

[GB] Minister Announces Decision on Product Placement and Other Policies

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The UK culture secretary has now announced, after a consultation exercise, how the Government intends to proceed on key broadcasting policies set out in the Audiovisual Media Services Directive.

The most controversial policy is in relation to product placement, currently banned in any UK-made programmes. Broadcasters argued that allowing product placement would provide a new source of revenue, but consumer and viewer groups claimed that it would blur the distinction between advertising and editorial content and undermine the trust that viewers have in the integrity of UK-made programming. The Government concluded that the evidence of economic benefit did not outweigh the detrimental effect of product placement on the quality and standards of British television and viewers' trust in it. Therefore, the existing ban will continue, although it will be reviewed in 2011/12. Product placement will continue to be allowed in programmes made for video-on-demand, in films and in programmes acquired from outside the UK.

Secondly, Ofcom, the communications regulator, will be given powers to regulate UK video-on-demand services, so that it can then designate and delegate powers to an industry-led co-regulatory body to regulate programme content in these services. This will replace the existing self-regulatory body. Ofcom will be able to issue guidance on which services fall within the scope of those covered and will retain backstop powers to deal with serious or repeated breaches of the standards and to intervene in the event of systemic failure. Regulation of advertising on video-on-demand services will be delegated to the Advertising Standards Authority, as in the case of other advertising content.

Finally, the Government has decided that non-EU satellite television channels uplinked from the UK will be required to have a broadcasting licence issued by Ofcom. This will ensure that the standards set out in the Directive can be enforced by the regulator.

The Government will lay before Parliament later this year an Order under the European Communities Act 1972 to implement the new arrangements. The Government is considering separately the remaining issue of the use of short extracts from other broadcasters' exclusive coverage for news reports.

Department for Culture, Media and Sport, “Preserving standards will be cornerstone of UK media services”, Press Release 128/09, 11 March 2009

http://www.culture.gov.uk/reference_library/media_releases/5931.aspx

