



**OBSERVATOIRE EUROPEEN DE L'AUDIOVISUEL
EUROPEAN AUDIOVISUAL OBSERVATORY
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSTELLE**

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***Comparative analysis of the financing
of the public audiovisual sector in the
European Union***

Conference

**“Public media services at the digital age”
organised by the French Presidency of the European
Union (Strasbourg, 17-18 July 2008)**

METHODOLOGICAL ISSUES FOR THE COMPARATIVE ANALYSIS

- **Difference between « public service » and « public sector »**
- **Diversity of the legal statute, organisation and financing of the public audiovisual sector**
- **Diversity of accounting systems**
- **Transparency problems in some countries**

OPERATIONAL DEFINITION OF THE AUDIOVISUAL PUBLIC SECTOR DU SECTEUR PUBLIC DE L'AUDIOVISUEL FOR STATISTICAL ANALYSIS

**All public audiovisual companies and organisations from
the sections 59, 60, 63 et 73.12 of the NACE Rev.2 :**

*59 Motion picture, video and television programme production,
sound recording and music publishing
activities*

*60 Programmation and broadcasting activities (radio,
television, on-line services)*

63 Information (portals, news agency,...)

73.12 Media representation (advertising sales houses)

SOME FURTHER COMPLEMENTARY ISSUES

- **make aggregates with consolidated (group) or unconsolidated accounts ?**
- **what about transmission activities ? (NACE Rev 2 : 61. Telecommunications)**
- **what about mixed owned companies (public/ private) ?**
- **what about the Dutch broadcasting associations ?**
- **how to deal with the fact that costs of the licence fee collection are or not covered by the PSB companies ?**

DIVERSITY OF THE FINANCING OF THE PUBLIC RADIO-TELEVISION COMPANIES

Public funds : licence fee, grants, taxes on services, convention with public bodies, others

Commercial income : advertising, sponsoring, merchandising, sales of rights, subscription revenues, distribution revenues (cable, satellite, IPTV...), facilities services, other commercial income,...

Other revenues

but also...

... other methods of financing (debt guarantee, capital injection, free access to spectrum,...)

DIVERSITY OF THE ORGANISATION MODELS

- **Integrated models : radio + TV + on-line services** (BBC, RAI, ARD,...)
- **Fragmented models : various entities for radio and television** (France, Sweden,...)
- **Various models for regional television** (France 3 vs ARD III vs Autonomicas)
- **Possible autonomous companies for production** (France 2 Cinéma, Studio Hamburg, Bavaria,...)
- **Possible autonomous companies for archives** (INA, DRA,...)

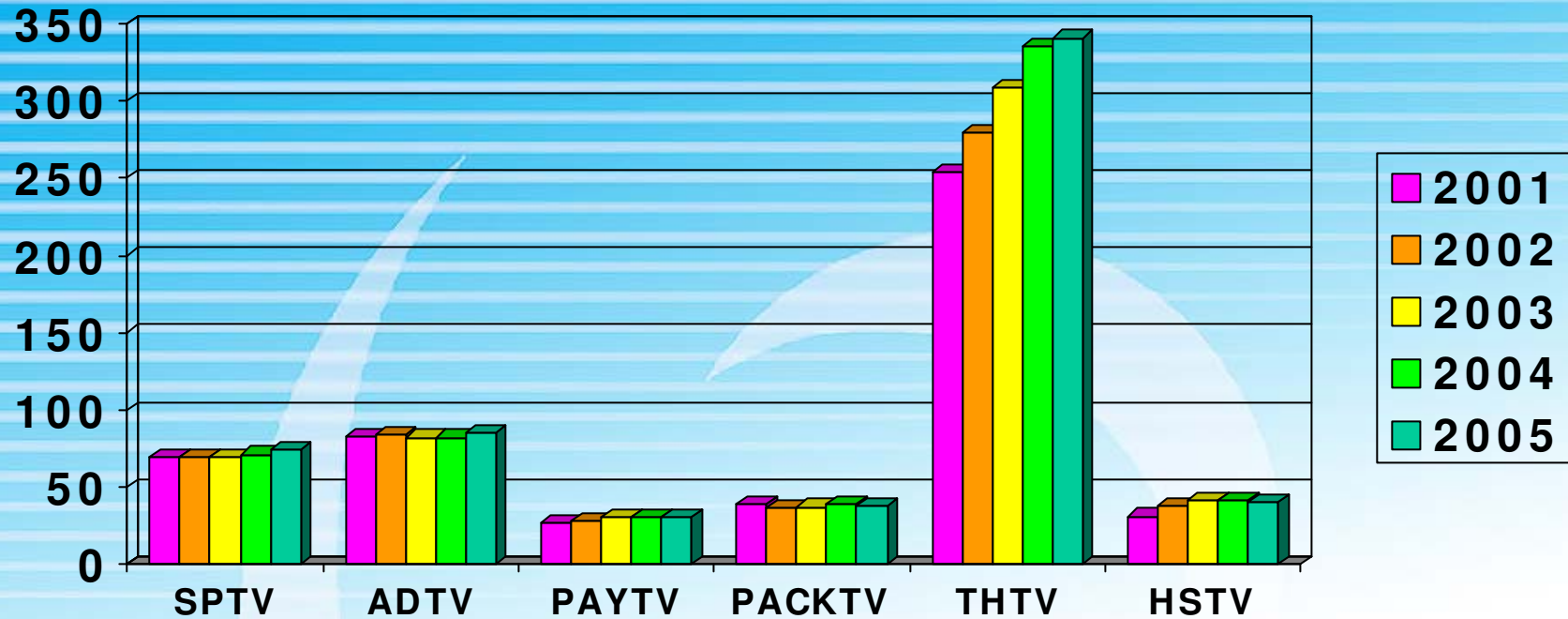
TRANSPARENCY ISSUES

- **Important improvements thanks to the Web possibilities**
- **Collaboration with EBU : very useful, but gaps in the data collection process and some weaknesses in the questionnaire**
- **Slow access to accounts**
- **Reports not always accessible on-line**
- **Some companies never answer to our requests**
- **Difficulties in obtaining consolidated breakdown of revenues**
- **Confusion between « other commercial income » and « other income »**

