

[FR] CSA Examines the Consequences of Changes at Canal +

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On 16 April, Mr Messier, chairman of the company Vivendi Universal, announced that Xavier Couture would be replacing Pierre Lescure as chairman of the board of management of the Canal + group. The CSA (Conseil supérieur de l'audiovisuel - the audiovisual regulatory authority) immediately announced that it would be hearing Pierre Lescure, the signatory of the station's agreement, and Jean-Marie Messier, as it wants to make sure that Canal + SA will adhere strictly to all the obligations listed in its agreement and ensure respect for the channel's editorial independence from its principal shareholder, Vivendi Universal, as guaranteed by the charter referred to in Article 5 of the agreement with the CSA. The CSA also feels that the departure of the station's managing director, Mr Olivennes, and Mr Lescure could fall within the scope of Article 42-3 of the Act of 30 September 1986 as amended, according to which "authorisation may be withdrawn, without any prior notice being required, in the event of substantial modifications being made to the data in the light of which the authorisation was issued, particularly changes made in the composition of the company capital or its management bodies or in the way in which it is financed". The CSA is concerned with ensuring that Vivendi Universal respects its undertakings regarding both the station's independence and the French cinema industry, and therefore wrote to Mr Messier on 23 April making a number of demands, including an affirmation of the channel's editorial independence in its agreement and the appending of the charter agreed by Vivendi Universal and the CSA in 2000; the inclusion in the channel's agreement of both new production obligations provided for in the Decree of 28 December 2001, and the provisions contained in the inter-professional agreement of 20 May 2000; the inclusion in the channel's agreement of its refusal of any kind of tariff discrimination between those production companies considered to be independent and those not considered to be independent, plus confirmation in writing from the new management of the undertakings - verbal in the past - concerning the station's pre-purchasing of film rights, half-yearly presentation to the CSA of the group's consolidated accounts, and confirmation that there will be no separation of the station's distribution and publishing activities.

Despite a positive reply from Mr Messier, the CSA asked the chairman of Vivendi Universal for further details on 28 May, indicating that his replies "still left a number of points unanswered as regards the application of Article 42-3 of the 1986 Act". The CSA feels that the text of the charter between Vivendi Universal and Canal +, which should be appended to the station's agreement, is no longer

"suited in its form or content to developments that have taken place within the group since its original drafting in July 2000, particularly with regard to the most recent changes in the management bodies made since the Council's letter of 23 April 2002". Canal + is therefore required to provide further information on a number of points that the CSA still finds doubtful. It should be recalled, moreover, that last January the CSA had asked the government to refer the matter to the Conseil d'État for its opinion in order to ensure that, following the capital operations carried out by Vivendi in the United States, the capital of Canal + SA complied with Article 40 of the Act of 30 September 1986, as amended, which limits to 20% the level of direct or indirect participation from outside the European Community in the capital of company holding authorisations. The decision of the Conseil d'État is expected in the next few weeks; it may well complicate the station's situation further.

