience share of 7.7%. The owner of the company is London based **OBN Ltd.** and Gabriel Vudakin from Sarajevo. Through this company, *OBN* is indirectly connected with *Nova TV*, a private broadcasting channel in Croatia. Both broadcasters are involved in creating commercial programs, which cut through national boundaries because both countries speak the same language. The public broadcaster in neighbouring Croatia has a significant audience share of 10.5% in Bosnia-Herzegovina.

RADIO

The radio market is very fragmented, with 142 radio stations. Sixty-four of these stations are operated by public broadcasters. Only one of the public national stations, *BH Radio I*, has an audience of any appreciable size (8.5%). The closest competitor is *Radio Federacije BiH*, with 6.8%. All other stations have an audience share of less than 4%. To some extent the situation in the radio market is equal to that in the TV market, especially concerning the relation between public and commercial stations. However, there is no nation-wide formal private radio network. There is only one informal radio network, **Bosanska Radio Mreza (BORAM)**- a network of about 20 local radio stations which broadcasts a state-wide newscast). Because of this, public radio stations primarily compete with individual local commercial stations. Since the radio market is so fragmented and since there are no truly nation-wide stations, the radio market does not raise concentrations concerns.

WRITTEN PRESS

There are 7 daily newspapers, 46 weekly and monthly publications and 61 foreign titles in BiH. The pressure on domestic publications from foreign competitors is intense. **Kmecka družba**, a Slovenian investment group, purchased *Oslobodenje* daily paper in 2001. *Oslobodenje*, an influential daily prior to the 1990s, lost its importance in the past decade and today has a market share of just 9.8%. Currently, the key daily

paper in the country in terms of market share and importance is the *Dnevni Avaz* daily, which is not part of any foreign media company. The **Avaz** publishing company owns the most important daily, the biggest printing house, the strongest distribution system and a set of specialised publications such as *Azra* (market share 12.3%), *Sport* (market share 5.5%) and *Express* (market share 9.2%). This has given the company a leading position in the magazine sector. It has an overall market share of 40.2%. Its nearest competitor, *Vecernje novine*, has a market share of 11.9%. *Glas Srpske* is the only daily owned by the government (market share 7.8%). The most popular magazine is *Gloria* which has a market share of 16.1%. The Serbian tabloid *Blic*, which is owned by the Swiss company **Ringier**, has a market share of 8%.

CABLE AND SATELLITE OPERATORS

Croatian network operator **OiV** will launch a digital DTH platform covering Croatia, Slovenia, Bosnia-Herzegovina, Macedonia and Serbia and Montenegro. The new platform, which will be known as **Seemore**, will offer viewers a total of five programming packages. While the basic one will include such services as *Eurosport*, the newly launched *Eurosport 2*, *Fox Kids*, *Hallmark* and *Zone Vision's Reality TV* and *Romantica*, the four remaining ones will have a premium content element, with each including **HBO Adria** in their offer.

In Bosnia-Herzegovina, the cable penetration in the country is still very rudimentary.

CONCLUSION

The Croatian media market does not currently have any media concentration or cross-ownership concerns. Four reasons are widely cited to explain this. The media market in the country is still undeveloped. No local company is strong enough to buy off competitors. Due to political and social instability there is a significant lack of foreign investment. The regulatory authority CRA imposes high administrative and legal barriers to entry and exerts strong control over the market.

Bulgaria



Bulgaria will accede to the EU in 2007 if it maintains its policy of structural reforms. It was one of the last East European CEE countries to pass a broadcasting law in July 1996, after some six years of preparation. As a result of this delay and in the absence of proper legislation, the expansion of commercial operations and the proper development of the public sector suffered a great deal. There were serious criticisms about lack of transparency in the licensing of broadcast media and allegations of corruption against politicians responsible for prices and regulation.

The Radio and Television Act in 2001 created the Council for Electronic Media (CEM), the regulatory body responsible for overseeing public service broadcasting and the licensing and regulation of commercial broadcasting. Representatives are chosen by the Parliament and the President. The CEM has been accused of acting in the interests of the ruling party. It has also been accused of dismissing directors of Bulgarian National Television and Bulgarian National Radio and replacing them with ruling party supporters.

An independent body called the Bulgarian Media Coalition (BMC), representing media owners and organisations in press and broadcasting, campaigns for improved media transparency, the rights of journalists and the independence of regulatory bodies. In 2004, the association of Media Consumers was launched, which supervises the quality of the press, radio, TV and Internet.

The Union of Bulgarian Journalists is a member of the BMC whereas the Union of Journalists of Bulgaria (Podkrepa) left it in May 2003. The two unions run the Bulgarian Media Observatory, which promotes ethics and journalists rights and is lobbying for a national self-regulatory body for the media.

TELEVISION

There are three national terrestrial television broadcasters in Bulgaria: the **Bulgarian National Television (BNTV)**, the former state television station, defined in the broadcasting law as public service TV) and two private television stations. Rupert Murdoch's **Balkan News Corporation** owns *bTV* and Greece's **Antenna Group** owns *Nova Telesia*. **BNTV** owns two TV channels *Kanal 1* and *TV Bulgaria*, these

two channels have still a strong market position, although *bTV* and *Nova TV* are the leading television broadcasters. The market is dominated by *bTV*, which has more than 40% of the audience share.

Moreover pan-European TV channels are broadcast in Bulgaria (*EUROSPORT*, *EURONEWS*, *TV5*, *BBC WORLD*) as are foreign channels (*SAT 1*, *RTL*, *PRO 7*, *RTL II*, *RAI I*, *POLSAT*).

RADIO

The radio market is dominated by the public broadcaster **Bulgarian National Radio (BNR)** with an audience share of 31.9% for its *BNR Horizont* station alone. According to latest figures of the Association of Bulgarian Broadcasters (ABBRO), 273 private regional and local radio outlets are currently operational. Therefore, the remaining shares of the radio market are split up between numerous owners. However, bigger networks have begun scooping up smaller competitors. Several big radio networks, such as *FM Plus*, *Fresh radio*, *Inforadio* and *BG Radio*, have established a name in the country. *FM Plus* is 48% owned by the **British GWR Group**, which also owns shares in *Fresh radio*. The owners of *FM Plus* and *Fresh* also hold shares in another station- *Mila*. The Bulgarian company **Metroradio** hold shares in *BG Radio* and *Radio One*. **Metroradio** is owned by the US **Metromedia Group** through its unit **Metromedia International Telecommunication**.

CABLE AND SATELLITE OPERATORS

There are 155 registered cable operators in the country – comprising national, regional and local companies. The cable network has been developing rather quickly and most recent data show that 55% of households in the country are cable subscribers. U.S. financier George Soros has entered the Bulgarian cable market through the **Southeast Europe Equity Fund (SEEF)**, which is run and sponsored by his **Soros Private Funds Management**. **SEEF** bought a majority interest in cable operator **Eurocom** in November 2001. A Bulgarian version of **HBO**, the most successful paid cable channel worldwide, is a part of **Time Warner**, the biggest media company in the world.

WRITTEN PRESS

The most typical feature of the Bulgarian print media following the immense political, economic and social upheaval in 1989 has been the dynamics of change within the media. New publications keep emerging on the market while others disappear. There is no press law in Bulgaria and the newspaper publishing regulations are extremely liberal.

Most of the 62 existing dailies target a broad readership. The biggest owner in the print media landscape is Germany's **WAZ** (see below). It publishes the three top-selling dailies *Dneven Trud*, *24 chasa* and *Noshten Trud*.

Another daily is *Standart* (circulation 35,000), held by an offshore holding of Russian businessman Michael Corni, who was expelled from Bulgaria after being deemed a threat to national security. The ownership structure of *Monitor* (circulation 9,000), is not clear, but it had a publisher registered in a Portuguese offshore zone.

In 2005, the national weekly press is represented by four papers. Two of them, *Capital*, a Bulgarian owned magazine and *Banker*, largely business oriented, can be described as "quality press." The titles *168 Chassa* and *Politika* are addressed to a mass audience. Foreign investment is also presented in the magazine market. German company **Axel Springer Verlag** publishes *Auto Bild Bulgaria*, the Bulgarian version of the German published magazine *Auto Bild*.

MAJOR PLAYERS

WAZ

The biggest owner in the Bulgarian market is the German media group **Westdeutsche Allgemeine Zeitung (WAZ)**. It owns the two dailies with biggest circulation in Bulgaria: *Dneven Trud* and *24 Chassa*, the first private paper in Bulgaria. The monopolistic position of **WAZ** provoked a legal procedure under the Protection of Competition law but **WAZ** managed to emerge as a winner and to carry on its advertising policy that guarantees it the position of market leader.

During recent years, the regional and local newspapers have flourished. This has occurred in spite of the limited advertising market, which remains a huge obstacle for the financial survival of regional and local papers. **WAZ**, through *Zeitungs Gruppe Bulgarien*, has a strong position financially and operationally. In fact, in recent years, the local editions of **WAZ** have put many of the local newspapers out of business.

Today **WAZ** owns newspaper publishing companies and two of the biggest newspaper distribution and printing houses-- one in Sofia and one in Varna.

WAZ also dominates the national magazine market. Attempts to establish quality social and political magazines have been unsuccessful, leaving magazines containing domestic and foreign gossip and news about celebrities to dominate this market. Even if **WAZ** is suspected of organising a monopoly, pluralism of views is evident in Bulgarian newspapers. They are often extremely critical of the government, a stance also taken by the two biggest dailies owned by **WAZ**.

ANTENNA GROUP

Greece's **Antenna TV SA** is another large foreign investor in the country, though smaller than **WAZ** and **News Corporation**. In 2000, **Antenna**, the media group owned by the businessman Minos Kiriaku, bought shares in *Nova Televisiya* (*Nova TV*) and *Radio Express*. Originally launched in 1998, *Nova TV* broadcast the first news programme on a private channel and the first 24-hour programme in the capital Sofia. **Antenna** has confirmed its intention to stay in the Bulgarian market and to improve its presence in Bulgaria.

NEWS CORPORATION

News Corporation, owned by Rupert Murdoch is also present in Central Europe and particularly in Bulgaria. The giant media company holds 100% of *bTV* through **Balkan News Corporation**, a subsidiary of **News Corporation**. On October 1, 2000 *bTV* started broadcasting an 18-hour day programme containing news, sports and entertainment. Through **Balkan News Corporation**, Murdoch has had the *bTV* broadcasting license for the last 10 years.

CONCLUSION

WAZ monopolised the newspaper market through a dumping policy on prices, distribution and advertising. The German group also built a new printing house and has started to publish local supplements for its dailies. After several months of domination, other newspapers started to consolidate their position and a new structure called Bulgarian Newspaper Publishers Association was established to fight **WAZ's** domination. Most of the big national newspapers and some local editions created web issues as an innovative approach to compete with **WAZ**.

Croatia



The Croatian constitution provides for freedom of the press, speech, public expression and the freedom to establish media. While the media in Croatia now enjoys considerable freedom after years of restrictions and control, this freedom is selectively available to the owners and editors, but doesn't extend to the conditions under which journalists work.

The regulatory body, the Council for Radio and Television, has responsibility for overall regulation and supervision of terrestrial television and radio broadcasting, and for awarding licences. The Parliament has control of the body through its selection of members of the managing council.

In 2004, a new media law was passed by the Croatian parliament. The new law increased regulation of daily newspapers in an effort to create transparent ownership structures and to regulate the number of copies sold, as well as to restrict media concentration. Publishers have to report the identity of their shareholders to the Croatian Chamber of Commerce, making all data on media ownership public. According to the new law, newspaper publishers cannot sell more than 40% of all dailies and weeklies in a particular market. The law on electronic media restricts cross-ownership between broadcasting and publishing companies.

Unlike many other CEE countries in the region, the Trade Union of Croatian Journalists (TUCJ) has succeeded in negotiating a collective agreement with **Europa Press Holding** (50% owned by **WAZ**). The agreement was signed in May 2002 and provides for a five-day week, holidays, paid overtime, professional rights and other issues. The TUCJ received assistance from the two German journalists unions in negotiating the agreement. It is a model other unions should be following.

TELEVISION

The state-run television system, **Croatian Radio Television (HRT)**, is the dominant source of information for the bulk of the population and the government exerts excessive control over its operations. The PBS operates two channels, *HRT 1* and *HRT 2*, and a satellite channel, *HRT plus*. Its two terrestrial stations have a total audience share of 56.9% and are uncontested market leaders. One competitor is *Nova TV* which has an audience share of 14.3%. Since 2004 the channel has been owned by **CME**. **HRT** had a third channel that was sold to **RTL**, and its entertainment-based program is growing in popularity, making **RTL** the key competitor to two public

broadcasting TV channels. *RTL* reaches an audience share of 16.7%. Furthermore there are several private TV companies which broadcast on a regional base like *OTV* in Zagreb and *Net-Nezavisna Televizija*.

RADIO

Through local authorities, the government controls approximately 40% of the total number of radio stations. In competition with radio stations funded by the state, private stations take a commercial approach. The top radio station is *Narodni radio*. The owner of the station is **Radio Croatia Shareholding Company**. Its closest competitor is Croatian state *radio channel 1*. Third place is taken by another music station, *Otvoreni radio*. *Radio 101*, with its limited geographical coverage, scored fourth. *Obiteljski Radio* is also one of the most popular stations. It is owned by a private limited liability company. The ownership of the *Narodni*, *Obiteljski* and *Otvoreni radio* is linked to the Croatian national Juraj Hrvacic.

CABLE AND SATELLITE OPERATORS

A dozen cable operators have moved into the television market. They cover areas fragmentarily.

Apart from offering all available land programmes, the cable operators broadcast a package of international satellite television channels, from *BBC* and *CNN* to *MTV* and *Sky*. The omnipotent *HBO* was introduced in 2004. Along with television, the cable operators also offer Internet connections.

WRITTEN PRESS

There are twelve daily newspapers. *Vecernji List* is the most successful newspaper with an average circulation of 135,000. It belongs to the Austrian company **Styria**. There is only one daily newspaper dedicated to sport, *Sportske Novosti* which has a circulation of 19,000. It belongs to **Europa Press Holding (EPH)**. The company publishes two other top-selling newspapers: *Jutarnji List* (114,000) and *Dnevnik* (5,000). There are still two state-owned newspapers: *Slobodna Dalmacija* and *Vjesnik*, which have circulations of 43,000 and 7,000 respectively. Foreign players are gaining influence on the Croatian print market. The German company **WAZ** controls 40 to 50% of the newspaper market, through its 50% stake in the biggest newspaper and publishing company, **Europa Press Holding**. The Finnish group **Sanoma** is also a major operator in the Croatian market. The German company **Burda** has interest in one magazine called *Lisa* (circulation 20,000).

WAZ

In Croatia, **WAZ** owns 50% of the Zagreb **Europa Press Holding Company**, which publishes the daily *Jutarnji List*, the weekly *Globus*, numerous specialized magazines for women and teenagers and the Croatian editions of *Playboy* and *Cosmopolitan*. **EPH** is now the biggest publishing company in Croatia and probably one of the biggest in the region, publishing three newspapers, five weekly magazines, two bi-weeklies and eleven monthly magazines. Altogether the 21 editions sell approximately 100 million copies annually.

SANOMA

SanomaWSOY's magazines unit, **Sanoma Magazines**, decided in 2001 to set up a joint venture in Croatia. The Finnish group created the limited liability company, **Sanoma Magazines Zagreb**, with the participation of four parties: **Sanoma Magazines International B.V.**, **Adriatic Net Investors Ltd.**, **Iskon Internet d.d.**, and Vladimir Tomic. **Sanoma Magazines International** owns 65% of the shares in the new company. The joint venture in Croatia represents the first international expansion to be carried out by **Sanoma Magazines International** since **SanomaWSOY's** acquisition of **VNU's Consumer Information Group** and its merger with **SanomaWSOY's** magazine publisher, **Helsinki Media**. After that acquisition, **Sanoma Magazines** became Europe's fifth-largest publisher of consumer magazines and, with the addition of Croatia, is active in 10 markets across Europe with some 300 titles in its portfolio.

Sanoma Magazines Zagreb launched the Croatian edition of the leading women's fashion magazine *Elle* at the end of 2002 after having signed a licence agreement with **Hachette Filipacchi Presse S.A.** earlier that year. The Croatian version is the first edition among the ex-Yugoslavian CEE countries after Hungary, Poland, the Czech Republic and Romania. **Sanoma** also publishes the monthly magazine *Klik* and the weekly star magazine *Story*.

STYRIA MEDIA GROUP

Styria Media Group is the third biggest media group in Austria. The group acquired the Croatian newspaper, *Vecernji list*, in December 2000. Styria publishes *Vecernji list* through its printing company **Tiskara Zagreb**. The paper is the most widely read and has the highest daily circulation in Croatia with an average of 568,000 readers daily. Since February 2003, the edition has been restructured as follows: 8 regional editions, one international edition and one edition for Bosnia-Herzegovina. Its layout has also been redesigned.

Croatia has experienced a considerable encroachment by foreign capital in recent years. Journalists in Croatia are facing new challenges due to commercialisation and concentration within the media sector. Increased casual work agreements for journalists are a particular symptom as they are increasingly forced into freelance and unstable employment arrangements. Despite this, the success of the Trade Union of Croatian Journalists in negotiating a collective agreement with **EPH**, is a very positive sign for journalists throughout the region

Cyprus

In 2004, Cyprus acceded to the European Union. Technically, the acquis communautaire applies to all of Cyprus. But due to the division of the island of Cyprus since 1974, and the self-declaration under the Turkish controlled area in 1983 of the “Turkish Republic of Northern Cyprus”, the accession treaty made it clear that it would only extend to the Turkish Speaking north in the event of a solution between the two communities. A plan for unification failed due to the rejection of the Greek Cypriots in a referendum in April 2004. Two different language areas as well as the ethical and political differences have split the media market into two.



RADIO

In Cyprus, some radio stations are owned by companies that also own TV stations. The Public Service Broadcaster *Cyprus Broadcasting Corporation (CyBC)* has four radio channels, which hold an audience share of 58.9%. The most successful commercial broadcaster is *Radio Proto* (36.5% audience share), which is part of the *Sigma* group controlled by the Cypriote publishing company **Dias Ltd**. Many radio stations are owned by various political parties.

TELEVISION

The television market is dominated by three main groups: the public group *CyBC* and two private groups *SIGMA* and *LUMIERE*. There are 6 national TV Stations and 6 local television stations broadcasting in Cyprus. Public service broadcaster *CyBC* has two channels: *CyBC1* and *CyBC2*, with a combined audience share of 17.2%. However *Sigma TV*, which is owned by a **Dias Ltd**, with a market share of 26.3% is the strongest commercial channel and the most successful channel in general. *Antenna TV*, a subsidiary of the eponymous Greek group, is also a successful operator in the TV sector (22.1%). The third broadcaster *MEGA* is controlled by **Tilettypos**, a company that owns TV station and publishing companies in Greece. *Lumiere TV* is owned by several businessmen and is allied to South African group **MIH**. It comprises the premium TV station *LTV TV*, a pay-TV channel *Multichoice Cyprus* as well as *Lumiere Productions*.

On the Greek side of Cyprus there are eight daily newspapers (seven in Greek, one in English) and eight weeklies (seven in Greek, one in English). There are also numerous periodicals, several of which are business publications. Most of the daily newspapers belong to or are linked to various political parties. **Dias Ltd** publishes also several newspapers like *I Simerini* (circulation 6,500) and *To Periodico*.

In the Turkish north of the island there are eight daily papers, with titles from mainland Turkey being the best-sellers. The best-selling newspaper by far is the daily *Phileleftheros* (circulation 25,000) published by **Phileleftheros Ltd**. Another important paper is the English-language daily the *Cyprus Mail* with a circulation of 3,600.

CABLE OPERATORS

This market is controlled by two main players: the group **Multichoice** (affiliated with the Greek **Multichoice Hellas**), and the **ALPHA** group.

Czech Republic

Within the Czech Republic media ownership is only restricted to a small degree. There is no limit on foreign participation in media. The limit on cross-ownership is from the Broadcasting Act of 2001, which only regulates broadcast media. Despite the absence of strict rules, concentration in Czech media is not yet endangering plurality. Dominance by a company in single media market has not yet been detected. However, the Czech media market is still developing and future developments may lead to an unacceptable degree of concentration.



RADIO

There is no dominant station in the radio sector. The three stations with the largest audience share are the public service station *CRI Radiozurnal* (27.5% share) and the commercial stations *Frekvence 1* (10.1% share) and *Radio Impuls* (11.9% share). The French **Lagardère Group** is the biggest owner in the market, operating the second largest commercial radio station *Frekvence 1* and the third largest commercial station *Evropa 2* as well as *Info Radio* (started in January 2005). **Lagardère** also owns *RRM* (*Régie Radio Music*), which organises the publicity and commercialisation of the group's radio stations, as well *Radio Impuls* and other local and regional stations, which do not belong to the group. The market leader *Radio Impuls* is run by **Londa Ltd.**, which, since 2002, is controlled by **Eurocast**, a joint venture of radio broadcasters from Eastern Germany. Regional private stations have a total market share of around 40%.

TELEVISION

From 1991-94, a mixed private and public system in television broadcasting was introduced. The Czech television market is dominated by four major stations, two of which are commercial stations (*TV Nova* and *TV Prima*) and two of which are public service channels (*CT1* and *CT2*). The market leader with by far the largest audience share (43.4%) is *TV Nova*, in which **CME** holds a majority share. The second-largest commercial broadcaster is *Prima TV* (20.1% market share). Nationwide public service channels *CT 1* and *CT 2* have market shares of 22.2% and 7.9%, respectively. There are currently 15 satellite broadcasters and 94 cable TV broadcasters in the Czech Republic.

40 The television market is therefore owned by Czech companies.

The Czech press market is dominated by foreign investors. On the national scale, there are six dailies controlled by five different owners. The main players include the Swiss publisher **Ringier** with its popular tabloid *Blesk* (circulation 518,000) and the German **Rheinisch-Bergische Verlagsgesellschaft**, which controls *MF DNES* (circulation 302,000) and, through its subsidiary **Pressinvest**, another important Czech daily by the name of *Lidové Noviny* (circulation 72,000). The only Czech publisher in this market is **Borgis** with its national daily *Právo* (circulation 172,000). One of the largest publishers in the Czech market is **Vltava-Labe-Press (VLP)**. They are not present in the national daily market, but the total circulation of the regional titles published by **VLP** gives them a unique standing and makes them one of the biggest players in the Czech Republic (total circulation 412,000). Eighty percent of **VLP** is controlled by the German **Passauer Verlagsgruppe**; the German **Rheinisch-Bergische Verlagsgruppe** holds a minority share of 20%. Publisher **Economia's** daily *Hospodářské Noviny* has a circulation of 65,000. The major owner of **Economia** is media group **Dow Jones-Handelsblatt**. The company also publishes an economic weekly *Ekonom* and a number of specialized, mostly economically oriented magazines. The Finnish **Sanoma Magazines International** (see report on Finland) has a strong position in women's and lifestyle magazines, as does the German **Bauer Verlag**. In addition, along with **Ringier**, the **Rheinische Post** group and **Sanoma Magazines** it owns the **Post and Newspaper Service (PNS)**. The four companies – two German, one Swiss, one Finnish – control 80% of newspapers and magazines in the Czech Republic and have an exclusive distribution deal with PNS. The only competing firm, **MediaPrintKapa (MPK)**, will no longer be allowed to distribute them and its existence is now under threat. The Czech magazine market is also characterized by foreign investment. The German group **Hubert Burda** expanded in Central and Eastern Europe creating the **Burda Verlag Osteuropa (BVO)**, which is responsible for all publishing operations in this region. In the Czech Republic, **Burda Prague** operates in the magazine market. Furthermore German **Axel Springer Verlag** has entered the Czech market through its own subsidiaries and in cooperation with other publishers. It publishes 6 magazines in the market.

CABLE AND SATELLITE OPERATORS

Seventy percent of all the country's households are connected with cable. Foreign companies head the three most influential cable consortia:

UPC Ceska Republika is owned by the Netherlands-based **United Pan-Europe Communications**, which itself belongs to the U.S. company **Liberty Global**. It has around 400,000 subscribers.

UPC's strongest competitor is **One Team**, a new company that has arisen from a merger of **Intercable** and **TES** media and has connections to 500,000 households and accounts for 270,000 subscribers. **Intercable CZ** is owned by the Netherlands telecoms company **KPN**, **TES Media** is part of **Central Europe Cable Holdings**, owned by **ING Baring, USA**, and has about 100,000 subscribers.

UPC also offers a direct to home satellite service called *Czech Link*, which is the only commercial pay-TV satellite service and has about 58,000 customers.

MAJOR PLAYERS

The most dominant players are active in the press and publishing sector. Foreign ownership is less relevant in the broadcasting sector. **Ringier** (national press), **Passauer Neue Presse Verlag** (regional sector) and Germany's **Rheinisch-Bergische Verlagsgruppe** are the most important companies.

PASSAUER NEUE PRESSE VERLAG

PNP got into the Czech Republic in 1990 when the group started to plan an eastward expansion with the purchase of regional daily papers. Today, all of the company's operations are combined in the **Vltava-Labe-Press (VLP)** publishing group, which is a joint venture with another German group, **Rheinische Post**. **Rheinische Post** owns 20% of **VLP**. **VLP** brings together all the company's operations in the Czech Republic, which include 11 regional dailies, 13 regional weeklies, a TV-listings magazine, its printing operations and a media agency, **Inzert Media**, which plans and organizes media campaigns in newspapers, magazines and the electronic media.

RHEINISCH-BERGISCHE VERLAGSGESELLSCHAFT

The **Rheinische Post** group owns a major stake (through **Mafra**) in two dailies: *Lidove noviny* (circulation 72,000) and *Mlada fronta dnes* (circulation 316,206).

The group also owns a 20% share in **VLP**, which is active in the regional press sector and reaches a total circulation of 412,000. Therefore the group has an interest in the national and regional press market.

RINGIER

Ringier CR was founded in 1990 and has been 100-percent owned by **Ringier** since 2000. The company is the leading and most important publisher in the Czech Republic. **Ringier** publishes ten newspapers and magazines including *Blesk*, a tabloid with the largest daily sales in the country. **Bertelsmann's Gruner +Jahr** has a

25% stake in *Blesk*. **Ringier** also owns the **Ringier Print** print works in Ostrava. **Ringier** currently also owns 27 percent of the share capital of **PNS**, a national press distribution company.

Ringier holds a 19% share in the daily newspaper market.

LAGARDÈRE GROUP

Lagardère owns six companies in the Czech Republic. **Lagardère** has important stakes in the Czech radio market. It owns *Europa 2*, the first private radio station in the Czech Republic. *Europa 2* was also the first station to cooperate with Czech TV stations. **Lagardère** owns the radio station *Frekvence 1*, which started to broadcast in 1993. Moreover, it owns *Inforadio* a radio station started in January 2005. Moreover, the group owns *RRM* which deals on national and regional level with the publicity of the stations of the group as well as other stations which do not belong to it. **Lagardère's** activity in the Czech radio sector is supervised by **LARI (Lagardère Active Radio International)**.

In the press sector, **Hachette Filipacchi 2000 spol** is the joint venture of the French group for magazine activities. **Lagardère** owns a stake of 51% in the joint venture in association with the local **Komunikace 2000, which owns the other 49%**. **Lagardère** is also involved in the printing plants sector where **CZ Press** is one of the most important distributors. **Lagardère** also owns two distribution services through its company **Hachette Distribution Services: CZ Press**, which deals with the distribution of international press and **HDS Retail Czech Republic** which administrates the shops *Relay* and press shops in Prague.

CONCLUSION

Unlike the TV sector, there are concerns about foreign ownership in the press sector. German dominance, particularly, is often criticized.

But even though foreign capital was indispensable in the 1990s and foreign investors might be less likely to use their potential influence on editorial contents, a press market that is entirely in foreign hands poses problems for the cultural identity of a nation.

The strong position of TV Nova might raise concerns. However, the market share has dropped (from 70% to 43.4%) due to the better performance of competitors.

The Czech press market is highly concentrated and therefore particularly diverse. Major players are big foreign investors. The presence of big groups controlling the relatively small press market make the launching of a newspaper by a smaller, and perhaps domestic, company even harder because it demands a lot of investment.

It is also clear that the transition of Czech television from a state-controlled broadcaster to a public service broadcaster, with independent news and current affairs and quality programming, is incomplete. At the same time there has been a failure to regulate effectively the development of commercial television both in awarding and maintaining oversight over channels, which abandons the promises made when they were awarded licences.

The Czech Republic has no restriction on foreign media investing in the market, allowing the multinationals to penetrate the market with ease. The law on radio and television serves as the basic instrument covering the broadcast media in the Czech Republic. It was adopted in 1991 but has been amended six times since then. It requires licensing of broadcasters. Cable operators and periodical publishers only have to register with the Council for Radio and Television Broadcasting or the Ministry of Culture, respectively. Foreign ownership is permitted, and indeed is prevalent, in all forms of media. However, the operator of an enterprise must be a legal entity in the country. That is why all the big European companies have branches in the Czech Republic.

Denmark

The Danish government has indicated that it intends to privatise the television channel, TV2, which was partly funded by a licence fee. The government has announced it wants TV2 privatised 'as quick as possible'. Now TV2 is driven partly by license fee and partly by commercials. TV2 is prepared to be privatised. But privatising has been postponed at least 2 or 3 years because the Danish government is expecting a verdict from the EU court. In the court of first instance TV2 has been assessed a fine of about 100 million euros because of misuse of the licence fee.

At present Denmark has strict regulations on television advertising. Commercials cannot be broadcast during programmes, may not exceed 15% of a station's daily broadcasting, or be on the screen more than twelve minutes per hour. Alcohol, tobacco and non-prescription drugs are forbidden, as is advertising for political or religious groups.

Some television stations now broadcast by satellite from England into Denmark to avoid these regulations.



TELEVISION

Public service broadcasting has a very strong position in the national television landscape, with the two public service broadcasters *DR* and *TV2* accounting for 72% of the total market. Including the third largest broadcasting group, the **MTG** owned **Viasat Broadcasting Denmark**, this raises the concentration for the largest three players in the market to 81%. **Viasat Broadcasting Denmark** owns *TV3* as a pay-TV channel. However, the Media Agreement of 2000 reached by the parties currently in government will bring about the privatisation of public service channel *TV2*, which will retain some public service obligations, hence changing the landscape. Moreover, there are several foreign broadcasters, especially Danish versions of Swedish programs, which target the Danish market.

RADIO

Like the television sector the radio sector is also dominated by the public service broadcasters **Denmarks Radio (DR)**, who holds a share of almost two thirds of the entire market. **DR's largest competitor** is the pan-Scandinavian **SBS**

Broadcasting group. **SBS Broadcasting** is the market leader among private radio operators in the Danish market. It increased its share in the Danish radio market by acquiring *Radio 2* from a subsidiary of US broadcasting giant **Clear Channel Communications**. **Sky Radio A/S**, a local outlet of the **Sky Radio Europe** group owned by Rupert Murdoch's **News Corporation**, ranks third in terms of market share with 6.7%. *Radio 100 FM* (4.7% market share) is owned by **John de Mol** (*Talpa Radio International*). The regional **ANR** networks (*ANR Hit FM* and *ANR Guld FM*, operated by the **Nordjyske Medier A/S** multimedia group, which is centred on the Northern Jutland regional newspaper *Nordjyske*) are therefore the only nationally owned commercial network.

CABLE AND SATELLITE OPERATORS

The penetration of cable TV services is about 60% - above that of its Scandinavian neighbours, Sweden and Norway. The market is divided between two major service providers, **TDC Kabel A/S** (55.9% market share), a subsidiary of **Tele Denmark's** successor **TDC A/S**, and **TeliaStofa A/S** (11.8% market share), owned by the pan-Scandinavian **TeliaSonera** group. While the latter still features the Swedish and Finnish governments among its shareholders, **Danish TDC** has been entirely privatised.

