Private Cable TV Essay, Research Paper

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The times are achanging…

How France, Germany and Sweden introduced private, cable and satellite TV – a

comparison over the past 10 years.

1. INTRODUCTION

Why we have chosen this subject?

Before starting to write about TV in Sweden, Germany and France, we wanted to

compare French,German and Swedish media. But on account of the wideness of this

analysis, we decided to focus on the evolution of TV broadcasting during these

last 10 years.

The technical revolution which has appeared in this area since 1980 is necessary

to be understood to be able to follow and forecast what will happen in the

future when multinational companies can take a look on pan-european broadcasting.

In this paper we try to make the point on this changes. Furthermore as we came

from different countries and live now in an other one, we found it interesting

to compare the three countries (France, Germany and Sweden) TV-broadcasting

system.

While we were searching for datas, we discovered the gap that exists in cable-

covering between France and the two other countries. What are the main reasons

of this delay? Are they political, financial or cultural? We will try to answer

these questions in our paper. But we will first define the different technical

terms that we are going to focus on. Then we will developp the birth of private

channels, their regulations, laws and financing in the different countries.

2. BASICS

In our paper you will find the following technical terms:

? terrestrial broadcasting: this is the basic technology used to broadcast radio

and TV. It?s the use of radio-frequencies that can be received by a simple

antenna. The problem by using terrestrial broadcasting is, that you only have a

few (up to max. 7) possible frequencies and that you need to have expensive

transmitters every 100-150 kms to cover an area.

Programms which are broadcasted terrestrical are e.g.: Swedish TV 1, 2 and 4;

German ARD, ZDF, 3. Programme and some private channels in urban areas; French

TF 1, France 2 and France 3.

? cable TV: the reason why you have only a few frequencies by using terrestrial

broadcasting is that terestrial broadcasting is influenced by physical phenomens

(bandwith) whereas broadcasting in a cable is shielded/protected from outside

influences. So you can have more channels on the same bandwith-space. For

example: a cable might carry 7 programmes catched with an antenna from

terrestrical transmitters and additional 25 satellite channels (maximum 30-35

different channels in one cable). Instead of connecting to an antenna cable-

households connect their TV-sets to the cable-network. ? satellite broadcasting:

a satellite is a transmitter that is positioned on a course in space 40.000 kms

far from earth. The advantage of this technology is to cover a wide area with

only one transmitter. Modern direct broadcasting satellites (DBS, e.g. Astra)

can be received by small (? 30cm) and cheap (? 2.000:- SKR) “satellite-dishes”.

To connect a TV-set to the “dish” you also need a device that converts the

received satellite-signals to signals that can be used by a standard TV-set.

In the beginning (80s) this technology needed huge and expensive dishes and was

only used to transmit signals to cable-networks. Newer technology is often

cheaper than connecting a house to a cable-network. In east-Germany the German

PTT (Telekom) is competing with their cable-network against the cheap satellite-

dishes. The most tranceiver-signals on DBS-Astra are booked by British (NBC-

Super, MTV…) and German (RTL, SAT-1…) broadcasters. Satellites can also be

used for telephone-connections, TV- or radio-broadcasting.

3. TV-BROADCASTING IN FRANCE

3.1 HISTORY

TO BE FILLED WITH THE BEGINNING (PUBLIC TV 1930S – 1984) The first

broadcasting tests happenned in the late 30?s like in Germany. It is only in

1945, after the second world war, that The Ordinance formalized the state

monopoly of broadcasting which was assigned to Radiodiffusion de France. The

Radiodiffusion de France has then included television in 1959 and became RTF

(Radiodiffusion-Television de France). Established as a public company

accountable to the Ministery of Information, RTF became an “Office” (ORTF) still

supervised by the government. The events that happened in France in May 1968,

have then helped the government to liberalize the medium. The government of

information was therefore abolished and in 1974, an Act divided the ORTF in

seven different public companies which formed the public broadcasting service :

TF1, Antenne 2, FR3, Radio France, TDF, SFP, INA.