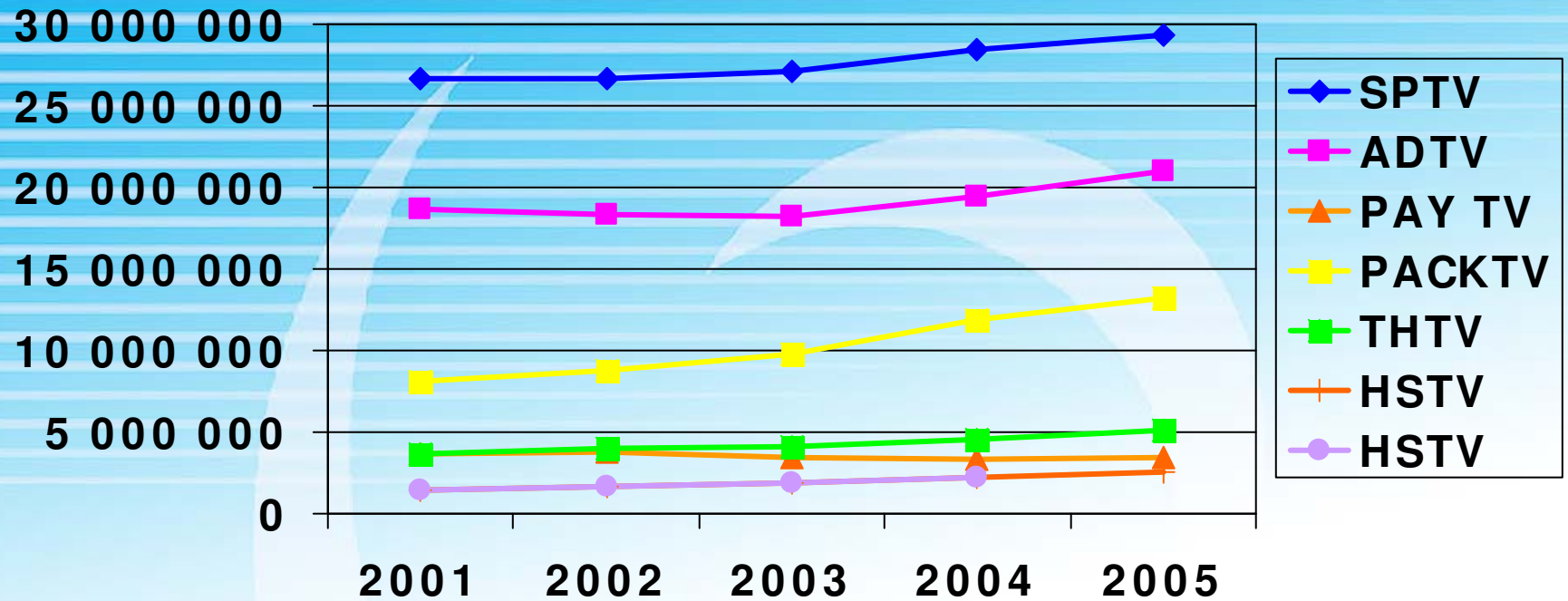
METHODOLOGY FOR THE FINANCIAL ANALYSIS OF TELEVISION COMPANIES

- **Analysis of non-consolidated accounts of 608 companies**
- **Typology of companies providing TV channels**
 - *SPTV : public TV companies*
 - *ADTV : generalist channels financed by advertising*
 - *PAYTV : film pay-TV channels (including Canal+)*
 - *PACKTV : packagers (BskyB, Canalsat, Premiere,...)*
 - *THTV : providers of thematic channels*
 - *HSTV : home-shopping*

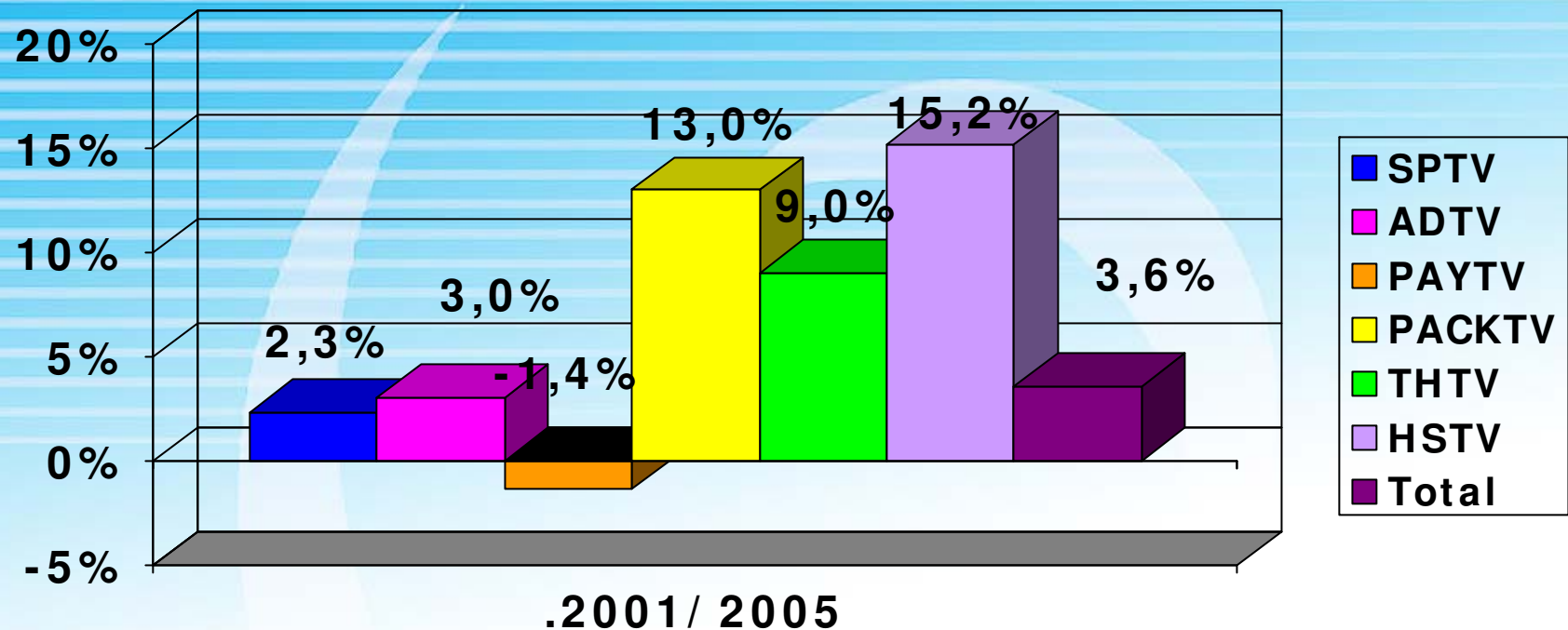
NUMBER OF COMPANIES INCLUDED IN THE FINANCIAL ANALYSIS (EUR 27) (2001-2005)



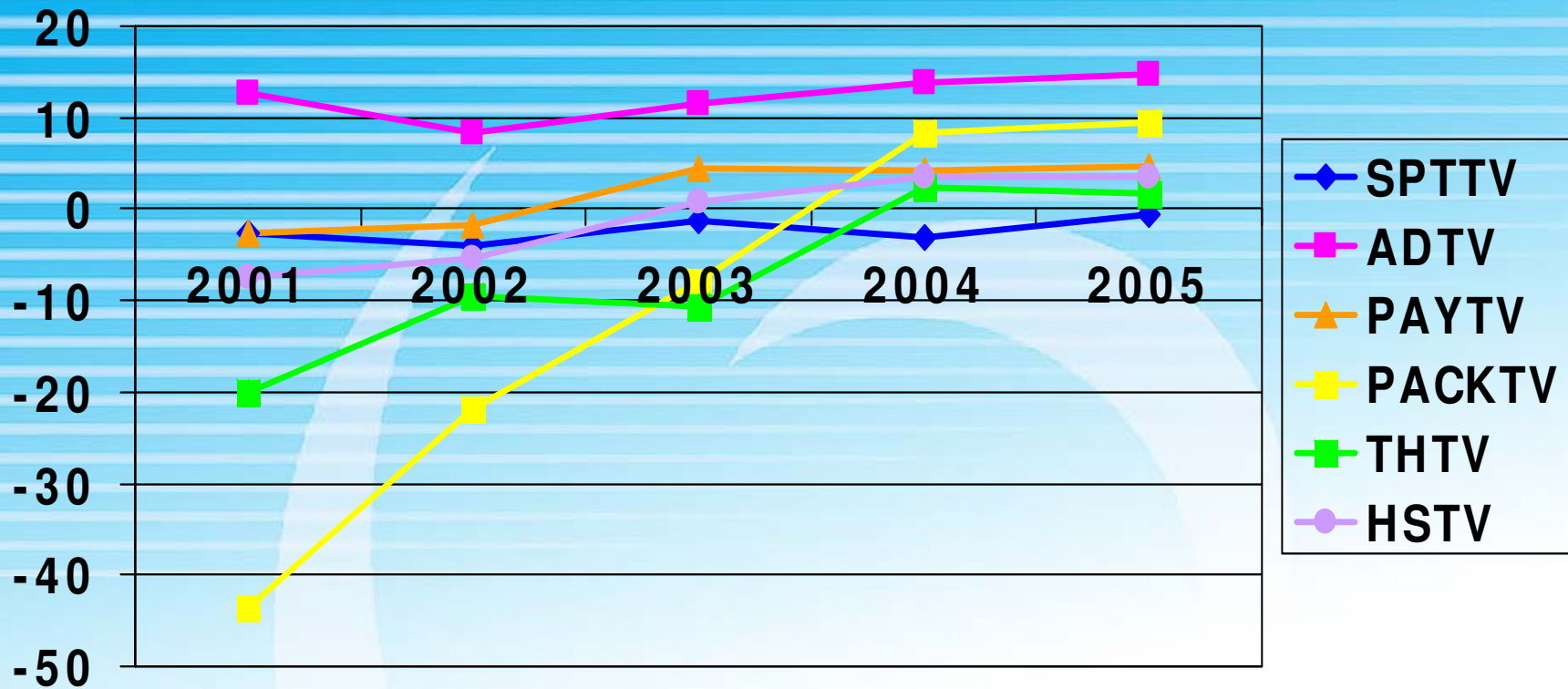
OPERATING REVENUES OF THE VARIOUS TV FAMILIES (2000-2005) (Th. EUR)