The satellite TV market is split between **Canal Digital** and **ViaSat** who both compete for subscribers in all the Scandinavian markets. **Canal Digital** carries *Canal+*'s premium pay-TV channels. **Canal Digital's** main competitor is the **Modern Times Group's** ViaSat platform. **MTG** also transmits the commercial satellite channel *TV3*, which is broadcast from London to benefit from the UK's more relaxed advertising regulations.

WRITTEN PRESS

Through the setting-up of a shared publishing venture between daily *Jyllands-Posten* and its competitor *Politiken*, the **two companies** behind the newspapers became the largest Danish publisher of dailies and newspapers in general.

The Norwegian group **Orkla Media** is the leading newspaper group. It acquired control over the daily *Berlingske Tidende* and *Erhvervsbladet*, with a total market share of 42.8%, and the associated publishing house of *Det Berlingske Officin*. Moreover, **Orkla Media** owns the weekly current affairs journals, *Weekendavisen*; four regional dailies, including *Arhus Stiftstidende* and *Jydske Vestkysten*; 6 local dailies; and 49 regional weekly papers. **Bonnier** is present in the Danish market through the financial daily *Dagbladet Børsen*. The free sheets *Erhvervsbladet* and *Urban* are published by **Berlingske**, the latter of the two as a competitor to the Sweden's

Metro International, which was first to launch a free daily. Both *Metro* and *Urban* extend their activities geographically. They not only target the city of Copenhagen, but also several other cities in Denmark.

The magazine market has also suffered a decline, with general interest magazines being supplanted by TV guides. **Aller** publishes the best selling women's weekly magazine *Familie Journalen* (circulation 223,546) and the third most popular, *Ude og Hjemme* (circulation 174,456). The **Aller Group**, wholly owned by the Aller family, is Denmark's leading magazine publisher and claims to have 70% of the market in terms of circulation. It publishes 29 magazines, including TV guides *Se og Hor* (circulation 194,278) and *Billed Bladet* (circulation 204,489).

Egmont Magazines publishes 12 magazines and weeklies in Denmark, including *Hjemmet* (circulation 176,398) and *Her and Nu* (circulation 120,634). **Egmont Magazines** is part of the **Egmont Group**. In Scandinavia, the **Egmont magazine** division publishes more than 60 different publications, covering more than a third of the Scandinavian market for weeklies and magazines.

Estonia

Immediately after liberation from censorship and state control, an enormous expansion of the press market took place in terms of circulation numbers as well as the number of titles. Before 1998, foreign ownership of the Estonian press was minimal. The major part of the media market - both printed and the privately owned electronic media - is presently owned by large Swedish and Norwegian media companies. The Estonian media landscape is another example of a small market with a strong outside influence and a high level of division between language groups. The population requires both Estonian and Russian language media. In addition, the Estonian language is similar to Finnish, which allows for reception and consumption of media from neighbouring Finland.



TELEVISION

Three terrestrial TV channels are broadcasted in Estonian territory and licensed by Estonian authorities. Several thematic channels and channels from foreign countries (Finland, Sweden, UK, Russia, Germany, etc) can be received in Estonia via satellite and cable networks. The public service broadcaster **Eesti Television (ETV)** has made an elitist turn in their programming strategy after withdrawal of advertising in 2002. Having the leading 30% market share among viewers with higher education, **ETV** is no competitor for commercial channels with its 18% general market share.

There are two commercial TV broadcasters: *TV3* and *Kanal 2*. The most popular channel is the commercial channel *TV3*, which belongs to the **Modern Times Group** and has an audience share of 24.2%. The second commercial channel is *Kanal 2*, which has an audience share of 19.7%, and is owned by the Norwegian media group **Schibsted**. Further there is the *Pervij Baltijski* TV channel, which has a Latvian broadcasting license and broadcasts via satellite and cable networks. This is a private channel related to the Russian channel *ORT*, which obtains an average of 7% audience share (the population which speaks Russian represents just 29% of the Estonian population).

There are 32 radio stations run by 18 companies in Estonia. Two of the three biggest radio groups are mainly foreign owned. The biggest commercial radio group which holds 30% of the audience shares with its stations *Kuku*, *Elmar*, *Uno Pop*, *Uno Plus* *Dynamit FM* and *100FM* is the private undertaking **AS Trio LSL**, which is partly (34%) owned by the biggest media corporation **Eesti Meedia**, while **Communicorp Group Ltd** has a majority (66%) share. **Sky media**, owned by **First media**, has a 16% audience share. The public service broadcaster **Eesti Raadio (Estonian Radio)**, however, has the most dominant position in the radio market with an average audience share of 45.6%. The most popular radio station is the public broadcaster *Vikerraadio* with an audience share of 22.4%. **Eesti Raadio** has 4 nationwide radio programs, 3 in Estonian and 1 in Russian.

CABLE OPERATORS

The market is dominated by the multi-service cable-operators **Starman Cable TV** and **STV Cable**. The leading company is **Starman**. A stake of 66% in **Starman** is held by **Highbury Investments** (a subsidiary of **Emerging European Capital Investors**) and the remaining equity belongs to Estonian investors. The second largest player is the locally owned **STV** with a market share of about 24%.

WRITTEN PRESS

Given the small size of the market and the need for a further division of the market along linguistic lines, it is unlikely that the situation of concentration would change. After the last decade, while smaller and bigger players tried to establish themselves on the press, radio and television business, the media market seems to have settled down. While the Russian-speaking population apparently has a lower level of readership of newspapers (31%) than the Estonian speaking population (67%), there are about 20 Russian-language newspapers and 26 Russian-language magazines published in Estonia. The Estonian media market is dominated by large publishing firms that belong essentially to two major media groups: the **Eesti Meedia Group** and the **Ekspress Group**. The Norwegian company **Schibsted** has a majority shareholding (93%) in **Eesti Meedia Group**, the country's largest media group. **Eesti Meedia** publishes the biggest quality newspaper *Postimees* (circulation 64,000). Another joint venture with **Ekspress Media** is the **Estonian Magazine Group**, which publishes a number of periodicals and special-interest magazines.

The **Ekspress Grupp** is solely owned by Hans Luik, a national investor (who acquired the Swedish **Bonnier Group** shares in 2001). The Swedish **Bonnier Group** still publishes the leading business daily *Äripäev*. The **Ekspress Group** has a 50% share of the quality paper *Eesti Päevaleht* (circulation 35,500) and a 50% share

of the national tabloid *SL Ohtuleht* (circulation 65,000) and solely owns the largest national weekly *Eesti Ekspress* (circulation 44,700). *Eesti Päevaleht* owns the three largest free newspapers that are distributed in Tallinn, Tartu and Pärnu. It additionally runs the printing house **Printal**, the second largest in terms of turnover.

The only publishing house remaining under state ownership is **Foundation Kultuurileht**, which publishes 11 different cultural and educational periodicals. During the 1990s, the number of cultural weeklies and magazines did not diminish, but the circulation of most went down. Altogether, there are six nation-wide daily papers, with a total circulation of 198,000.

Finland



RADIO

The largest player in the Finnish radio market is the public service broadcaster **YLE**, which has a market share of 50%. **YLE** offers *YLE Radio Suomi*, a nationwide channel with 20 regional stations. The Swedish-language channels *YLE Radio Vega* and *YLE Radio Extrem* are broadcast in the Swedish-speaking coastal region. Additionally, the Sámi-language *Sámi Radio* operates in Northern Lapland. *Radio Nova*, the second most popular radio channel has an audience share of 13%. **Alma Media** owns 74% of *Radio Nova*. Aside from *Radio Nova* there are nine semi-national radio networks and 61 radio local channels. The two important commercial radio stations *Kiss FM* (6% market share) and *SBS Iskelmäradiot* (7% market share) belong to the **SBS Broadcasting Group**. Furthermore two radio stations are run by the American company **Metromedia International** and one by the French Radio Group **NRJ**.

TELEVISION

The two main national channels of the public service broadcaster **YLE** are *TV1* and *TV2*, which have a combined audience share of around 45.2%. *MTV3* is owned by Finland's second largest media concern, **Alma Media**. *MTV3* is Finland's leading commercial TV channel, with an audience share of around 36%. Another Channel owned by **Alma Media** is *SubTV* (3% market share), which is transmitted via cable and DTT. *Channel Four Finland* is 90.55% owned by **Swelcom**, a wholly owned subsidiary of **Sanoma WSOY**. The minority share is held by **TS-Yhtymä Oy**, part of the Finnish **TS Group** a communications group which processes and provides information and develops graphic products and related services. *Channel Four Finland* has a market share of 14%.

CABLE AND SATELLITE OPERATORS

The largest cable operator is **Helsinki Television (HTV)**, a wholly owned subsidiary of **Swelcom**, which in turn belongs to **Sanoma WSOY**. It holds a market share of about 23% with around 257,000 subscribers. It is fully digitalised, offers high-speed Internet access and has a consumer broadband service, **Welho**.

Its nearest rival is Finland's national telecom operator, **TeliaSonera**, which has around 160,000 cable subscribers.

DTH-services are provided by two companies: **Canal Digital**, 100% owned by Norway's **PTO Telenor**, which offers a raft of channels across the Nordic region, many still provided by *Canal+*; and by **ViaSat Broadcasting**, part of Swedish media conglomerate, **Modern Times Group**.

WRITTEN PRESS

Two companies dominate the market: **Sanoma WSOY** and the **Alma Media Group**. With the two leading national dailies, *Helsingin Sanomat* (circulation 434,472) and *Ilta-Sanoma* (circulation 201,281), the **Sanoma WSOY** group is the strongest player in the press sector. **Alpress**, which belongs to the **Alma Media Group**, publishes the third place paper *Iltalehhti* (circulation 130,371), a national evening paper and the leading regional daily based in Tampere, *Aamulehti* (circulation 136,726). The best-selling weekly newspapers are the Sunday editions of these four newspapers *Helsingin Sanomat* (circulation 492,385), *Ilta-Sanomat* (circulation 243,000), *Italehti* (circulation 159,090) and *Aamulehti* (circulation 140,802)).

Sanoma Magazines is the leading magazine publisher in Finland with a market share of 63%. **United Magazines**, a subsidiary of **Otava Book and Magazine Group**, is Finland's second largest consumer magazine publisher, publishing the top-selling general interest magazine, *Seura* (circulation 226,804) and the women's fortnightly *Kotiliesi* (circulation 161,604). It has a total of 39 titles on the news stands.

A-lehdet publishes 18 Finnish consumer magazines covering health and beauty, motoring, sport, gardening and business and economics. Its top selling title is the weekly family magazine *Apu* (circulation 240,608).

THE MAIN PLAYERS

The two main players in Finland are **Sanoma WSOY** and **Alma Media**.

SONOMA WSOY

Helsinki-based **Sanoma WSOY** is the second largest Nordic media group, after the Swedish **Bonnier group**. It was formed through the merger of publishers **Sanoma** and **WSOY** with **Helsinki Media**, a print and broadcast group. Following the acquisition of consumer magazines from the Dutch **VNU group** it is also present in Eastern (Czech Republic and Slovakia), Central and Western Europe, including 50% of the Dutch magazine market and 39% of the magazine market in Belgium.

Sanoma has a wide range of papers. It has a newspaper, a tabloid and a business paper as well as free sheets, local papers and free ad publications. In addition, some papers have different kind of supplements and almost every paper has also an online edition.

The group produces Finland's leading tabloid, broadsheet and financial newspapers: *Helsingin Sanomat*, *Iltta-Sanomat* and *Taloussanomat*. Furthermore, the group publishes the largest free newspapers in Finland (*Kultainen Pörssi*) and Estonia (*Kuldne Börs*).

Furthermore the group owns printing plants in Kouvola and Lappeenranta.

Sanoma Magazines is Finland's largest magazine publisher measured by net sales and total circulation. With a total of 42 titles, it is the market leader in women's and family magazines, children's and juvenile publications and IT magazines.

The company's largest magazine is the young people's weekly, *Aku Ankka* (Donald Duck), which has been published in Finland since 1951 (circulation 300,908). The second-largest magazine, *ET-lehti*, for 50+ readers, has a circulation of 265,362. The family magazine, *Kodin Kuvalehti*, has a circulation of 180,614, while *Me Naiset* is one of Finland's most popular women's weeklies, with a circulation of 124,485.

The **VNU** acquisition brings together 3000 titles in Belgium, Britain, the Czech Republic, Finland, Hungary, The Netherlands, Romania, Slovakia, and Sweden. It made Sanoma the market leader in Belgium, the Czech Republic, Finland, Hungary and The Netherlands.

It also includes **Aldipress**, the largest Dutch commercial sales and distribution organisation (70% of the market)

The group runs the commercial TV station *Channel Four*. Additionally, **Sanoma WSOY** runs the country's largest cable company **Helsinki Television (HTV)**.

The group is Finland's leading book publisher in general literature, education and a number of specialist publications. It is the market leader in book printing and the Nordic areas leading calendar publisher.

Rautakirja's Finnkino is Finland's largest cinema chain and a major player in Estonia, Latvia and Lithuania. **Sanoma Magazines' Sanoma Uitgevers** owns **RCV Entertainment**, the largest independent film distributor in the Benelux.

ALMA MEDIA

Created in 1998 through the merger of Finnish publisher **Aamulehti** and commercial television group, **MTV Corporation**, the old Alma Media was Finland's second largest media group. Its principal shareholder was the Swedish media group, **Bonnier**. After an unsuccessful take over bid by the Norwegian **Schibsted Co.**,

in the beginning of the year 2005 the company was split in two. The broadcasting part, a new company named **MTV Oy**, is now jointly owned by the Swedish Bonnier and a Swedish venture capital company **Proventus**. The print press company now operates under the old name **Alma Media** and is owned by Finnish corporations and investors. **Alma Media** is also active in Finland, Lithuania, Estonia and Latvia

MTV Oy takes its name from the channel *MTV3*, Finland's leading commercial TV channel with to a younger audience targeted channel *Sub TV* attached to it. The company also holds a majority share in the national commercial radio station *Radio Nova*. *MTV Oy* also holds a share of 23.4% in *TV4 AB*, a Swedish commercial television channel of which 29 % is directly owned by Bonnier.

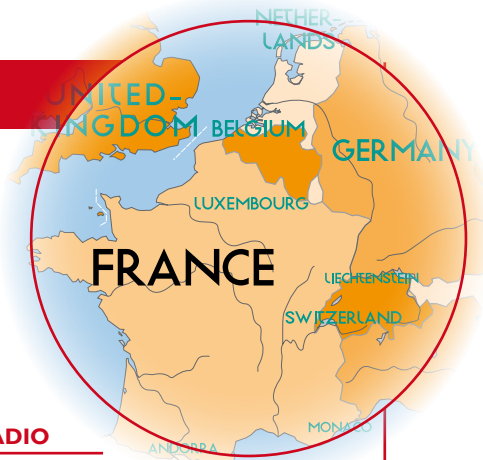
The new **Alma Media's** line of business is print press and new media. It offers 31 titles, including the afternoon tabloid, *Iltalehti*, the financial daily, *Kauppalehti* and a range of regional papers: *Aamulehti* (Tampere), *Satukunnan Kansa* (Pori), *Lapin Kansa* (Rovaniemi), *Pohjolan Sanomat* (Kemi), and *Kainuun Sanomat* (Kajaani).

Alma Media's Business Information Group runs the Baltic News Service based in Tallinn, Estonia, which produces news in five languages: (Estonian, Latvian, Lithuanian, Russian and English).

The company's **Balance Consulting Service** analyses corporate financial statements and performance from a database of 11,000 companies

France

France's media policy is shaped strongly by the cultural and linguistic defence of its audiovisual space. The *Conseil supérieur de l'audiovisuel* is the responsible authority for protecting the respect of this regulation. Moreover, it is concerned with the control of political plurality.



RADIO

Radio France manages national networks (*France Inter*, *France Musiques*, *France Culture*, *France Info*, and *France Bleu*) and about 60 regional stations. Also part of the state-owned system is *RFI* (international). The public broadcasters accumulate a market share of 21.4%. About 1200 FM stations operate, most of which are commercial, specialised and fed by some 14 networks. Three main commercial groups: **RTL** (18.4% market share), **NRJ** (17.4% market share), and **Lagardère** (14.6% market share) control half of the market. The **RTL Group** operates three radio stations, with *RTL* being the radio station with the highest audience share among public and private stations. Shareholders in the **RTL Group** include **Bertelsmann** (53.1%), **BWTV** (37.3%), by itself a holding company owned by **Bertelsmann**, and the public (9.6%). Other local non-profit stations belong to associations.

TELEVISION

Terrestrial television is dominated by the four channels of the public broadcaster **France Télévisions**: *France 2*, *France 3*, *France 4* and *France 5*, which maintain an average audience share of 43%. *France 5* has an educational remit and shares the terrestrial frequency with the Franco-German cultural channel *Arte*. Through **RFO**, **France Télévisions** broadcast also TV channels overseas within the satellite TV programme *France Ô* (formerly *RFO Sat*). The two main commercial channels are *TF1* (31.8% market share) and *M6* (12.5% market share). The **Group Canal+** has a total of about 8.4 million subscribers including its terrestrial channels *Canal+* (4.95 million subscribers), satellite distributed channel *Canalsatellite* and cable distributed *NcNumericable*. After the takeover of the **Canal+** by **Vivendi Universal**, special financial and legal arrangements were made in order to comply with ownership restrictions.

TF1 was the first public service channel in France. Privatised in 1987, the **Bouygues** group became its core shareholder (41.6%). It was awarded a new ten-year broadcasting licence in 1997, despite incurring fines for failing to broadcast the

prescribed 60% quota of EU programming. *TFI* remains the leading French channel, achieving. It is developing its theme channel offerings (*TV Breizh*, *TF6*, *Série Club*, *Tfou*, *Histoire*).

Despite the opposition of unions and several civil society groups, the governments' project of a "French CNN" (*Chaîne Internationale d'Information*, "CII"), has been approved by the competitions services of the European Commission. *CII* is produced in cooperation with the public broadcaster **France Télévisions** and the private channel *TFI*, which means that the channel will be a private company initially financed by public capital. Another disputed aspect of the project is that the channel will not be seen in France itself – despite the fact that it is financed with the license fee. Opponents to the project say that the reason for this is that *TFI* did not want a new competitor to its leading national news channel *LCI*.

M6 Group is majority owned by **RTL Group** (53,1%) owned by the **Bertelsmann** group) and it targets a youth audience.

During 2004, **M6 Group** acquired *Paris Première* from **Suez**. Moreover, it *M6 Music* launched two new channels in January 2005 – *M6 Music Rock* and *M6 Music Black*.

CABLE AND SATELLITE OPERATORS

Transmission via satellite has grown since the launch of digital television in 1996 and is emerging as the main competitor to terrestrial television. France has two competing direct to home satellite services: *Télévision par Satellite (TPS)* and *CanalSatellite*. *TPS* was launched at the end of 1996 jointly by **TFI Group** and **France Télévisions**. Later **France Télévisions** divested its interests in *TPS*. Today it is 66% owned by *TFI* and by 34% owned by *M6*. It is continuing to expand its subscriber base from the 1.67 million customers it had at the end of 2004).

CanalSatellite is owned jointly by **Lagardère** (34%) and **Group Canal+** (66%).

Suez Lyonnais sold **Noos** in July 2004 to **Médiareseaux**, a holding company of the **United GlobalCom Inc (UGC)** in France, now named **UPC Broadband France**. After the sale, **UPC** and **Noos** had a total market share of 48% and became the leading cable operators in the market. **UPC-Noos** have 1.5 million basic cable subscribers.

In 2005 **France Télécom Cable** had just over 850,000 subscribers; **NC-Numéricâble**, a wholly-owned subsidiary of Canal+, had 752,380.

The major national quality daily papers are *Le Monde* (circulation 345,000), *Le Figaro* and *Libération*, but the bulk of French newspaper circulation comes from local and regional newspaper sales. There are also specialised economic and financial dailies (*Les Echos*, owned by the UK-based **Pearson** group, and *La Tribune Desfossés* owned by **LVMH (Louis Vuitton, Moët-Hennessy)**). *L'Equipe* is a daily sports paper. In the provinces there are about 33 regional dailies, like *Ouest-France*, which has the largest circulation in the country at 760,000; *Sud-Ouest*; and *La Voix du Nord*. Furthermore, there is a wide range of daily newspapers distributed locally. One area of controversy has been the intrusion of the free newspapers distributed by Norway's **Schibsted** (*20Minutes*) and Sweden's **Metro International** (*Metro*). *Metro* is distributed in Marseille and Lyon, but in Paris unions and competitors tried to stifle the initiative. At the regional level **Ouest France** group is the largest publisher. It publishes the top selling newspaper *Ouest France*, with 42 local editions distributed in Normandy, Brittany and the Loire. It owns about 60 paid local newspaper titles and has interests in free press (25% in *20Minutes*). Through its subsidiary **Publihebdo**s, it also owns 38 weekly newspapers. The major publishing groups **Socpresse** and **HFM** are also important players in the regional press sector.

The French are among the largest magazine readers (about 1300 sold for 1000 inhabitants), reading some ten weekly newsmagazines (*Nouvel Observateur*, *l'Express*, *Le Point*, *Paris-Match*); many television magazines (*Télé7jours*); women's weekly magazines (*Femme actuelle*, *Elle*); women's monthly magazines (*Prima*, *Marie-Claire*); and sports and youth magazines. The major press groups are **Socpresse (Dassault)** and Hachette **Filipacchi Médias (Lagardère)**, followed by **Le Monde, Amaury and Bayard**.

SOCPRESSE

Socpresse is one of two branches of the group **Hersant**, while the other branch is **France-Antilles**. **Socpresse** is the number one press group in France. Its principal publications are French daily newspapers and magazines.

Dassault, through its ownership of Hersant, controls 87% of Socpresse while the other 13% is owned by Aude Ruettard, the granddaughter of **Hersant** founder Robert Hersant. The **Dassault** group is mainly active in weapon production and the aviation industry. The **Hersant Group** was established by Robert Hersant (an editor of far-right publications during the German occupation and creator of the Jeune Front political party). He died in 1996 and since then the group, which at one time had 30% of French newspaper circulation, has been selling stakes in ailing publications. National publications include the Group Figaro, which encompasses: *Le Figaro*, *le Figaro Magazine*, *le Figaro Madame*, *L'Indicateur Bertrand*, *Propriétés de France* and *France-Soir*. **Socpresse** is very active in the regional and local newspaper

markets. For example, the group holds a 67.6% share in the publisher **La Voix du Nord SA** (*La Voix du Nord, Nord Eclair, La Voix de l'Aisne, Nord Littoral, la Voix des Sports*). Another shareholder of **La Voix du Nord SQ** is the Belgium group **Rossel**, which is 40% owned by **Socpresse**. However, recently there are talks ongoing to sell **La voix du Nord SA. Socpresse Ouest** (*le courrier de l'Ouest, la Maine libre, Presse océan/l'Eclair*) has already been sold to **Ouest-France**. Moreover, it is planned to sell *Le progrès* and *le Dauphiné libéré*. Once these purchases are completed the group will have divested its interests in the regional press sector.

Socpresse publishes *TV Magazine, L'Auto Journal* and *Version Fémina*, the latter is co-edited with **HFM**, through **Société de presse Féminine (SPF)**. *Paris-Turf* and *Weekend* have been bought by the investment group **Montagu Private Equity**, which established the company *Turf Editions*, which includes the publications of **Editions en Direct (EDH)**. **Socpresse** has a stake of 40% in *Journal du dimanche*, while the majority share is held by **HFM**.

Socpresse owns the group **Express Expansion**, which publishes successful weeklies like *L'Express, Lire, l'Expansion, l'Entreprise*, and *Mieux vivre votre argent*. **Côté Maison** a joint venture between **Express-Expansion** (50%), **Roularta Media Group** (40%) and Elisabeth Lefebvre (10%) that publishes the magazines *Maison Côté Sud, Maison Côté Ouest, Maison Côté Est, Maison française* (which is likely to be merged with *Maison Madame Figaro*), and *Maison magazine*. Through the group **L'Étudiant**, the company is also involved in publications that target students and pupils (*l'Étudiant, Transfac, Lycée Mag*).

Socpresse owns the printing plant **Roissy Print**, as well as the advertising agency **Publprint – Socprint**.

AMAURY GROUP

The **Amaury** group is 75% owned by the Amaury family and 25% owned by **Hachette**. It publishes the successful dailies *Le Parisien* (circulation 346,686), *Aujourd'hui en France* (circulation 153,097), sports paper *l'Équipe* and several sports magazines (*France Football, Vélo Magazine*). The group is also active in television via its channel *l'Équipe 24/24*. Moreover, the group has interests in organising important sports events like the Tour de France or Open de France via **Amaury Sport Organisation (ASO)**.

BAYARD

Bayard is the fifth largest press group in France, in terms of circulation, and publishes 95 newspapers and magazines in Europe, North America and other areas. It specialises in four areas: children's publications; the 'over-50s' press; hunting and fishing magazines; and the Roman Catholic religious press.

The group **Bayard- Milan Press** holds a 27% market share in the press sector targeting youth, and is therefore the most successful publisher in this sector.

It publishes a broad range of magazines like, *La Croix*, *Pèlerin*, *Notre temps*, *Vermeil*, *Côté femme*, *Terre sauvage*, as well as the *Pomme d'Api*, *Astrapi*, *Babar*, *Popi*, *Youpi*, *Okapi*, *J'aime lire*, *Je bouquine*, *Les dossiers de l'actualité*, *Phosphore*, and *J'aime la BD*.

The group is also active in the U.S. through **Creative Communications for the Parish** (Living Face), **Twenty Third Publications** and **Catholic Digest**, **Novalis** (licence).

Although **Milan Presse** was bought by Bayard in 2002, it remained a proper legal entity. **Milan Presse** is also very active in the press sector targeting a young readership (*Picoti*, *Toupie*, *Toboggan*, *Petites mains*, *Histoires pour les petits*, *J'apprends à lire*, *Wakou*, *Manon*, *Moi je lis*, *Wapiti*, *Julie*, *Les clés de l'actualité Junior*, *Lolie*, *Les clés de l'actualité*, *Toboclic*, *Mobiclic*).

Another magazine sector is geographical press like *Alpes Magazine*, *Pyrénées Magazine*, *Pays basque Magazine*, *Pays de Provence*, *Bretagne magazine*, *Histoire et Patrimoine* and *Ethno*.

LE MONDE GROUP

The **Le Monde Group** publishes the popular daily *Le Monde* and has publications in the South-West of France with its daily *Le Midi Libre*.

Monde SA is currently recapitalizing itself and shares will be divided between the Spanish group **Prisa** (15%), **Lagardère** (17%) and **Stampa** (3%).

National titles published by the group are: *Courrier International*, *Le Monde de l'Education*, *La Lettre de l'Education*, *Le Monde Diplomatique*, *Manière de voir*, as well as the TV guide *Télérama*.

Through **Malesherbes Publications**, **Le Monde** publishes *La Vie*, *Le Monde des religions* (formerly *Actualité des religions*), *Notre Histoire*, *Prier*, *Les Clés de la foi* and *Ecritures*. Through **Sper** it publishes the titles *Danser*, *Top Famille magazine* (in co-operation with **HFM**, via **Publifa**), *Voiles et Voiliers* (in co-operation with **Ouest-France**, via **Sofiouest**).

Moreover, the group publishes the historical interest magazine *Ulysse*, and, through **Fleurus presse**, further magazines targeting a young readership (*L'Hebdo-Le Monde des Ados*, *Je lis déjà*, *Abricot*, *Papoum*, *Je lis des Histoires Vraies*, *Mille et une Histoires*, *Mon journal Arc-en-ciel*, *Les P'tites Sorcières*, *Les P'tites princesses*, *Pirouette*).

The group is also active in the local and regional daily newspaper market, through *Les Journaux du Midi* (ex *Midi Libre*), which is owned by **Presse Europe Régions**, in which **Le Monde** holds a majority stake of 63% (with 25% held by **La Stampa**,

11% by **Prisa** and 1% by **Edipresse**). It publishes *La Semaine de Nîmes*, *la Semaine du Roussillon*, *le Journal de Millau*, *l'Aveyronnais*, *le Catalan Judiciaire*, *Terre de Vins* and *Terres Catalanes*.

LAGADÈRE

Hachette-Filipacchi Presse is part of French industrial conglomerate (cars, munitions, telecommunications, aerospace) **Lagardère**. Media group **Hachette** merged with telecoms and technology firm **Matra** in 1993. It has interests in the book, magazine and multimedia publishing industries and it has a European presence through licensing its titles for local editions. However, the group sold its interests in **Matra**.

Lagardère Media has four subsidiaries:

Hachette Livre is responsible for educational, reference, general publishing and leisure titles in France (**Hachette**, **Editions Filipacchi** and **Le Livre de Poche**), Spain, Italy, the USA and the UK. **Gollancz**, **Weidenfeld** and **Nicolson**; **Orion**; **Cassell**; and the **Octopus Publishing Group** are part of its UK assets.

Hachette Filipacchi Médias (HFM) is the news and magazine division. It is the world's largest publishers of magazines, with 238 titles in 36 countries. Its French publications include several general and special interest magazines like *Télé 7 jours*, *TV Hebdo*, *Elle*, *Entrevue*, *Paris Match*, *Pariscope*, *Parents*, *France Dimanche*, *Ici Paris*, *Le Journal de Mickey*, *Bambi*, *Première*, *Photo*, *Maximal*, *Jeune et Jolie*, *L'Echo des Savanes*, *Action Auto Moto*, *Public*, *Le Journal de la maison*, *Mon Jardin et ma Maison*, *Campagne décoration* and *Match du Monde*. The company is also involved in newspaper publishing: it holds the major stake in *Le Journal du dimanche* (the minority share of 40% is owned by **Socpresse**). Equally it has interests in the local press in Southern France (*La Provence* and *Nice Matin*).

Hachette Distribution Services (HDS) controls the distribution of press and other media products. These wholesale and retail holdings, similar in operation to the UK-based firm, **W.H.Smith**, include **Hachette UCS**, Canada's largest news-stand chain. **HDS** holds a 49% stake in **Nouvelles messageries de la presse parisienne**, the majority stake is held by five press cooperatives. The group distributes 28 national dailies and 80 foreign dailies. Furthermore it is active within magazine publishing (2,700 French magazines and 900 foreign magazines).

Lagardère Active includes film and television production and radio broadcasting. The advertising group, **Interdeco**, the leading media buyer in France is also owned by **Lagardère**, and **Hachette Filipacchi Global Advertising** operates outside France, specialising in the promotion and sales of the group's magazines.

Germany

Germany has the largest television market in Europe – 97 national television stations in 2005, of which 95 were commercial, and the remainder public service broadcasters. The vast majority of stations are transmitted through Germany's cable and satellite networks, with the two public service broadcasters, **ARD** and **ZDF**, also using terrestrial transmission.



TELEVISION

Two commercial groups dominate the terrestrial TV market – the **RTL** group and **ProSiebenSat.1 Group**. In stark contrast to the position in 1990 when the public broadcasters **ARD** and **ZDF** had a combined market share of 60%, their share in November 2005 was 27.5% and 13.4% respectively. In order to enable the public service broadcasters to fulfil their tasks, the states have to guarantee the necessary funding. Households having a broadcasting receiver are obliged to pay broadcasting fees. Besides the broadcasting fees as a primary source of funding, the public broadcasters are permitted to earn money by means of advertising and sponsoring. The three main **ProSiebenSat** channels have a combined audience share of 21.4%. The group belonged once to the **Kirch Media Group** and, after the bankruptcy of the owner, it was sold to the billionaire Haim Saban, who recently sold the group to **Axel Springer**¹. Germany's most popular commercial TV channel, **RTL**, has an audience share of 15.9%. TV stations controlled by the **RTL** group have a total audience share of around 21.3%

WRITTEN PRESS

The German press sector is dominated by five major groups. One of them, **Axel Springer AG**, publishes the most popular German daily, the tabloid *Bild* (circulation around 3.8 million). Its nearest rival *Süddeutsche Zeitung* has a circulation of around 430,000. **Axel Springer** also publishes *Die Welt* (circulation 203,376). Approximately one fifth of the newspapers sold each day belong to **Springer**. The second largest German newspaper publisher, the **WAZ** is heavily involved in the German regional newspaper market, and together with its activities in Austria and South-Eastern Europe, it constitutes Europe's largest publisher of regional newspapers. The three other major players in the German press sector are **Verlagsgruppe Medien**

Union, Ippen Group and group **DuMont-Schauberg**. The German consumer magazine market is dominated, as in other countries, by best-selling titles in the TV guides and women's magazines categories.