Private channels emerge in France with Canal Plus the crypted-paying channel in

1984. This terrestical channel is owned by Havas. Canal Plus has to broadcast a

daily clear program lasting from 45 minutes to 6 hours, the average is 3 hours

and a half per day. In 1985 sees the birth of two new private channels France 5

and TV6 which were forbidden to broadcast the year after. Finally in 1987, they

have refound the right to broadcast under the respective name La Cinq and M6. At

this time, it already existed five public channels : TF1 (which is since 1987

privatized), A2 (rebaptised France 2 a generalist broadcasting television), FR3

(today called France 3, a national and regional TV), TV 5 Europe (European

channel launched in 1983, transmits programmes broadcast in French-speaking

countries by satellite) and RFO (transmits radio and TV programmes to French

overseas territories and possessions). In may 1992, ARTE-La Sept, the Franco-

German channel has started to broadcast on the French and German cable-net. Then

when the private French channel, La Cinq, stopped broadcasting, ARTE was allowed

to broadcast from 19h to 1h in the morning on this available frequence. The 13th

of december 1994, has appeared a new public channel “La Cinquieme” also called

“channel of knowledge” (la cha?ne du savoir) which is broadcasting on the same

frequence as ARTE until 19h.

To summarise, today the French TV-broadcasters are :

public: France 2private :

France 3M6

ArteTF 1

La CinquiemeCanal+ (pay-tv)

RFO

TV 5

3.2 CABLE/SATELLITE TV

Cable channels were launched in France in 1984, 2% of the households were cabled.

This initiative came from Minister Mauroy who presented cable as “a massive,

consistent and orderly solution to satisfy multiple communication needs”. In

fact this cable plan met opposition of several parties. This was representing to

high costs, and the state organization (DGT) assigned of the overall control

control of the implementation of the new technology antagonized the

manufacturers of cable equipment who proved unable to produce what was required

within the agreed price and time. In 1986, the cable plan was definitevly

abandonned. Around 10 private companies are now responsible for promoting the

cable, for instance la compagnie g?n?rale de videocommunication, la Lyonnaise

Communication, Eurocable …

It exists 25 local channels, 13 French channels are broadcasted, cable now

reaches 25,3% of French households and the fee vary from 115:SKR to 400:SKR on

account of the number of channels you wish receiving.

It costs a lot of money for the company to share the cable in France as it

requires the use of an expensive material such as the optical microfiber.

Because of this cost, the cable net is now set for collectivity instead of

individuals. Furthermore this installation can only be achieved on the will of

the county otherwise the autorisation can not be received by the cable company.

the commercial board of the cable society has to convince these communities.

France ownes two direct-diffusing satellites : TDF 1 and TDF 2, and one

telecommunication one : TELECOM 2A. Most of the programmes diffused through

satellite are in fact the one you can get thanks to the cable.

3.3 LAWS AND REGULATIONS

The C.S.A. (Conseil Sup?rieur de l? Audiovisuel) is the authority responsible in

France for broadcasting?s regulations. It is composed of 9 designed members :

- three chosen by the President of Republique – three chosen by the President of

Senat – three other by the President of National Assembly

This institution is really politicised as we can see. It insures respect of

pluralist expression of ideas, of French language and culture, of free

competition, of quality and diversity of programs … It also regulates the

frequences gestion. It can interfer as well in the public as in the private

sector. It gives the autorisations of exploitation of cable networks, satellite

and terrestrial Television, M6 and Canal Plus for instance are allowed to

broadcast for 10 years, then tehy have to renegociate their autorisation of

broadcasting. Autorisations for CableTV last 20 years and can be allowed to

companies or “regies” on local elected people?s proposal. Furthermore French and

foreign channels which want to broadcast on cable net need to sign a convention

with the CSA. The implementation of the net is then under the Commune

responsibility.

The CSA makes also policy such as advertising to be respected. The time of

advertising per hours is 12 mns. TF1 for instance has overpassed this allowance

of 81 secondes and 94 secondes an other time and was therefore obliged to pay 2.

800.000,00 Ffr (4.000.000,00:SEK), which equals 16.000 Ffr per second

(23.000,00:SEK).

It also reuglates the political intervention on the public channel and made the

law of the three third to be regarded. This regulation is that the channel in a

political programm should respect 1/3 for the government, 1/3 for majority and

1/3 for opposition.

3.4 FINANCING

4. TV-BROADCASTING IN GERMANY

4.1 HISTORY

The first TV-experiments in Germany were made in the 1930s to broadcast e.g. the

Olympic Games. After World War II the harbinger of the first German TV-station

ARD began broadcasting under allied control in 1949 in northern Germany and

Northrhine-Westfalia under the responsibility of the NWDR-Laenderanstalt. The

ARD is a broadcaster with only organizing functions for the “Laender”-based

production facilities (Laenderanstalten, e.g. NDR, WDR…). Every part of the

programm that is broadcasted under the label ARD is produced under the

responsibility of a state-based station. The second german broadcaster ZDF is

different from ARD. The ZDF produces TV on its own but the station is indirectly

controlled by a conference of the states. There are also several regional

“third” channels bound to the culture of one or more states which are only

broadcastet within the states and are produced by the “Laenderanstalten”.