AVERAGE YEARLY GROWTH OF THE VARIOUS TV FAMILIES (2001/2005) (in %)



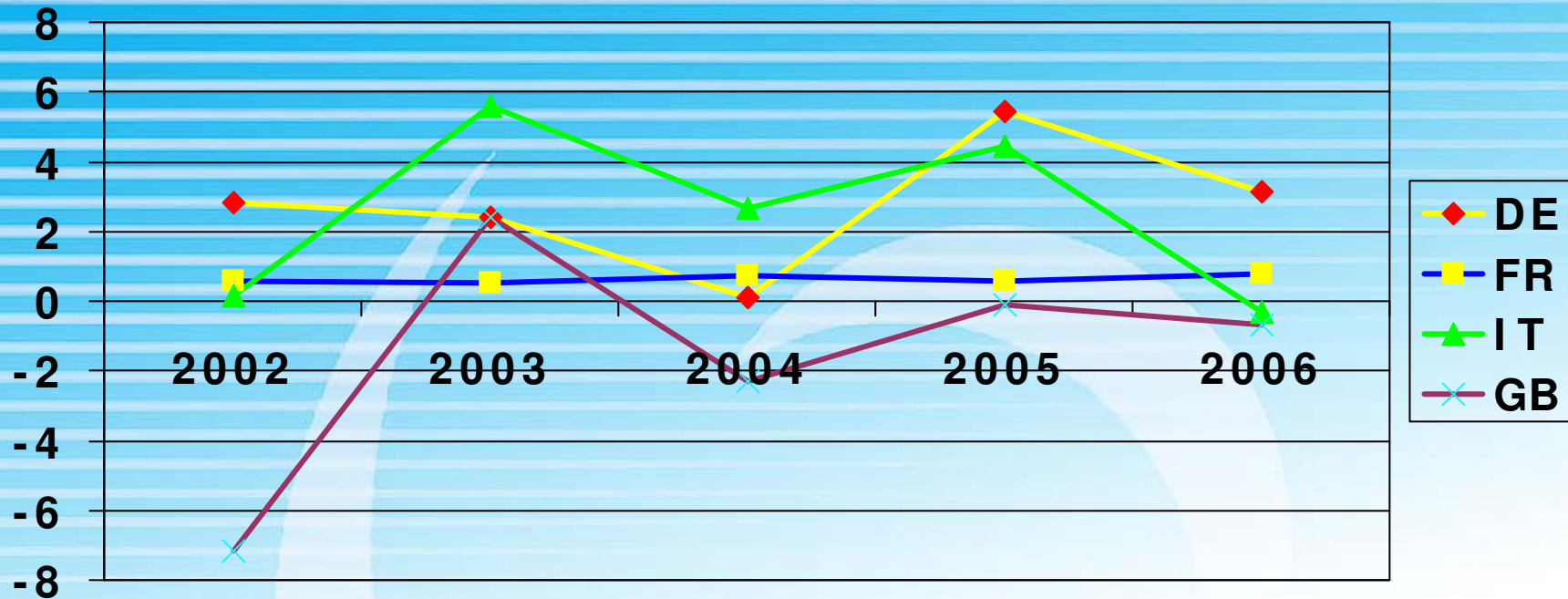
PROFIT MARGIN OF THE VARIOUS TV FAMILIES (2001-2005) (in %)



PROFIT MARGIN OF RADIO AND TELEVISION COMPANIES (2001-2006)

(in %)