RADIO

The German radio landscape is characterized by mainly federal or regional operating stations; there exist only a few channels which follow a nationwide programming strategy. Alongside private channels there exist also broad offers from public broadcasters. Due to the specific regional structure of the radio landscape in Germany there are no major national broadcasting groups. The public service channels produced by the members of the **ARD** are delivered along federal lines. Combined, the stations of **ARD** have the biggest market share with 27.5%. There are no major national commercial broadcasting groups. The five largest commercial radio groups in Germany have no more than 10% of the national market, with the two leading players being the **RTL group**, with 4.9% of the market, while **Axel Springer AG** has 2.1%. The three remaining groups are associated with the publishing industry, two having strong links with the regional press markets (**Radio Schleswig-Holstein** and **Madsack**), and the last one firmly established in the magazines business (**Burda**).

CABLE AND SATELLITE OPERATORS

55.6 % of all German households receive analogue programmes via cable, 4.4 % make use of terrestrial transmission and 39.9 % via satellite. There are 4.7 million households receiving digital television, 57.4 % of them get it via satellite.

Today the cable network ownership is held by four principal operators. The largest of these is the **Kabel Deutschland Gesellschaft (KDG)**, 48.5% market share), which operates the system previously held by **Deutsche Telekom**. **Deutsche Telekom** had developed the cable network over the previous twenty years and had a virtual monopoly but was forced to divest itself of cable properties. In April 2004 **KDG** introduced **Kabel Digital** and extended consequently its scope of activities beyond only cable operating. **Cable Partners Europe** (former **Callahan Associates**), sold the Northrhine-Westphalian operator **ISH** (20.4% market share) to a consortium led by **Citigroup** and **Deutsche Bank** in 2003, while remaining in possession of its Baden-Wurtemberg activities (**Kabel BW**, 10.7% market share). The smallest operator is Hesse-based **ISEY** controlled by **Apollo Management** and **Pequot** (6% market share).

BERTELSMANN AG

The largest media enterprise in Europe and one of the top ten global media groups is the Bertelsmann group. The group is divided in six divisions: RTL group (broadcasting), Gruner+Jahr (Publishing), Random House (book publishing), BMG (music publishing), Arvato (media services) and the DirectGroup (direct to consumer services).

In 2004 it had revenue of €17 billion. Its biggest sales were in European countries excluding Germany (42.2%), followed by Germany (29.7%) and then the USA (22.4%)

BROADCASTING

RTL GROUP

Bertelsmann has the controlling stake in the **RTL Group** (53.4%). 37% of **RTL** is held by **BW TV**, a holding-company, which was 80% owned by **Bertelsmann AG** and 20% owned by **WAZ**. Recently **Bertelsmann** bought the **WAZ** stakes in **BW TV**. Therefore **Bertelsmann** now owns 90.4% of the group. The group encompasses 27 television stations and 23 radio stations in ten countries, which makes it Europe's largest TV and radio group. Each year **RTL** produces 8,000 hours of programming.

The main stations are: *RTL Television, RTL II, Super RTL, VOX, RTL Shop, n-tv, Traumpartner TV, Universum Film, Cologne Broadcasting Center* (Germany); *RTL TVi, Club RTL, Plug TV* (Belgium); *RTL 4, Yorin, RTL 5* (Netherlands); *M6, RTL* (France); *RTL Télé Lëtzebuerg, Den 2. RTL* (Luxembourg); *Channel 5* (UK); *RTL Televizija* (Croatia); *Antena 3 Group* (Spain); *RTL Klub* (Hungary).

Super RTL is jointly owned by **RTL** and **Disney** and has a strong position in the children's TV market (3-13 age group). There is cross-media branding between the *Toggo* website (the most popular children's website in Germany) and the channel.

On the first of July 2005 the **Bertelsmann Group** extended its geographic scope in Television interests: **RTL Group** bought a 30% stake in the Russian broadcaster *Ren-TV*. Moreover, **RTL Group** is understood to be in talks to take full control of *Channel Five* by acquiring a 35% stake in the broadcaster from **United Business Media**. The Luxembourg-based group owns 65% of the terrestrial station and is keen to build its presence in Britain.

The group also has interests in radio broadcasting: *104.6 RTL, Radio NRW, Antenne Bayern, Radio Hamburg, RTL Radio – Die besten Hits mit Gefühl, Hit-Radio Antenne Niedersachsen, Hitradio RTL Sachsen, Radio Brocken, 89.0 RTL, Antenne Thüringen, Antenne*

Mecklenburg-Vorpommern, Radio 21, BB Radio, Radio Ton (Germany); RTL, RTL 2, Fun Radio, Sud Radio, Wit FM (France); RTL Radio Lëtzebuerg (Luxembourg); RTL FM, Yorin FM (Netherlands); Bel RTL, Radio Contact, BXL (Belgium).

CONTENT PRODUCTION

Ufa Film and TV, UFA Sports, Trebitsch Produktion, BMG Video (Germany); CLT-Ufa International, Delux Productions (Luxembourg); Regent, Talkback (UK)

NEW MEDIA

85 branded websites, including RTL Net (France); NEWMEDIA (Germany); RTL IMedia (Netherlands); IP – Web.net (Pan-European)

PUBLISHING

GRUNER+JAHR

The group publishes 125 magazines and newspapers in 10 countries including Germany, China, Poland, Spain, Italy, Austria, the Netherlands, Russia and the USA. Around 40 magazines are published in Germany alone, including business weekly *Stern* (1,051,744 copies weekly) and fortnightly women's magazine *Brigitte* (circulation 822,278).

Furthermore the company holds stakes in German newspaper sector – *Dresdner Morgenpost*, *Sächsische Zeitung* and seven other titles including a German version of the *Financial Times*.

Book Publishing

The **Random House Group** is the world's largest book publishing group with 100 publishers in 16 countries with annual turnover in 2004 of 1.8 billion euros.

Music

The **BMG** group consists of the joint venture **Sony BMG Music Entertainment** and the music publisher **BMG Music Publishing**. At **Sony BMG**, **Bertelsmann AG** holds a share of 50%; in **BMG Music Publishing** it holds a share of 100%.

Sony BMG Music Entertainment is the world's second largest music company. **BMG Music Publishing** is the world's third largest music publisher.

Direct to Consumer Services

The clubs of the **DirectGroup** claim 32 million members of book clubs worldwide and are therefore market leaders in every regional market, integrating **Bertelsmann's** on- and offline media commerce activities.

Media Services

Bertelsmann through its subsidiary **Arvato AG** has extensive printing and other services, including call centres, IT facilities and consumer data with 280 subsidiaries in 28 countries. Multimedia ad agency **Pixelpark** handles major brands.

HOLTZBRINCK

Verlagsgruppe Georg von Holtzbrinck is one of Germany's largest publishers and content providers and is still owned by the von Holtzbrinck family.

Written Press

The group publishes the weekly *Die Zeit* (circulation 438,000) and Berlin daily *Der Tagesspiegel*. Further products by the group are *Verlagsgruppe Handelsblatt*, including monthly financial magazine, *DM* (circulation 189,000) and a financial daily, *Handelsblatt Zeitung* (circulation 150,000) and a weekly investment magazine, *Die Telebörse* (circulation 170,000).

Holtzbrinck is the second largest publisher of regional dailies, of which many are available online (Cottbus-based *Lausitzer Rundschau*, *MAIN-POST* in the Unterfranken division, *Saarbrücker Zeitung* in south-west Germany, *Südkurier* in the south, *Trierischer Volksfreund* in western Germany, *manus presse* in Southern Germany (Stuttgart)).

Handelsblatt has a 56.5% interest in *Economia*, a Czech business and information publisher.

Television

The group owns **AVE Gesellschaft fuer Fernsehproduktion** which produces information and entertainment programs for private as well as government regulated public television stations, including *Die Zeit TV*, and **Spektrum TV Produktions GmbH**, a subsidiary of **AVE**, which produces mainly documentaries, features and news reports.

Book Publishing

A major fiction and non-fiction book publisher with **Fischer Verlag**, **Rowohlt-Verlage**, **Kindler Verlag**, **Verlag Kiepenheuer & Witsch**, **Verlagsgruppe Droemer Knaur**, **Farrar, Straus & Giroux** and the **Macmillan Group**.

Online and Internet

Holtzbrinck has also invested in e-business ventures: **holtzbrinck networXs AG** is the corporate venture company of the **Verlagsgruppe von Holtzbrinck**, whose central goal is to generate an above-average yield on the capital employed and to trace innovative business models in the field of new media.

AXEL SPRINGER AG

Axel Springer Verlag AG claims to be the largest newspaper publishing company in Europe but it also has broadcasting interests. Its sales in 2004 were €2.402 billion, with sales outside Germany of €430 million.

Broadcasting

The company has a range of interests in TV and radio, the Internet and TV and radio production companies.

It has an 11.5% stake in **ProSiebenSat.1**. Actually Axel Springer's increased its stake in **ProSieben Sat.1**. The acquisition however has not yet been cleared by the German competition authority. Moreover, **Springer AG** has a minor share of Hamburg-based cable TV operator **KG Hamburg 1 Fernsehen Beteiligungs GmbH**, and owns **SchwartzkopfTV**.

Publishing

Axel Springer AG publishes more than 150 newspapers and magazines in 27 countries. *Bild* is the best selling national daily paper in Europe with sales of around 3,8 million. **Axel Springer** also publishes *Die Welt*.

Bild's Sunday counterpart dominates the Sunday market with sales of around 2.08 million copies. **Axel Springer** also publish the second and third most popular Sunday papers – *Welt am Sonntag* and *B.Z am Sonntag*.

It also has a strong presence in the German regional newspaper market. In addition to 31 regional editions of *Bild* it publishes a number of local papers: *Hamburger Abendblatt* (Hamburg, circulation over 276,620), and *BZ* (Berlin, circulation 227,585) and *Berliner Morgenpost* (Berlin, circulation 150,740)

Three magazines dominate the TV listings market – *Hörzu*, *TV Digital* and *Funk Uhr*. A number of popular magazines link to the *Bild* title: the women's *Bild der Frau* (circulation 1.25 million), car magazine *Auto Bild* (circulation 673,884), *Computer Bild* (circulation 845,745) *Sport Bild* (circulation 540,000) and general interest *Bildwoche* (circulation 316,037)

Springer publishes newspapers and magazine outside Germany. In Hungary it has nine daily regional titles and one Sunday title but its main focus is magazine publishing. In Poland it owns 14 titles including a women's weekly, *FAKT* (circulation 535,912); *Pani Domu* (circulation 273,225), a women's monthly; *Olivia* (circulation 259,636); and two monthly youth titles *Dziewczyni* (circulation 132,676) and *Popcorn* (circulation 127,951).

Springer publishes 23 magazine titles in Hungary. These include TV listings guides (four), two women's magazines, puzzle magazines, cookery and interior design titles and two youth titles.

Spanish subsidiary **Grupo Axel Springer** publishes 8 titles, including exclusively Computer magazines. *Computer Hoy* (circulation 123,193) is the Spanish version of the German PC title *Computer Bild*.

Books

Springer has 16 book publishing companies and has its own printing plants and distribution companies.

BAUER

Bauer is one of the largest magazine publishers in Europe with 125 titles in 13 countries.

In Germany the company publishes 35 titles. Bauer is the leading company in TV guides with *TV Movie*, *Auf Einen Blick*, *TV 14* and *TV-Hören*. It is also strong in women's and fashion magazines, with titles like *Neue Post* (1.051 million circulation), *Das Neue Blatt* and *Tina*. Specialist interest magazines include *Auto Zeitung* (cars), *Kochen & Geniessen* (cooking) and *Wohnidee* (homes and interiors) and *Bravo* (youth magazine).

Based on its magazines **Bauer** has launched Internet services like *bravo.de*.

Its fully owned subsidiary **Pabel Moewig Verlag** publishes 41 magazines and around 700 books annually.

In the UK, Bauer's second largest market after Germany, it publishes 26 titles, including *Take a Break* (circulation 1.2 million) and *Bella* (circulation 428,028).

Bauer publish three titles in Spain, four in France and one in Portugal. In central and eastern Europe it publishes 28 magazines in Poland, twelve in the Czech Republic, three in Hungary and two in Romania. It publishes ten titles in the USA, two in Russia, two in Mexico and one in China.

Broadcasting

The group has interests in broadcasting with a 25% stake in *Radio Hamburg* and a 31.5% stake in *RTL2*.

HUBERT BURDA MEDIA

Hubert Burda Media produces 239 magazines and newspapers, 168 of them are published abroad. It has diversified into broadcasting and online activities, and expanded internationally in Asia, Central Europe and Brazil. However its market in Germany remains its most important. **Burda** had sales of 2.004 billion euros in 2004.

The owners and chairman, Dr. Hubert Burda, has given the group a sharper focus online; 16 magazines have their own website and **Focus Digital** is the largest internet media group in the country, following the acquisition of the online arm of the **Milchstrasse** publishing house. The company also has radio and TV broadcasting ventures, including cable and satellite broadcaster **RTL 2**.

An important publication of the company is the weekly *Focus* (circulation 779,866), which competes against *Stern* and *Der Spiegel*. Other main titles include monthly home and garden magazine, *Das Haus* (circulation 1.9 million); a women's weekly, *Freizeit Revue* (circulation 1.046 million); and fashion and beauty magazine *Elle* (circulation 212,005).

InStyle, a celebrity magazine launched in 1999 has a circulation over 432,807. Moreover, the company publishes the *Lisa* series, aimed at young women: *Lisa* (circulation 412,467) and four other titles with sales of between 150,000 and 200,000 copies – *Lisa Fit*, *Lisa Wohnen & Dekorieren*, *Lisa Blumen & Pflanzen* and *Lisa Kuchen & Backen*.

Bunte, a showbusiness and entertainment magazine, sells 748,843 copies per issue.

Burda Eastern Europe organises the publishing operations in eastern and central Europe. Around 117 titles are published in Poland, Czech Republic, Romania, the Ukraine, Russia, Slovenia, Croatia, Serbia Montenegro and Kazakhstan.

In 2000 **Burda** entered a partnership with Italian publishing group **RCS Editori** to expand its Greek and Turkish holdings. **Burda RCS** owns 40% of Istanbul-based publisher **Hürgüç**. There is also a joint venture with Italy's **Rizzoli** media group, **RCS Periodici**, and it has expanded operations to Thailand, Indonesia and South Korea.

In 2004 **Hubert Burda Media** and the Italian media company **RCS Media Group (Rizzoli)** again reorganized their common international activities. **Hubert Burda Media** sold its 40% share in **RCS Periodici** to the group of magazines of the **RCS Media Group** at **Rizzoli**. In response **Hubert Burda Media** took over the 20% share of **Rizzoli** from the **Burda** publishing house **Eastern Europe GmbH** as well as **Rizzoli's** 50% at the common society **Burda RCS**. Due to all these measures the enterprise continues to develop its position in Eastern Europe, France, Turkey and Asia and thus wins further scope of action internationally.

Greece

WRITTEN PRESS

The Greek press market is dominated by four major publishing companies: **C.K. Tegopoulos S.A.**, **Lambrakis Press S.A.**, **Pegasus Publishing & Printing S.A.** and **Kathimerini S.A.** **Lambrakis Press S.A.** publishes *To Vima* (circulation 56,000) and *Ta Nea* (circulation 84,000), which is the market leader in the newspaper sector. The company is the largest media company in Greece with the highest revenue. The company has interests in newspaper and magazine publishing and printing, in tourist agencies, in terrestrial television stations (MEGA), in production studios and in press distribution agencies. The company also has a call centre and CRM services and operates the largest Greek-language Internet portal and e-commerce operations. The company publishes 16 magazines including *Marie Claire*, *Cosmopolitan* and *National Geographic*. In addition, together with the publishers **G. Bobolas Group (Pegasus)**, the company has formed the partnership **TV Zapping S.A.** (each holds a 50% stake) and publishes the high selling weekly TV guide *TV Zapping*. In 2003, **Lambrakis Press SA** signed a letter of intent to co-operate with German publishing firm **Westdeutsche Allgemeine Zeitungsverlag (WAZ)**. The two set up a holding company together, with Lambrakis family having 51% of the shares. **Kathimerini SA** publishes *Kathimerini* (circulation 52,000) and distributes in Greece and Cyprus the *International Herald Tribune* with the supplement English edition of *Kathimerini*. The company is also very active in the publishing business in cooperation with other European publishing houses like **HarperCollins**, **DK**, **white Star** and others.

Lambrakis Press co-owns **Northern Greece Publishing** with the **G. Bobolas Group** and the **A. Bakatselos Group** in (each owns 1/3 of the company). Other major players in the magazine sector are **Daphne** (owned 51% by **AntennaTV S.A.**, see section 2.2) and **Hachette/Rizzoli**, a joint venture between French publisher **Hachette**, Italian publisher **RCS Rizzoli**, and Greek publisher **Pegasus**.

RADIO

Up to 2001, the licensing system was very loosely regulated, which led to a proliferation of radio stations throughout Greece. Finally in 2001 the number of radio stations was limited and some stations had to be closed. It is claimed that the final list of those to receive licenses was strongly influenced by the links between



politics and business. The public service radio station **ERA** has seven national radio stations, two international stations (including *Voice of Greece*) and nineteen regional stations. While there are many municipal stations, the majority are now privately owned. The PBS has an important position within the Greek radio market. The private radio market is mainly Greek owned. In the commercial radio sector, the **Alafouzos** family is very broadly represented. The **Alafouzos Media** group owns *Sky 100,4FM*. Different members of the family own **Kathimerini SA**, the publishing company, which operates *Melodia FM*. Furthermore the family holds a minority stake in *Lampsi FM*, while the majority stake is held by the American **SBS broadcasting**. *Lampsi FM* claimed to be the most listened to radio station. *Antenna FM* belongs to **Antenna TV S.A** as does the regional operating radio station *Rythmos 94.9*.

TELEVISION

The public service broadcaster has two national channels, *ET1* and *Net*, and one regional channel, *ET3*, as well as satellite channel *ERT-SAT*. The PSB only reaches a market share of 14% with its national broadcasting stations. There are two very strong commercial channels which have a dominant market share: **Antenna TV S.A.** owns *Antenna TV*, the most popular channel which reaches an average audience share of 20.8% and *Mega television*, which is owned by **Teletypos SA** and has an audience share of 16.9%. **Teletypos SA** is, however, a company owned by a consortium of the major newspapers publishers in Greece: **Lambrakis, Tegopoulos** and **Pegasus**. The other investors are various investment and finance companies. **Teletypos S.A.** also has a 40% holding in *Multichoice Hellas (Filmnet, Super Sport, KTV)* and via *Multichoice Hellas* the groups also have interests in the digital service *Nova*. The other channels operating in the Greek TV market are *Alpha* (13% audience share), *Star channel* (11.5% audience share) and *Alter* (around 12% audience share). *Alpha* belongs to **Mr. Tsotsoros**. The *Star channel*, launched in 1993 is a Greek network that belongs to the **Vardinoyannis** family, Greek nationals with multiple business activities including oil and petroleum products, shipping, banking, real state, media, hotels and leisure.

CABLE AND SATELLITE OPERATORS

The state monopoly on the installation of cables was to be split between the telecom organisation (**OTE**) and the state broadcaster (**ERT**) but it also allowed a number of public service concessions and the participation of the private sector. However the cable infrastructure is not very developed in Greece and does not enjoy a huge popularity. The prospects for DTH are greater and therefore the focus for digital television has been satellite. The digital satellite television platform **NOVA** is

owned by **Myriad Development** (40%); **Teletypos**, the consortium of publishing companies that owns *MEGA* television channel, (40%); **LTV television company Cyprus** (18%); and **Sun Spot Leisure** (2%).

MAJOR PLAYERS IN MEDIA

ANTENNA GROUP

Television and radio

The group operates the leading Greek television stations *ANTI Television*. Furthermore it has *ANTENNA SATELLITE* and *ANTENNA Pacific* which are transmitting, via a large satellite network, to Europe, Australia and the Americas. In 2003 a digital channel was inaugurated: *ANTI GOLD*.

Besides the radio station *RYTHMOS 94.9* transmitted in the Attica area, the **ANTENNA Group** is cooperating in Salonica with *ANTI FM 97.5*, as well as with the radio station *BANANA FM*, and the national television station *MAKEDONIA TV*. In Cyprus, the **ANTENNA Group** has established a co-operation with the television station *ANTI TV Cyprus* and the radio station *ANTENNA FM Cyprus*.

ANTENNA's horizons were further expanded three years ago, with a new leap performed in the Balkans, where the group now owns the *NOVA TELEVISIA* network - which has obtained a national broadcast license - as well as the Sofia radio station *RADIO EXPRESS*.

Publishing

Within the field of the printed media, the Group has also obtained the majority package of stocks of the printing company **NIKI** and of the publishing company **DAPHNI EPIKINONIES**, which publishes a wide range of weekly and monthly magazines.

Others

In the wider entertainment area, the **ANTENNA Group** also owns the record company **HEAVEN**.

Furthermore, the company's activities include the tele-information company **AUDIOTEX** and the rapidly growing Internet - New Technologies company **ANTI INTERNET**.

The **ANTENNA Group** has also created the Open School for Media and *FAME STUDIO* - every year both of these schools produce the new executives in every field of communication and mass media, as well as new music talents.

Hungary



The Radio and Television Broadcasting Act 1996 was amended in 2002 and upon Hungary's accession to the European Union in 2004 in order to harmonize Hungarian media laws with EU laws and regulations (the Hungarian Broadcasting Act). The Hungarian Broadcasting Act specifies that broadcasters must be natural persons, residents or legal entities registered in Hungary. The Hungarian Broadcasting Act also establishes rules in relation to program content, which are similar to the requirements imposed by the European Union. The Hungarian Broadcasting Act also contains certain cross-media ownership restrictions between print and electronic media. No single natural or legal person may hold, whether directly or indirectly, more than 49% of the voting shares in a broadcaster. Any person having a decisive interest (more than 25%) in a national broadcaster may not hold a decisive interest in any other Hungarian broadcaster with the exception of thematic channels. Also, at least 26% of the voting shares in a national broadcaster must be held by Hungarian natural persons or legal entities registered in Hungary.

RADIO

The public service broadcaster *Magyar Rádió Rt* broadcasts three national stations (with a combined audience reach of 32.9%) and operates ten regional studios. The two most successful commercial broadcasters are *Danubius* and *Slágerrádió* with a recent audience reach of 28.1% and 27.8% respectively. *Danubius* is owned by **Advent International** (a US private equity corporation). *Slágerrádió* is owned by the Hungarian subsidiary of the US company **Emmis International** (75%) and the Hungarian media company of *Credit Suisse First Boston*. The biggest regional channel, *Juventus*, comes third with an audience share of 7.8%. *Juventus* is owned by the **Metromedia International Group**, a US holding company and a wholly owned subsidiary of **Metromedia International Telecommunications, Inc.** *Lagadère* is also represented in the Hungarian radio market. It owns the radio station *Radio 1*. There are, additionally, numerous local stations, both commercial and public service, and nonprofit and community radio throughout Hungary.

The audiovisual market is characterized by a weak representation of local players. The major Hungarian players are *MTM*, *MATAV* and *Antenna Hungaria*. The rest of the market is divided between several foreign media groups like the German **RTL Group**, **SBS**, **HBO** and **Viasat**. *Magyar Television (MTV)* is the public service broadcaster. Public TV broadcasts on three channels: *MTVI* (free to air), *MTV2* (available on cable and satellite) and *Duna TV*. The channels are financed through taxes and some advertising. Recently, the accumulated number of viewers has slightly increased, reaching about 17%. However, public television is criticised because of its high expenses and the excessive influence by political parties, which often affects cultural programmes.

However, the two nation-wide commercial channels are typically way ahead of the no.1 public channel in terms of number of viewers. The most successful commercial channels are *TV2* and *RTL Klub* (with audience shares of almost 30% each). *RTL Klub* is 49% owned by **Bertelsmann's** fully owned subsidiary **RTL Group**. The main shareholder in *TV2* is **SBS Broadcasting** (a US-owned, Luxembourg-based company) who has a 48.99% share but an economic interest of 81.5%, the Hungarian **MTM Kommunikációs Rt** (with a 27.61% share) and the German **Tele -München Fernseh GmbH and Co** (23.4% share). The third commercial channel, *Viasat 3*, lags far behind the two market leaders with an average audience share of 2.4%. *Viasat 3* is operated by the **Modern Times Group (MTG)**. The other channels are owned by foreign companies *Viva+* by the German **Viva Media** Group, *Spektrum* by the American **HBO** and *Sport 1* by **UPC**. The presence of foreign channels such as *Eurosport* or *National Geographic Channel* complemented with Hungarian dubbing is also significant in this segment.

CABLE AND SATELLITE OPERATORS

Hungary is heavily cabled, with 58% of all households receiving their TV services via cable. **UPC Magyarország**, part of the Netherlands-based group **UPC**, owned by John Malone's **Liberty Media**, is the dominant provider, which offers about fifty channels. **Microsoft** has an interest of approximately 7.8% in **UPC**. The other cable operators are Hungarian companies **Matavkabel**, **Fibernet** and **EmKTV**.

Matavkabel is partly owned by **Matav Rt.** (the Hungarian Telecommunications Company, in which **Deutsche Telekom** have a 59.3% share) and by **Hungaria Allianz AG**, and is the second major player in the market. *Fibernet Communications* is owned by a group of U.S. and Dutch investors, the most significant being the **Argus Capital Group**.

In contrast only 8% of the Hungarian households are able to receive satellite television. Currently there are 15 satellite broadcasters operating under Hungarian jurisdiction. They provide mostly thematic programmes that are typically redistributed by cable networks.

WRITTEN PRESS

The concentration of foreign ownership in the national press is pronounced and only a minority of the national daily press remains Hungarian-owned or government subsidized. The situation of the weekly and monthly press is also highly polarized between government supported and privately owned economic groups.

There are approximately 10 national, 22 regional dailies, approximately 300 monthlies and about 400 other periodicals on the Hungarian market. Many of the publishers are undertakings of international companies such as the **Ringier-group**, **WAZ**, **Sanoma**, **Bertelsmann AG.**, **MTG**, and **Axel-Springer**.

The general trends regarding newspapers show decline in the case of political dailies that can be partially explained by the growing market share of tabloid press and the increasing amount of online news consumption.

The three largest circulation national dailies are published by different media players, but foreign investment remains dominant. The daily with the largest circulation is the free sheet *Metro* (circulation 368,000), it is owned by the Swedish group **MTG**. The best-selling daily tabloid *Blikk* (255,000 circulation) is owned by **Ringier** (through its Hungarian subsidiary) and the best selling quality newspaper is *Népszabadság* (155,022 circulation, in which **Ringier** Switzerland also has a 49.9% share, **Bertelsmann** has a share of 17.68%). **Ringier** additionally has another daily papers: *Nemzeti Sport* (circulation 83,821). Another major daily paper *Magyar Nemzet* (circulation 73,631), is published by the Hungarian company **Nemzet Lap- és Könyvkiadó Kf.**

The German company **Axel SpringerVerlag** is a major player in the local newspaper sector with a total of nine titles and one Sunday paper. **Axel Springer** is also a major player in the magazine sector in Hungary with 22 titles. Other major foreign players in the magazine sector include the Finnish company **Sanoma Magazines Budapest** and the Swiss company **Marquard Media AG**. **Marquard Media AG**, through its wholly owned branch **JMG Magazine Publishing Company**, publishes six magazines. **Marquard Media AG** also has interests in two radio stations. **Marquard** also holds a share in *Slager Radio*.

The second most important player in the regional press sector in terms of circulation is the German **WAZ** group, which publishes five daily newspapers (*Naplo*, *Zalai Hirlap*, *Vas Nepe*, *Fefer Megeyei Hirlap*, and *Dunaujvarosi Hirlap*). The UK group the **Daily Mail and General Trust** (through **Associated Newspapers/ Northcliffe**

Newspapers Hungary) have three local titles and rank also under the five most important publishers in the regional press sector. **Associated Newspapers** also publish the English language title, *The Budapest Sun*.

MAJOR PLAYERS

BERTELSMANN

Bertelsmann is active in different media and especially in TV and magazines. In television, the media giant owns *RTL Klub*. It is the leading commercial television station in Hungary. The network was launched in 1997 by **RTL Group**, which owns 49 % of the shares of the broadcasting company. The network covers more than 85% of the country. In addition to broadcasting activities, *RTL Klub Enterprises* manages the Internet, teletext and audiotext businesses of the commercial television station.

Bertelsmann also owns several magazines and one newspaper through **Gruner+Jahr**. *Tele Magazyn* is owned by the **Deutscher Supplement Verlag** branch of **Bertelsmann**. This magazine focuses on television and human-interest topics. **Bertelsmann** has a 17.2% stake in the newspaper *Nepszabadsag* published in Budapest through **Gruner+Jahr**.

SBS BROADCASTING

In terms of annual turnover, **SBS Broadcasting** is the third largest company within the Hungarian media market. *TV2* was launched in October 1997. The group owns a 49% voting interest and an 84% economic interest. *TV2* is a national over-the-air station, broadcast in Hungary under a Hungarian license.

In September 2004, the group launched *Irisz*, a satellite-to-cable general female entertainment channel in Hungary aimed at women between the ages of 18 and 49. *Irisz* is broadcast from The Netherlands under a Dutch license. *TV2* broadcasts American-produced programs in Hungarian and locally produced programming, including news, talk shows, current affairs programming and local versions of reality shows

Additionally the company wholly owns **MTM Produkció Kft. (MTM Productions)**, a Hungarian television production company that produces programming for *TV2*.

AXEL SPRINGER VERLAG

Axel Springer Verlag is very active in the Hungarian market, with significant shares in several magazines and newspapers. It has nine daily titles and one Sunday title but its main focus is magazine publishing. **Springer** publishes 22 magazines in Hungary. These include TV listings guides, women's magazines, puzzle magazines, cookery, interior design titles and two youth titles.

In 2004 the group launched a new quality newspaper on the Hungarian market, *Reggel* (circulation 55,130), an extraregional publication.

WAZ

The group concentrates on newspaper activities, publishing five different dailies: *Naplo*, *Zalai Hirlap*, *Vas Nepe*, *Fefér Megeyei Hirlap*, and *Dunaujvarosi Hirlap*. Additionally the group owns 75% of *HVG* (circulation 92,820) the leading weekly.

SANOMA

Sanoma Magazines Budapest Kiadoi's operations were founded in 1992. Through the acquisition of the prestigious publishing house **EKH/VICO**, **Sanoma Magazine Budapest** became the market leader in Hungary, with a 34% market share. Women's magazines, entertainment titles, and TV magazines are the heart of the portfolio. **Sanoma Magazines** also operates the country's leading portal.

RINGIER

In Hungary, Ringier publishes *Blikk*, the second daily newspaper, *Vasarnapi Blikk* which is a Sunday paper, as well as the old-established daily sports paper *Nemzeti Spor*, the third-placed daily newspaper. The Swiss company has also an important level of participation in the newspaper *Nepszabadsag* through the creation of a joint venture with **Axel Springer Verlag** and **Bertelsmann**. In the magazine sector, **Ringier** started the magazine *Kape* and *TeleSuper*.