Private TV-programmes were introduced in 1984. You will find more about the

introduction on the following page. There were 15 Germany-based TV-broadcasters

in 1994.

To summarise, today the Germany-based TV-broadcasters are :

public: ARDprivate (general interest):

ZDFRTL

Arte (with F)Sat 1

3-Sat (with AU + CH)Pro7

DW-TV (foreign service)

private (special interest):private (pay TV):

Kabel 1Premiere

Vox

Viva

RTL 2

DSF

n-tv

Definitions on the next page!

4.2 CABLE/SATELLITE TV

The German PTT developed as one of the first PTT?s in Europe standards in

cabling private households. But in the late 70?s the social democrats (SPD)

blocked the PTT because the Bonn government was afraid that cable technology

would lead into private TV. After the changing the government in 1982 the new

conservative government (CDU) and the minister for post and telecommunication

Schwarz-Schilling invested in the new cable-technology.

The first private TV-broadcasters (SAT-1 and RTLplus) got their license for a

cable-trial-project in Ludwigshafen in 1984. After starting the Ludwigshafen

project (estimated for 3 years duration) the countries with conservative

majority allowed the PTT to broadcast the trial-programmes from the trial-

projects in their regular cable-networks. This was the beginning of private TV

in Germany and a trial-project became regular-service within a few months… .

After a decision from the highest court in 1986 commercial TV was legal. The

social democrats (SPD) changed their politics against private TV in the late 80?

s and gave licenses to a few of the most important private broadcasters in

states with a SPD majority. Now Koeln (Cologne) in the state of Northrhine-

Westfalia (SPD) is one of the most important places for German media (RTL, Viva-

TV, Vox) among the traditional “media-capitols” Hamburg and Muenchen.

After unification in 1990 the PTT Telekom invested in cable Networks in the

former GDR. But 1994 only 14 percent of all east-German households were

connected to a cablenetwork and even terrestrical broadcasting still has not

reached the “western” standard. For eastern Germany satelite-TV is very

important. For this reason the German public broadcasters ARD and ZDF decided in

1992 to broadcast via the ASTRA-Sat to reach the eastern population. In 1993 the

PTT signed a contract with the Luxemburg based ASTRA-Enterprises to become a

associate member of this commercial organization. Since 1995 the Telekom is a

private company and there are plans to provide technology for digital and pay-TV

in the future.

17 % of all east-German households and 11% of all west-German hh have a

satellite-dish (1993). More than 90% of the german-sat-dishes are focused on the

Astra-Sat. Connected to a cablenetwork are 48% (west) and 14% (east) of all

households.

In some urban areas free terrestrial frequencies are licensed to a few private

channels (RTL, Sat 1, Pro 7).

Local TV is very new in Germany, the first License was given by the states

Berlin and Brandenburg to “1A-Brandenburg” in 1993 for the towns Potsdam and

Berlin. There are also some projects in state financed open channels in several

cable networks.

4.3 LAWS AND REGULATIONS

Among the three countries we compare, Germany is the only country running a

“federal system”. Media in general are underlying rules and laws by the

decentralized several state-governments within the Federal Republic of Germany.

Also the public broadcasters are ruled by the several states (Laender) and the

private channels get their Licenses from the states.

The reason for the decentralized broadcasting system in Germany is the German

“Grundgesetz”, the Basic Law that guarantees the “cultural sovereinty” of the

staates. This Basic Law protects the media from possible political interests a

central (Bonn or Berlin based) government might have.

Even the fees for the public-broadcasters are fixed by decissions from a

conference of the federal states. The only exception now is the Deutsche Welle

(DW-TV), a broadcaster for foreign countries which is used as a “ambassador” for

german culture and is under special government-regulation.

In the 80s all German states drafted private-media laws. Now every state has the

legal possibility to give licenses to commercial TV-stations. The supervisory

body for Licenses in each state is called “Landesmedienanstalt”. Because of the

decentralised German system all laws and regulations concerning commercial

broadcasters are connected to the “cultural sovereinty” of the states. To avoid

that a private broadcaster has to license his programm in every of the 16 German

states all states signed a contract (Staatsvertrag). This contract guarantees

e.g. that each state will accept the license given by a Landesmedienanstalt in a

single German state. In this contract are also fixed regulations about ownership,

content of programmes and the possibility for each “Landesmediananstalt” to

accuse decisions made in an other state.