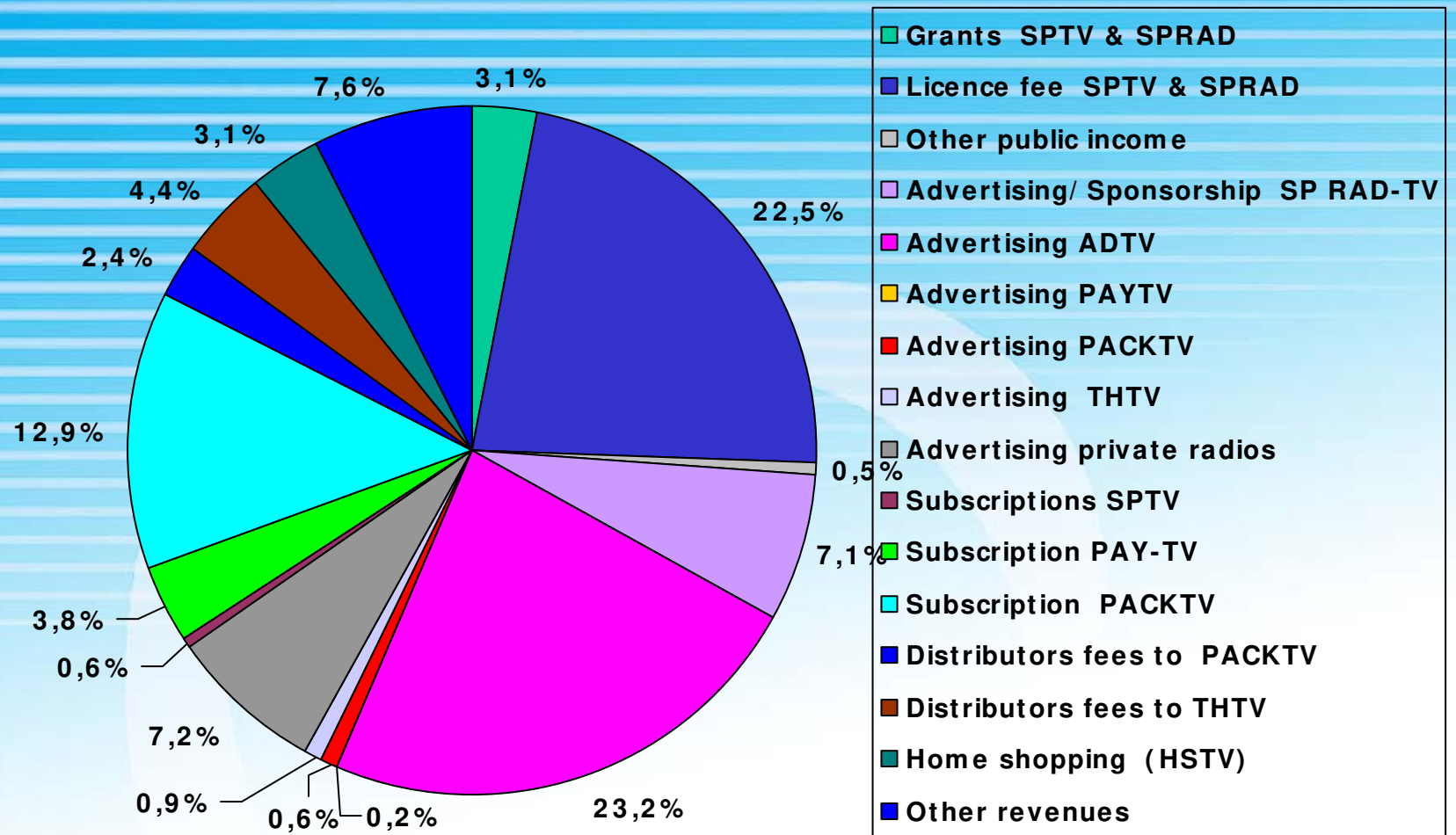
Source : OBS



PROFIT MARGIN OF RADIO AND TELEVISION COMPANIES (2001-2007) en %

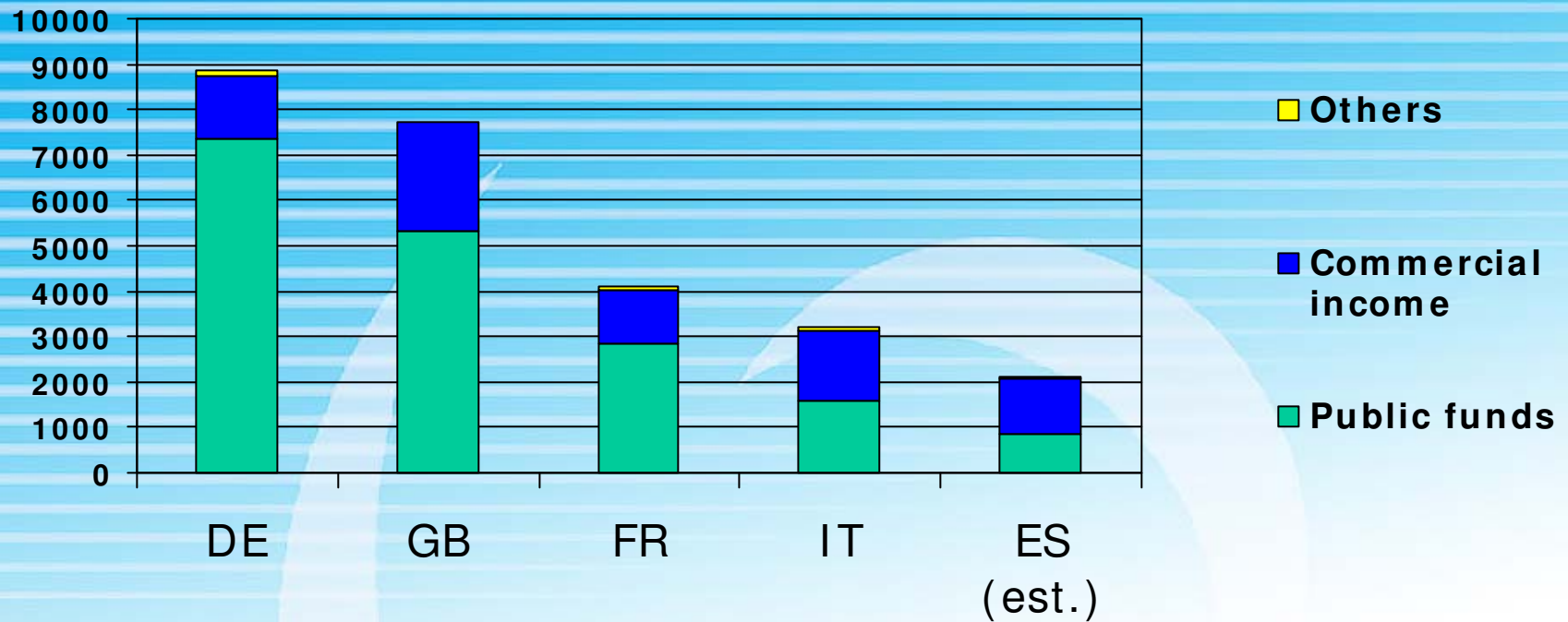


BREAKDOWN OF NET REVENUES OF RADIO AND TV COMPANIES IN 2005 (EUR 27)



REVENUES OF PUBLIC BROADCASTING COMPANIES (2006) (EUR MILLION)

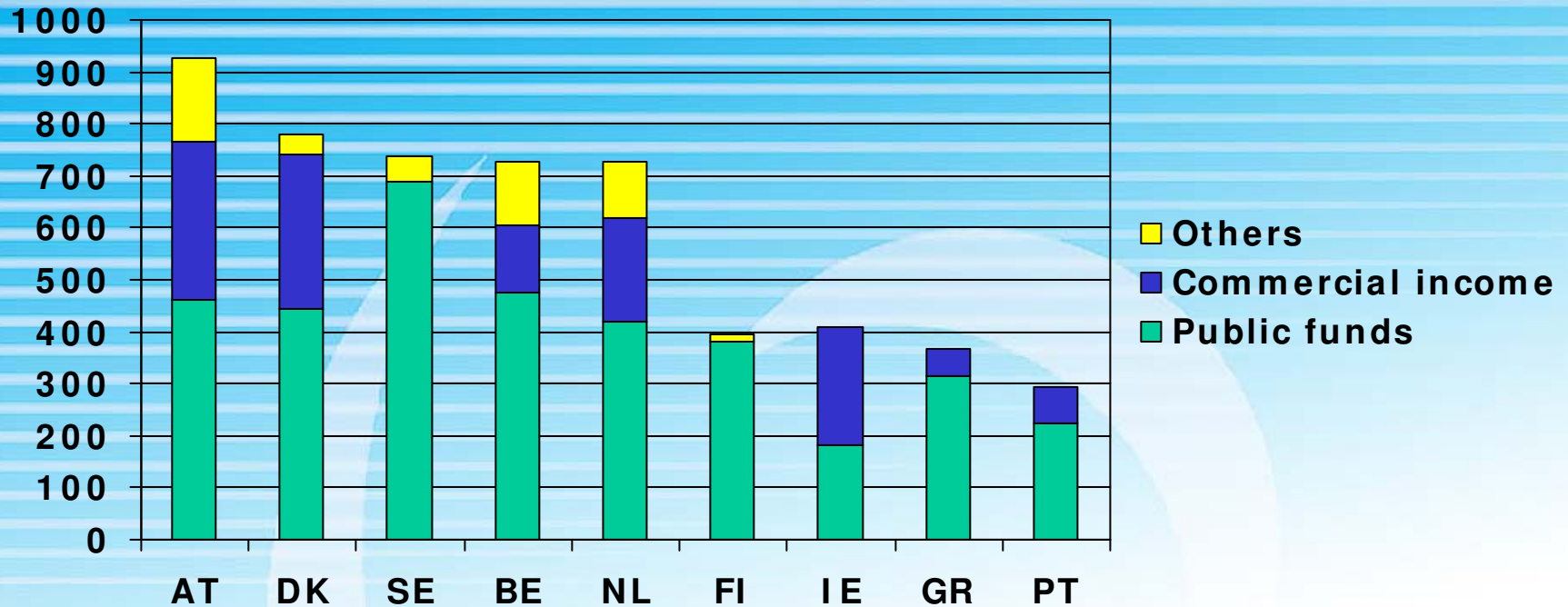
Source : OBS



REVENUES OF PUBLIC BROADCASTING COMPANIES (2006)

(EUR Million)

