The Netherlands Commissariaat voor de Media (CvdM)

#### EPRA Country Report May 2015 - September 2015

# CvdM concludes investigation on the short reports of the football matches of the Dutch premier league

The CvdM recently concluded the investigation on the offer on the broadcast summaries of the football matches of the Dutch premier league and the agreement between the national PSB NOS, STER and Fox Sports related to the offer. In the previous country report we mentioned already that NOS was assumed of being servant to the interests of a commercial broadcaster. By imposing an order subject to a penalty, the CvdM forced the NOS to adjust the agreement with EMM and to comply with the Dutch Media Act. From that moment the investigation continued and focused mainly on the activities of other related parties, such as the STER.

In July 2015, the contracts between the parties concerned were brought in accordance with the Dutch Media Act. All agreements with regard to the promoting of Fox Sports and clauses on the free advertising time were revised and amended. Therefore, the NOS is no longer subject to the imposed penalty with a maximum of 1 million euro.

## CvdM has imposed a fine on a regional broadcasting company due to several serious violations of rules on sponsorship and advertising.

Due to several serious violations of rules on sponsorship and advertising the CvdM has imposed a 275.500 euro fine on the regional PSB Stichting Omroep Limburg (L1).

From extensive investigation a high degree of commercial interference became apparent. L1 received a kick back from the ticket sales of singer Big Benny's concert in exchange for producing and broadcasting a reality soap about the singer. Furthermore, commercial parties were able to profile themselves on the official L1 website while it was not clear that the information did not come from the editorial department. L1 further broadcasted a weekly commercial from property developers which was not readily recognizable as such. L1 also violated rules on sponsorship.

In addition to the fine the CvdM imposed to L1 because of these infringements of the Dutch Media Act, the CvdM has also issued warnings for a number of other violations.

### Informative meeting about rules on product placement and the entering into effect of Regulation on Product placement

On the 11<sup>th</sup> of June the CvdM organized a well-attended in-house meeting to inform its stakeholders about the rules on product placement and sponsorship. The CvdM provided details on its newly adopted Regulation on Product placement to all relevant stakeholders, e.g. commercial media organizations and producers. Meanwhile the Regulation has entered into force on the 1<sup>st</sup> of August. It further elaborates on the rules on product placement that are laid down in the Dutch Media Act as an implementation of the AVMS Directive and clarifies under which conditions product placement by commercial media organizations is allowed. The Regulation does not entail new or more stringent rules, but solely provides for a more detailed interpretation and explanation of the existing legislation. Furthermore, the Regulation elaborates into detail on the difference between product placement and sponsorship and explains under which circumstances product placement could constitute (elements of) surreptitious advertising.

By means of this Regulation, the CvdM aims to protect the public, but also editors and programme makers as they should be able to work entirely independent, even when the program is financed by a third party.

### Independence of editorial boards under increasing pressure

The CvdM presented a research on the independence of editorial boards in the Netherlands (Onafhankelijkheid nieuwsredacties: June 3<sup>rd</sup> 2015: Qualitative: Independence editorial boards: Dutch: <a href="http://www.mediamonitor.nl/analyse-verdieping/onafhankelijkheid-van-nieuwsredacties-2015/">http://www.mediamonitor.nl/analyse-verdieping/onafhankelijkheid-van-nieuwsredacties-2015/</a>: <a href="info@mediamonitor.nl">info@mediamonitor.nl</a>). The CvdM initiated this survey because of the importance to safeguard a diverse, independent and accessible flow of information. The enquiry showed that an alarming two third of the managing directors of Dutch editorial boards think that the risk of violating editorial independence has increased over the past five years. According to the respondents to the study this is especially caused by the decline of advertising revenues and other incomes.

The yearly research of the CvdM also indicates that the independence of editorial boards is subject to high (commercial) pressures. It shows a decrease in circulation on the market for magazines and media outlets experience serious problems to maintain a fair share of subscribers to their services. As a consequence media are depending more on freelancers and can rely less on their (shrinking) editorial staffs, hence resulting in a higher overall vulnerability. In addition, the (assumed) popularity of a certain program becomes more and more a decisive criterion for programming or publishing.

The downfall has become a national trend in every sector of the media within the Netherlands and also local magazines are having troubles to adjust to new business models in order to survive.