Each Landesmedienanstalt is also responsible for the decission which programmes

are allowed to be broadcasted in the PTT-cable-network in their state (normally:

1. stations licenced within the state, 2. stations licenced in other states, 3.

foreign stations).

Another important assignment of the Landesmedienanstalt is to watch the german

media-ownership-regulations. There are special quotations in ownership which

have to be controlled. The strongest regulation is that no one is allowed to

hold more than 50% on an broadcaster. An other important mechanism is the

declaration of a channel, there are declarations as “special interest” (only one

topic, e.g. sport, movies), “general interest” (with information/news) and “pay

TV”. The most important german media-investors are Bertelsmann (RTL, Premiere)

and the Kirch-Group (Sat 1, Kabel 1, Pro 7). Both groups are accused to violate

the ownership and monopoly-law that will be renewed within this year.

Because of the relative liberal-license-law in 1994 more than 10 new

entrepeneurs anounced to apply for a german TV-license (e.g. Disney).

5. SWEDEN

5.1 HISTORY

Unlike Germany and France where they started with experimental TV-broadcasting

in the late 30?s Sweden launched its first channel in 1956. But like in France

and Germany the state had a monopoly on broadcasting. The first Swedish channel

was Channel 1 the second channel (TV 2) was launched in 1969. Since 1987 the two

public television channels have been organized in such a way that TV 1 is based

on programme production in Stockholm and and TV 2 on production in ten TV

districts in the provinces.

The first two private Swedish channels where introduced in Sweden in 1987 by

satellite and cable. TV 3 and Filmnet-pay TV are swedish owned but were not

allowed and licensed to send on terrestrial frequencies so they transmit via

satellite and cable. In 1989 the third satellite broadcaster the Nordic Channel

was launched and two more pay-TV channels, TV 1000 and SF-Succ? where introduced

to the market. TV 1000 and Succ? merged two years later. The first private

channel licensed to transmitt terrestrial within Sweden was TV 4 in 1991.

To summarise, today the Swedish TV-broadcasters are :

public: TV 1private :TV 3

TV 2TV 4

TV 5

Nordic (pay-tv)

TV 1000 (pay-tv)

5.2 CABLE AND SAT

The construction of cable networks begann in 1984. This share was supposed to

bring 3 000 employments perr year for 7 years and was a mean to protect

telephone monopoly. Now Sweden is among the european countries with the most

cable subscribers (B, NL, CH). Up to 50% of all households in sweden have acces

to the cable and 7% own a satellite-dish

Like in France the cable-networks gave a chance for local stations. Advertising

is not allowed for these local stations so they have a lack of money and often

broadcast only a few hours a day. Local-TV is provided in circa 30 towns and can

be seen by 16% of all Swedes (1993).

Satellite installation was given birth in the middle of the 1970?s through an

agreement among the five Nordic countries to launch NORDSAT. This satellite

would inforce the cooperation between these countries and also helpes to promote

nordic culture. In fact this project died and a Tele-X was launched by Sweden

and Norway, then Finland joined the project. Nowadays 60 % of the Swedish

households have access to the satellite channels.

5.3 LAWS AND REGULATIONS

-cable transmission legislation 1992 In Sweden, the Radio Act and the Enabling

Agreement between the braodcasting companies and the State are leading

broadcasting policies The State exercise no control over the programms prior to

broadcasting. However a Broadcasting council is empowered to raise objections to

specific programms.

The Cable Law

-The two Swedish public channels are financed by a license fee.

6. CONCLUSION

In the times of public-tv the few possible frequencies for terrestrical-

broadcasting where used by the very few public channels in each country. These

channels were under control of the state and not connected to financiel

interests of owners or investors. With the beginning of the 80s the invention of

cable TV made broadcasting from up to 30 channels possible. Our governments had

to face the demand for TV-licenses and also had to invest in cable-

infrastructure. In the late 80s new direct broadcasting satelites gave the same

number of channels to households in less developed regions.

One thing we found out and can face now as a major fact is that there is no

cable-infrastructure in France and only a few commercial channels (compared to

the 57 million inhibitants). The market seems to be influenced by the default of

the state to provide cable access. For some reasons we can?t evaluate from

sweden in a few weeks how the “sleeping beauty” France managed not to develop a

cable-network.

But we can compare the facts for all three countries and conclude: -dual system

in all 3 countries (public and private tv since mid 80s) -tv is important in all

countries 97% (see chart) -pay tv is introduced in all countries

7. QUESTIONS TO THE CLASS

-maybe there is no demand for cable in France?

-will the public channels survive?

-we only evaluated quantity and historical information and facts-what about

quality?