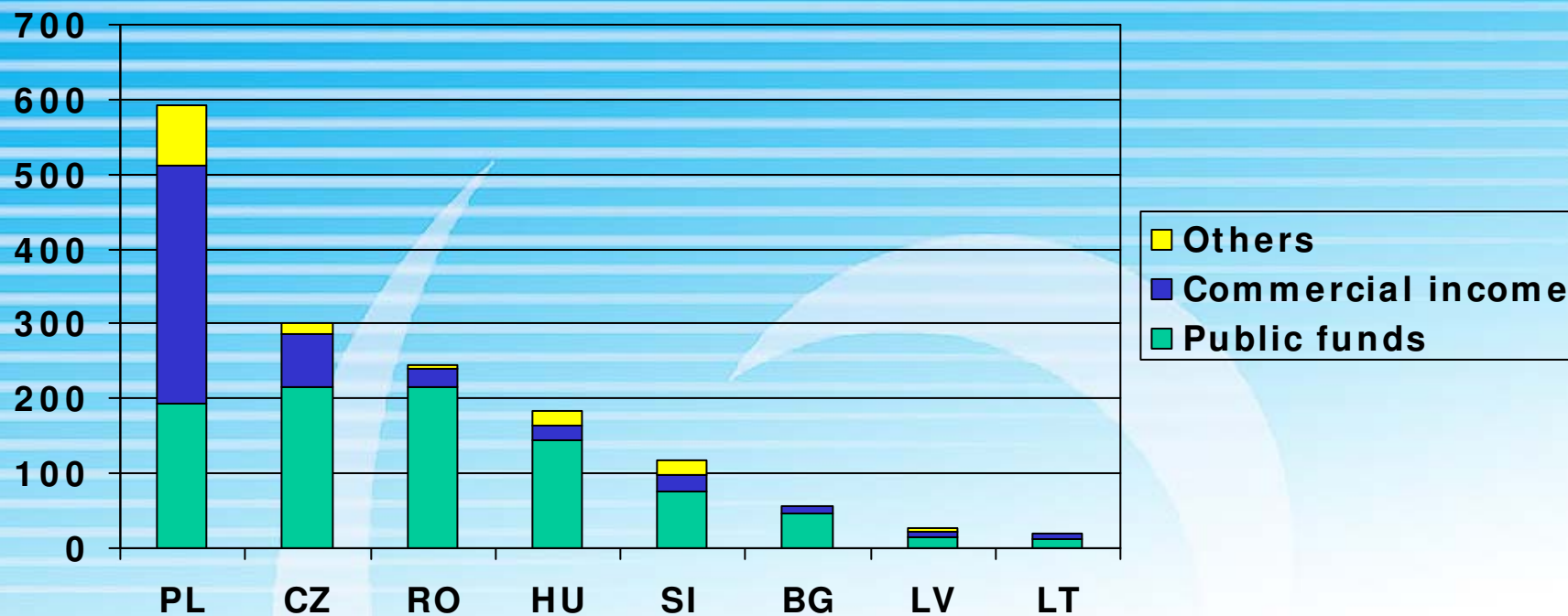
Source : OBS



REVENUES OF PUBLIC BROADCASTING COMPANIES (2006)

EUR Million

Source : OBS

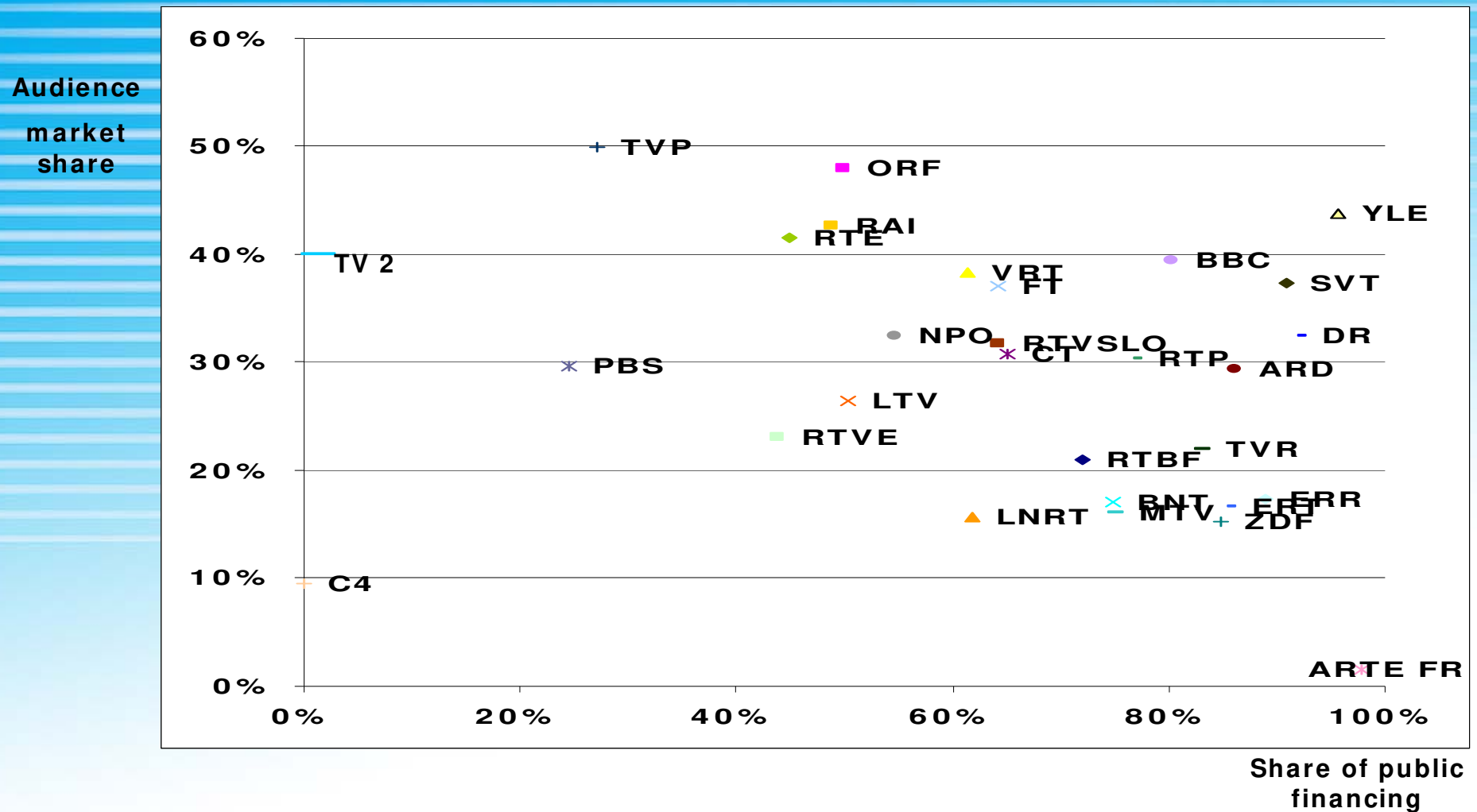


BREAKDOWN OF REVENUES OF PUBLIC BROADCASTING COMPANIES (2006)

