



## International Media Conference 2006

### TV in Eastern Europe – fast-paced developments Huge Interest in the Third EUROPEAN TELEVISION DIALOGUE on October 17<sup>th</sup>, 2006 in Munich

Berlin/Munich, October 20th, 2006

On October 17<sup>th</sup>, 2006, right before the Munich Media Days, the international TV forum EUROPEAN TELEVISION DIALOGUE took place for the third time at the Literaturhaus in Munich. 120 top managers from TV broadcasters, producers, top representatives from broadcasting institutions, financial and sales people, as well as politicians and media experts from 15 Eastern, Central and Western European countries discussed the topics "Sports – From Ambush Marketing to the Zenith of Rating", "Export and Import of Cultural Values through Television – e.g. Turkey", "Digitalization in Central and Eastern Europe – the Price of Diversity?", "Public Television – Catch 22 with the Authorities"

After a warm welcome by "Mister Eastern Europe", **Alexander van Dülmen**, and an introducing keynote by the Bavarian Minister of Economy, **Erwin Huber**, on the future of television that he sees in the new possibilities regarding content due to digitalization, the fast development of Triple Play and the responsible market self-regulation concerning the amount of advertising, four exciting panels started.

On the **Sports Panel**, the participants discussed marketing "free riders", using big sport events for the advertising without being a sponsor. Sports is a perfect communication medium, as according to **Thomas Müller-Schwemer** "Sports is the perfect link between a brand and emotion." So Nike bought all billboard space in Atlanta during the Olympic Games and simultaneously opened a huge Flagship store in front of the main stadium – perfectly legal, but it didn't please the official sponsor of the Games, Reebok. This and other examples warned FIFA to control the whole market around the Soccer World championships in order to prevent any similar attempts. Even if there is no copyright protection on sports, other legal means are possible, e.g. based on trademark rights, personal rights of the athlete or sanctity of the home/stadium, in order to protect the official sponsors as explained lawyer **Prof. Alexander Freys**. – athletics are still the "poor cousin" concerning television presence, documents **Dr. Anne Jakob**: it is on third place of the popularity scale even before boxing, but raises only little space and interest. Of course, the time flow of the event is a creative challenge, as the quite long preparation time of the athletes is against our viewing habits. Split-screen could bring more suspense in the dramaturgy. "A lot of events do not go on air, since channels expect the athletic association to produce the broadcast signal," says **Dr. Jakob**, "and give no guarantee that they will broadcast it."

**András Enyedi** talked about the sport channels he runs in Eastern Europe. The multi-territorial acquisition of sports rights for five channels at a time is a clear advantage in terms of programming costs. "Sports channels are very good in staging certain sports and can build up communities for "insider sport" by a clear programming. The advertising industry loves sport as it addresses mostly men – who are otherwise difficult to contact."

The next panel treated the **Export and Import of Cultural Values through Television** with a special focus on Turkey. Not only the two "Euro channels" EuroStar and EuroD were of interest, broadcasted in Germany with 75% programming from their Turkish sisters Star TV and Kanal D and 25% specially for Germany produced program. The representation of foreigners in German productions were an interesting point of discussion, as **Züli Aladag** reported on the excitement around the broadcast of his film "Wut" ("Rage"). His aim was not provocation but the "representation of normality in order to encourage discussion". After all, in Germany, discussions on the integration of foreigners have started only a short time ago. Media entrepreneur **Murat Saygi** informed about the Turkish media market being totally different from the picture drawn in Germany. One reason is that "65% of population is between 15 and 35



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years old". "Formats have only a short life cycle – the games show "Wheel Of Fortune" ran very successfully for 20 years in the USA, but only six months in Turkey." It looks similar for movies: "Titanic" ran with fantastic ratings for the first time but already the second run was not satisfying at all. **Baha Güngör** claimed that the bad journalistic education in Turkey had negative effects on the quality level of television. At the same time, viewers are much more interested in entertainment than in education. **Züli Aladag** was the opinion, the viewers were underestimated: "It is possible to combine entertainment and education successfully."

ETD-Chairman **Reinhard Klimmt** spoke about "Visions of European Television" in his **keynote**, held in the previous years by Prof. Peter Glotz and Prof. Dr. Christoph Stözl. It was an impressive reflection on Europe's values: democracy, human rights and principal of sustainability (consequences for climate, resources, next generations, et al.) "The growing consumption of television as mostly single source of information and basis of decision-making demands from television a very sensitive responsibility", said Klimmt. "The events of September 11 are anchored in our minds – other disgusting atrocities like in Rwanda much less due to missing TV representation." "The cultural identity of a people should not be neglected by television, either – a challenge in times of globalization and international ownerships."

Future impressions were made in the panel on **digitalization**. Responding on the question of moderator **Tamas Frei**, whether the size of a market would influence the TV programs. Panelists claimed that it is less the size than the various political and cultural aspects. Already with the introduction of private television in Europe, some countries such as France and Great Britain oriented themselves to Pay-TV, whereas other countries invested in advertising-financed free TV channels.

