

[FR] Senate Report Analyses Impact of Liberalising Television Advertising

IRIS 2005-8:1/21

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A Senate report examines the impact of the deregulation brought about as a result of the Decree of 7 October 2003 (see IRIS 2003-8: 9 and IRIS 2004-2: 12) concerning television advertising for sectors that were previously prohibited (press, publishing, distribution). Whereas the press is now totally free to advertise, this is not the case for either publishing, which may only advertise on theme channels, or distribution, which is limited from 1 January 2004 to 1 January 2007 to local channels and to cable and satellite channels. The Government deliberately allowed the distribution sector to advertise in this way in order to give local television a boost, but did it realise the real extent of the measure in terms of pluralism? The report provides the elements of a reply to this question by evaluating more particularly the effects of this continuous process of liberalisation on the pluralism of the media and competition. France appears to be one of the European countries where television advertising is most strictly regulated. The main aim of the regulations is to preserve a sharing of resources from advertising favourable to the viability of the various media. This limited deregulation must necessarily be accompanied in order to compensate for its asymmetrical effects on the media, to the detriment of radio, the regional daily press and public-sector television channels. The report envisages the various possibilities for remedying the phenomenon of advertising concentration and the difficulties created for the press, the public audiovisual sector and television creation. The increase in advertising resources in the public sector creates serious difficulties. Would it therefore be preferable to favour other financial methods such as off-media advertising or television sponsoring, or even to introduce structural measures on audiovisual programming and production? Although this relaxation of the regulations should result in an increase in the quantity of television's revenue from advertising, its impact remains modest, as demonstrated by the rapporteur in noting the under-developed market for media advertising in France, whereas there is a high proportion of "off-media" advertising. Advertising plays such a fundamental role in the financing of the media that it appears to be necessary to continue consideration of the deregulation process, which is far from being complete, particularly as there are a number of projects aimed at relaxing advertising regulations both in France and at the European level. These refer more particularly to those sectors not or only partly affected by the 2003 Decree, namely publishing, the cinema, distribution and wine.

Rapport d'information fait au nom de la délégation du Sénat pour la planification, n° 413 du 21 juin 2005, sur l'évaluation de l'impact de la libéralisation de la publicité télévisée et les perspectives ainsi ouvertes pour l'ensemble des acteurs concernés, par M. Philippe Leroy, sénateur

<http://www.senat.fr/rap/r04-413/r04-413.html>

Information Report no. 413 of 21 June 2005, assessing the impact of the liberalisation of television advertising and the prospects thus opened up for all the players concerned, drawn up by Mr Philippe Leroy, member of the Senate, on behalf of the Senate's delegation for planning

Décret n° 2003-960 du 7 octobre 2003 modifiant le décret n° 92-280 du 27 mars 1992 pris pour l'application des articles 27 et 33 de la loi n° 86-1067 du 30 septembre 1986 relative à la liberté de communication et fixant les principes généraux définissant les obligations des éditeurs de services en matière de publicité, de parrainage et de télé-achat, JORF 8 octobre 2003

<http://www.legifrance.gouv.fr/>

Decree No. 2003-960 of 7 October 2003 amending Decree No. 92-280 of 27 March 1992 adopted for the purpose of application of Articles 27 and 33 of Act No. 86-1067 of 30 September 1986 on freedom of communication and laying down the general principles defining the obligations incumbent on the editors of services regarding advertising, sponsorship and tele-shopping, published in the JORF (official gazette) on 8 October 2003