Source : OBS

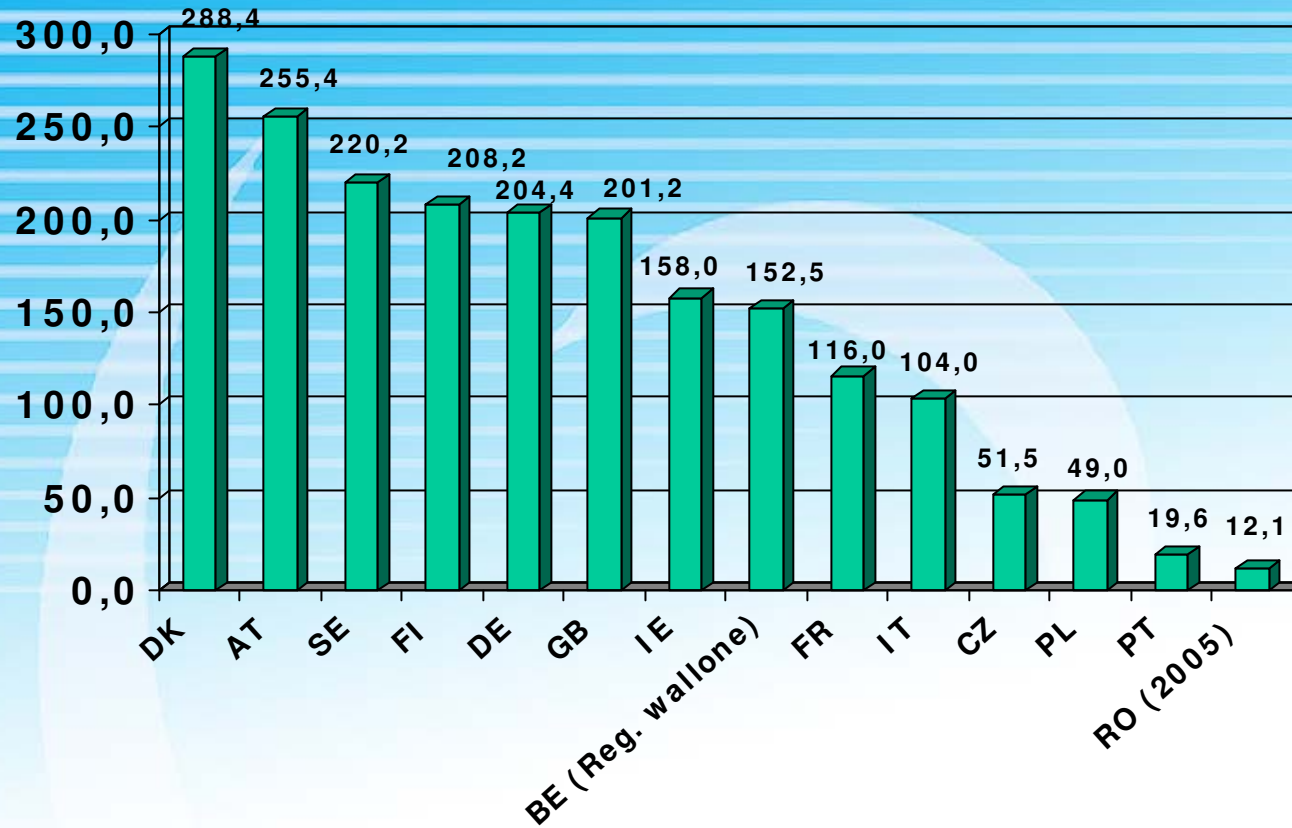


RELATIONS BETWEEN IMPORTANCE OF PUBLIC FUNDING AND DAILY AUDIENCE MARKET SHARE (2006)



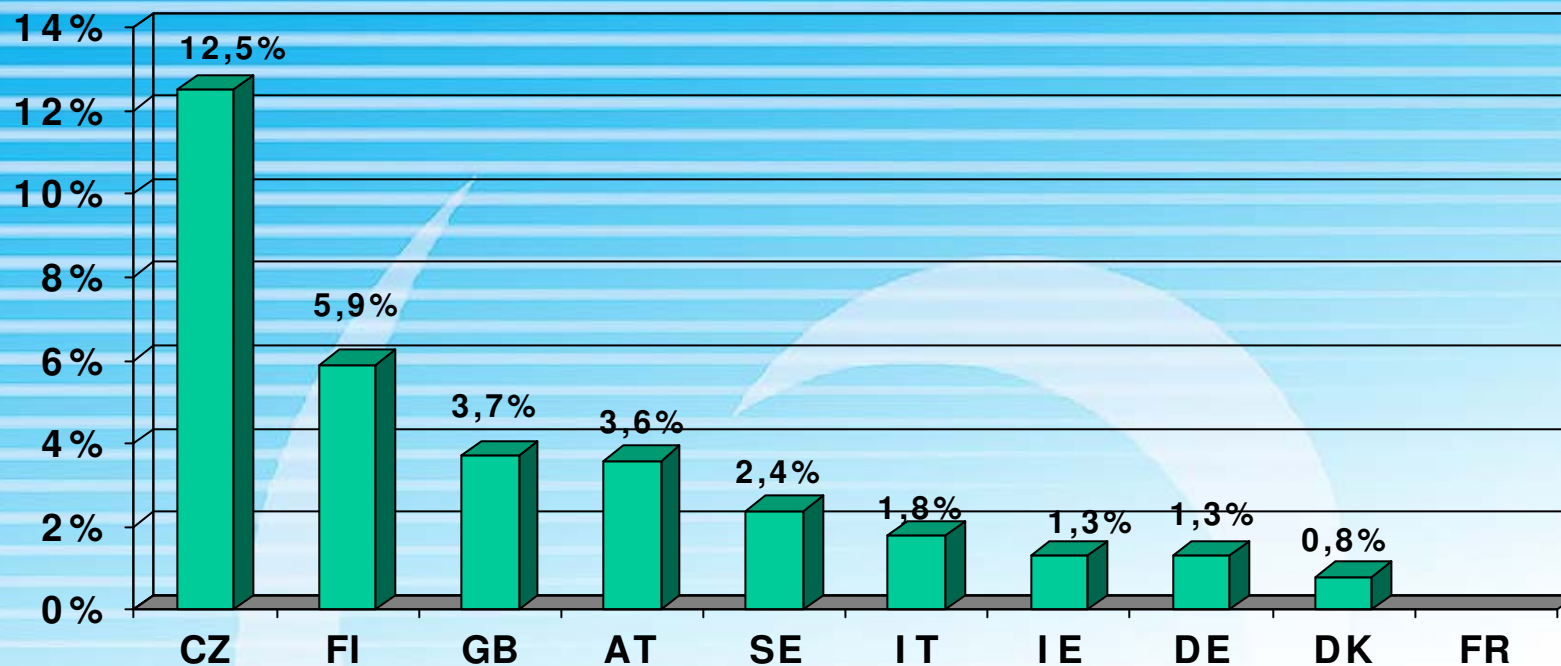
TV LICENCE FEE (2007) (IN EUR)