CONCLUSION

In terms of media ownership, state ownership decreased dramatically as a result of privatisation and liberalisation. However, there were considerable differences between various media sectors in terms of the speed and extent of ownership changes. Changes in broadcasting were slow. The market was partly liberalised in 1997 by selling national frequencies to private companies. International elements were influential in terms of television content and ownership of cable companies

throughout the post-communist era. Following the partial liberalisation of the sector, foreign ownership became significant, as the major shareholders of the two most popular channels were foreign companies.

In the print media, ownership changes were more striking as privatisation and liberalisation took place within a relatively short period of time following the fall of the communist regime. The 1990s saw a series of ownership changes in the markets through sell-offs, mergers and acquisitions. Foreign media ownership became a dominant factor in the sector by the end of the 1990s.

In post-communist Hungary the dominance of foreign ownership in many media sectors did not initially cause public concern. This was partly because many people were not aware of the ownership structure of media markets, and partly because the advantages of foreign ownership were seen as significant. Particularly during the first stage of the post-communist era, foreign media ownership was viewed as contributing towards lessening the influence of the state and political forces in the previously over-politicised media. In fact one of the main reasons why foreign media ownership was welcomed among journalists and the public was that it was perceived to provide publishers with the much-desired independence from political parties and organisations. However, as the 1990s proceeded, concerns were raised about the economic power of foreign media companies and the lack of effective oversight of the government and state institutions by media whose primary concerns were commercial, rather than political or social. They were not seen as threats to the Hungarian political process.

In Hungary, there is a general freedom from unfair practise, monopolies and oligopolies. Publishing houses feel free to make use of the weak social guarantees. On all levels, there is a precarious employment of journalists for tax reasons and in order to avoid having a large fixed staff. The general practise is for journalists to be self-employed with no job security and insufficient social protection.

Ireland

Ireland's media landscape is influenced by historical and geographical relations with the United Kingdom. The result is an increasing penetration of the market by UK titles and interests. British terrestrial television channels are available to, on average, 70% of the population, mainly through cable services. There are also a wide range of UK based newspapers available in Ireland.



RADIO

There are three national radio services from the public broadcaster **RTE**. The PSB stations have a combined average market share of 43%. The independent national commercial radio service *Today FM* owned by the **Scottish Radio Holdings** holds a market share of 10%. Independent radio services are also licensed at a regional and local level and are very popular, holding a market share of 47%. *Ulster Television (UTV)*, owned partly by **CanWest**) owns three Republic of Ireland independent local radio contractors.

TELEVISION

RTE is Ireland's state owned national broadcasting organisation, and until mid-1998 the television market consisted of two state-owned national channels: *RTE 1* and *Network 2 (N2)*, but **RTE** also cooperates with *Teilifis na Gaeilge (TG4)*. Ireland has hence three national television channels that receive public funding through an annual licence fee payable by those in possession of a television receiver. The publicly funded services also generate advertising revenue. *RTE 1* has an audience share of 27.7%; *N2* has an audience share of 11.4%. *T4G* had 3,1% of viewers in 2004. Ireland's fourth national channel, the commercial station *TV3*, was launched in 1998. The major shareholder is **CanWest Global Communications** (45% stake) and it claimed 14% of viewers in 2004. **CanWest** also has a stake in *Ulster TV* (6.7% market share), which is part of the (UK) *ITV* network. **Granada Media** also took a 45% stake in *TV3* later in the same year. The **Granada Media Group** is a major production company and owns seven *ITV* franchises in the UK, which has merged with **Carlton UK**, resulting in the creation of *ITV plc*.

Foreign broadcasters, mainly from the UK, have an important stake in the Irish television market. As most of Ireland can also receive British television, the BBC reaches a market share of 12.1%.

WRITTEN PRESS

The Irish press consists of seven national dailies, within these seven there are two Irish editions of UK dailies, ten national Sunday newspapers and around fifty regional newspapers as well as many free sheets with a mainly urban circulation. The largest selling national newspaper is *The Irish Independent* (circulation 176,000), followed by the *Irish Times* (circulation 115,00) and the *Irish Daily Sun* (circulation 114,000) owned by **News International** and *Irish Daily Star* (circulation 107,000). The *Sunday World* sells 314,000 followed by the *Sunday Independent* (circulation 309,000). The top-selling newspaper, *The Irish Independent*, is owned by **Independent Newspapers Ireland Limited**, the country's largest publishing company with a market share of 48%. In addition to the five national titles, the company publishes eleven local newspapers in counties Cork, Kerry, Dublin, Louth, Wexford and Wicklow. **Scottish Radio Holdings** also has three regional press titles in Ireland. **Thomas Crosbie Holdings Ltd**, owner of the *Examiner* (circulation 58,000), has seven regional newspapers (and a small interest in the radio sector with 20% in a local station *Red FM*).

The periodical publishers association (PPA) represents 46 titles, 5% of which are sold by subscription, 95% in retail outlets. The most successful magazine, with a circulation of 113,033, is the weekly *RTE Guide*, published by **RTE**.

CABLE AND SATELLITE OPERATORS

The cable market has been fundamentally restructured. There were two main cable operators. **NLT (Eire)** and **Chorus Communications**. **Chorus** is a company jointly owned by **Independent News and Media** and **Liberty Media**, a subsidiary of **Liberty Global**. It provides cable services to 112,000 subscribers. In 2005 **NLT**, which has 347,000 subscribers, announced the sale of its operations in Ireland to **MS Irish Cable Holdings B.V.**, an affiliate of **Morgan Stanley**. However, Internet services provider **UnitedGlobalCom Inc.** agreed to buy **MS Irish Cable Holdings B.V.** As a consequence of the merger between **Liberty Media International (LMI)** and **UnitedGlobalCom, Inc. (UGC)** to single entity named **Liberty Global Inc**, **UGC** became a wholly-owned subsidiary of the holding company, **Liberty Global Inc**. Therefore **Liberty Global** will, once the acquisition is cleared by the authorities, control nearly all of the cable service in Ireland. Both cable companies are developing combined Internet, telephony and TV services. **BSkyB**, through Sky Digital, is the sole provider of digital television services in Ireland.

INDEPENDENT NEWS AND MEDIA PLC (INM)

INM is the international media group controlled by the O'Reilly family. Tony O'Reilly ran the Heinz food giant while building up personal holdings that embraced investments, property, the media and companies such as Waterford Crystal. He is reported to be the largest individual shareholder in Heinz, with a 2% stake. He has a 27% stake in **INM** and is the main shareholder.

Independent News & Media PLC is a leading international media and communications group, with interests in Australia, Ireland, New Zealand, South Africa, the United Kingdom and most recently, India.

Ireland is the headquarters of the company. It is Ireland's leading media company, publishing 5 market leading national newspapers, 11 regional newspapers and a fast growing consumer directory. It is also a leading commercial newspaper printer, the largest newspaper and magazine wholesaler and distributor and the leading on-line news portal

Independent Newspapers publishes the *Irish Independent*, the daily broadsheet with the highest circulation in Ireland.

Independent Newspapers dominates the Irish newspaper industry. 80% of Irish newspapers sold in Ireland came from companies fully or partially owned by Independent Newspapers.

INM have a 50% stake in **Chorus**, the second largest cable operator and Tony O'Reilly chairs the **Valentia** consortium that bought **Eircom**, the privatised former monopoly telecommunications operator in Ireland. **Eircom** also operates one of the largest online services in Ireland

In the UK, the company publishes the quality national titles *The Independent* and *The Independent on Sunday* and also owns the **Belfast Telegraph** group, the largest newspaper publisher in Northern Ireland. The group is also the number one recruitment magazine publisher in London, and operates a highly successful news website.

It has a 19.1% stake in **Lusomundo Média**, (publisher of leading Portuguese daily *Journal de Noticias*, and the third largest, *Diario de Noticias*) and the subsidiary **PT Multimedia**, which is part of **Portugal Telecom**.

Independent Limited, is the leading newspaper group in South Africa, publishing 15 daily and weekly newspapers in the country's major metropolitan centres. The group owns and publishes 14 free/community newspapers. It also publishes three of South Africa's leading lifestyle magazines and has significant interests in

outdoor advertising, electronic media and commercial printing/publishing. **INM** has holdings in South Africa's largest media group, whose publications include *The Star* in Johannesburg and the *Cape Times*. It has a joint venture with **Advance** subsidiary **Conde Nast** to publish magazines such as *Vogue*.

APN News & Media Limited, in which the group has just under a 40% share, is the number one regional publisher, radio broadcaster and outdoor advertising operator in Australasia. It also publishes New Zealand's largest newspaper, *The New Zealand Herald* and has interests in specialist publishing, magazines, new media and payTV. **APN** and the U.S. giant **Clear Channel Communications** jointly operate the **Australian Radio Network (ARN)**.

Italy

The narrowness of control of the Italian media is striking. Silvio Berlusconi (*Sua Emittenza* - 'Mr. Broadcasting' - and the richest man in Italy) used the total absence of regulation of the mass media in the 1980s to add to his channel, *Canale 5*, two other commercial channels between 1982 and 1984, *Italia 1* and *Rete 4*. He purchased one of Italy's leading football clubs, AC Milan, in 1986 and established a 'pioneering fusion between Italy's two leading entertainment services, football and television'.



What is distinctive about Berlusconi is that his commercial and media power is not dispersed globally but heavily concentrated in one country. The epithet 'Berlusconism' is used to describe a way of life in which people live in houses built by Berlusconi (the Milano 2 housing development, for example), watch television controlled by Berlusconi, shop in supermarkets owned by Berlusconi, eat in restaurants built by Berlusconi, and relax on Berlusconi tennis courts or watch his soccer team.

His three channels have a 45% audience share and over 60% of total advertising sales, and a major presence in advertising (Publitalia 80) and publishing (Mondadori). The holding company, **Fininvest**, which the Berlusconi family has 96% ownership of, has a controlling stake (35%) in **Mediaset**, the terrestrial television group that competes with the state-owned broadcaster, **RAI**.

Newspaper readership figures in Italy are relatively low, and this adds to the importance of television. 82% of Italians depend only on television for news, the highest percentage in the EU. It is in this context that the overlapping of media and political power highlights vital issues for Italian democratic processes.

In 1984 prime minister Craxi's 'Berlusconi Decree' overturned a court order banning Berlusconi from broadcasting, and the 1990 *Legge Mammì* bill formalised the Berlusconi/RAI duopoly.

In the wake of the collapse of the old political elites and parties after 1992 and amidst the corruption charges of 'Tangentopoli', Berlusconi moved to fill the void through the creation of the populist Forza Italia party, in alliance with the neo-fascist Alleanza Nazionale and the Northern League. His first foray in the political arena lasted from March to December 1994, but Berlusconi was re-elected in May 2001 with a much stronger majority in the Parliament and Senate.

Through **Mediaset** and **RAI**, whose board is appointed by parliament, the prime minister in effect controls about 90% of Italian TV viewership. The paradox of his situation is that he receives licences for his three Mediaset private TV channels from the very body, the state, which he has been appointed to head. At the same time, a 1957 law states that the recipient of state licences is ineligible to sit in parliament.

Berlusconi has done nothing to resolve the conflict of interest between his political and media power. Vague commitments to divest himself of his media assets have not been carried through - indeed he moved to acquire additional print and radio operations from the **Il Sole 24 Ore** group in 2001. Berlusconi insists that the Italian people are not interested in the conflict of interest.

The Italian media market is controlled by Italian companies. There are no cross ownership restrictions between the radio and the press sector and some players have shares in both markets: **Gruppo Editoriale Espresso** and **RCS**. Ownership restrictions exist however in the press sector, which prevent any dominance in the market. Therefore the Italian press market is considered as being relatively diverse. In contrast, the power in the television broadcasting sector is almost completely concentrated in the hands of one man due to the unique position of Prime Minister Berlusconi. The effects have been described above.

The changes in the ownership and antitrust rules in the new Law on Broadcasting (*Gasparri Bill*) raise serious concerns regarding the promotion and protection of media diversity and plurality. In 2008, cross-ownership limitations between television and press will be abolished. Furthermore the number of licenses that one single person can hold will be changed. This would allow consequently *Retequattro* (a channel of the **Mediaset** group) to continue broadcasting on terrestrial frequencies, although the constitutional court had insisted that *Retequattro* should become a satellite channel in January 2004. In addition, the reduction of the ownership threshold based on economic revenues from 30% to 20% is weakened by its calculation on the basis of the integrated communications system (**total revenues from all media markets**), meaning that the percentage is calculated on a broader market. But the broader the relevant market, the less probable is the creation of a dominant position. Finally, the Bill provides for the progressive privatisation of **RAI** and a change in the composition of its Board of Governors (number of members and nomination process). The President of the Republic, Carlo Azeglio Ciampi, returned the *Gasparri Bill* to the Parliament on 15 December 2000. He stated that there was a risk of permitting the creation of dominant positions, and of not ensuring plurality. However, in May 2004 the *Gasparri Bill* was passed.

The Italian radio market is structured like the TV sector. The major player with a market share of 44% is the public broadcasting company, **RAI**, which operates five radio channels, *RADIOUNO*, *RADIODUE*, *RADIOTRE*, *Isoradio* and *Notturmo Italiano*. Aside from RAI, there are also 14 national commercial networks and nearly 200 local radio stations. **Gruppo Editoriale Espresso** has ownership interests in three radio channels with a total market share of 20.7%. The **RCS Group's** radio interests include the *AGR* (news agency), *CNRplus* (syndication of local radios) and *RIN - Radio Italia Network*. In 2005 **Fininvest** entered the radio market through the acquisition of the national network *radio 101 one-o-one* by its **Mondadori**.

TELEVISION

The Italian television market is characterized by a duopoly between the public broadcaster **RAI** and the commercial broadcasting company **Mediaset**. Both operators together account for almost 90% of the total audience share.

Mediaset operates three channels: *Canale 5*, *Italia 1* and *Retequattro*. *Canale 5* is the most successful and reaches alone a market share of 22.9%. The combined audience share of the three channels was 43.9% in 2003. Prime Minister Berlusconi has beneficial ownership of around 96% of the **Fininvest** holding company. **Fininvest** has a 35% controlling stake (down from 50.7% in 2005) in **Mediaset**.

RAI is a public-owned company, governed by a board appointed by the Chamber of Deputies and the Senate. It is financed from both license fee and advertising.

With a market share of 1.29% the channel, *La 7*, owned by the **Telecom Italia Group** through its company **Telecom Italia Media**, which was established following the spin-off of **Seat Pagine Gialle**, is the third player in the Italian television market.

Due to its political leadership Prime Minister Berlusconi can also influence the public service broadcaster, therefore his dominance in the Italian television market is unique, although Italy always has known a strong link between politics and media.

WRITTEN PRESS

As already mentioned the written press sector is relatively diverse and pluralistic. However, newspapers are not as popular as a source of information as television. Only 41% of the population reads a newspaper. Major players in the press sector are **RCS Media Group** and **l'Espresso**. The **Gruppo Editoriale L'Espresso** owns the national daily *La Repubblica* (circulation 622,000), the weekly *L'espresso* (one of Italy's two major weekly news magazines), 15 regional newspapers and several magazines. The **RCS Media Group**, controlled by a trust (including **FIAT**, **Mediobanca**,

Gemina, Gruppo Italmobiliare, Assicurazioni Generali, Pirelli, etc.) publishes, through its company **RCS Quotidiani**, the leading Italian dailies *Corriere della Sera* (circulation 677,000) and *La Gazzetta dello Sport* (circulation 409,000) and several magazines. Besides these two companies, the **Fiat Group** owned daily *La Stampa* (circulation 347,000), the financial newspaper, *Il Sole 24 Ore* (circulation 378,000) published by the **Industrialists' Association (Confindustria)** rank as fourth and fifth on the list of the best-selling Italian newspapers. Recently **IL Sole 24** launched also two radio channels and a satellite TV station. Furthermore, **Monrif**, the financial holding company of the **Monti-Riffeser** publishes through the publishing company **Poligrafici Editoriale** (59.6% stake) the three newspapers in Italy, which are leaders in the local news segment. In 2000, **Poligrafici Editoriale** acquired 100% of **Press Alliance**, the publishing company of the French newspaper *France Soir*. **Caltagirone Editore S.p.A.** is the holding company that controls *Il Messaggero* (circulation 243,000), *Il Mattino*, *Leggo* (free national newspaper). In the magazine sector, **Mondadori** is the leading publishing company, (also one of the largest in Europe), with a claimed share of 40% of the sector. The main shareholder is **Fininvest** with a 50.2% share.

CABLE AND SATELLITE OPERATORS

After the European Commission's conditional clearance of the merger between the two Italian pay-TV operators **Stream** and **Telepiù**, only one satellite operator remains on the Italian market. **News Corp.**, the acquiring firm, is a global media company, owned by Rupert Murdoch, which is active in the film and TV industry, publishing (newspapers and books) and a number of other areas. It controlled the Italian (satellite) pay-TV platform Stream jointly with **Telecom Italia**. **Telepiù**, the acquired firm, was controlled by **Vivendi Universal**, itself a global media group. Taking into account the financial difficulties of both operators and the specific characteristics of the Italian pay-TV market, the Commission concluded that "authorising the merger, subject to appropriate conditions, would be more beneficial to consumers than the disruption that would have been caused by the likely closure of Stream, the smaller and weaker of the two existing "operators" despite the creation of a near monopoly. The new company is called **Sky Italia** and is owned by **News Corp.** with an 80.1% share and by **Telecom Italia** with 19.9% share. It has approximately 2.2 million subscribers.

FININVEST/MEDIASET

Fininvest SpA is the holding company of one of the most important international multimedia groups. The company has an established market leadership in a range of sectors, through **Mediaset** in commercial television, in publishing through **Mondadori**, in the cinema through **Medusa** and in sport through **A.C. Milan** football club. The company also operates in the information directory sector, where it is represented by **Pagine Italia**, and it has an important stake, jointly with the **Doris Group**, in the **Mediolanum Group**, one of the leading Italian companies specialising in insurance, financial and pension products.

Television and Radio

In Spain with **Telecinco** and its advertising company **Publiespaña**, Europe's most profitable broadcaster, **Mediaset** holds a controlling stake of 50.1% and has management responsibility.

Asides of its Italian TV broadcasting activities and its stakes in the Spanish TV station **Telecinco**, **Mediaset** has a 14.35% share of Breton cable TV group **TV Breizh** (**News International** holds 13%). Moreover, **Fininvest** operates several pay-TV channels.

Mediaset's digital terrestrial platform offers premium content like live football, due to the pay-per-view offer *Mediaset Premium*.

In 2005 **Mondadori** acquired the national radio network *Radio 101 One-O-One*.

New media

It also moved into telecommunications, taking a 19.5% holding in fixed line operator **Albacom** and a 9% stake in the newest Italian mobile phone operator, **Blu**, which it sold in 2001.

The **Mediadigit** subsidiary incorporates **Mediaset's** new media operations, including themed TV channels, internet and teletext activities.

Publishing

Mondadori (50.3%) is one of the largest publishing houses in Europe. Over 50 separate subsidiaries and associate companies operate via printing and publishing businesses in Spain, Germany, the UK and Latin America. **Mondadori** claims 31% of the Italian market for books (imprints including **Elemond Group**, including **Giulio Einaudi Editore**, **Sperling and Kupfer SpA**, **Edizioni Frasinelli**, **Librerie Mondadori Elleme**) and around 60% of the magazine sector, with over 44 titles

including the weekly *Panorama*, Italy's most popular weekly news magazine, women's magazines (*Moderna*, *Grazia* and *Marie Claire*), general interest titles *Chi* and *Tu*, and Italy's best-selling TV guide, *Sorrisi e Canzoni TV*.

Mondadori is also involved in joint ventures such as *Cosmopolitan* with **Hearst Corporation**; *Men's Health* with **Rodale Press**; and a number of magazines, including the general interest title, *Focus*, with the **Bertelsmann** subsidiary, **Gruner & Jahr/Mondadori SpA**. It also has printing operations in Germany and Spain.

Mondadori.com is the umbrella for all the group's internet publishing activities.

Fininvest also controls a leading national newspaper, *Il Giornale* (circulation 209,000) and *Il Foglio*.

It publishes phone directories-**Pagine Utili**- and through the **Grijalbo Group** in Spain has book distribution units in Colombia, Argentina, Spain, Chile, Uruguay and Venezuela.

Others

Property Development and Construction

Edilnord

Cantierie Riuniti Milanesi

Music

Mediaset has recording and rights management units.

Retail

Blockbuster Italia - video rental (51%)

Standa department store group

Supermercato supermarket chain

L'ESPRESSO GROUP

The group is controlled by Carlo de Benedetti through the **Finegil** and **CIR industrial** conglomerates. **Gruppo Editoriale L'Espresso SpA** publishes the national daily newspaper *la Repubblica* (circulation 622,000) and the weekly magazine *L'Espresso*. Through its subsidiaries it also publishes 16 local daily newspapers, broadcasts three national radio stations, operates in the Internet sector and collects advertising for the group's publications and also for some third-party publications.

Written Press

La Repubblica is second in terms of circulation. Apart from the national edition there are nine local editions (Rome, Milan, Turin, Bologna, Genoa, Florence, Naples, Palermo and Bari). Various weekly supplements are published with the newspaper (among the main ones are **Affari & Finanza**, **Il Venerdì** and **D-la Repubblica delle Donne**). Various multimedia products and published works are also sold alongside the newspaper as add-ons.

L'Espresso is the second weekly opinion magazine in Italy with a circulation of 390,000 copies. **L'Espresso** too offers printed and multimedia products as add-ons. Among the other periodicals of the group, the Italian edition of the **National Geographic** has a circulation of over 123,000 copies.

Through its subsidiaries, the group publishes 16 local dailies, forming the most firmly established and widespread network in Italy and reaching 3.1 million readers in 10 regions every day.

Radio and Television

Radio DeeJay is the top ranking private radio station in Italy. Furthermore the group operates **Radio Capital** and **m2o**, which targets young and very young listeners. The group also operates on digital television through its music channel **DeeJay TV**, which is based on the successful **Radio DeeJay** format.

Moreover, the group operates **Kataweb SpA**, which was established in January 1999 and is responsible for the development of the Internet activities of the group.

Furthermore the group owns an advertising collection: **A.Manzoni&C**, which holds the advertising concession.

RCS MEDIA GROUP

RCS MediaGroup is a holding company with subsidiaries operating in the media and publishing sectors: **RCS Quotidiani**, **RCS Periodici**, **RCS Libri**, **RCS Pubblicità** and **RCS Broadcast**.

RCS MediaGroup assumed its present name and constitution on May 1st, 2003, following the restructuring process of the parent company **HdP – Holding di Partecipazioni Industriali**, a number of associated companies and the **Rizzoli - Corriere della Sera Group**.

RCS MediaGroup is the Italian publishing group with the strongest presence on international markets, particularly in Spain, where it owns a majority interest in the Spanish group **Unedisa** (publishers of *El Mundo*, Spain's second-largest daily

newspaper). In France it has a controlling interest in the French publishing group **Flammarion**. **RCS MediaGroup** is likewise present through a number of joint ventures, partnerships and distribution activities in several markets worldwide.

Newspapers

Through **RCS Quotidiani** the group publishes the daily newspapers both in Italy and abroad. *Corriere della Sera* is Italy's most sold and read newspaper. *La Gazzetta dello Sport* is the Italian newspaper boasting high readership (over three million readers) and it ranks third at national level as far as the number of copies sold. *Corriere della Sera* also distributes in some Italian regions with local editions, offered at the newsstand together with the national paper (*Corriere del Mezzogiorno*, *Corriere del Veneto*, *Corriere del Trentino* and *Corriere dell'Alto Adige*). **RCS Quotidiani** also is active in the free sheets sector, where the group has been present since 2001 with the free daily *City* (over 650,000 copies every day in six Italian cities).

Book publishing

RCS Libri's turnover was more than the half of this amount is obtained abroad. **RCS** has a 100% controlling interest in the **Flammarion** group, one of the major French publishers. **RCS Libri** reaches a high penetration in international markets, with a presence in the United States. The group also holds other important interests: it owns a relatively majority share in **Adelphi** with a 48% stake; and a 50% interest in **RL, Rizzoli-Longanesi**, the joint venture which publishes the **Superpocket** collection. A few years ago it started collaborating with **Skira** in the segment of artistic publishing. **RCS Libri** holds a 24% stake in **Editions d'Art Albert Skira**. The **Division Education** group oversees the publication of schoolbooks, professional materials and reference materials.

Magazines

RCS Periodici is present in the segment of "family" magazines with *Oggi*, *Visto*, *Novella 2000*, *Astra*, *Domenica Quiz* and *Domenica Quiz Mese*; in the sector of men's magazines with *Il Mondo*, *Capital*, *Max*, *L'Europeo*, *Newton*; and in the sector of women's magazines with *Amica*, *Io Donna*, *Anna*, *Brava Casa*, *Casamica*. The position of **RCS Periodici** on the Italian market is strengthened by the magazines published by **Sfera** Group, which the group took over during the second half of 2000, and by the magazines of **DARP (DeAgostini Rizzoli Periodici)**, a joint venture between **RCS Periodici** and **Istituto Geografico De Agostini**.

Others

RCS Pubblicità is the leader in the field of press advertising in Italy. The company's print media portfolio includes weekly magazines and monthly publications, as well as the major daily newspapers and a free sheet.

RCSBroadcast is the company managing all of the group's activities connected with the world of news and entertainment radio; it comprises **AGR** (Agenzia Giornalistica Radiofonica), the radio syndication **CNR** and **RIN** – *Radio Italia Network*. **RCS Broadcast** was originally founded in 1980 under the company name of **Editoriale Sper**.

Latvia

Latvia's geographic position makes it a commercial, financial and transport hub for the Russia/Baltic region. Latvian is the country's official language but most residents speak Russian and a third of the population are ethnic Russians, so that both the public broadcaster, **Latvian Television (LTV)**, and the commercial channel **TV3**, owned by **Modern Times Group (MTG)** broadcast in Latvian and Russian. **Latvian Independent Television** re-transmits the Russian station **ORT**.



RADIO

The public service broadcaster has four stations broadcast at the national level. In figures of audiences share, the PSB is the most successful (31.5%). There are three commercial national radio stations: *Radio SWH* and *SWH+* owned 50% by **LNT** and *Star FM* owned by the Swedish **Modern Times Group**. The stations of **LNT** accumulate an audience share of 17%. While *Star FM* of **MTG** reaches an audience share of 5%. Furthermore there are 29 regional and local radio stations.

TELEVISION

The public service broadcaster has two national channels (*LTV1* and *LTV2*). The PSB is the only national player in the audiovisual TV market. Its share of the audience in 2002 was 19%. The most popular channel is the commercial channel **LNT** (*Latvijas Neatkarīga Televīzija*) with an audience share of 25%. The Polish company **Polsat** holds the majority share (60%). The second commercial channel **TV3** is owned by the **Modern Times Group** and has a 12% audience share. There are twenty-four regional and local television channels, which operate in small transmission areas and broadcast for just a few hours a day.

WRITTEN PRESS

The main players in the Latvian language press are the publishing houses **Diena AS** and **Preses Nam**, while the main publishers in Russian are **Petits** and **Fenster**.

Bonnier, through its stake in **Alma Media**, has a share in the *Baltic News Service* and the *Business Information Group*. *Baltic News Service* is based in Tallinn. It has a daily distribution of 1000 news headlines in five languages: Estonian, Latvian, Lithuanian,

Russian and English. The **Business Information Group** specializes in business news. **Bonnier** is one of the ten biggest publishers in Latvia through **Diena AS**, in which **Bonnier** has an 83.5% stake. **Diena AS** publishes *Diena* (circulation 60,000), *Dienas Bizness*, *Spogulisa* and ten other regional newspapers. *Diena* has a very strong position and it is the most read newspapers in Latvia. The second best selling daily newspaper is *Lauku Aivize* (circulation 59,000) published by **A/S Lauku Avize**. **Mediju Nams** (owned 92.2% by the Latvian Ventspils Nafta Stock company who are involved in shipping, oil, real estate and publishing) publishes the three daily papers *Neatkariga Rita Aviz*, (circulation 40,000) *Rigas Balss* (circulation 23,000) and *Vakara Zinas* (circulation 16,000). Since merging with printing group **Jana Seta** in 2000, the company is now the largest printing and publishing company in the Baltic States. There exist some indications that **Lauku Avize** was acquired by the indirect owners of **Mediju Nams**, the nature of the relationship is however not clear.

The Russian press market, by contrast, is less concentrated; the number of publishers has increased. Aside from smaller publishers who put out one or two titles, there are two larger publishing houses: **Fenster** (owned by Andrey Kozolv) and the **Petits Publishing house** (owned by Aleksey Sheinen). The latter is the largest Russian language publisher in the Baltics and publishes the daily paper *Chas* (circulation 20,000), the free paper *Rigas Santims*, and a range of magazines, and also owns the Petits Advertising Agency. The other Russian language publishing house, publishes *Vesti Segodna* (circulation 32,000), *Latvia Santims* (published 3 times a week) and the weekly *7 Secretov*, and several magazines.

CABLE AND SATELLITE OPERATORS

While there are approximately 37 cable operators in Latvia, there are only three major players: **Baltcom TV**, which belongs to the Latvian company **SIA Alina**, **Telia MTC** (a subsidiary of a Swedish company, **Telia International**) and **Livas**. All three offer high speed Internet access. The other small cable operators provide services only at the local level.

CONCLUSION

The press and the broadcast media in Latvia generally operate freely, with few legal restrictions on their work, and a wide range of political viewpoints are represented in more than 200 newspapers. After independence in 1991, dozens of television channels emerged but the number fell dramatically following the introduction of the 1995 broadcasting law. Latvia's broadcasting law is being harmonised with the European Union's *Television Without Frontiers* directive. The legal framework, and the enforcement of laws, remains weak and Latvia needs a sound legal basis to determine the role of public TV and protect it against state influence.

Lithuania

Ownership concentration has taken place in the press sector and plays an increasing role in the broadcasting sector. International companies from Norway and Sweden target the Lithuanian media landscape. Foreign companies are supporting a policy of investment in television rather than in the daily press or magazines. In terms of investments in the media sector, Lithuania is the second Baltic country but far behind Estonia, which captures the majority of European investment.



RADIO

Market leader in the radio sector is the PSB **LRTV** which operates two national radio stations. The PSB station *LR1* is the most popular nationwide station with an average audience share of 21.5%. The main commercial groups include the **M-I** stations, **UAB Radiocentras** and **Pukas**. All companies are locally owned. *M-I* operates two stations at the national level which, reach an audience share of 12.5%. Furthermore it has some ownership interest in several regional channels, especially in the *Lietus* radio network (10.5% market share). **UAB Radiocentras** owns the two stations *Radiocentras* (8.7% market share) and *RC2*, and they have a 50% share in *Ruskojie Radio Baltija*, which reaches in Lithuania an audience share of 9.5%, but is the most popular station within the capital Vilnius with a 22% audience share in the city. **Pukas** operates two national stations and reaches an audience share of 10.8%.

TELEVISION

The Lithuanian audiovisual market is dominated by foreign capital, mostly from the Nordic countries. Lithuania has 28 commercial broadcasters, the majority of which are local or regional. The two strongest channels are the commercial stations *LNK* and *TV3*. A fourth commercial channel *TV4* has around 10% market share. The most popular channel *LNK* was previously owned by the Swedish group **Bonnier**, who sold it to **MG Baltic Media** in 2003. *LNK* had over 28% of the audience share. *TV3* is owned by the **Modern Times Group** (Sweden) who also own *Tango TV* and have a combined audience share of 26.5%. *TV4* belongs to the Polish company **Polsat**, which now due to financial difficulties holds only a minority share (24.88%) and **Polaris Finance B.V.** (a company registered in The Netherlands). The public service broadcaster **LRTV** has two channels and a market share of about 12%.

LRTV is financed by a state subsidy and advertising. A licensing fee or tax that every television purchaser would have to pay is proposed as the future source of income for **LRTV**.