The panelists disagreed on the quality of programs. While **Ralph Siebenaler** and **Ferdinand Kayser** expect that more channels and more diversity increases the quality, as viewers pay for the offer, **Ondrej Zach** thinks that with animation, erotic and re-runs, a lot of cheap programs will enter the market. In any case, the East European market is very fertile for Pay-TV: Three platforms in Poland, four in the Czech Republic and five in Romania are proof of the viewers' interest. The pace of development depends on the influence of the private, advertising-financed TV channels and politics. While politics are trying to maintain or increase its influence, private stations take opposition against the digital competitor in order to protect the status quo. When it becomes evident that development can no longer be stopped, they go for it with all their means.

The closing panel on the **position of public** came to the conclusion that Germany is still a role model of the dual broadcasting system due to the separation of state and media landscape and its financial strength – whereas media in Central and Eastern Europe is still somewhat in disorder. **Karin Junker** reported on a survey of the European Commission that concluded that TV channels in Eastern Europe are notoriously underfinanced, which damages the quality of their programs. The dependency of the State is the reason for this miserable situation, as the channels are financed out of exchequers and not by fees. **László Kasza** complained that MTV in Hungary gets only 5% out of the advertising market, no fees anymore and is otherwise completely dependent on the expenditure of the government.

**Eduart Frangaj** reported similar grievances from Albania. The private channels existing for only ten years already outstripped the public channels in some areas. "The financial situation is to blame, but also political exertion of influence makes objective journalism difficult", said **Frangaj**. **Dr. Marko Milosavljevic** reported on Slovenia that the government insisted that the new media law was adapted to the European standard, but it does not fit to the market. The fact that a car dealer from the provincial backwater climbed on the general manager's chair of public television is not a sign for a democratic media landscape. **Karin Junker** pointed out that the European Commission has no competence on content issues of broadcasting and that the television without frontiers directive only treats the economical aspects of the EC domestic market.



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The participants hoped that in the future, public television will get enough financial means to produce high quality programming and will at the same time be less focused on ratings. Especially in young democracies, information and educational programming is very important in order to maintain a stable situation.

### **The following Panel Guests and Keynote speakers were at the EUROPEAN TELEVISION DIALOGUE:**

**Ferdinand Kayser**, President and CEO SES ASTRA, Luxemburg, **Erwin Huber**, Bavarian State Minister for Economy, Infrastructure, Transport and Technology, **Züli Aladag**, Director («Wut»), both Germany, **Ralph Siebenaler**, COO, Ren TV Russia, **László Kasza**, Chief-Consultant of the President, Magyar TV, **Tamás Frei**, Journalist and Anchorman, TV 2, both Hungary, **Ondrej Zach**, Country Manager HBO Czech republic and Slovakia, **Murat Saygi**, CEO, Dogan TV Group, Turkey, **Reinhard Klimmt**, former President Minister of Saarland and Federal Minister, **Werner Zimmer**, Sport Journalist, both Germany, **Eduart Frangaj**, Editor-in-Chief, TV Klan, Albania, **Dr. Marko Milosavljevic**, Media Scientist, Slovenia, **András Enyédi**, CEO, IKOproduction, **Zsolt Melczer**, Sport Reporter Duna TV, both Hungary, **Baha Güngör**, Author and Head of the Turkish Program, DEUTSCHE WELLE, **Karin Junker**, Journalist, Member of the WDR Broadcasting Council and former Member of the European Parliament, **Finn Batato**, General Manager, Arbomedia, **Dr. Anne Jakob**, Managing Director, German Leichtathletik-Promotion- und Projekt GmbH, Lawyer of the German Athletic Association, **Thomas Müller-Schwemer**, Managing Director, Sport Business Partner, **Erkan Arıkan**, Head of Turkish Program, WDR, **Alexander van Dülmen**, CEO, A Company Consulting & Licensing AG, **Prof. Dr. Alexander Freys**, Lawyer and Notary, Schwarz, Kelwing, Wicke Westphal, all Germany.

In the third year after its debut, the EUROPEAN TELEVISION DIALOGUE has become an exclusive meeting place of international media professionals. A Company Consulting & Licensing AG and gotoBavaria, a department of the FilmFernsehFonds Bayern GmbH, (Film and Television Media Fund, Bavaria), the organizers of the EUROPEAN TELEVISION DIALOGUE, have found the solution for the growing demand for an East-West dialogue within the European television industry. The one-day conference offers the unique possibility to discuss with high-ranking personalities from the TV industry and the world of media politics from Eastern and Western Europe about cultural barriers and open doors, current trends and media-policy visions.

We thank our partners: AKTI | Association of Commercial TV Europe | Blickpunkt Film | DEUTSCHE WELLE | DISCOP | Duna TV| eap | Goethe Institut Budapest | Hilton Munich City | Medientage München | PriceWaterhouseCoopers | TV2 | Variety

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