Source : OBS

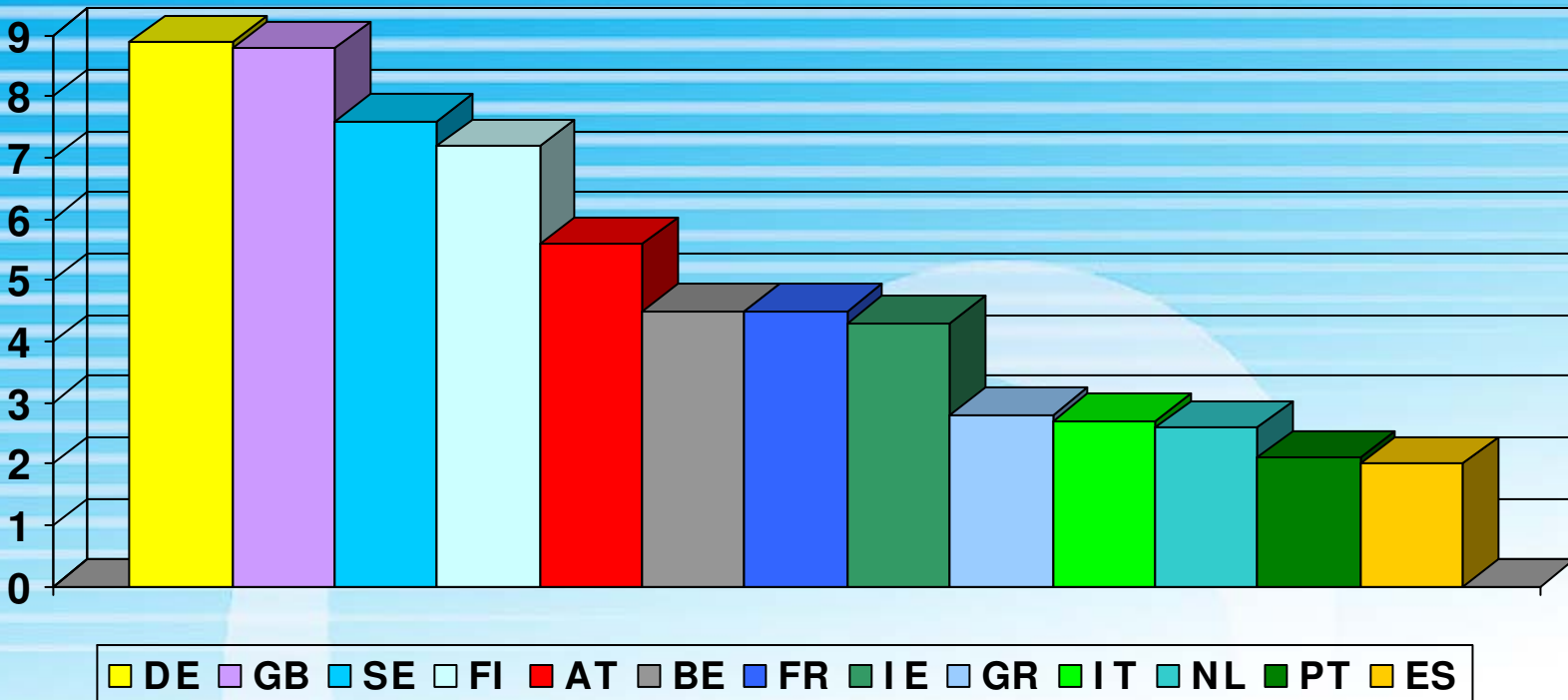


AVERAGE YEARLY GROWTH OF THE TV LICENCE FEE (2007/ 2003)