WRITTEN PRESS

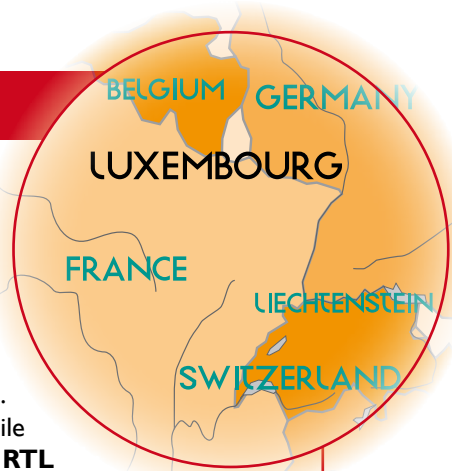
Most of the major national and regional newspapers are owned by Lithuanian companies. One of the top selling newspapers is *Lietuvos Ryta* (circulation 74,000). It reaches a market share of 21.2%. The newspaper is owned by **G.Vainauskas**, also editor-in-chief, who has interests in printing, a TV magazine, a basketball team and other non-media related businesses. *Respublika* (circulation 34,000) with a weekly Russian language version) is owned by Mr. Tomkus, who has a printing business and publishes TV magazines. The company also owns the best selling tabloid *Vakaro Zinios* (circulation 88,000), which has a market share of 22%. The best selling regional newspaper, *Kauno diena*, is owned by the Norwegian based **Orkla Press**. Aside from this there is not much foreign interest in the Lithuanian press sector. There are some foreign interests in the magazine sector. **Schibsted** (Norway) owns a majority share (67%) of Lithuania's largest magazine publisher **Zurnalu Leidybos Grupe (ZLG)**, which reaches a market share of 20-25%. The Swedish media company **Bonnier** plays a small role in terms of market shares in Lithuania with only one newspaper published under the name *Verslo Zinios* (circulation 10,000).

CABLE AND SATELLITE OPERATORS

In Lithuania, according to recent figures, 38.8% of the households subscribe to cable or satellite television. The cable industry remains very fragmented with 55 cable and 4 MMDS operators, serving 298,000 subscribers. The cable market does not present any media concentration concerns.

Luxembourg

Luxembourg's media market is characterized by geographic and demographic constituency. Due to its location next to Germany, Belgium and France, Luxembourg has a high degree of penetration by foreign broadcasters. At the same time, the market is dominated by two groups: **RTL** in the television and the **Imprimerie Saint Paul** in the publishing field. Both groups are present in the radio sector, and while taken together they control two thirds of the market, **RTL** is clearly the dominant one with a market share of 54.5%.



RADIO

The radio sector is dominated with foreign broadcasters. Therefore the small Luxembourgian radio broadcasters are in direct competition with bigger foreign radio stations. Besides *RTL Radio Lëtzenbuerg*, which has a market share of 54.5%, the stations include *DNR (Imprimerie Saint Paul)*, 12.2% market share), the public financed *100.7* (2.8% market share) and *Eldorado* (4.9% market share). **Imprimerie Saint Paul**, which is owned by the Archbishopric of Luxembourg, also broadcasts *Radio Latina*, which caters to the Latin minority in Luxembourg. Given the neighbouring markets of Belgium, Germany and France, foreign radio broadcasters capture a significant part of domestic listeners, reaching almost 22%.

TELEVISION

Luxembourg does not have a public broadcaster, therefore the Luxembourg based **RTL** group carries out some of the typical public information duties. Foreign broadcasters, especially French and German stations, have an even more important position within the television market. Only 12% of the market share is reached by domestic broadcasters. Besides the **RTL** group, which broadcasts a program in Luxembourgian and reaches alone almost the whole 12% of the market watching domestic programming with *RTL Télé Lëtzebuerg*, there are smaller channels which broadcast in Luxembourgian: *Tango TV (Everyday Media)*, *Nordlicht TV* and the *Uelzechtkanal*. In the addition to their German channels, which are broadcast in Luxembourg, the **RTL group** is the most important broadcasting group operating in the Grand Duchy with an average audience share of 28.2%. French-language groups *TF1*, and the youth channel *M6* (owned 48.4% by the **RTL group**) attract 10.7 and 5.2% of viewers, respectively. The channels of the German *ProSieben Sat. 1*

reach 12%. Foreign public service broadcasters are also popular in Luxembourg, with an accumulated audience share average of 25.9%. Notable among these is the international edition of Portuguese public service channel *RTP* which attracts almost 5% of viewers daily.

WRITTEN PRESS

Compared to its amount of inhabitants, Luxembourg provides a huge number of newspapers: five dailies, two of them in French, three weeklies, one in French, two TV guides and family magazines, as well as a satirical magazine. Most of the publishing houses are owned by groups like the Catholic Church, political parties or trade unions, therefore their content is broadly influenced by their owners. Moreover, the written press benefits from a direct press subsidy. Similar to the television industry, the newspaper business is divided along linguistic lines, with each of the main publishing houses producing both a French and a German language daily. The **Imprimerie Saint-Paul** controls 90.9% of the country's daily newspaper market. The company's top selling newspaper is *Luxemburger Wort* with an average circulation of 74,525 and a market share of 65.5%. Ranking second is *Tagblatt* with an average circulation of 17,106 and a market share of 25.3%. It is owned by **Edipress**.

CABLE AND SATELLITE OPERATORS

Luxembourg is home to Europe's leading satellite operator (DTH reception of TV, radio and IP-based content), **SES Astra**, a regional subsidiary of the leading satellite operator worldwide, **SES Global**.

The cable market is divided between three major operators, the biggest of them with around 45,000 subscribers being **Eltrona**, in which the old state monopolist **P&T Luxembourg** holds 34% of shares after buying out **CLT-UFA (RTL)** in 1999. The other two are both foreign owned, **Siemens** being a subsidiary of the German group, while **Coditel** is owned by France's **Altice One Group**.

Macedonia

The media sphere in Macedonia is characterized by a large number of media outlets, particularly in relation to its territory and population, estimated at approximately two million people. The legal system, including the constitution, protects freedom of speech and access to information, however, the implementation of specific regulations in the media market is loose. In the field of electronic media, the state broadcaster of Macedonia, with its three national channels, is operating alongside private radio and television stations. In printed media, there is a multitude of media editions competing in the market. In addition to the media in the Macedonian language, there are also media outlets in Albanian, directed towards the audience of ethnic Albanians in the country, who form a substantial ethnic minority in Macedonia.

Both the broadcast and the print media are extremely non-transparent in terms of ownership. No one knows the ownership structures. Criticized especially is the problem of the concentration of several business conglomerates in the press, like the domination of large business entities like **Makpetrol** on Telma TV, or **Sileks** on Sitel TV.



TELEVISION

There are five private national television stations and three state television channels. The public broadcaster **Makedonska Radiotelevizija** operates three TV channels. The channels have a total market share of around 22.6%. The third public channel broadcasts in the languages of the ethnic communities. In 2004 three new private channels were permitted. Of the three new private national television concessions, one was for an Albanian-language broadcaster, *TV AlSat-M* (which by the end of 2004 was not yet broadcasting). However, the particularly poor Albanian-language programming is leading that population to turn increasingly toward television programs aired from Kosovo and Albania, which are perceived to be of much better quality. *Sitel* with a market share of 14% and the leading commercial channel *Al* with 37% are the most important private stations in the TV sector. Also awarded national concessions were the Macedonian-language *Telma TV* and *Channel 5*, which began broadcasting during 2004. Foreign broadcasting stations have a high degree of penetration within the Macedonian TV market, mostly programs in Croatian and Serbian reach a high share. But also programs broadcasted in English are popular, like *MTV*, *Canal+*, *Hallmark*, *Eurosport* and *Discovery Channel*. All foreign stations combined have an average audience share of 15%.

RADIO

The radio market is highly fragmented. There are three commercial radio networks that provide national coverage: *Radio channel 77*, *Radio Antena*, and *Radio Ros*. The PBS **Macedonian Radio** broadcasts on three channels in Macedonian and in the language of the minorities. There are 73 local commercial radio stations.

CABLE AND SATELLITE OPERATORS

Macedonia's cable network is still growing. There are around 65 mostly local operating cable companies, which offer rich and diverse programs.

The initial phase of digitalization of microwave systems for distribution and contribution of audio and video signals and connection of the basic network with public national networks of neighboring countries has just started.

WRITTEN PRESS

There are 13 daily newspapers and more than 60 magazines. The so-called print monopoly, under which all three major Macedonian-language daily newspapers, *Utrinski Vesnik* (circulation 20,000), *Dnevnik* (circulation 55,000), and *Vest* (circulation 35,000), are owned by the German media giant **WAZ**, did not deter new competition from entering the market. Two new Macedonian-language dailies, *Vreme* (circulation 45,000) and *Vecer* (circulation 10,000), started in 2004. In the Albanian language, the daily *Flaka*, a one-time state-owned title, resumed publishing along with dailies *Koha Ditore* and *Bota Sot*, versions of Kosovo titles with a local production team producing about six insert pages of Macedonia news. However, *Bota Sot* and *Flaka* stopped publishing shortly before the end of 2004, and it is not clear whether they will restart.

MAJOR PLAYERS

WAZ

While the media market in the country is fairly fragmented, in recent years the dominant player in the media sector in Macedonia in terms of foreign ownership became **OST Holding Vienna - WAZ**. This company is the main owner of companies that are publishing the three most popular daily papers in the country in Macedonian language: *Dnevnik*, *Utrinski Vesnik* and *Vest*.

Source: *Media Ownership and its Impact on Media Independence and Pluralism*, Peace Institute Ljubljana, 2004

WAZ owns a controlling stake in all three publications. In the case of the ownership structure of **Izdavastvo Krug DOO** from Skopje, which is the publisher of the daily newspaper *Dnevnik*, the ownership is almost 100%, with the remainder of ownership stakes belonging to several individuals.

The two major owners of the publishing company **Most** from Skopje, publisher of the *Utrinski Vesnik* daily, are **WAZ** with a majority stake of 51.16%, and **GOFI**, a company from Skopje with a 24.33% ownership. The remaining stake of 24.51% is divided among five individuals. A similar situation, with **WAZ** owning the controlling stake, can be found in the case of the publisher of the *Vest* daily, **DOO Ogledalo**, a company from Skopje. Here, **OST Holding Vienna** is the owner of 51.06% of the company, while **GOFI** owns 24.05%. Third owner in terms of the size of the ownership stake is the company **Fersped**, with a 14.83% stake. The remaining 10.06% of the company is in the hands of two individuals.

Daily paper	Publishing company	Main owner (%)	Other owners (%)
Dnevnik	Izdavastvo Krug DOO	OST HOLDING - 93.8	five individuals - 6.2 (Branislav Geroski, Vladimir Bogoev, Zlate Lozanovski, Bojan Kicurovski, Milorad Stojmanovski)
Utrinski Vesnik	DID Most Branko Erol i dr. DOO	OST HOLDING - 51.16 GOFI DOOEL - 24.33	Five individuals - 24.51 (Manco Mitevski, Branko Trckovski, Vasil Mickovski, Erol Rizaov, Ljupco Popovski)
Vest	DOO Ogledalo Skopje	OST HOLDING - 51.06 GOFI DOOEL - 24.05	Joint stock company Fersped - 14.83 Two individuals - 10.06 (Donco Mircev, Goran Mihajlovski)

Malta

Despite of the small size of the country, the Maltese media landscape is rich and diversified. However the audiovisual market is characterized by a strong relation between media and politics. Political parties are direct investors in commercial media. Moreover the market is divided into two language sectors: English and Maltese. The English media market is larger. Furthermore Malta has a high penetration by foreign broadcasters especially from Italy.



RADIO

The radio sector contains around twenty mostly local radio stations. Only since 1991 have private radio stations been allowed on the market.

The PSB operates three channels: *Radju Malta*, *FM Bronja* and *Radju Parlament*. *Radju Malta* has an audience share of 12.87%, making it the third most popular station. The radio broadcasting industry is characterised by a few stations who have always maintained a leading position. The commercial radio station *Super One Radio* is the market leader with 16.99% market share. It is owned by the Malta Labour Party. The Nationalist Party owns *Radio 101* which has around 7.4% of the audience share. The Green Party *Alternattiva Demokratika* owns *Capital Radio*, which has a 8.21% share of the audience. The Catholic Church owns one national radio station *RTK* which has a 16.76% audience share and is therefore the second most popular station.

TELEVISION

The PSB has an important market share; it operates two TV channels. The public broadcaster **TVM** reaches an average audience share of around 27% and is therefore the market leader. Due to its geographical shape and its size, there is a high penetration of foreign broadcasters especially from neighboring Italy. All Italian broadcasting stations reach together an audience share of around 41%. But according to its close historical link to UK, British television is also largely represented with a market share of 17.8%.

The most successful commercial station is *Super 1 TV*, which is owned by the Malta Labour party and is the second most popular channel with an audience share of 16.7%. The Nationalist Party owns the *NET TV* channel, which has an audience share of around 10%.

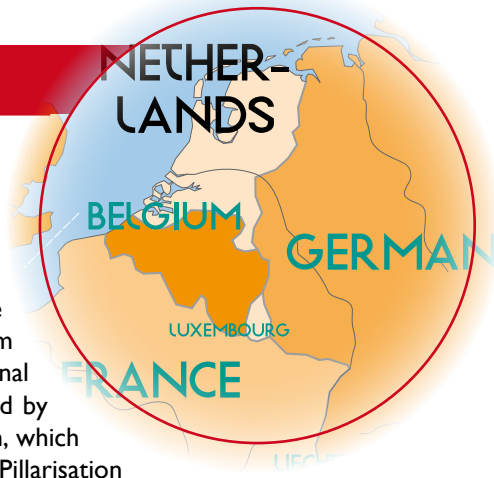
WRITTEN PRESS

Malta has four daily newspapers, two written in Maltese and two in English. There are also three Sunday papers in Maltese and three published in English. Additionally, there are two Maltese weeklies and two English ones, including business newspapers *The Malta business Weekly* and *The Malta financial & Business Times*. The most popular daily is *The Times*, which reaches a circulation of 37,000 and is published by **Allied Newspapers Ltd**. The company also publishes the Sunday newspaper *The Sunday Times*. Another player in the English-language publishing market is **Standard Publications Ltd**, which publishes *The Malta Independent*, *The Malta Independent on Sunday* and *The Malta Business Weekly*. In the Maltese publishing market, the main titles are those published by the **Union Press Co. Ltd** (owned by the General Workers Union). They publish a daily paper, *L-orizzont* and a Sunday paper, *It-Torca*. The Malta Labour Party publishes the Sunday paper *KullHadd*. The Nationalist Party publishes the most successful Maltese daily, *In-Nazzjon*, and the Sunday paper *Il-Mument*. Almost all print media are present on the web through their own sites.

CABLE AND SATELLITE OPERATORS

The only cable company in Malta is **Melita Cable** which was started in 1991. It provides over 50 different channels. **Melita** through its fully-owned subsidiary **Video On-Line** is also the leading Internet service provider in Malta.

The Netherlands



The Dutch press sector is particularly highly concentrated. There are no press ownership restrictions in the Netherlands. The cross-ownership restrictions prevent a company with 25% or more of the market share of national printed press from owning more than one-third of a national broadcaster. The media have been shaped by the Dutch social structure of pillarisation, which developed in the late nineteenth century. Pillarisation consisted of a division of society along the lines of religious and/or political convictions. Until the late sixties, for example, newspapers were officially or unofficially attached to one of the four pillars – Catholic, Protestant, Socialist or Liberal – and the papers were used as a means of spreading party or religious viewpoints.

In newspapers the ties between national newspapers and political parties or the church were modified in the late sixties. Since the late seventies most newspapers have an Editorial Statute, which describes and guarantees issues such as a newspaper’s identity, commercial pressure, editorial budgets and independence.

In contrast, the broadcasting sector is considered one of the most competitive broadcasting markets in Europe, due to the large number of different channels in relation to the number of inhabitants and the small size of the language area. In the public broadcasting system, the association of Dutch broadcasters, the **Nederlandse Omroep Stichting (NOS)** is still influenced by pillarisation, with broadcasting associations connected to each pillar involved in **NOS**, although the law has changed to allow the inclusion of new associations and viewpoints.

RADIO

The radio sector in the Netherlands is characterised by a range of operators and the strong presence of the public broadcaster, at both the national and regional level. There is a variety of national public and commercial stations as well as regional and local ones. The public service broadcaster **NOS’s** five radio stations each have their own specialist area: *Radio 1*, news and sport; *Radio 2* light information and music; *Radio 3*, pop music; *Radio 4*, classical; and *Radio 5* provides news to minority groups.

Aside from the **NOS**, there are also 15 national private radio stations. National public service radio channels account for 31.2% of the market share, while the regional public service has 14.7%, a combined share of almost half the audience (45.9%). The

most important players in the commercial radio sector are **Bertelsmann** through **RTL Group** (*Yorin FM* and *RTL FM*) and **News Corporation** (*Sky Radio* and *Radio Veronica*), and the investment groups **Talpa** (*Noordzee FM* and *Radio 10 Gold*) and **Advent International** (*Radio 538*). **News Corporation** reaches a market share of 14.4%, **Talpa** 11.2%, **Advent** 10.7% and **Bertelsmann** 3.5%.

TELEVISION

The television sector is dominated by the activities of three strong suppliers. The public service broadcaster together with the biggest commercial operators **Bertelsmann** through **RTL Group** and **SBS** jointly control 85% of the market. **NOS** is responsible for the coordination of national public broadcasting in the Netherlands. It consists of eight independent, non-profit broadcasting organisations, which represent major groups in Dutch society. TV channel *Ned 1* is concerned with religious and humanist values and programming, *Ned 2* with family, education and sports and *Ned 3* puts more emphasis on cultural and informational programmes. The public broadcaster reaches a market share of 36.6% and is therefore the largest player in the television market.

The main commercial broadcaster is **RTL Nederland**, largely owned by **Bertelsmann** through the **RTL Group**, which broadcasts three channels, *RTL4*, *Yorin* and *RTL5* from Luxembourg. **RTL** has a market share of 28%. **SBS Broadcasting B.V.** operates the channels *SBS6*, *NET5* and *Veronica*. The third channel of **SBS** called *V8* became the new *Veronica* TV channel on the 20 of September 2003, after certain media assets of **Veronica Holding** (*Veronica Uitgeverij*, *Veronica Litho* and *Veronica Digitaal*) became part of **SBS Broadcasting BV**. In total all the TV channels of the **SBS** group have a market share of 20.7%. The Netherlands' largest daily newspaper company **De Telegraaf** holds a 27% stake in the company.

CABLE AND SATELLITE OPERATORS

The Netherlands has the highest penetration of cable TV services in Europe and has one of the highest concentrations of cable viewers in the world. Cable is the dominant infrastructure for carrying television programmes with a market share of 93.4% of Dutch households. The market, however, is dominated by three companies, who account for 85% of subscribers (**UPC**, **Essent** and **Casema**). Aside from these three, there are around twenty small local or regional cable operators. **UPC** is 52.6% owned by US-based **UnitedGlobalCom**, in which John Malone's **LibertyMedia** has a 74% stake. At the end of 2004 **UPC Netherlands** had 23 million cable subscribers, 182,100 telephony customers and more than 397,400 Internet subscribers. Over 30% of Dutch households receive at least analog cable

service from **UPC Netherlands**. It markets its telephony services through **Priority Telecom** and its high-speed data access portal through **chello broadband**. The company has a market share of 37.7%.

Essent Kabelcom a 100% subsidiary of **Essent NV** is the second-largest cable operator, with 1.8 million subscribers, about 26.7% of the market share. It has a package of 30 TV channels and 28 radio stations, and runs a limited digital TV service.

Casema is the third major player in the cable market. The acquisition of **Casema** by **Liberty Media** in 2002 was not permitted by the Dutch anti-trust authority because of **Liberty Media's** interests in **UPC Netherlands**. The acquisition of **Casema** would have created a dominant position for the company. **Casema** is therefore in the ownership of two private global investment firms: the **Carlyle group** and **Providence Equity**. The **Casema** network is located mainly in the central and southwestern parts of The Netherlands. **Casema** is active in such cities as The Hague, Utrecht, Amersfoort and Breda. At the end of 2004 it had 1.4 million subscribers. Its market share was 21.5%.

The main provider of pay-TV satellite services is **Canal+**, part of **Vivendi Universal**. **PCM's** proposed buyout of the **Canal+** digital content business in The Netherlands was not permitted by the regulator because of the possible creation of a dominant position.

WRITTEN PRESS

With almost 30 different daily (national and regional) papers, two free commuter papers and hundreds of weekly titles (door to door), the reader is offered a broad and varied information package in print. But this high number of titles is in the hands of increasingly fewer suppliers. With respect to the daily papers, three dominant players can be distinguished: **NV Holdingmaatschappij De Telegraaf**, **PCM Uitgevers NV** and **Wegener NV** - who jointly cater for 83% of the readership market. The **Holding De Telegraaf**, which publishes by far the most successful newspaper *De Telegraaf* (circulation 753,000 and market share 18.3%) and the most successful free sheet *Sp!ts* (circulation 352,000), and **PCM Uitgevers**, which publishes *de Volkskrant* (circulation 308,000), *Algemene Dagblad* (circulation 288,000) and the *NRC Handelsblad* (circulation 257,000), both have a strong position within the national newspaper market. The former requires a market share of 35.5% and the latter reaches a market share of 24%, respectively. **Wegener** dominates regional press market. In total, it achieves a market share of 24.7%. 80% to 90% of all daily newspaper sales in The Netherlands are bought via subscription. **PCM** and **Wegener** announced plans to merge six of their newspaper titles by establishing a common joint venture. This will involve the national newspaper *Algemene Dagblad* and five regional newspapers.

THE MAIN PLAYERS

The only weekly newsmagazines are *Elsevier*, *Vrij Nederland*, *HP/De Tijd* and *De Groene Amsterdammer*. In addition, there are a very large number of popular magazines which focus on specific interests for particular target groups such as women, young people, car enthusiasts, computer buffs, etc.

PCM UITGEVERS

PCM is primarily active as a publisher of daily newspapers, door-to-door newspapers, general and educational books. **PCM Publishers** is the result of a merger between three organisations: **Perscombinatie**, **Meulenhoff & Co** and **Nederlandse Dagbladunie**. The holders of the ordinary shares are **Foundation Democracy and Media**, **De Volkskrant Foundation** and the **Foundation for the Promotion of the Christian Press** in the Netherlands. The cumulative preference shares are held by a number of financial institutions. **PCM Publishers** is also involved in multimedia activities. Nowadays investment company **Apex** owns 52.2% of the shares.

Written Press

Amsterdam-based **PCM** owns four of the top five best-selling national daily newspapers through its **PCM Landelijke Dagbladen** division. The titles are *Algemeen Dagblad*, *De Volkskrant*, *NRC Handelsblad* and *Trouw*.

The company is also involved in regional newspapers, including the *Rotterdams Dagblad*, *de Dordtenaar* and *de Rijn en Gouwe*.

It also publishes the magazines *Carp*, *StudiePlanner*, *TKMST* and *ON*.

Books

Furthermore, the company is involved in book publishing: book imprints include *J.M.Meulenhoff*, *A.W. Bruna*, *De Boekerij*, *Prometheus*, and *Bert Bakker*.

BoekNet – internet book retailing

DE TELEGRAF GROUP

Alongside activities in the area of regional and national dailies, door-to-door papers and magazines, the publishing group **De Telegraaf** also has interests in a broadcasting company. The group has 27% of the shares in **SBS**. It wholly owns printing plants and a distribution company. In addition, **De Telegraaf** operates together with **UPC** in **Media Groep West** (textpages behind televisionchannels of **SBS**) and has a stake over 25% in the **Wegener** newspaper and magazine group.

Newspapers

Publishes eight newspapers, including the best-selling national daily *De Telegraaf*. The group is also active in the regional newspaper market where it publishes the country's second most popular title, *Dagblad de Limburger* (circulation 221,000), *Limburgs Dagblad*, *Het Noordhollands Dagblad* (circulation 152,000), *Haarlems Dagblad*, *Leidsch Dagblad* and *De Gooi en Eemlander*.

In 1999 it launched a free daily newspaper aimed at the country's commuters called *Splits* to compete with the *Metro*, the free commuter paper launched by Sweden's **Modern Times Group** in a number of European cities.

Magazines

De Telegraaf Tijdschriften Groep publishes a range of general and special interest magazines.

WEGENER

Wegener takes up a final important position on the Dutch market for daily papers. **Wegener** is also a profitable newspaper publisher. Fellow publisher the **Telegraaf** holds a minority stake in **Wegener** shares.

The group is a major player in Western Europe in the direct marketing area, publishes specialised magazines and provides graphics products and services, has interests in digital publishing through its subsidiary **Wegener Multimedia**, the Internet and in other media companies in different areas (e.g. commercial regional radio, newspaper distribution and delivery, press agency, etc.). The interests of **Wegener** are spread throughout various regions but in three or four it is dominant. Given the restrictions on cross ownership and given **Wegener's** interest in the radio sector, the authorities have required the company to divest some interests in the regional press sector.

SANOMA UITGEVERS

The Dutch consumer magazine subsidiary of Finnish media group **Sanoma WSOY**, acquired through the purchase of the consumer magazine division of **VNU** (150 titles across Europe).

In the Netherlands **Sanoma** publishes 52 magazines, including two of the top-selling general interest titles, *Donald Duck* (circulation 337,000) and *Story* (circulation 274,000). It also publishes two top women's titles, *Libelle* (circulation 644,000) and *Margriet* (circulation 426,000).

In addition to publishing magazines, **Sanoma Uitgevers** coordinates **Sanoma's** new media and film distribution and another subsidiary, **Aldipress**, which was also acquired from **VNU**, is responsible for magazine distribution in the Netherlands.

Norway

Norway is not a member of the EU. It is part of the European Economic Area (EEA) but, in a November 1994 referendum, it voted against joining the EU. It is the sole Scandinavian country not in the EU.

The Norwegian newspaper and broadcasting business is dominated by four Norwegian

players – **Schibsted**, **Orkla**, **A-pressen** and **NRK** (the **Norwegian Broadcasting Corporation**). In addition, several foreign players are represented on the ownership side of media enterprises with large audiences. The Swedish **Modern Times Group (MTG)** owns 37.66% of the *P4* radio station and all of the pan-Scandinavian television channel *TV3*. The Danish company **Egmont** is one of the three owners of the terrestrial station *TV 2*, with 33.3% ownership. In August 2005, the media company **SBS** got new owners; two American investment companies; **Permira Advisers** and **Kohlberg Kravis Roberts & co.** **SBS** has consolidated its position in Norway as owner of both the *Radio 1* group and *TVNorge*.



RADIO

The radio market is dominated by the public broadcaster **NRK** which reaches a market share of 60%. In 2003 the American-owned media enterprise **SBS** bought the local radio network *Radio 1*. This is Norway's biggest local radio network, with "big-city radio" as its broadcasting concept and transmissions in the big towns. In local radio there are three big local radio networks. In addition to *Radio 1*, there is the French-owned *NRJ*, which has a licence in five Norwegian towns. The third big player is **JærRadioGruppen**, owned by **Herman Skretting** and **A-pressen**, which now controls 18 local radio stations in various places in the country. **TV2 Group** has increased its ownership of shares in *Kanal 24*, which has a market share of 5%, to 49%. The remaining shares of the radio station are split up between **Adresseavisen**, **Fædrebladsvennen** and **Adgerposten**. **MTG** is represented in the Norwegian radio market through *P4*, a radio station which obtains 22% of the market share, and increased its shares in *P4* to 37.77%.

As well as in the radio sector the public broadcaster **NRK** (*NRK and NRK2*) has also the dominant market share in the television sector, with a market share of 44%. The public service broadcasting station **NRK** does not carry advertising but it does receive subsidies to broadcast sporting events and educational programmes for audiences other than children and young people. *NRK* is the most popular channel (41% market share). *NRK 2*, launched in 1996, targets a younger audience and has a much smaller market share of 3%. The most successful commercial TV channel is *TV2* with a market share of 30%. **Schibsted**, **A-pressen** and the Danish company **Egmont** own a third each of *TV 2*. *TVNorge* (10% market share) is owned by **SBS Broadcasting**. The Swedish **MTG** has a *TV3* channel in Norway (6% market share), as it does in Sweden and Denmark. After the Ministry of Culture in the autumn of 2001 abolished the ownership limit of 33.3% in *TV 2*, **Schibsted** increased its stake to 33.334% of the channel's shares. In the local TV market, **A-pressen** and **Orkla** have big ownership interests. **A-pressen** owns eight local television stations, **Orkla** controls two and has smaller and indirect stakes in a number of others. Like local radio, local television has a relatively small audience.

WRITTEN PRESS

The three biggest newspaper owners, **Schibsted**, **A-pressen** and **Orkla**, all together own 63.5% of the total daily press in Norway. Of the 15 biggest newspapers in Norway, only *Dagsavisen* does not have any ownership connection to the 'Big Three'.

Schibsted is by far the biggest player in the Norwegian newspaper market. In 2004 this group had 30.97% of the total daily newspaper circulation. The equivalent figure for **A-pressen** is 16.18% and for **Orkla** 16.21%.

The two largest newspapers *VG* (circulation of 365,266) and *Aftenposten* (circulation 249,861) are owned by **Schibsted**. **Schibsted** has a total circulation of 962,932, followed by **Orkla** with a circulation of 504,125 and **A-Pressen** with 503,037.

CABLE AND SATELLITE

Norway's cable market is dominated by **Telenor** and **UPC Norge**, the Norwegian subsidiary of Dutch cable group, **UPC**. **United Pan Europe Communications Norway (UPC Norway)** owns and operates 16 cable networks in the south of Norway. It has a share of around 42% of Norway's cable TV market.

Norway also has a thriving satellite market. **Viasat Broadcasting** is the television subsidiary of the Swedish **Modern Times Group** and Norway is the largest market for its digital satellite platform *Viasat Gold*. **Canal+Norway/Canal Digital**

broadcasts over the *Canal Digital* platform which is wholly owned by **Telenor**. *Canal Digital*, is the largest distributor of TV services to the Nordic residential market. *Canal Digital* is the market leader for TV services in the Nordic residential market. More than 2.9 million Nordic households and activities subscribe to one or several of its services. **Telenor**, was wholly state-owned until 21% of the company was sold off in 2000. It is Norway's main telecoms provider and active in the satellite and multimedia markets.

THE LARGEST MEDIA PLAYERS

A-PRESSEN

The company's origins go back to the establishment of the workers newspaper *Vort Arbeid* in 1884, and for much of its history the **A-Pressen** newspapers were owned by the Social Democratic Party or trade union organisations. It was renamed **A-Pressen** in 1994. The ownership structure in **A-pressen ASA** underwent major changes in 2003. The Finnish media group **Sanoma** sold off its stake in **A-pressen**, which is now owned 98% by **APR Media Holding**. The shareholders of **APR Media Holding** are **Telenor Broadcast Holding** (44.8 %), the Norwegian Confederation of Trade Unions (LO) and its affiliated unions (45.2 %) and the Freedom of Expression Foundation (10%).

A-Pressen ASA: The company's principal activities are media products, including newspapers, printing plants, television and electronic media. The company is the majority owner of 35 local and regional newspapers, owns 33% of *TV 2 AS* and has ownership interests via subsidiaries in seven local TV stations in Norway and owns and operates 10 printing plants, 49 newspapers web sites and 24 other web sites. The company acquired a 25.01% interest in *Komsomolskaya Pravda* (Russia) in June 2002.

Written Press

A-Pressen is the majority owner of 49 Norwegian newspapers, and also has stakes in 6 other newspapers.

Printing

A-pressen's printing business is partly organized in separate printing companies and partly as divisions of newspaper companies. **A-pressen** has 17 (+ 5 in Russia) press installations. Of these, ten are organized as separate printing companies. The remaining 7 are press installations in the newspaper companies. **A-pressen's** printing business consists first and foremost of printing the group's own newspapers as cost-effectively as possible.

Television

The group's main assets are now in television. It has a 33% share of commercial television station *TV2* and indirect interests in *TVNorge* and three other local television stations. Through fully or partly owned newspapers, it has minor stakes in four other local stations.

