



**42nd EPRA Meeting
Nuremberg: 28-30 October 2015**

**Ad hoc Working Group 3:
Local/Regional TV: Financing Models
Summary of the Working Group discussion
By WG Coordinator Oliver Gerber, OFCOM (CH)**

The final concluding remark of the Chair of Working group 3, *Helena Mandić*, sums up very well the challenging situation of local and regional TV: “*Local and regional TV has a kind of grim future, but at least it has a future*”.

[EPRA members’ answers to the EPRA questionnaire](#) showed, that, although there are many different structures of local and regional TV in Europe, the local and regional TV broadcasters face common problems. Often they are underfinanced, often they are not profitable, there is a shortage of means to invest in technology, they have hardly any impact on the audience and the viewers are mostly overaged¹.

The regional TV broadcasters of Switzerland have these problems, too. As OFCOM Switzerland will soon re-examine and re-define the system of public service regional TV, it has commissioned a comparative study on “*Future Prospects of Regional television*” of Europe. The authors of the study, *Jean-François Furnémont* and *Marc Janssen* of the Wagner Hatfield Consulting Group had to search and find best practices and successful local and regional broadcasters in Europe. They found success stories in Germany, Belgium, France and the United Kingdom. The concerned broadcasters showed creative dynamics and entrepreneurial determination. Wagner Hatfield has drawn up recommendations on what legislators and regulators could do to improve the situation of local and regional TV. The study will officially be published next month and also be spread within the EPRA network.

A prime example of a successful local TV broadcaster is the Bavarian station [München Live TV](#). Its Director, Mr. *Christoph Wunsch*, held an insightful presentation on the station’s broadcasting activities and the local TV market of Bavaria². According to Mr. Wunsch, the main reasons for success is on one hand the strong financial support by the Bavarian government and the Bavarian regulator BLM. On the other hand, the large private German broadcaster RTL has to broadcast a local information window provided by the local broadcasters during an attractive prime-time slot. In exchange for the production costs, the operators of the local windows get a share of the advertising space of RTL. He emphasized that broadcasting more and better quality local news in order to meet

¹ See also the PPT presentation of Oliver Gerber: <http://www.epra.org/attachments/nuremberg-wg3-local-regional-tv-financing-models-presentation-by-oliver-gerber-ofcom>

For the script version: <http://www.epra.org/attachments/nuremberg-wg3-local-regional-tv-financing-models-script-of-the-presentation-by-oliver-gerber-ofcom>

² The PPT presentation of Mr Wunsch is available at this link: <http://www.epra.org/attachments/nuremberg-wg3-local-regional-tv-financing-models-presentation-by-christoph-wunsch-munchen-live-tv>

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the expectations of certain politicians will not necessarily bring more money and younger viewers to the station. In his opinion, it is therefore essential to broadcast attractive entertainment formats such as reality shows.

After the presentations, a lively debate took place on some aspects of local and regional TV. The following discussion items were notably raised:

- **Better visibility of the local and regional TV programmes** by granting them must carry status or prominence on the EPG is one recommended measure. You have to have good content and you have to find it, otherwise it has no value. In the UK, as local regional broadcasters are a relatively new phenomenon, Ofcom has granted them prominence on the EPG by allocating the number 8 on the DTT platform to facilitate their life.
- Further, **deregulation of quantitative advertising** has been discussed. Again, in the UK, the local and regional TV programmes, which are not receivable outside of its borders, are not obliged to respect the limit of 12 minutes of advertising per hour. However, there seems to be a common understanding that a more liberal advertising regime is not necessarily a very helpful measure as the local advertising market is often exhausted, and the local regional broadcasters do rarely draw national advertising campaigns.
- **Cooperation models**, such as the broadcasting of windows produced by local/regional broadcasters on national broadcasters' programmes, are seen as a good way to attract younger audience in attractive prime-time spaces. Nevertheless, the suggestion of creating a national merged broadcaster with only local content was deemed questionable as the audience flow is not optimised and more viewers not at all guaranteed.
- Regarding **public financial support**, the National Audiovisual Council presented the plan of the Romanian government to establish a financing fund of EUR 15 million per year to support cultural and production costs. Any broadcaster can present its project and apply for this fund. In Denmark, it was reported that the fund for commercial stations of the Danish Film Institute will launch a trial in 2015 to demand that a part of the broadcasters' productions must be regional. Since 12 years, in Croatia an annual sum of EUR 2 million is distributed for public interest content for 20 local TV stations by the Croatian Regulator AEM.

To end on a hopeful note, the group closed with another statement by a delegate of the Medienrat of the German speaking Community of Belgium. According to him, regional and local TV may, at the moment, not attract a lot of people, but with the general aging trend of the European society, maybe in 10, 20 years it will. Well, who knows?