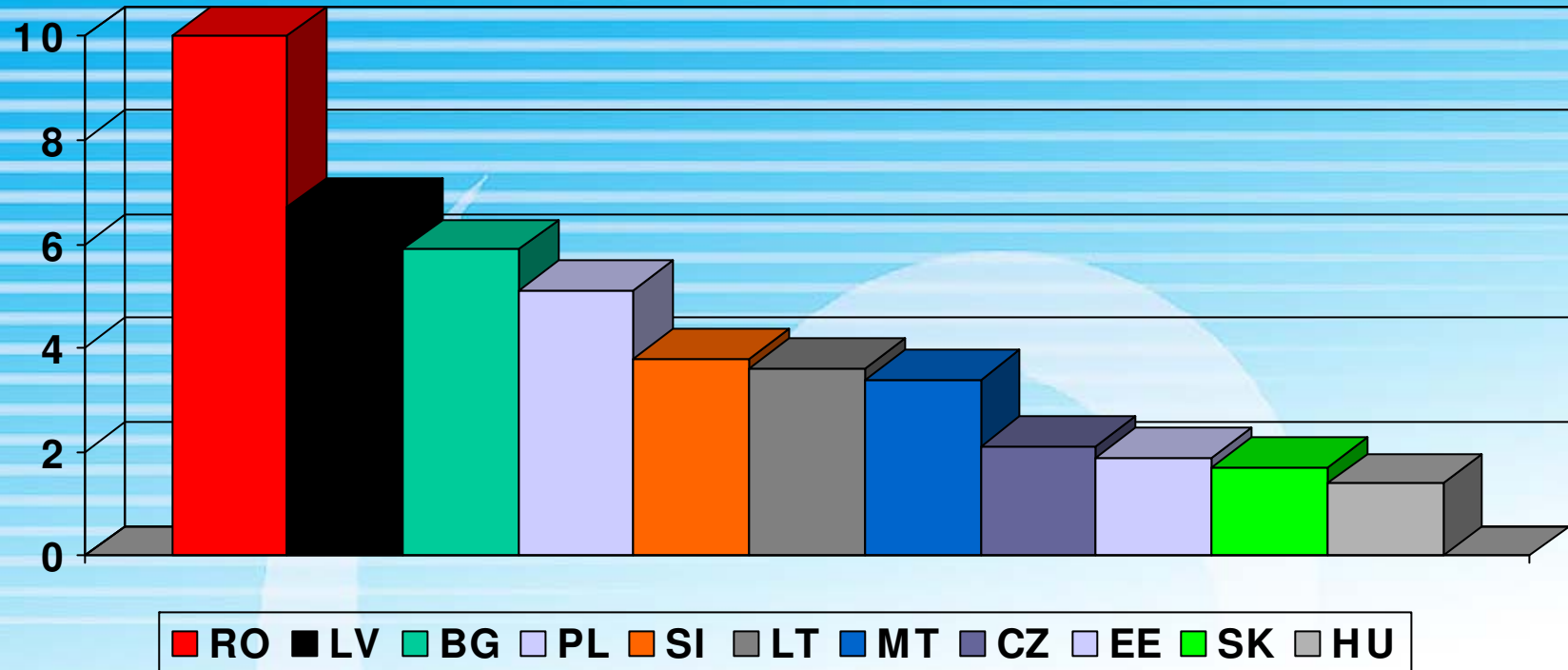
Source : OBS



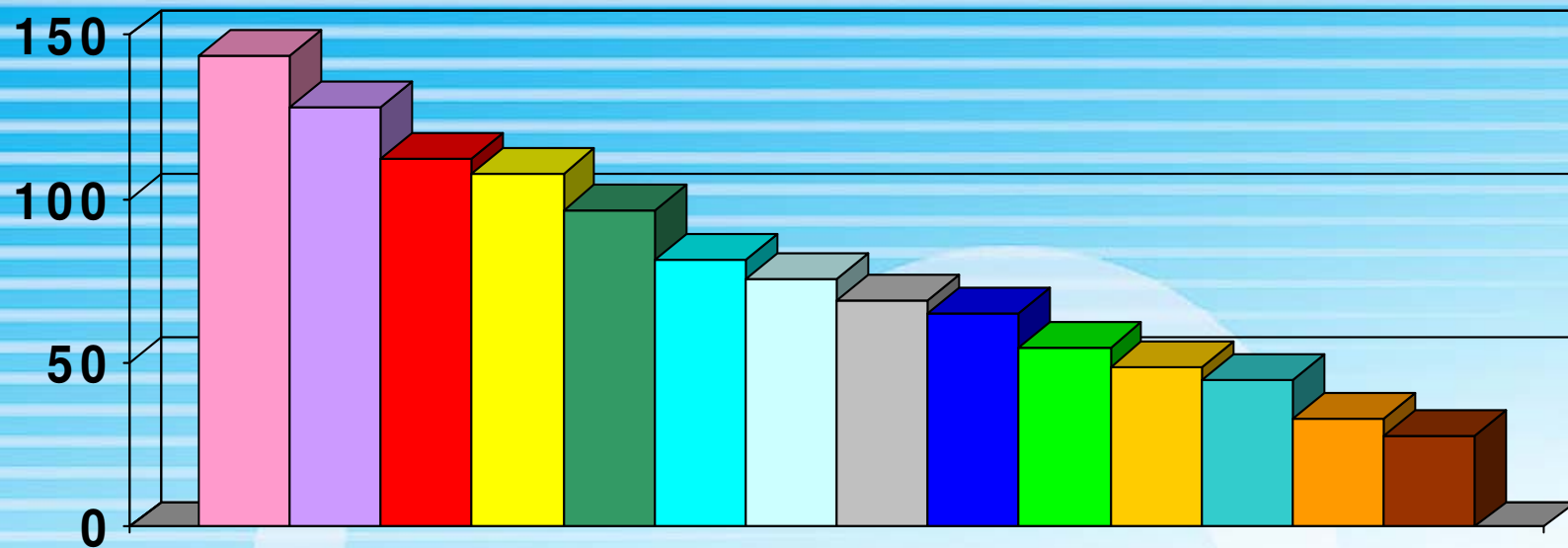
CONTRIBUTION BY INHABITANT TO THE PUBLIC FINANCING OF THE PSB (2006) IN EUR



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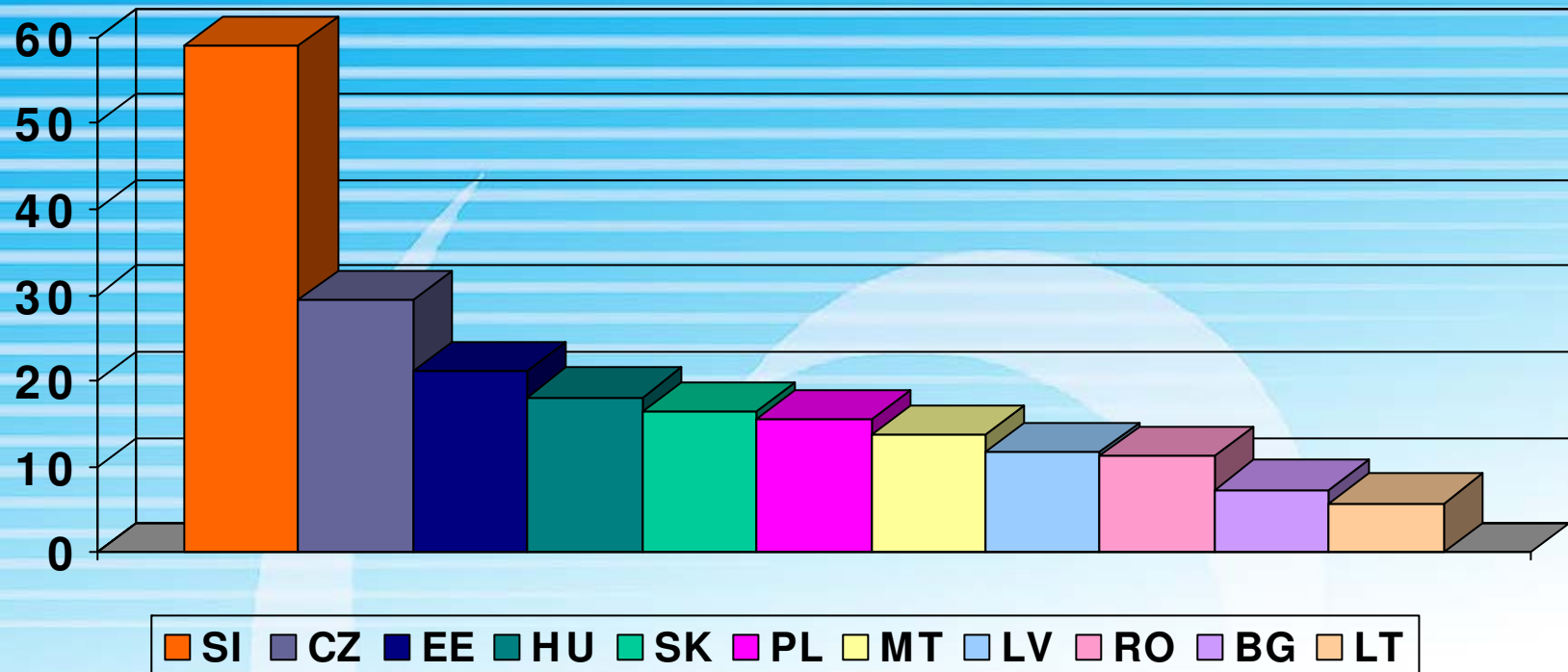


AVERAGE EXPENDITURE BY INHABITANT FOR THE FINANCING OF THE PUBLIC AUDIOVISUAL SECTOR (2006) IN EUR



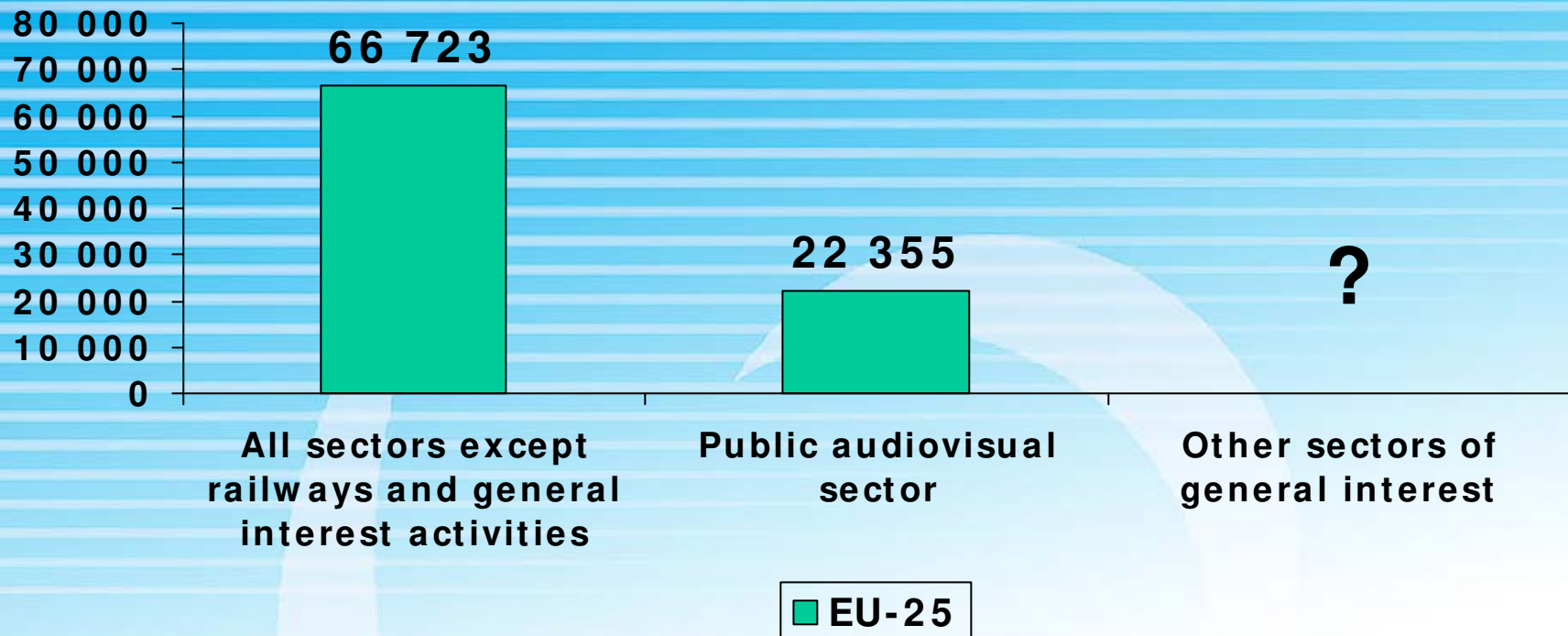
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AVERAGE EXPENDITURE BY INHABITANT FOR THE FINANCING OF THE PUBLIC AUDIOVISUAL SECTOR (2006) IN EUR



RELATIVE IMPORTANCE OF THE NATIONAL PUBLIC AID TO THE PUBLIC AUDIOVISUAL SECTOR AND OTHER SECTOR OF ACTIVITIES (EUR 25 -2006) EUR Million

Source : OBS and Scoreboard EC DG Competition



FOR MORE INFORMATION :



<http://www.obs.coe.int>
<http://mavise.obs.coe.int>