ORKLA SA

The **Orkla** conglomerate embraces heavy industry, banking, chemicals, food products, brewing, investments and chemicals. **Orkla Media** covers newspapers, magazines, new media, printing and distribution. It is one of the largest media groups in the Nordic region and operates in the newspaper, magazine, direct marketing and electronic publishing sectors. The group has interests in Scandinavia, Poland, the Baltic States and Ukraine.

Written press

The newspaper business in Norway and Sweden consists of local newspapers that hold leading positions. Total circulation is just over 400,000. **Orkla** owns 30 newspapers in Norway and has shares in 7 other papers.

Berlingske is the biggest player on the Danish newspaper market and also has a strong position on the Internet market in Denmark. On the Polish newspaper market, **Orkla Media** is the biggest player with interests in 15 newspapers that have a total circulation of 770,000. The company also has interests in two regional newspapers in Ukraine and one in Lithuania.

Through its 50% stake in **Hjemmet-Mortensen** (the remaining 50% are owned by **Egmont**), which operates **Medströmsförlagen**, **Orkla Media** is market leader on the Norwegian magazine market with a total weekly circulation of 800,000.

Television

Orkla has a minority share in *TV Telemark*, a TV station in Norway.

New media

Zett.no is a joint classified advertising service for Norwegian local newspapers. **Orkla Media's** national positions in digital media were strengthened through the acquisition of the *Tinde* website and further development of the digital classified advertisement business **Zett**, which is jointly owned with **A-pressen**.

Others

Orkla Media is a major player in dialogue marketing and has companies in Norway and Sweden.

SCHIBSTED

The group is a newspaper and book publisher, with online and film interests. It is 26% owned by a trust that specifies **Schibsted's** governance should be 'based on Christian values, Norwegian culture and democratic principles.' The company is active in 9 countries - Norway, Sweden, Denmark, Finland, Estonia, France, Spain, Latvia and Lithuania.

Written press

Schibsted owns 3 Norwegian newspapers and has holdings in a further 5 regional newspapers in Norway. It owns the two best-selling daily publications in Norway, *Verdens Gang* and *Aftenposten* and the free newspaper *Avis1*. In Sweden it owns 49.9% of the country's leading paper, *Aftonbladet*. Furthermore, **Schibsted** also owns *Svenska Dagbladet*, which in recent years has increasingly focused on the Stockholm market.

Schibsted's international free newspaper, *20 Minutes*, is published in Spain and France. *20 Minutes* is among the most-read newspapers in the areas where it is published and is one of the 10 most-read newspapers in Europe.

In Estonia, **Schibsted** has a majority shareholding in **Eesti Meedia Group**, the country's largest media group. The company publishes Estonia's two biggest newspapers *SL Õhtuleht* and *Postimees*, five Estonian local newspapers, runs Estonia's biggest printing plant **AS Kroonpress** and also owns 50% of **Estonian Magazine Group**, which publishes a number of periodicals and special-interest magazines.

Publishing

Schibsted Forlagene AS is a fully owned subsidiary of **Schibsted ASA**. The company was founded in 2004 as a result of a merger of eight different publishing units within the **Schibsted Group**. Today, **Schibsted Forlagene AS** is the fifth largest publishing house in Norway. The company is also one of the most important publishers of entertainment fiction, crime stories and cartoons. In addition, the company publishes the magazines *Dine Penger*, *Maison*, *Tique* and *4U*.

Schibsted has a 50% share in the newspaper *Dagens Medisin*, targeted at healthcare professionals.

Television and Film

Schibsted is one of the leading Scandinavian media companies in the areas of TV and film. The group is the majority owner of **Metronome Film & Television**, the largest independent Scandinavian player within film and TV production with subsidiaries in Sweden, Norway, Denmark and Finland.

Schibstedt is a 50% shareholder of **Sandrew Metronome**, a leading Nordic company that purchases and distributes films. The company also has extensive cinema operations in Sweden, Denmark and Finland. **Sandrew Metronome** is involved in Scandinavian film productions as a producer and investor and collaborates extensively with international producers such as **Warner Bros**.

The **Schibsted** group owns 33.34% of **TV 2**, Norway's largest commercial TV channel. The **TV 2 Group** operates a radio station – *Kanal 24* – as well. Moreover **Schibstedt** has a minority share (20.8%) in the Swedish TV broadcasting station **TV 4** and it wholly owns the second-largest Estonian TV channel, **TV 2**.

New Media

Schibsted New Media is the common name for the **Schibsted Group's** mobile and Internet activities. In 2005 Schibstedt was planning to merge with **Aspiro**, a provider of mobile services. The merger means that **Aspiro** would acquire all shares in **Schibsted**. Taken as a whole, **Schibsted** has a competitive advantage by having such a strong presence in both the traditional and the new media. Several of **Schibsted's** newspapers have also an Internet portal. The development in the group's Internet activities showed substantial growth in traffic, market shares and improved financial results.

Poland

In 1989, Poland began developing independent media. Censorship was lifted, the Communist party's newspaper chain was dissolved and a new press law was passed in Parliament. Newspapers were privatised and commercial radio and television stations received their licences. As a consequence, foreign media companies began investing in Poland, although the existing regulations still imposed some limitations on the amount of foreign investment in the audio-visual media in Poland. In fact, the number of foreign investors in the Polish media market has been growing for several years, and almost 80% of the press is in the hands of foreign capital. The Press Freedom Monitoring Centre (CMWP), a non-governmental watchdog organization established by the Polish Journalists Association, monitors the Polish press. Andrzej Krajewski, chairman of CMWP, says that whilst the print media market has been opened up to foreign investors, editorial independence from owners and advertisers remains a major issue. Public radio and TV are also politicised and commercialised.

After ten years of evolution and rearrangements, German investors have become a power in the magazine market. In fact, 50% of shares on the market for colour magazines are distributed among the following German press giants: **Passauer Neue Presse**, **Axel Springer Verlag**, **Bauer** and **Gruner+Jahr**. Other foreign press companies have invested in dailies as well. Specialized publications are also in German hands, mostly those of **Vogel International Verlags GmbH** and **Deutscher Fachverlag GmbH**. However, there is little information on the amounts publishing houses have invested. The Polish market is divided between three major foreign publishers: **Orkla**, **Passauer Neue Presse** and **Bauer**.

There is a great deal of controversy as the Polish government shapes changes in media laws, and particularly on regulations to limit media concentration. The existing law also makes it possible for politicians from the major parties to influence and control the management of public radio and television.

TELEVISION

The Polish television market has three main players: The dominant PSB **Telewizja Polska (TVP)** and the two commercial stations **Polsat** and the conglomerate **Grupa ITI**, which operates the TV channel **TVN**. Poland's public service broadcaster operates two national channels and twelve regional channels, an information



channel and an international channel *TV Polonia*. The PSB has a dominant position on the TV market with an average audience share of around 51%. *Polsat* and *TVN* have, respectively, shares of 17.1% and 15.8% of the national audience. The leading media company within the Polish audiovisual market is **Grupa ITI** (subsidiary of Luxembourg based company **ITI International**). Luxembourg based **SBS** is a minority shareholder (33%) in *TVN* with the Warsaw-based **ITI Group** owning 67%. It is active in various media sectors, but its main activity remains in television. The group operates *TVN*, *TVN Siedem*, *TVN 24*, *TVN Meteo*, *TVN Turbo*, *International TVN* and *TVN Style*. Besides television broadcasting and production, the group is active in multiplex cinema operations, home video and theatrical distribution, theatrical production, special events organisation and new media (*Onet.pl*, the largest and most frequently visited Internet portal). **Polsat** is owned by Zygmunt Solorz, a rare example of an Eastern European media mogul. **Polsat** has interests in the Baltic countries, with shares in Latvian and Lithuanian TV stations. **Bertelsmann** owns, through **RTL Group**, the commercial television *RTL 7*. This TV station was launched in 1996. Its programmes are broadcast from Luxembourg by cable or satellite. *RTL 7* is wholly owned by **RTL**.

RADIO

The PSB radio station **Polski Radio** control three national radio stations *PR1*, *PR2* and *Trojka (PR3)*, as well as 17 regional stations and one international. Its channels make jointly an audience share of around 35%. The main competitors on the national level are *RFM* and *Radiozet*. *Radiozet* has a market share of 24.3% and is owned by **Medialna Eurozet**. Furthermore the group owns the station *Radiostacja*, audio production company *Stuio zet*. **Eurozet** is jointly owned by the original founder of the radio service, Mr Woyciechowski, whose family now has 46% share in the company, and the French group **Lagardère Active Radio International** (40%) and other investors. The **Holding FM RMF-FM** is active in the radio and music sector. The flagship of the group is the radio station *RMF-FM*, which is the market leader in Poland with an average audience share of 28.3%. Moreover, the group operates an advertising agency.

Although incomparable in terms of audience or market share, the Catholic *Radio Maryja* is the third commercial radio station and attains a market share of 3.3%. There are over 830 local radio stations. In the local radio sector **Agora** and **ZPR** are the major players. **Holding ZPR co.** owns 24 local radio stations, of which there are 21 broadcasts under the heading of the **Eska** network. The media company **Agora SA** is a major player in the regional radio sector with 28 radio stations and a market share of 12.2%. Furthermore **Agora** is very active in the press sector. It owns one of the best selling newspapers, as well as a supraregional news talk radio station, an Internet portal and an announcement service and advertising agency.

Foreign capital is broadly presented on the Polish radio market: The German company **Eurocast** owns *Radiowawa*, a minor player in terms of share (1.6%), and the UK Radio company **GWR Radio Plc** owns *Radiotok* (0.5%).

CABLE AND SATELLITE OPERATORS

Poland has the largest cable market in central Europe. Four main companies **UPC TK**, **Telewizja Kablowa Vectra**, **Astor City**, and **Multimedia Polska** dominate the industry.

The largest cable operator is **UPC Telewizja Kablowa**. It is a subsidiary of the American cable operator **UPC Polska**, which itself belongs to the American media conglomerate **Liberty Global**. Like other big cable operators it also provides Internet services. **Aster City Cable** is the most important cable operator within Warsaw. It has 525,000 subscribers. **Vivendi Universal** is present in Poland through the **Canal+ Group**, which specialises in pay TV and content production. **Canal+** launched pay TV in Poland in 1996. It is called *Canal+ Polska*. It is available as a terrestrial pay service and by cable and satellite. **Canal+** also launched its digital platform under the name of *Cyfra+*. **Canal+ Group** also produces two thematic channels called *Planete* (adventure) and *Seasons*.

WRITTEN PRESS

Foreign capital and foreign interest are widely represented in the Polish newspaper market and also in the magazine sector. There are 60 titles of daily newspapers on the Polish market. By far the most successful daily is the tabloid *Fakt* (circulation 86,829), which is published by **Axel Springer Polska**. It therefore outranked the traditionally best selling national newspaper *Gazeta Wyborcza* (558,371 circulation) owned by **Agora S.A.**, which is partly owned by the US-based **Cox Enterprises**. The Norwegian company **Orkla press** has an interest in **Presspublica** (51%) publisher of the fourth top-selling daily *Rzeczpospolita* (243,548 copies). The company also owns the top-selling *Gazeta Pomorska* (109,426 copies) and has a total of 12 regional newspapers.

An examination of the market share held by the top 31 regional press titles reveals that two companies dominate the market: **Orkla** and German **Passauer Neue Presse** through **Polskapresse** (which also publish three TV magazines) hold over 38% of this readership between them.

The magazine sector is dominated by foreign companies: the German companies **Wydawnictwo H.Bauer** (subsidiary of **Bauer**), **Gruner & Jahr**, and **Axel Springer**, and also **Edipresse** (Swiss) and **Hachette Fillipacchi** (French). The

Polish company **Agora** is also a major player in the magazine sector with 14 titles. Hubert **Burda**, through **Burda Verlag Osteuropa (BVO)**, is also active in Poland. It publishes the magazines of the **PNP Group**, but it has only a small market share.

MAJOR PLAYERS

ORKLA

Orkla is the leader in the Polish newspaper market through **Orkla Press**, which is responsible for newspaper operations in Poland. Established in 1991, the branch has grown to be one of Poland's leading newspaper groups with a circulation of 208.8 million. Since 1991, **Orkla Press** has taken ownership shares in 13 regional and national dailies.

Orkla Press owns 51% of **Presspublica**, publisher of the national daily, *Rzeczpospolita* and owns 53% of the shares in **Pro Media**, publisher of *Nowa Trybuna Opolska*. **Orkla** is the second biggest investor in Poland with shares in about a dozen local weekly newspapers as well. The company recently became the owner of the publishing house **R-Press**, which publishes *Nowiny* daily, by purchasing 35% shares from **NSZZ Solidarność**.

PASSAUER NEUE PRESSE

PNP moved into Poland in 1994 when it acquired some regional dailies and founded **Polskapresse**. It now owns 6 regional newspapers, which are printed at presses in Gdansk, Poznan, Lodz, Wroclaw and Krakow. It also prints three TV magazines with total sales of 2.6 million.

In addition it has its own distribution service for its print products; a direct marketing company called **Eurodirect**; a media agency called **Media Tak** for sales of advertising surface; and an online classified ad site, **gratka.pl**. It is also a publisher of 2 local weeklies and 4 other weeklies. It owns 25% of the shares of *Dziennik Polski*, the biggest newspaper of Krakow and 24.5% of **Oficyna Wydawnicza Wielkopolski**, which publishes *Głos Wielkopolski* and *Gazeta Poznańska* in Poznań.

PNP adopted another strategy to gain market shares in Poland. The goal of the German company is to try to make all its titles similar in terms of form and content. In September 1994, **PNP** bought the Polish publications of the French **Hersant** group, which had eight regional newspapers, including *Dziennik Bałtycki*, *Dziennik Łódzki*, *Trybuna Śląska* and *Gazeta Krakowska*. In 1996, the German group purchased 95% of the shares in the **Fibak Investment Group**, publisher of two dailies: *Gazeta Poznańska* and *Express Poznański*. The Polish company created by **Passauer Neue Presse**, **Polskapresse**, has expanded to become one of Poland's most important publishing houses.

BAUER

Through its 100% subsidiary **Wydawnictwo Bauer, Bauer** publishes 31 titles and has a high circulation in Poland. The women's magazine *Tina* is a Polish market leader in this sector (520,000 circulation). The company is a market leader in the TV-guide sector, the biggest one, *Tele-Tydzień*, has a circulation of 1.5 million copies. It also publishes automobile titles, including a popular magazine called *Motor*. In the life-style magazine sector it publishes *Twój Styl*, the biggest luxury magazine in this group (346,385 circulation). In addition it publishes magazines for youth, including *Bravo* and *Bravo Sport*.

AXEL SPRINGER VERLAG

Springer increased its market position in Poland through the launch of the tabloid *FAKT*, which has become the most successful daily with a circulation of over 535,000 copies. It further owns 13 titles including a women's weekly, *Pani Domu* (circulation 273,225) a women's monthly, *Olivia* (circulation 259,636) and two monthly youth titles *Dziewczyni* (circulation 132,676) and *Popcorn* (circulation 127,951). *Motor* magazines with *Auto Świat* (203,000 copies) and computer magazines with *Komputer Świat* (211,470 copies) complete the portfolio of the publishing house.

BERTELSMANN

Bertelsmann through **Gruner+Jahr** also has a strong position in the Polish magazine market. It publishes 8 magazines that each have a special interest focus. It publishes women's magazines like *Glamour* (328,372 copies) and *Claudia* (749,607 copies); the weekly *Naj* (457,411 copies); and National Geographic. It is currently the third-largest publisher in Poland with a 9.6% market share.

EDIPRESSE

Edipresse has been operating in Poland since 1995. **Edipresse Poland** publishes about ten publications, including women's magazines, information magazines, health magazines and magazines on practical living.

Edipresse Poland publishes the oldest women's magazine in the country, *Przyjaciółka* (circulation 648,416), established in 1948. In February 1997, the group launched the fortnightly magazine *Viva!*, the Polish equivalent of *Paris-Match*. The magazine was a rapid success, with over 226,867 copies sold for each issue.

The group has strengthened its position in the segment of family-oriented titles, by buying into *Twoje Dziecko* (circulation 90,441). The monthly women's magazine *Uroda* (circulation 91,952) is very popular and has achieved a solid position within the market. **Edipresse** also publishes *Przekrój* with a circulation of 182,387 copies, which was successfully relaunched.

In the e-publishing field, **Edipresse Poland** is associated with the website *www.polki.pl* which is the largest and most visited Internet service for women. Today, **Edipresse Polska** is the country's leading magazine publisher in terms of advertising revenue and the third in sales. It publishes about ten publications.

CONCLUSION

Press ownership laws in Poland are very permissive towards foreign investors. The country's former radio and television monopoly was terminated with the enactment of the 1991 broadcasting law. It is estimated that private media now accounts for 85% of the market. Foreign investment in print media is not restricted, and foreign companies are estimated to be involved in 40% of the country's publications, or about 75% of distributed circulation. In broadcasting, however, a restriction exists on the permissible extent of foreign ownership in a company.

German groups, **Bertelsmann, Springer Verlag** and **Bauer**, and Swiss groups, **Edipresse** and **Ringier**, own the majority of magazines. The Norwegian **Orkla Press** has concentrated more on newspapers. The German companies are trying to create global magazines for the whole of Central Europe. Magazines like *Tina* and *Bravo* are distributed throughout Eastern Europe. **Orkla Press** has chosen a different approach. It is more aware of the social and cultural differences between regions and is producing papers which relate to the specific issues and concerns of the region where the newspapers are published.

The main problem for the Polish press sector is its independence. Foreign companies are trying to impose their Western management in a completely different environment. Laws protecting journalists are weak and large media groups take advantage of this. For example, foreign publishers deny the role of organisations representing journalists, set low wages and royalties, and avoid signing collective employment agreements.

The rush of foreign investment into Polish media created lower quality and declining impartiality. The rapid growth of Polish media in the last few years has also resulted in a decline in the quality of journalism. In order to cut costs, publishers often prefer to employ amateurs instead of experienced professionals. The lower standards go together with a widespread demand for sensational, entertainment-style journalism. We can see that there is a big threat to independent journalism but some observers think the contrary. In fact, they believe that foreign investors stabilize the Polish

press and allow it to remain independent because the Western media companies are only interested in profits and revenue. The owners rarely intervene in editorial content and avoid being politically partisan.

Poles regard the newspaper, *Rzeczpospolita*, owned by **Orkla** as very reliable, with high-quality information and analysis. In some cities, **Orkla** has invested in two dailies and has preserved the differences between them. **Passauer Neue Presse**, on the other hand, aims to unify the content and form of the titles it holds.

Existing media companies in Poland are now focusing on securing their place in the market and developing strategies for the future. But this process leads to concentration of media ownership, where the big media companies buy the weaker titles or stations, thereby strengthening their own position. The growing regional and local media markets have become the next target for investment by the big newspaper companies. Other companies have started to invest in local and regional radio stations in order to build their own chains. Dominant groups in the regional press, such as **Passauer Neue Presse**, have started buying smaller regional and local newspapers. However, small local publishers are making joint efforts to defend their position, which may result in a structured partition of the regional and local market.

Portugal

Portuguese media landscape made a transition from state controlled media to independent media after the end of the dictatorship in 1974. Although there was censorship, the State did not own media before the Revolution and the “public” Television was a private operator. After the Revolution, in 1975, the State nationalised newspapers, radio and television until 1989. Since then the media industry has consolidated into four main players: **PT/Lusomundo, Impresa, Grupo Media Capital** and **Impala**. There are no cross ownership restrictions in Portugal, hence these major players are active in several media sectors. The remaining shares are split between the public service broadcasters and the Catholic Church.



TELEVISION

The free-to-air television market consists of two important commercial channels *SIC* (28.3% market share) and *TVI* (29.5% market share) competing with the main PBS channel *RTP1* (23.2%). The Public Service Broadcaster **RTP** has two terrestrial channels. Furthermore it broadcasts *RTP Internacional*, *RTP-Madeira*, *RTP-Azores* and *RTP Africa*. State broadcaster **Radiotelevisão Portuguesa (RTP)** began broadcasting in 1958 and introduced a second channel in 1968. Both channels have been dramatically affected by the growth of commercial channels. The government abolished the licence fee in 1992, and **RTP** receives subsidies from the government, as well as selling advertising.

SIC is owned by **Impresa** which also owns the channels: *SIC*, *SIC Gold*, *SIC Radical*, *SIC Mulher* and *SIC Internacional* (cable channels). Between 1992 and 1997 *SIC* dominated the commercial market. At its peak in 1997 it had 50.1% of the television audience.

TVI, was founded by the Catholic Church in 1993, but, faced with heavy debts, a controlling stake was sold to a consortium led by Venezuela’s Cisneros Group in 1996. It is now part of Media Capital group. It also has its own television production company and transmission network.

A consortium **PTDP (Plataforma de Televisão Digital Portuguesa)** won the contest to develop Portugal’s digital television platform. It is a joint venture between **RTP** and *SIC*. There are ambitious plans to replace the analogue network by 2007.

One of the major players in the radio sector is **Grupo Renascença** which belongs to the Catholic Church, which has three national channels and reaches an average audience share of almost 40%. The group also operates 60 local radio stations. The strongest commercial player is **Grupo Media Capital** with 4 national channels (almost 40% national audience share). The Public Service Broadcaster, **Grupo RPD** has three national channels (with a 12.5% audience share) and seven regional stations. Other players in the sector include **PT/Lusomundo** with the information channel *TSF Press* (6.5% market share).

CABLE AND SATELLITE OPERATORS

The largest operator in the cable television sector is **TV Cabo** owned by **Portugal Telecom** through **PT Multimedia**. **TV Cabo** also provides the only satellite pay TV service in Portugal. **Cabovisão** is the second largest operator, and offers the 'triple play' of cable TV, broadband Internet access and phone services. It is owned by Canada-based **Cable Satisfaction International**. There are four other cable service providers operating in the market. However, **TV Cabo** and **Cabovisão** have about 96% of the market between them, with **TV Cabo** having about 81% of subscribers.

WRITTEN PRESS

The level of newspaper readership in Portugal is one of the lowest in Europe. There are about 40 major newspapers in Portugal with a readership of about 5 million of persons older than 15 years old, representing about 70% of that population segment. Altogether, about 600 newspapers are regularly published. Portugal's biggest daily newspaper is *Correio da Manhã* (circulation 116,000) owned by the **Cofino Group** followed by *Journal de Notícias* (circulation 112,000) owned by **Portugal Telecom**. The latter is the country's telecommunications provider and one of the important players in the newspaper sector. Besides its top-seller, it publishes *Diário de Notícias* (circulation 41,000) and a range of other newspaper and magazines. The **Grupo Cofino** is also active in publishing (press and magazines). The group has shared ownership of the press distribution company **VASP** with **Impresa** and **PT Multimedia**. Another major group in the Portuguese media sector, **Impala**, is focused more on publishing, particularly in the magazine sector. In the magazine market the group publishes 8 weeklies and 10 monthlies, including the top-selling magazines *Ana* and *Maria*. The Catholic Church is also an important player particularly in the local press sector with around six hundred small newspapers and magazines among the 4500 titles published altogether in Portugal.

PT/LUSOMUNDO

PT Multimedia, a subsidiary of **Portugal Telecom**, took control of the media conglomerate **Lusomundo** in 2000. It publishes Oporto-based *Journal de Noticias*, and Lisbon-based *Diario de Noticias* and a dozen other newspapers and magazines. It also owns **TSF**, a news-based radio station; has a major stake in cinemas, in alliance with **Time Warner**; and is in a dominant position in film and video distribution. Furthermore the group has major stakes in the Internet (information as well as other services) and in mobile phones.

IMPRESA

Formed when Switzerland's Edipresse joined forces with Brazilian publishing house Grupo Abril and Portugal's Controljournal, **Impresa** is a multimedia company that evolved from a company set up by the former prime-minister Francisco Pinto Balsemão in 1972. The group has interests in most media sectors including newspapers, magazines, television and distribution. The *Expresso* (circulation 132,063) is now the best selling weekly informational newspaper. The group is also active in the free press sector. It also owns, in alliance with the Belgian media group, Roularta, the commercial TV station *SIC*. Other activities in the media sector include Internet technologies, publications printing and distribution.

MEDIA CAPITAL

Media Capital owns four national radio stations and is active in Internet technology and service provision. The company has its own television production company. **Media Capital** additionally has its own transmission network for television (**RETI**), has a company managing cultural and music events, a cinema and video distribution company (cooperating with **Fox** and **Miramax**), organises trade fairs and has a 20% stake in a Portuguese football team (União de Leiria).

IMPALA

Impala publishes *Maria*, *Nova Gente* and many more popular women's magazines and general interest titles. It also has interests in Brazil and Spain. The German **Burda** group has through its **Focus Verlag** an interest in **Impala**. It publishes a Portuguese version of the German newspaper *Focus*.

Romania

Liberalisation and privatisation of the broadcast media in Romania have been extensive. During 2000, for example, the National Audiovisual Council (CNA) granted 18 television licences and 20 radio licences, which brought the total number of licensed television and radio stations at the end of 2000 to 173 and 297, respectively. Inevitably this has led to a major expansion of foreign ownership by a number of U.S. media companies (like Viacom's *MTV*) or companies like *CME* and *SBS*, which are predominantly US-owned.



TELEVISION

The state broadcaster **Romanian Radio and Television (TVR)** has a 99% reach to the Romanian populations, while the private TV stations usually reach from 50 to 68% of the Romanian population. The two channels of the public broadcaster have a combined audience share of 29.1%. There are four major commercial TV stations competing on the national market. *Pro TV* in which **CME** has a majority stake reaches an audience share of 15.8%. Moreover **CME** owns *Acasa TV* which reaches an audience share of 7.4%. **CME** also owns the country's most important content production company. The main competitor to *Pro TV* is the locally owned private TV station *Antena 1*, which reaches an audience share of 12.4%. *Antena 1* is owned by the businessman and politician Dan Voiculescu. The Voiculescu group further operates *Romantic FM* and has invested a lot in the re-launch of its daily newspaper *Jurnalul National*. Foreign capital is very important in the audiovisual sector. The global media group, **News Corporation**, through **Balkan News Service** fully owns the digital TV channel *BITV (Bucuresti 1 TV)*. Luxembourg-based and American-financed **SBS** owns 86% of **Ameron Ltd.**, which operate *Prima TV* in Romania. This station was established in 1997 and covers 87% of the Romanian media landscape. The programmes are broadcasted by satellite and cable and reach an audience share of 2.9%.

RADIO

The public radio has four national channels (focusing on News, Culture, Youth and Music), an international channel and ten local or regional channels broadcasting their own programmes. The private radio market is very fragmented: there are more than 150 private local radio stations. **Lagardère** operates several radio stations,

within the market leader *Europa FM*. **Lagardère** is focused on radio in Romania but they also publish the internationally known *Elle* magazine (circulation 25,000) through the **Romanian Publishing Group SRL**. The magazine has an audience share of 19.1%. *Europa FM* was the first and only radio broadcaster to obtain a regional private license. The second position is held by *Pro FM* which has an audience share of around 10.7%. The station is still linked to **CME**. However, due to new legislation it is planned to establish a company **Pro TV SA**, which then will own the broadcasting stations, while **CME** will remain an indirect owner through its shares in the three owning companies (**Media Pro SRL**, **Media Pro International**, and **Media Vision**). The next important player in the market is *Radio XXI* (7.7% market share) in which **Lagardère** holds an important stake of 20%.

WRITTEN PRESS

Between 2000 and 2004 the number of daily newspapers grew from 14 to 51. Fourteen newspapers have a national reach. By far the most successful newspaper is the tabloid *Libertatea* (circulation 200,000), which is published by **Ringier Romania** a branch of the Swiss parent **Ringier**. **Ringier** is the undisputed leader on the print market. It publishes seven titles, including two other top-selling newspapers: *Evenimentul zilei* (circulation 88,000) and *ProSport* (circulation 64,000). Furthermore the company publishes the largest circulation business and economic weekly, *Capital* (circulation 50,000), and several women's, TV and music magazines. In the non-tabloid section *Adevarul* (circulation 122,000) is in the top position. The true ownership of the daily is not transparent. **WAZ** is a small player in the Romanian media market. Its Balkan division has a 35% stake in daily newspaper *National* (circulation 39,000) and a 50% stake in the daily *Romania Libera* (circulation 70,000).

Burda is the main German player in Romania with participation in 7 weeklies or magazines through the **Burda Verlag Osteuropa (BVO)**, which is in charge of all publishing operations in this region. The magazines published in Romania through **Burda Ofa**, a subsidiary entirely controlled by **BVO**, are the same as in neighbouring countries. **Burda** tries to standardise the content and the page-layout of their magazines, which cuts production costs and increases profits.

Edipresse has been present in the Romanian market since 1998. **Edipresse AS Romania** is the leading magazine publisher in the country. Initially entering the market in association with its Greek partner, **Antonios Liberis**, **Edipresse** has had a controlling 60% stake in **Edipresse AS Romania** since 2004. The remaining 40% is held by the **Axel Springer Group**, which integrated their Romanian publications into the group in 2002. **Edipresse AS Romania** publishes more than ten magazines in Romania. It publishes Romanian editions of well-known international titles such as

Avantaje and *Elle*, the fortnightly magazine *Viva!*, a Romanian adaptation of its Polish cousin, a monthly magazine for young people *20 Ani* and the decoration title *Deco Style*.

In 1999, **Sanoma Magazines International** and **Hearst** founded **Sanoma-Hearst Romania (SHR)**, in which **SMI** owns a 65% stake. In May 2000, *FHM* (For Him Magazine), a license of Great Britain's **EMAp plc**, was added to the portfolio. **SHR** launched several magazines and gained a leading market share. **SHR** publishes nine titles, including *Cosmopolitan* and *National Geographic*, and also operates Romania's leading consumer Internet portal.

CABLE AND SATELLITE OPERATORS

Cable penetration within Romania is very low, only half of the households with a TV set are subscribers to cable television services. Cable companies are also predominantly foreign-owned. **Romanian Cable Systems (RCS)**, the largest cable operator in Romania, is owned by U.S. and Czech investors and operates 60 networks in Romania, Hungary and Slovakia, each carrying between 30 and 44 channels. It has about 800,000 subscribers. **UPC Romania**, part of U.S. company Liberty Global, has 400,000 subscribers as of 2005. **Astral telecom** is also an important player in the Romanian cable market.

MAJOR PLAYERS

MEDIA PRO

MediaPro is the biggest media company followed by **Intact**, a company founded by a well-known businessman and political party founder. **MediaPro** has two main branches; the first branch is mainly owned by the American company **CME** and, significantly, by the businessman Adrian Sarbu and Ioan Tiriuc.

The company operates the leading TV channel *ProTV*, a production house, media vision, and the radio network *ProFm*.

The second branch includes the news agency, *Mediafax*, regional weeklies published by **Publimedia International**, and the **National Distribution Company (NDC)**.

CONCLUSION

One of the clearest trends in the Romanian media market has been increasing concentration. There are several big players on the media market. Some of them are foreign but the biggest actors are still Romanian. Most of the media players

are active in several media markets. Finally, several international media companies hold newspapers, magazines and TV stations. For example the Swiss group **Ringier** holds the tabloid *Libertatea*, the financial weekly *Capital* and several other specialised magazines.

However, the entrance of international companies into the market has led to improvements in journalism and in the media after the dire legacy of Nicolae Ceausescu's dictatorship. The difference between tabloid and quality papers has become more clear and TV and radio stations have been offering better and more diverse programming.

In Romania, the audiovisual field was regulated by the Audiovisual Law adopted in 1992. In mid-2000 a new audiovisual law was passed to bring Romanian broadcasting in line with the European Union's *Television Without Frontiers* directive. The law specifies that broadcasters must show at least 40% Romanian produced programmes, 10% of which must be made by independent production companies. Broadcasting laws permit foreign ownership. The National Audiovisual Council (CNA), an eleven-member body elected by Parliament, is responsible for awarding TV and radio licences, monitoring operations and enforcing legislation. Broadcasting licences can only be awarded by the CNA following approval by the Ministry of Communications. However, the CNA does not have legislative powers, and cannot propose laws to the Parliament.

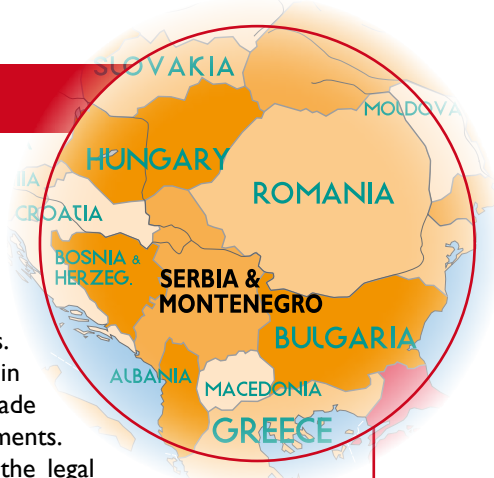
Serbia and Montenegro

Serbia and Montenegro, are currently in a loose union. Because of this, the media market has to be examined separately in each part.

Montenegro constitutes a relatively small media market, with approximately 620,000 inhabitants. Given that the aim of the country is to engage in European integration processes, efforts are made to align the legal framework with EU requirements.

In terms of media regulation, key elements of the legal framework regulating the media are the Media Law and the Broadcasting Law. In a multitude of smaller media outlets, two owners emerged as key players, **Pink TV** from Serbia and the German media company **WAZ**. The quantity of media in Montenegro is unsustainable. The myriad of electronic and print media do not necessarily equate to a diversity of information available to the public. A great number of outlets use the same agency source while their own networks of correspondents are undeveloped. However, since the Montenegrin media market is small, the number of media outlets will naturally decrease. Access to domestic and international media are not limited by the government, but rather by the poor financial situation of citizens. This particularly affects the number of copies sold by daily and weekly newspapers and magazines, as well as Internet usage.

Changes within Serbian media began shortly before Milosevic fell from power in October 2000 but accelerated rapidly from that day on. Once it was clear that he would be replaced, media outlets rushed to announce changes and to denounce the past. *Radio-Television Serbia*, a Milosevic mouthpiece, was set on fire and senior editors were removed. The station's name changed temporarily to *New RTS* and new editors were appointed. Similar changes occurred in other media. The former pro-Milosevic media have now been freed of political censorship. Those which fiercely defended their independence under the previous regime have continued to report more comprehensively than the media outlet which merely switched sides. The daily *Danas* and weekly *Vreme* are critical of the new government and the weekly *NIN* and *Radio B92* remain confrontational. A degree of self-censorship has replaced government pressure. Various government or political groups control most of the media companies.



MONTENEGRO

Radio Television Montenegro (RTVCG) is the key broadcaster in the country, which is undergoing transformation into a public service broadcaster. The Serbian private TV station *Pink* began broadcasting in Montenegro in the summer of 2002.² Owned by Zeljko Mitrovic and focused on entertainment editorial content, *Pink* has become an important player in the electronic media market beyond its original audience in Serbia, and it is now covering also Bosnia-Herzegovina and Montenegro. Its entry into the Montenegrin market involved controversy given the unclear legal status of broadcasting; permission of the Republic Information Secretary, which is required by the Media Law, was not obtained.³

SERBIA

The delay in implementing the Broadcasting Law, and thus in appointing the Broadcasting Council, also blocked the transformation of the state broadcaster **Radio Television Serbia (RTS)** into a public service broadcaster. Despite evident problems with its internal transformation, the public broadcaster **RTS** effectively eliminated political pressure. The TV station *BK Telekom* was founded in 1994. In 2004, the owner of *BKTV* became active in politics, establishing his own political party and becoming a presidential candidate while remaining the owner of *BK TV*. Critics accused him of unabashedly using his outlet to pump out his personal opinions and party messages. The owner of the TV stations also operates *BK Radio* and owns the *Jefimija* magazine and is a major shareholder in the magazines *Profil* and *Dama*. *TV Pink*, once linked to Milosevic's regime, is now one of the most important commercial broadcasting stations within Serbia. It is operated by **RTV Pink** of who's sole owner is **Zeljko Mitrovic**. **RTV Pink** also operates a radio station *Radio Pink*. The third biggest channel is *TV B92*. **B92** started 1989 with the launching of a radio station *Radio B92*; today the company also comprises a film production section, a books and CD publishing division and acts as an Internet provider. The major shareholder is the American fund, **Media Development Loan Fund**. *TV B92* is broadcast and re-broadcasted on no less than 30 channels.

WRITTEN PRESS

MONTENEGRO

Although the media market of Montenegro is relatively small, daily newspapers are read by almost 70 percent of the potential readership. There are four national daily newspapers in Montenegro: *Vijesti* (circulation 25,000), followed by *Dan* (circulation

22,000), *Pobjeda* (circulation 20,000) and *Publika* (circulation 6,000). *Vijesti*, the biggest daily in the country, is published by the **Daily Press**, which is part of the portfolio of the media company **WAZ**. *Pobjeda* is controlled by the government. *Publika* is established by **Millennium**. *Revija D* (circulation about 10,000), the most popular weekly in Montenegro, is 100% owned by the **Jumedia Mond** company, which also owns the daily *Dan*, *Radio D* and a printing house.

SERBIA

The most successful daily newspaper is *Vecernje novosti* (circulation 928,000). It is published by the **Novosti** company, which also publishes another top-selling daily *Sport*, ten magazines and operates one radio station. *Blic* ranks second in terms of circulation, with 559,000 people reading the paper every day and it has an average circulation of 120,000. The Swiss media group **Ringier** holds the majority share. The German publisher **WAZ** formed a joint venture with **Politika AD** and **Politika Newspapers and Magazines** which publishes *Politka* (circulation 115,000), *Politika Ekspres* and *Sportski Zurnal* as well as 14 magazines. It further owns a printing house. Following the joint venture, **WAZ** bought two other newspapers: *Dnevnik* (readership 46,000) and Montenegrin *Vijesti*. **Holtzbrinck** has taken the majority share of *Privredni Pregled*, the single Yugoslav economic daily, through the Czech *Economia*, which is a business and information magazine. *Handelsblatt* owns *Economia*, which is a subsidiary of **Holtzbrinck**.

Another important player is the Serbian national Mr. Radisav Rodić, who is one of the founders and owners of the dailies *Glas javnosti* (circulation 35,000)⁴, *Kurir* (circulation 280,000) and the sports daily *Ekipa* (circulation 10,000). Also Mr. Rodic and members of his family have 17 other companies within the printing house **Ronaco** (former known as **ABC** printing house) where all mentioned newspapers are printed. Furthermore, Mr. Rodic is involved in book publishing.

Burda has a small presence in the Serbian market, publishing 3 magazines. It publishes *Lisa*, the largest women's magazine in Serbia. Two other magazines related to *Lisa*-- *Lisa Kulinarske Taine* and *Lisa Kulinarske special*-- allow **Burda** to increase its financial and circulation numbers.

MAJOR PLAYERS

WAZ

The *Politika* newspaper, the oldest daily in the Balkans, has been part of a €25 million deal with the **WAZ** Media group. The German group created a joint venture with **Politika Newspapers and Magazines**. The agreement is a 50-50 partnership in a new company, which kept the name **Politika Newspapers and Magazines**.

The contract between the two companies also includes a detailed distribution of authority: **Politika** will be in charge of editorial policy and **WAZ** will deal with investment.

The new company will continue to publish all of **Politika's** current publications, and none of them can be discontinued without the Yugoslav partner's consent. But word is going round that Politika's management has already agreed to shut down most of the current periodicals.

TITLE	TYPE (daily/weekly)	CIRCULATION	
POLITIKA	daily	around 90,000	100% PNM
EKSPRES	daily	around 12,000	100% PNM
SPORTSKI ŽURNAL	daily	around 45,000	100% PNM
ZABAVNIK	weekly	around 50,000	100% PNM
ILUSTROVANA	weekly	around 30,000	100% PNM
BAZAR	every 2 weeks	around 40,000	100% PNM
HUPER	every 2 weeks	around 26,000	100% PNM
ENIGMATIKA	every 2 weeks	around 30,000	100% PNM
SVET KOMPJUTERA	monthly	around 50,000	100% PNM
VIVA	monthly	around 15,000	100% PNM
ANA	monthly	around 25,000	100% PNM

WAZ acquired the Podgorica daily, *Vijesti*, in 2003.

In the Vojvodina region, **WAZ** acquired the Novi Sad daily, *Dnevnik*. It owns 55 percent of the *Dnevnik* daily's publishing company, **Dnevnik Vojvodina Press**, with **Dnevnik Holding** in charge of the remaining 45% stake.

CONCLUSION

Despite the fact that the media market in Montenegro may not be as attractive to foreign investors as some other countries in the region with larger potential audiences, the situation on the ground shows that media ownership patterns reflect regional trends. This is particularly evident in the presence of two foreign companies, German publisher **WAZ** and Serbian private broadcaster **Pink**, which are growing in the region in terms of ownership and influence. When it comes

to foreseeable future trends, it can be expected that the drive towards European integration evident in Montenegro will result in further changes and improvements of the legislative framework, and in particular the quality of implementation. Key elements for the media sector in this process will be a clearer situation in terms of regulations governing media concentration and adherence to rules governing the broadcasting sector.

In Serbia most tabloids are still controlled by political forces and therefore face the more traditional problem of political censorship and interference. The quality of journalism provided by public companies—the majority of them having television and radio stations, but some of them owning multiple broadcast and print outlets—in more than 160 municipalities in Serbia has not significantly improved since 2001.

Slovakia



The Council for Broadcasting and Retransmission (CBR) is responsible for allocating licences to terrestrial and cable TV and radio companies and monitoring their adherence to the conditions of their license. The Slovak Television Council is responsible for maintaining the independence and impartiality of the public service broadcaster, **Slovak Television**. The Broadcasting Law of 2000 required broadcasters to ensure their transmissions meet a number of basic principles, including:

- The universality of information and the plurality of opinion
- Objectivity and impartiality of news and current affairs programmes.

Foreign ownership is permitted, although licensing preference is given to foreign applicants planning to contribute to original domestic programming. License conditions impose a limit of 49% of shares for foreign investors, but in practice the CBR tolerates higher ownership of foreigners with regard to the EU legislation.

Other characteristics of the Slovak market are the significant changes resulting from the arrival of foreign media groups. They oversaw a dramatic change in the Slovakian media landscape with a boom of new publications and private radio stations. Since 1989, the press has flourished despite intermittent attempts by the government to re-impose direct control by increasing newspaper taxes and reducing access to newsprint. Today, all major dailies, magazines and radio stations are private.

RADIO

Public radio channels do not dominate the radio market as significantly as before. The public service broadcaster **Slovenský Rozhlas (SRo)** provides five different national channels and one international channel. *Rádio Slovensko* (channel 1) alone reaches an audience share of 19.2 %, while *Rádio Regina* (channel 2) claims another 5.3%. There are 20 private radio stations. The most successful private channel is *Radio Expres* (17.9 % market share) which is partly owned by the European Bank for Reconstruction and Development and has among its shareholders several other institutional investors. Two other private competitors on the radio market are the

station *Okey* (6.4 % market share), in which **Markíza** has an important share, and *Fun* (9.0 % market share). *Fun Radio* is partly owned by the French media group **Societe d'exploitation radio CHIC**.

TELEVISION

The public service broadcaster **STV (Slovenská televízia)** offers two channels *STV1* and *STV2* that together have an audience share of 25.8%. **Slovak Television** is funded by its own resources as well as the public funds. The most successful Slovak channel is the commercial broadcasting station *Markíza TV*, which reach audience shares of 39.8%. It dominates the audiovisual landscape. The ownership is divided between the company **Central European Media Enterprise (CME)**, three local investors and the company **Media Invest**.

In 2002 a new player, *TV Joj*, appeared on the scene, and garnered a market share of 12.9%. The channel is half owned by the owner of *Nova*, the dominant private channel in the neighbouring Czech Republic. The other half is owned by **Grafobal Group**, which belongs to **Ivan Kmotřík**. Finally, *TA3* is a 17-hour news channel with its majority stake (90%) held by the investment and financial group **J&T**, which also has interests in the Czech television market. *TA3* is distributed only via cable and satellite. The trial broadcast of *Digital Terrestrial Television* in the Slovak Republic started in 2004. There are also over 80 local and regional TV stations.

WRITTEN PRESS

The best-selling daily paper in Slovakia is the tabloid *Nový čas* (circulation 165,000), which is now fully owned by the Swiss company **Ringier**. The second best-selling newspaper is *SME* (circulation 77,000), which is owned by **Petit Press, which is itself 50% owned by the German Verlagsgruppe Passau** and 50% owned by the **PSIS** privatisation fund. *Pravda* which ranks third, with a circulation of 76,000, is owned by a group of investors called **Harvard Investment Funds**. Among the three best-selling newspapers, *Pravda* is the only one without a foreign partner. The most popular weekly is the locally owned *Plus 7 dní*. The regional weeklies still play an important role on the Slovakian press market, the majority of them today are owned by **Petit Press**. On the magazine market also the Swiss media group **Ringier** is present with some titles. **Sanoma Magazines Slovakia** operates in the Slovakian market. Through the acquisition of **Strategie Praha** in 1999, **Sanoma Magazines International** gained a 51% interest in **Strategie na Slovensku**. This company is the leader in its respective segments within the B2B market in Slovakia. In 2001, **SMI** acquired the remaining 49% of **Strategie na Slovensku** and changed its name into **SMAGS (Sanoma Magazines Slovakia)**.

The dominant cable provider, as is the case in many of CEE countries, is the Netherlands-based **UPC**, which has around 360,000 subscribers.

Eighty-six cable operators were registered in Slovakia in 2005. These operators jointly provide 45% of all households with TV programmes. In general, their offers comprise German commercial and PSB channels as well as channels from the neighbouring countries like the Czech Republic, Hungary and Austria and some international channels.

MAJOR PLAYERS IN THE SLOVAK MEDIA MARKET

MARKÍZA MEDIA

The strongest player on the market is the **Markíza Media**, which runs the most successful TV channel, *TV Markíza*. *TV Markíza* was launched as the country's first commercial TV channel in 1996. **Markíza** is partly owned by the company **Central European Media Enterprise (CME)**, which also has interests in the Czech Republic, Slovenia, Romania, and Ukraine. The rest of the shares belong to three local investors and the company **Media Invest**. The former Slovak economic minister Pavol Rwsko, who was forced to step back from his post in the summer of 2005, owned **Markíza** and influenced the news reporting (especially in context with his own political career). Even though, officially, he is no longer **Markíza's** owner, an intransparent ownership structure has allowed him to retain his ownership.

The company also participates in other media markets. It publishes the lifestyle magazine *Markíza* and it operates the radio station *Radio Okey*.

IVAN KMOTRÍK MEDIA GROUP

Ivan Kmotrík is another major player on the media market, holding a 50% share (via **Grafobal Group**) of the second private TV channel *TV Joj*. Furthermore, Kmotrík owns the largest newspaper distributor and retailer **Mediaprint-Kapa Pressegrasso JSC**, four big printing houses, a book publisher (**SPN-Mladé letá**) and the largest Slovak advertising agency, **EURO RSCG Artmedia**.

PASSAUER NEUE PRESSE

Passauer Neue Presse started to invest in the Slovakian market in 1999. Firstly, the eastern Slovakian daily newspaper called *Lúč* was purchased. Soon afterwards, **PNP** bought additional Slovak language dailies and weeklies throughout the country.

In 2000, all the portfolio of the German group was brought into a joint venture created with **SME Group**. This operation allowed **PNP** to create a joint publishing house for daily and weekly newspapers called **Petit Press SA**. Both Slovakian and Hungarian newspapers are published from there.

PETIT PRESS

Due to the investment of the German **Verlagsgruppe Passau**, **Petit Press** has become one of the most important publishing companies in the Slovak Republic. Among its publications is the important daily **SME** and, furthermore, **Petit Press** is the strongest player on the regional press market. Moreover it publishes number 5 and 6 of the best-selling newspapers: *Új Szó* and *Korzár*.

RINGIER

The Swiss **Ringier Group** owns the best-selling daily (tabloid) newspaper *Nový Čas* and a range of lifestyle magazines. **Ringier** has been active in Slovakia since the beginning of the nineties. Since **Ringier** bought stakes in several publications from its partner **Gruner+Jahr**, it has increased its important position in the magazine market. It owns several periodicals including *Život* and monthly *Eva*.

CONCLUSION

Slovakia's broadcasting sector has changed considerably since the adoption of the 1993 Broadcasting Law. The introduction of commercial television, in particular, transformed the market completely. Today, all the Slovak press is privatised.

In the first stage (1990-1992), editorial staff privatised their newspapers. In this transitory period, editorial staff replaced the former political publishers. In the second stage, the journalist/shareholders entered into alliances with home and foreign investors. The editorial office was separated from the publishing house. Nevertheless, some ties between editors and publisher remained. That is why editors are reluctant to disclose the amount of foreign capital in the Slovak media.

Today, the biggest foreign investors in the Slovak press market are **Passauer Neue Presse** and Swiss concern **Ringier**. Bertelsmann's **Gruner und Jahr** has withdrawn from Slovakia. Foreign capital is extensive in the Slovak private radio market, as well as in the national, regional and cable television markets.

Slovenia

Despite Slovenia's small size and the presence of foreign owners, strong local players control important sections of the market. In Slovenia, the media field is regulated by the Mass Media Act adopted in 1994. It issues and withdraws broadcasting licences, issues rules and monitors the stations to see if these rules are respected.

The Mass Media Act specifies restrictions on both ownership and cross-ownership. The act permits foreign ownership but this is tightly controlled by regulations.

The foreign ownership stake in a media enterprise cannot exceed 33%. Although the media law was restrictive, Slovenians circumvented the law by using funds to take participation in media enterprises. The new media law voted in 2001 now has a chapter concerning the regulation of investment funds. Moreover, the Ministry of Culture must approve all acquisitions.



RADIO

There are six radio channels with national coverage. The Slovenian radio market is dominated by three stations. The public service broadcaster RTV is an important player in the radio market with three national channels: *Program A*, *Program Ars* and *Val 202*; the *Radio Slovenija International*; and four regional stations. In total the stations reach 89% of the audience share. *RA Slovenija Val 202* is by far the market leader; it has 52% of the audience share. The second public radio station, *RA Slovenija 1*, has also an important market share of 37%. There are also a high number of channels which are linked through ownership, advertising and programming or through related persons. Although there are 83 radio stations in Slovenia, the number of owners is far lower.

The most successful commercial station *Radio Ognjišče* reaches an audience share of 9%. It belongs to the Catholic Church. The other company which broadcasts nationally is *Radio Glas Ljubljane (RGL)*. It is run by the company SET in which the Solamon Group have controlling interest. The Group also has two regional stations and is involved in the publishing industry

In Slovenia there are 4 national television channels and over 30 regional and local channels. The public service channels *SLO 1* and *SLO 2* have a combined audience share of 36.4%. They also broadcast a third regional channel *TV Koper Capodistria*, which provides programming in Slovenian and Italian and targets the Slovenian minority in Italy, and the Italian minority in Slovenia.

The television sector is dominated by foreign capital. The main commercial TV channels *Pop TV* (27.6% market share) and *Kanal A* (8.3% market share) belong to Pro plus. Pro Plus is owned by the Central European Media Enterprises (CETV), a branch of the US CME cooperation. Foreign capital is also involved in the third commercial channel *TV3*, which was originally owned by the Catholic Church, but sold in 2003 to a group of Croatian investors. The current owners also have television interests in Croatia and in Bosnia. Furthermore the Slovenian TV market is characterised by a high penetration of foreign channels, which reach an average audience share of 20%.

WRITTEN PRESS

Delo is the largest publishing company according to its revenue. It publishes the two best selling newspapers in Slovenia: *Slovenske Novice* (circulation 104,000), a popular tabloid format, and *Delo* (circulation 93,000) a national quality daily. The print media in Slovenia mainly do not have strategic owners. Delo D.D., which is also involved in printing, advertising and distribution, is owned by a large brewery (Pivovarna Laško D.D has a 25% stake), several state funds and an investment company.

The main shareholders of the publisher Dnevnik are the book publishing company DZS (51%) and the Styria Verlag (25%), part of the Austrian Styria Medien AG. Other shareholders include state funds and the publishing company Vecer. The second largest publishing company in terms of revenue is Vecer, which publishes the daily of the same name with an average circulation of 58,000. The major shareholder in Vecer is a bank and a related investment company. The Austrian media company Leykam Hoce holds a share of 26.7% in Vecer. Leykam also operates a daily newspaper which is active in the regional press

BURDA

Through its subsidiary the **Burda Verlag Osteuropa (BVO)**, the **Burda Verlag** follows interests in this region. In 2004 **Burda** sold its stake in **RCS Periodici** to **Rizzoli**. **Rizzoli** transferred its shares in **BVO**, as well as the 50% share in the common company **Burda RCS International Holding GmbH** and in the **Milchstrasse**. **Burda** now wholly owns the three companies. In Slovenia, **Burda Slovenia** operates on the magazine market. It currently owns 8 titles.

BONNIER

Bonnier has also interests in Slovenia where the group publishes *Finance*, a business paper. **Bonnier** transformed this weekly into a daily, which has a circulation of 12,000. This newspaper has found a market interest by specializing in economic issues. *Finance* is 50% owned by **Gospodarski vestnik**. **Bonnier Affarinformation Holding Ab** owns 28.8% of **Gospodarski vestnik**.

Cable and Satellite operators

Around 60% of Slovenian households are linked to cable television systems. The development of the cable TV network around Slovenia, presently managed by over 80 cable operators, stimulated the appearance of local television channels. In the last couple of years there has been an increasing merging of many operators who have started modernising the network and introducing new services, particularly the Internet and pay TV programmes. The biggest operators are **Telekabel** (through the merger of **Link**, **Sistel** and **Skyline**), **Telemach** and **G-Kabel** (**Astra Telekom**, **Gorenjski Kabel** and **Telesat**). **Telemach** has 118,070 customers (RGU's). These include 106,156 television and 11,914 broadband Internet customers. **Telemach** is a consolidated subsidiary of **Liberty Global Inc.**

CONCLUSION

The process of ownership restructuring following the Slovenian Law on Privatization had the same impact on the media sector as on other companies. The 2001 Mass Media act, which prevents concentration of ownership, is supposed to protect media independence and pluralism. Namely, restrictions no longer exist apart from the fact that any share in ownership amounting to more than 20 percent must be reported to the Ministry of Culture. Real restrictions exist only in the area of cross-ownership and when, for example, a print media organization wants to take control over broadcasting companies. All in all, these restrictions are not really attractive for foreign capital. Foreign capital has been entering Slovenia's media space rather slowly. The principal cause of that is that Slovenians are a conservative public who find it hard to break the habit of reading the same newspapers for years.

Spain

In Spain there is no independent national authority specialised in broadcasting matters. At the national level, there is an independent authority, the Comisión del Mercado de las Telecomunicaciones (CMT=Telecommunications Market Commission), which has some powers concerning the audiovisual sector. Regarding the regional level, there are regulatory authorities in Catalonia (Consell de l'Audiovisual de Catalunya) and in Navarra (Consejo Audiovisual de Navarra). A consultative council exist for the Community of Madrid (Consejo Audiovisual de la Comunidad de Madrid).

Yet the need for certain regulatory measures has been voiced by the CMT and acknowledged by the government. Thus, a Council for the reform of publicly owned communication media was established in April 2004 (*Consejo para la reforma de los medios de comunicación de titularidad del Estado*). In February 2005 the named council proposed a number of measures, including some concerning the status, administration and financing of public audiovisual services, which will serve as a starting point for a future audiovisual law.

The Spanish audiovisual market is characterized by a variety of constellations. There is public and private television as well as radio, in some cases like *televisión autonómica de Canarias* with a public bearer but private management. Many of them can be found in a transitional period from one technology to another, like the cable operators, which are moving to a digital system from an analogue system.

The Spanish government has pushed ahead with digital terrestrial television (DTT). It adopted the National Technical Plan of the Local Terrestrial Digital Television (PTDTL=*Plan Técnico Nacional de la Televisión Digital Terrestre Local*). The government also adopted the Impulse Plan for Digital Terrestrial Television, Liberalisation of Cable T.V. and Providing Pluralism (Plan de Impulso de la Televisión Digital Terrestre, de liberalización de la televisión por cable y fomento del pluralismo). The aim is to modify the PTDTL and re-assign the frequencies of the vanished **Queiro TV**, until reaching an offer for its 14 digital national TV channels, and launching of the new nation-wide programmes by fall 2005. The date for the end of the transition period towards DTT was forwarded 2 years until beginning of 2010.



The Spanish public broadcaster, **Radio-Television Española (RTVE)**, operates the only national public television channels, *TVE 1* and *La2*; it has an audience share of 28.2%.

The two main national commercial broadcasters are *Telecinco* and *Antena 3*, each having a roughly equal audience share of around 22.1% and 20.8% respectively. The Italian holding company **Mediaset** is the main shareholder in *Telecinco* (holding 52% of the capital share). *Antenna 3* is 33.52% owned by **Kort Geding SL (Planeta/De Agostini)**, 17.27% owned by **RTL Group** and 10% owned by **Macame – SCH**.

Canal+ España is the nationwide pay TV channel with a viewer share of 2.1%. It is operated by **Sogetel. Telefonico** holds a 16% interest in the company, while **Telefonico** itself belongs now to the **Planeta/De Agostini** group.

In addition, there are a large number of regional public service channels that are operated by the Autonomous Communities, like: *Televisió de Catalunya*, *Televisión Autonómica de Madrid S.A/Telemadrid*, *Televisión Autonómica Valenciana S.A/Canal*, *ETB*, *Televisión de Galicia/TVG*, or *Televisión Autonómica de Castilla-La Mancha*. The autonomous T.V. channels have a combined viewer share of 17.7% and the local and digital ones have 9.1% of the viewer share.

RADIO

The operators active in the radio sectors can also be distinguished according to their range (national, regional, local) and/or their ownership (public, private).

The public presence in the radio sector is grouped around **Radio Nacional de España (RNE)**. **RTVE**, apart from its five national radio channels, also operates **RNE**, which has about 400 local radio stations. These do not aim to compete directly with the private radio companies for resources from advertising as their costs are covered by public entities. In addition, most regions have their own radio networks, such as **Catalunya Radio**. Furthermore, there are hundreds of local public (as well as private) radio stations.

The three main private groups in the sector are **SER (Sociedad Española de Radiodifusión)**, **Onda Cero** and **COPE**. **SER** is by the main player in terms of its income of €169 million in 2004, followed by **Onda Cero** with €85 million and **COPE** with €79 million. **SER** is operated by **Radio Union** which itself is 80% owned by **Grupo Prisa** and 20% owned by **Grupo Godó**. **Onda Cero**, the second most popular commercial station belongs to the **Planeta/De Agostini** group, which also owns the daily *la Razon*. The third main commercial network,

COPE, is owned by the Catholic Church. In September 2004, a new group made its appearance in the market, **Punto Radio**, whose principal shareholder is the publishing company **Vocento**.

The new digital radio operators (Digital Radio Broadcasting) commenced test broadcasts in 2001. Still, there are similar difficulties and obstacles as with the digital television broadcasting in terms of receiving equipment and implementation of these new services.

CABLE AND SATELLITE OPERATORS

In 2004, there were 11 operators carrying and distributing audiovisual signals. **Albertis** held the leadership in terms of its share in customers (73.4%) as well as in terms of income (80.8%). The second-largest operator is **Net Radio Medialatina**, having 14% of the clients and 4% of the income from total distribution. It is followed by **Banda Ancha de Andalucía**, which accounts for 2% of the customers while reaching 6.4% of the total market income. Close behind are the distributing operators *Globecast España* and *Itelazpi*.

When it comes to the players in the segment of the service for transporting audiovisual signals, **Albertis** also dominates the market with a market share of 44.2%. The second-largest (transporting) operator is **Telefónica de España**, with a market share of 34.5%. With *Telefónica Servicios Audiovisuales*, **Telefónica de España** has 26.5% of the segment's total income. Third in this segment, in terms of client share, is *Net Radio Medialatina* with 11.4%. *Net Radio Medialatina* accounts for 2.2% of the total income. The remaining 22.9% of the income is divided amongst the other players (**Globecast España**, **Itelazpi**, **Red de Banda Ancha de Andalucía**, **Net Radio Medialatina** and other minor ones).

As for satellite pay-TV services, there is only one operator after the merger between **Canal Satélite Digital** and **Via Digital: Digital+**, launched in July 2003. It belongs, together with **Canal+**, to **Sogecable**, which accounts in total for a 65.07% market share in terms of subscribers and has 83.76% of the total market income. It is active in all segments of pay-TV, including the purchase and management of audiovisual and cinematographic rights; channel production and distribution (thematic channels); Internet; subscriber marketing and management; and cinema production, distribution and screening (**Sogecine**). Second in the market for pay-TV is **Grupo ONO** with a 13.5% market share, followed by **Grupo Auna Fijo** with an 11.43% market share in terms of subscribers.

There were 136 dailies in 2004, although the readership is very low, particularly among young people. The main national daily newspapers are *El País* (circulation 468,000), published by **Grupo Prisa**; *ABC* (circulation 276,000), published by **Prensa Española**, a wholly owned subsidiary of **Vocento**; and *El Mundo*, published by **RCS**. However, in many of the autonomous regions, regional newspapers sell more copies than the nationals. In Catalonia, *La Vanguardia* and *El Periódico* sold respectively 203,000 and 171,000 copies per issue in 2004. In the Basque country *El Correo* sold 126,000 copies and in Galicia, *La Voz de Galicia* is also a big seller.

The biggest players within the Spanish press market are **Vocento**, **Grupo Prisa** and **Ricolétos**.

Vocento is the new name of the **Grupo Correo Prensa Española** (since May 2003) resulting from the merger between the two groups. Besides the national daily *ABC* and 11 regional papers, it has a significant presence in other areas of communication, including television.

Another player in the daily newspaper market is **Grupo Zeta**, which publishes eleven general daily newspapers, two sports newspapers, more than 80 local and specialised free papers and 15 magazines. It has interests in radio by participating in station *Zeta Flaix* and in local television with *Onda Mezquita*. It is also active in books, multimedia and advertising (**Zeta Gestión de Medios**). **Grupo Godó** publishes the dailies *La Vanguardia* and *Mundo Deportivo*, as well as several magazines. Besides its interest in publishing, it is active in radio, television (*Citytv*), advertising (**Publpress**), audiovisual production (**GDA Pro**) and multimedia services.

Prensa Ibérica Editorial publishes thirteen general daily newspapers, a daily paper in German and books (**Alba Editorial**).

Foreign investment is represented through the Italian **RCS** interests in **Unidad Editorial**, which publishes *El Mundo*. The company also has interests in cultural magazines, radio (*Onda Cero Radio*), television (*El Mundo TV*, *VEO TV consortium*), production (**Canal Mundo Producciones Audiovisuales**) and online services. It also holds a nation-wide digital radio license. **Recoletos**, which is majority-owned by **Pearson**, is mainly active in publishing magazines.

In the magazine sector **Hachette Filipacchi Médias**, a wholly owned subsidiary of **Lagadère**, is the country's largest player with 17 magazine titles. It dominates the TV listings market by publishing the four leading titles.

The Swiss **Edipresse** is the country's second-largest magazine publisher with around twenty titles. **Edipresse** entered the Spanish market by acquiring a majority share in the **Hymosa Group (El Hogar y la Moda SA)** in Barcelona. **Edipresse Hymosa**

publishes women's, celebrity, needlework and dressmaking titles, as well as cuisine and gourmet magazines. The company holds shares in the publishing companies **Semana Group** (50%) and in **Focus Ediciones SL** (60%).

MAIN PLAYERS

VOCENTO

Vocento, the new name of **Grupo Correo Prensa Española**, has the national daily *ABC* and 11 regional papers; a 13% stake in *Telecinco*; interests in local television, radio (minority shareholding in *Cadena COPE*), digital media, new technologies, distribution, film and TV production companies; and a 51% interest in Internet portal *Ozú*. **Vocento** has a 60% stake in **Taller de Editores, S.A. (TESA)**, a company that publishes, in cooperation with various regional dailies, several weekly supplements. Its news agency *Colpisa* provides content for both its own newspapers and third parties. Through *Telecinco*, it also has shares in the audiovisual news agency *Atlas* and in *Estudios Picasso*, a production house for fictional content.

GRUPO PRISA

The **Grupo Prisa** publishes the best selling national daily *El País*, the financial daily *Cinco Días* and the sports daily *As*. It is active in specialist, regional and periodical publications (**GMI - Grupo de Medios Impresos**) and magazines. Other major media interests include an 80% stake in **Union Radio** and a 21.27% stake in **Sogecable**, which encompasses pay-tv channel *Canal+España*. Moreover, the group is active in local television (*PRETESA*, *Localia*, the group of local television channels belonging to **Prisa**); advertising (**Gerencia de Medios - GDM**); and Internet (*Prisacom*, *portal plus.es*). In the regional press market **GMI** has a 75% stake in **Espacio Editorial Andaluza Holding**, the parent company of the publishing houses of the newspapers *El Correo de Andalucía*, *Odiel Información* and *Diario Jaén*, and a 32% stake in *La Voz de Almeira*. It also has, through **GMI**, a majority shareholding in **Gestión de Medios de Prensa (GMP)**, a supplier of contents for the local and regional press. Subsidiary companies of **PRISA International** are currently present in eight countries: Chile, Colombia, Costa Rica, Mexico, Panama, France, the U.S. and Bolivia. They operate in the radio, print media, and television sectors.

RECOLÉTOS

Grupo Recoletos is a multimedia company active in certain areas (sports, finance, etc.) across all media platforms (press, broadcasting, Internet). The company is 74% owned by the UK-based **Pearson** group. It publishes Spain's second best-selling

daily sports paper, *Marca* (circulation 380,000), and the financial daily *Expansión* and specialised magazines. It is active in radio (*Radio Marca Digital*, *Radio Marca Madrid*) and television (*Expansion TV* and 25% in *Veo Televisión* which holds a DTT licence).

Sweden

The Swedish media market is characterised by several strong national players and SU-owned and Luxembourg-based **SBS** and Sweden-based **Modern Times Group (MTG)**. The country's cross-ownership regulations are quite liberal. Newspaper companies are not forbidden from running commercial radio stations. Therefore it is possible that companies like **Bonnier** carry-out business in press, radio and television.



RADIO

Two national radio licences are held by **Sveriges Radio (SR)**, which has programming on four channels, and the **Swedish Educational Broadcasting Company (UR)** which has the remit of producing educational programmes available to all.

Commercial radio operates only at the local level, and is thus referred to as PLR, or “private local radio”. Many operators have chosen the alternative route of establishing radio networks that cover the whole country or regions. There are four main players in local commercial radio. Three of these networks, namely **RIX (MtG/SRU)**, **FM Mix (Bonnier)** and **Fria Media (Foundation Fria Media Moder)** are owned by Swedish media groups. Additionally there is **NRJ**, a station controlled by the French **NRJ group** in cooperation with Swedish **Cediska AB**.

After receiving regulatory approval from the Swedish government **SBS** merged its Swedish radio operations with **Bonnier Radio AB**. The merger created **SBS Radio AB**, which is 51% owned by **SBS** and 49% owned by **Bonnier Radio AB**, and is the largest radio operator in Sweden.

TELEVISION

Terrestrial broadcasting in Sweden is dominated by the state broadcaster **Sveriges Television (SVT)**. **SVT** operates five channels - four national, **SVT1**, **SVT2**, **SVT24**, **Barnkanalen** (a children's channel) and together with **UR**, **Kunskapskanalen**, and one European, **SVT Europa**. **Barnkanalen** and **Kunskapskanalen** share the same channel ID. The channels are distributed via the analogue terrestrial net as well as via a digital terrestrial net, via digital satellite and digital cable. **SVT1** and **SVT2** have a total market share of 40%. **SVT** is obliged to carry cultural and quality programming, and 55% of its programming must be produced regionally outside Stockholm. It is financed via the licence fee and sponsorships and does not carry advertisements.

TV4 is the most successful of the commercial channels, attracting an average 25% of viewers. The main shareholders of TV4 are the two largest Swedish media groups **MTG** and **Bonnier**. **Bonnier** has the largest ownership stake through a 33% interest in the Finnish company **Alma Media**, which has a 23% stake in TV4, in addition to its direct 22% stake in TV4. MTG has a 15% stake in TV4.

MTG owns the second most popular commercial channel, TV3, via its **Viasat** group, which also produces other broadcasting channels targeting the Swedish market (e.g. *TV 1000*, *TV8*, *ZTV*). The third most popular commercial channel in Sweden is *Kanal 5*, which, like its competitor TV3, is based in the United Kingdom. It is a 100% subsidiary of the American holding company **SBS Broadcasting**.

WRITTEN PRESS

The Swedish newspaper market has traditionally been very strong, with up to 80% of the adult population reading a newspaper daily. Two factors distinguish the Swedish newspaper market - almost all titles have a strong local or regional base and almost all morning newspapers are sold by subscription with early morning home delivery.

Sweden's newspaper market is dominated by the **Bonnier Group**, which publishes four of the top seven daily newspapers as well as two of the top-selling magazines. The national daily *Expressen*, which with its western Swedish edition *GT* and southern region edition *Kvällsposten*, has an average daily circulation of 342,000. It also publishes the second most popular newspaper, *Dagens Nyheter* with a circulation of 363,000, as well as the leading financial daily, *Dagens Industri* (circulation 116,000).

The most popular daily, *Aftonbladet* (circulation 444,000), is owned by the Swedish Labour Union and the Norwegian media conglomerate, **Schibsted**. This is also Sweden's oldest newspaper. Although the majority of capital shares (50.1 %) is held by the Swedish Labour Union, the Norwegian company has full control of management decisions.

Sweden's magazine market is dominated by **Allers Forlag**, the Swedish subsidiary of Denmark's **Aller Group**. In total, **Allers Förlag** publishes around 24 magazines on the Swedish magazine market. It has four of the top seven best-selling family/general interest titles: *Hemmets Journal*, *Allers*, *Hemmets Veckotidning* and *Året Runt*. Lagadère publishes 4 magazines in Sweden through **Hachette Sverige**.

CABLE AND SATELLITE OPERATORS

2.5 million Swedish households get cable TV. The largest four cable operators control more than 90% of the market. The largest one is **Com hem Ab** with 1400,000 subscribers, which is owned by the Swedish equity house **EQT Partners**. Number two in the cable industry is the **Kabelvision AB**, owned by **Tele 2**, with

300,000 subscribers. It is followed by the only non-Scandinavian owner among the top four cable operators, **UPC Sverige AB**, which forms part of the American **UnitedGlobalCom Inc. UnitedGlobalCom** is also the majority shareholder in **SBS Broadcasting**. Nearly equally important is **Canal digital Kabel TV**, which is part of the Norwegian **Telenor** group, with 230,000 subscribers.

Additionally 30% of Swedish households have satellite television. The major providers are **Viasat** (629,000 subscribers), which is part of **MTG**, and **Canal Digital** (763,000 subscribers), which is owned by **Telenor**. **Viasat** is wholly digital and distributes **MTG's** television channels, *TV3, ZTV, TV6, TV8, TV1000* and Danish *channel 3+* as well as other third party channels.

Canal digital is owned by **Telenor** but carries *Canal +*'s premium pay-TV channels and its *Kiosk* pay-per-view service on the Canal Digital platform.

LARGEST MEDIA PLAYERS

THE BONNIER GROUP

The Bonnier Group is the largest media group in Scandinavia, but dominant in Sweden where it has over a quarter of the total newspaper circulation (total circulation 1,027,200). It has expanded into newspaper publishing in Norway, Denmark, Latvia and Finland through investments and partnerships, most notably in the Finnish media group, *Alma Media* (33%). In Latvia through *SIA Diena Bonnier* and *AS Diena* it has a total circulation of 21,476,000, including the largest daily paper, *Diena*. It is also expanding out into Western and Central Europe so that its various activities give it a presence in 17 European countries. However 60% of its sales are within Sweden and a further quarter from its Nordic neighbours.

Bonnier Business Press

It oversees the publication of *Dagens Industri* (circulation 126,000) and sister papers published in Austria (*WirtschaftsBlatt*), Denmark (*Børsen*), Estonia (*Äripäev*), Latvia (*Dienas Bizness*), Lithuania (*Verslo Zinios*), Poland (*Puls Biznesu*), Russia (*Delovoy Petersburg*) and Slovenia (*Finance*, where it has a 45% stake). In September 2000 Bonnier launched *business a.m.* in Scotland, in both paper and online formats.

Bonnier Morning Papers

Organises Swedish and international papers in a business division around the three main titles:

- *Dagens Nyheter*. Other parts include a number of free newspapers, a distribution company and a picture agency.

- **Sydsvenska Dagbladet** is responsible for the Swedish newspaper of the same name. Other titles are *Trelleborgs Allehanda*, *Ystada Allehands* and *Kristianstadsbladet*.

There is also a Polish paper, *Super Express*.

- The **Expressen** division includes *Expressen*, *GT* and *Kvällsposten*.

Interests in pulp, paper milling and printing

Bonnier Books and Magazines

Book Imprints in Sweden and other countries include:

Albert Bonnier – the publishing house, founded in 1837 by Albert Bonnier.

Cappelens - Norway

Lindhardt and Ringhof, Denmark

Bonnier Carlsen – books for children and young adults

Bonnier Lexikon – print and electronic dictionaries

Bonnier Utbilding – education

Rebus – young children's books

Verlag Hoppenstedt – Germany and the Netherlands

Piper – Germany

Publications Bonnier – France

Tammi – Finland

ArsEdition – Germany

Bonnier operates the largest general book club in Scandinavia, **Bonnier Bokklubb**, as well as ones for children, entertainment, and men.

Bonnier Tidskrifter publishes magazines in Sweden, Denmark, Norway and Finland including *Amelia*, *Damernas Värld* and *Tara* for women and a range of consumer magazines covering gardening, food, wine and health. It also publishes *Veckans Affärer*, a leading business magazine.

Bonnier Hachette, France (50% owner)

Globus Communication (Estonia)

Bonnier Entertainment covering film, music, radio and TV

Megapol – network of local radio stations in Sweden

SFBio - largest Scandinavian cinema operator (32 cinemas with a total of 176 screens in 17 cities)

Svensk Filmindustri – film production and distribution

Scandinavian Home Entertainment and **Bonnier Amigo Music Group** sell CDs and videos.

Bonnier Business Information

It provides electronic corporate information services based on databases such as the *Kompass* business directory. Sales rose by 40% in this division, largely as a result of the acquisition of **Verlag Heppenstedt** in Germany.

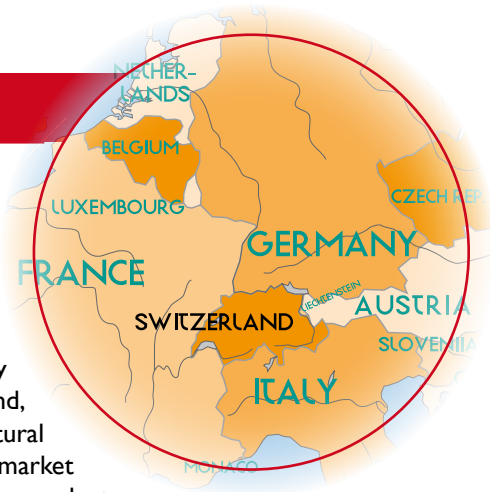
Direkt – online financial and business information services

Bonnier Net

Portal for the group's media activities

Switzerland

Due to its geographical and linguistic situation the penetration of foreign broadcasting is very high in Switzerland. In some language markets, foreign channels even have a dominant position. In contrast, the print media market is highly dominated by Swiss actors. Switzerland, due to its multilingual as well as multicultural characteristics, has a diversified media market that offers a very large number of media products compared to the size of the country and of the population.



RADIO

In the radio market, the national public radio competes heavily with Swiss regional commercial radio stations. Radio is a very popular media in Switzerland, 92% of the population listen daily to the radio. In the radio market **SRG SSR idée suisse** is the market leader in all language areas. In Italian Switzerland, it reaches a market share of 83%, in total **SRG SSR** operates nine channels, which reach an average market share of 66%. Commercial radio stations have a market share of 24%. In contrast to the TV market, foreign radio stations are not that popular and reach only a market share of 10%. However, the border areas of the country, such as Geneva, Basel, Zurich or Lugano are a big market for foreign private radio stations that broadcast up to the borders and are very interested in the Swiss advertisement market.

In the Italian area, only two commercial radio stations operate. They have a market share of 6%. Hence, the commercial radio market is diversified and does not represent any dominant market players.

TELEVISION

In television, the competition is primarily between the **SRG SSR idée suisse**, known in English as the **Swiss Broadcasting Corporation**, and the foreign broadcasters. The **SRG SSR**, the largest provider of electronic media in Switzerland, has the mandate to produce and disseminate radio and television programs in the country's four official languages. It is not a state institution, although it is subject to private and public laws, but an association entrusted with a public service mandate. Currently, the **SSR SRG idée suisse** is registered as a private, non-profit organization with a public mission. The first programs of the **SRG SSR** are market leaders in their respective language region. In total, however, foreign broadcasters transmitting to

Switzerland reach the largest market share. The Swiss commercial TV stations, which operate on a local base (mainly cities or very small regional areas) hold only a comparable small market share. In the German speaking area, many foreign broadcasters are operating, hence none of them has a dominant position. In contrast, in the French-speaking and Italian-speaking regions, *TF1* and *Canale5* and *RAI* respectively have very strong market positions.

In German Switzerland, foreign broadcasters have a market share of 60.9%. The German channel *RTL* is the most successful, with an accumulated market share of 7.9%. The public broadcaster *SF DRS* (the German language version) reaches a market share of 34.5%.

In the French speaking community the public service broadcaster *TSR* reaches a market share of 30.3%. Foreign broadcasters have a market share of 67.5%, whereby French *TF1* was the most successful channel with a market share of 16.5%. Swiss commercial stations reach only a market share of 0.3%.

In the Italian area the PBS *TSI* reaches a market share of 34%. Foreign broadcasters reach 61.7%. Berlusconi's *Canale5* has a market share of 12.5%, making it the most successful TV station. The Italian public broadcaster *RAI* reaches 10% of the market. The domestic commercial TV broadcasters have a 1.2% market share in the Italian community.

WRITTEN PRESS

All daily newspapers in Switzerland with a circulation over 100,000 are owned by multi-media companies. From 2001, the number of newspaper's titles decreased from 555 to 117 in 2004.

RINGIER

Ringier, the largest Swiss publishing company in the country, is operating in the publishing business in Switzerland, Central and Eastern Europe and Asia. The center of its activity is still in Switzerland where the company makes 66.7% of its revenues; 28.7% of its revenue is from Central and Eastern Europe and the remaining 4.6% is from Asia.

Ringier publishes 4 newspapers in Switzerland, including the best-selling tabloid *Blick*. In Hungary, it publishes 4 dailies, in Romania 7, in Hungary 4, in Serbia-Montenegro one and in Vietnam another one.

Furthermore **Ringier** publishes 14 magazines in Switzerland, 7 in Romania, 7 in the Czech Republic, 5 in Slovakia, 9 in Hungary, 4 in Vietnam and one in Germany.

Most of its Swiss newspapers and magazines have also Internet portals.

In Switzerland, **Ringier** owns the tabloid newspaper *Blick* (circulation 275,000) and *Sonntagsblick* (tabloid), the leading Sunday newspaper. **Ringier** also publishes the weekly magazine *Schweizer Illustrierte*. The free sheet *20 Minuten* owned by **Tamedia AG**, with a circulation of 340,000 is therefore the largest daily within the Swiss press market. Besides the free sheet, **Tamedia AG** publishes *Tages-Anzeiger* (circulation 236,000); *SonntagsZeitung* (circulation 203,087), a Sunday paper; the news magazine *Facts* (72,252); and has a minority share (49%) in the publishing company **Espace Media Group**. The group owns the leading newspaper in Bern, the *Berner Zeitung* (circulation 166,000). The most important products of the **Basler Zeitung Medien** are the daily newspaper *Basler Zeitung* (circulation 101,000), as well as the free sheet *Baslerstab*, and the **Neue Zürcher Zeitung AG**'s publications *Neue Zürcher Zeitung* (155,000) and *St. Galler Tagblatt*. In the French-speaking part of Switzerland, **Ringier** publishes several weekly magazines, such as *L'Hebdo* (circulation 47,000) or *L'Illustré* (92,000).

EDIPRESSE

Edipresse is a multilingual and multicultural international publishing house. It operates in the areas of newspaper and magazine publishing, printing and multimedia. Present in Switzerland, Spain, Poland, Portugal, Mexico, Russia, Ukraine, Romania, Greece and several countries in Asia, the **Edipresse Group** is specialised in magazines publication. It publishes over 150 titles. The range of publications is diverse and includes celebrity magazines, women's magazines, news, business and entertainment titles.

The **Edipresse Group** holds a leading position in the publishing market in French-speaking Switzerland, which remains the heart of its activities. It publishes the three leading daily newspapers, *Le Matin* (69,000), *Le Matin Dimanche* (208,000) *24 Heures* (86,000) and *Tribune de Genève* (73,000), as well as other local newspapers (*La Broye* and *Journal de Morges*). The group also created a shareholders company with **Ringier** to hold a majority share in daily newspaper *Le Temps* (49,000).

Along with its activities as a regional newspaper publisher, **Edipresse Switzerland** also publishes other publications, which enable it to play a major role in the business, women's and entertainment press markets in French-speaking Switzerland.

Edipresse has been operating in Poland since 1995. **Edipresse Polska** is the country's leading magazine publisher in terms of advertising revenue and ranks third in terms of sales.

It publishes about ten publications, including the leading magazine in the women's press, *Przyjaciółka*. This weekly magazine is consolidating its position and is published with a regular print run of over 1,000,000 copies.

Edipresse operates different printing plants in Switzerland. The **Edipresse-Lausanne** Printing Centre and the **Edipresse-Geneva** Printing Centre both specialise in the printing of daily newspapers and periodic publications. The Lausanne center prints the company's three daily newspapers.

CONCLUSION

In conclusion, the Swiss media landscape, known for a long time for its richness and diversity, has experienced some profound changes within the last 15 years. Since the middle of the 90s, the fall of the advertising spending has hindered the development in the media world and caused a wave of media concentration that has not stopped yet. With mergers, small titles purchased by bigger ones and then closed, the arrival of foreign investors groups on the Swiss media market and increasing fights for advertising income, the situation has changed in Switzerland. Though the quality of the offerings has remained very high, the country has become a real laboratory inside Europe for the media concentration process, as concentration has increased in every way possible. An offshoot of the ownership concentration in publishing has been the cooperation among companies in the fields of logistics and printing.

United Kingdom



The Communications Act 2003 is now in operation, having passed into law on 17 July 2003. The new Act is intended to improve the commercial prospects of UK media groups. It is expected to lead to more foreign ownership of media assets and to speed up the process of consolidation in Radio, TV and Newspapers.

At the same time, the Act aims to ensure that there will remain a diversity of voices in the UK media. However, it is true that the Act has created a deregulatory regime and rules on media ownership which are widely seen to be the most liberal in Europe.

At the heart of the Communications Act is the transfer of the powers and functions of the five previous regulatory authorities to OFCOM. The former three regulatory bodies which dealt with content issues (the Independent Television Commission (ITC), the Radio Authority (RA) and the Broadcasting Standards Commission (BSC)) have been merged, together with the Radio Communications Agency, responsible for spectrum management, and OFTEL the former telecommunications regulator, into one body: OFCOM. Among other measures, it introduced legal recognition of Community Radio and paved the way for full-time Community Radio services in the UK, and more controversially lifted many restrictions on cross-media ownership. According to the Act there must be at least two separate commercial media companies providing newspapers, radio, and terrestrial television in every local area of the UK. Cross ownership mergers may trigger a public-interest test. The test requires that regulators – the OFCOM - examine the balance between the economic benefit of a merger or acquisition, with the effects on plurality, diversity and competition.

RADIO

The BBC, with 5 national radio stations and over 44 local or regional stations, has an overall audience share of the entire radio market of 54.2%, while the entire spectrum of commercial services has a share of 43.8%. Excluding the BBC services, there are nearly 400 commercial radio stations in the UK. The main players in commercial radio are **GCap Media**, **Emap** and **Chrysalis**.

The birth of **GCap Media** (in September 2004), a company sprung out of the merger of **GWR** and **Capital radio**, has led to the creation of the largest commercial radio group in the UK. It owns 54 local analogue licenses under which 59 services

are being broadcasted. The only digital services owned by the group are: *Capital Disney, Core, Life, Planet Rock* and *The Storm*. In 2004 **GWR** had a market share of 20.1% and **Capital** of 15.6%. It can be expected that the merged group will reach a share of around 35%.

Emap, which operates 25 stations on its own, has a market share of 13%. **Emap** acquired **Scottish Radio Holdings (SRH)**, reaching itself a market share of 8%, which was cleared by the Office of Fair Trading and Ofcom – but it will have to sell one of **SRH's** digital multiplexes because it will breach ownership rules by exceeding 50% of the market. **Emap** is also active in the magazine publishing sector.

Chrysalis operates 5 radio stations, e.g. *Heart, Galaxy* and the two *LBC* stations. In 2005 it acquired the *Century 106* station from **GCap Media**. It also runs digital-only stations. All its radio stations combined have a market share of 11.2%. In addition to its radio business, **Chrysalis** also has music, books and a new mobile division.

TELEVISION

The UK has four principal terrestrial television broadcasters – **BBC, ITV, Channel 4** and **Channel 5**.

The Public Service Broadcaster, **BBC**, broadcasts two national free-to-air channels, *BBC1* and *BBC* (with several regional versions) and reaches a market share of 36.6%. The **BBC** also has a range of free digital channels (broadcast on Freeview) including *BBC3*, a youth channel, *BBC 4*, *BBC News 24*, *BBC Parliament*, *CBBC* and *CBeebies* (two advertising-free children's channels). The principle source of income for the **BBC** is the license fee because it has no advertising revenue but it does earn additional income through the distribution of television programmes, publishing, and videos via **BBC Worldwide**.

The **ITV** network consists of 15 regional franchises and one breakfast television license. The network has an audience share of almost 24.1%. Eleven channels are now owned by one company, **ITV Plc**, which resulted from the merger between **Carlton** and **Granada**. The remaining franchises include two Scottish licences owned by the **Scottish Media Group (SMG)**, **Ulster TV** and **GMTV (Breakfast Television)**, which **Carlton** and **Granada** share with **Disney** and **SMG**.

One of the other major channels is **Channel 4** (publicly owned), which was set up as a channel to provide alternative and minority programming. **Channel 4** operates two further channels *Film four* and *E4*. Furthermore it is planning to launch a new documentary channel *More4*. From all three of its channels combined **Channel 4** has a market share of 9.8%.

Channel 5 is the newest arrival on the terrestrial television network with a market share of 6.7%. Recently **Bertelmann's RTL Group** acquired the remaining 35.4% shares of **Channel 5** from **United Business Media**.

Cable is dominated by two companies: **Telewest**, which is partly owned by **Liberty Global** (25%) and **IDT** (22%), and **NTL** (subsidiary of **NTL International**). The companies were in protracted merger talks in summer 2005.

Telewest also owns **Flextech**, which has a number of television channels, including **UKTV**, a unique partnership between **BBC Worldwide** and **Flextech Television**. The company was in negotiations over the sale of **Flextech** in summer 2005. **Telewest** had 7,355 million subscribers at the end of 2004.

For subscription television, satellite television has been more successful with *BSkyB* under the control of Rupert Murdoch's **News International**. *BSkyB* reaches a total subscriber base in the UK of almost 7.3 million homes. The total cable subscriber base remained more or less static at 3.3 million.

ITV Digital used to be the sole British terrestrial digital television broadcaster. It was launched as **ONDigital** in 1998. It was subsequently renamed as **ITV Digital** in July 2001. Its main shareholders were the UK **ITV** broadcasters **Carlton Communications plc** and **Granada plc** (who have since merged to form **ITV plc**).

A consortium made up of the **BBC**, **BSkyB** and **Crown Castle International** was granted **ITV Digital's** old broadcasting license, and launched the **Freeview** service on 30 October, 2002. Although **Freeview** operates primarily as a free-to-view platform, its increasingly extensive line-up must represent some competition for at least the basic packages of both cable and satellite.

WRITTEN PRESS

During the twentieth century the press has not been subject to direct regulation, and certainly there has been no state support for particular titles. Anyway, there has been some consolidation in the titles available. Currently, there are 11 national daily titles and 12 national Sunday titles. Additionally, there are a number of regional/local titles: 20 morning, 76 evening and 11 Sunday papers. There are also 529 weekly newspapers (excluding free titles). Magazines are numerous: consumer magazines number in excess of 3,000 titles, though circulation varies widely.

Four groups dominate the daily national press: **News International Newspapers**, **Daily Mail and General Trust (Associated Newspapers)**, **Trinity Mirror** and **Express Newspapers**. The same four companies publish the best-selling Sunday papers. Two of the companies (through parent or subsidiary companies) also have a major share of the regional press market: **DMGT**, through **Associated Newspaper** as well as **Northcliffe Newspapers**, and **Trinity Mirror**. Further major players on the regional newspaper market are **Newsquest**, which is a subsidiary of US

media group **Gannett** and **Johnston Press**. Jointly these four companies control 62% of regional newspapers in terms of circulation and there is an increasing trend toward 'cluster publishing' – ie titles in a region all owned by one of the groups.

News International Newspapers is part of Rupert Murdoch's **News Corporation** media empire and includes best-selling newspaper *The Sun* (circulation 2,419,000) and *the Times* (circulation 485,000).

DMGT is a major player in all three markets; through **Associated Newspapers Ltd** on the national and Sunday markets, and, especially with the dominant position of the free sheet *Metro* and **Northcliffe Newspapers**, on the regional level.

Apart from the national newspapers of the **Mirror group** (*Daily Mirror* circulation: 1,597,000), acquired through a merger in 1999, the group has a total of 250 papers. These include regional dailies, weeklies and free newspapers. It also publishes sports newspapers, including the *Racing Post*. The company is also involved in magazine publishing, new media and exhibitions.

The **Express Group**, which publishes the well known *Daily Express* (circulation 720,000) and the tabloid the *Daily Star* (circulation 705,000), was taken over by the **Northern and Shell Group**, which are publishers of magazines.

The other top ten daily national newspapers are *The Daily Telegraph* (circulation 483,000), *Financial Times* (circulation 101,000), *The Guardian* (circulation 288,000) and *The Independent* (circulation 179,000).

Some weekly women's magazines sell well, like *Woman's Own* and *Woman*, published by **IPC Media Ltd**, which itself is owned by **Time Warner**, each selling around 630,000 copies; or *Bella* which sells over 400,000 copies. At the other end of the scale, many technical and business magazines, and many local papers, sell only a few thousand copies of each issue. German publishing group **Bauer** targets the lower end of the market with magazines like *Take A Break*, *That's Life*, *Bella*, *TV Choice* and *TV Quick*, and a large number of leisure titles, mainly of the puzzle and wordsearch variety. **BBC Worldwide** claims to be the UK's third largest consumer magazine publisher and publishes the UK's most profitable magazine *Radio Times*.

THE MAIN PLAYERS

NEWS INTERNATIONAL

News International is a British newspaper publisher owned by Rupert Murdoch's **News Corporation**. For the purpose of this outline only the parent company's activities which concern the UK are analysed. The company's major titles are published by two subsidiary companies, **Times Newspapers** and **News Group Newspapers**. **News International**, which publishes *The Sun*, *the News of the World*,

The Times, *The Sunday Times* and the **TSL Education** supplements, will acquire state-of-the-art full-colour printing presses and build new production plants in Enfield, north of London, Glasgow, and Knowsley, close to Liverpool.

TSL Education (the former **Times Supplements Limited**) publishes a number of specialist publications mainly in the education sector. Most of these originated as spin-offs from *The Times* including *The Times Educational Supplement*, *The Times Higher Education Supplement* and *The Times Literary Supplement*. They also publish *Nursery World*. At the time of writing, **News Corporation** was looking for a buyer for the **TLS** titles.

News International is the strongest player on the daily and Sunday press market. The activities of **News Corporation** are conducted principally in the United States, Continental Europe, the United Kingdom and Ireland, Australia, Asia and the Pacific Basin.

Book Publishing

Under the **HarperCollins** umbrella it has 29 imprints internationally. In the UK, **Fourth Estate**, an independent publisher, was acquired by **HarperCollins**. One of its authors, Michael Crick, who was writing a critical biography of Murdoch, departed. Also Chris Patten's book on his experiences as the last governor of Hong Kong was dropped by **HarperCollins** because Murdoch did not want it to interfere with his efforts to open up his media interests in China.

Broadcasting

BSkyB is a UK digital satellite broadcaster with over 6 million subscribers. **News Corporation** has a 37.6% stake but effectively operational control of the company.

Furthermore it owns the major share of **Sky Radio** (71%).

Technology and Multimedia

News Corporation has a majority stake in **News Digital Systems**. Its major product is the *VideoGuard* satellite encryption system, which is used on most of **News Corporation's** satellite TV systems. It is also used on some non-News Corp systems, including **Canal+**. The company also makes the *XTV PVR*, more commonly identifiable as the *Sky+* system. This system is most commonly implemented on a *RISC OS* powered system with *OpenTV* installed for interactive services.

Other

Convoys Group – UK newspaper distribution

PEARSON

Pearson plc is a London-based media conglomerate. It is the largest book publisher in the UK, India, Australia and New Zealand, and the second largest in the US and Canada. Pearson is an international media company with market-leading businesses in education, business information and consumer publishing. It has three major divisions, the **Penguin** group responsible for book publishing, the **Financial Times** group which operates in the newspaper publishing sector and with **Pearson Education** it is active in the educational sector.

Print media

Alongside the *FT*, the company established a network of leading national business newspapers and online services including *Les Echos* in France and *FT Deutschland* in Germany, stakes in business newspapers in South Africa, Russia and India, and 50% of the weekly current affairs journal, *The Economist*.

In Spain, Pearson operates through **Recoletos** in which it holds a majority stake. The Spanish publisher **Recoletos** also publishes *Marca*, Spain's leading sports daily. Furthermore, **Recoletos** has a 30% interest in the daily *El Mundo*. In Portugal **Recoletos** owns 50% of **Economica SGPS**, publisher of the country's leading daily *Diário Económico*.

Book Publishing

With publishing division – the **Penguin** Group- it publishes a range of fiction and non-fiction, bestsellers and classics, children's books and illustrated reference treasure chests in over 100 countries.

The group is the top book publisher in the UK, Australia, New Zealand and India, and the number two, after **Bertelsmann**, in the USA.

Educational division

The educational division operates from elementary school to high school, from early learning to professional certification. It publishes textbooks and multimedia learning tools and testing programmes worldwide.

The group includes several publishing companies operating in the educational field:

Addison Wesley and Benjamin Cummings, Prentice Hall, Pearson Education Ltd, MacMillan USA, National Computer Systems and the Learning Network.

(FOOTNOTES)

1. *At the time of writing the acquisition was not yet cleared by the German competition authority, but it is likely that this will be the case.*
2. *Media Ownership, Peace Institute Ljubljana, 2004, p.356*
3. *Media Ownership, Peace Institute Ljubljana, 2004, p. 356*
4. *The data about circulation of the mentioned dailies should be taken with a certain amount of skepticism as the as the source is Mr. Đoko Kesić, director and Editor-in-Chief of Kurir. Also Mr Kestic claims at the moment higher circulation*

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