

**Title:**

Mr

**Forename:**

CHRIS

**Surname:**

CONNERY

**Representing:**

Self

**Organisation (if applicable):**

**Email:**

**What do you want Ofcom to keep confidential?:**

Keep nothing confidential

**If you want part of your response kept confidential, which parts?:**

**Ofcom may publish a response summary:**

Yes

**I confirm that I have read the declaration:**

Yes

**Ofcom should only publish this response after the consultation has ended:**

You may publish my response on receipt

**Question 1: Do you agree that these proposed regulatory objectives strike an appropriate balance between the duties and other considerations that Ofcom must take account in reviewing advertising regulation? If not, please explain why, and what objectives you would consider more appropriate?:**

I would not agree that they strike an appropriate balance, to the extent that Ofcom decide to take into account in their decisions the market/economic impact of its rule changes.

You should decide this issue purely on the basis of "would any rule changes enhance or degrade the average consumer's viewing experience?"

The only impact assessment Ofcom should undertake is to assess what additional direct costs its regulation may impose on its licensees (e.g. increased costs of

administration).

Ofcom is not the broadcasters' trade association and should be there predominantly for the viewer. The more it undertakes economic modelling and takes into account economic impacts, the less effective it becomes as a consumer regulator (albeit with a light touch, which is accepted).

A previous example of this was its revenue modelling in relation to ITV, where it (correctly) identified that ITV was in a greater revenue squeeze than it probably realised itself. Ofcom has relaxed a number of rules e.g. in relation to programme scheduling which have gradually had the effect of eroding the quality of ITV - but it could hardly do otherwise, faced with ITV's begging bowl, since Ofcom had itself identified the state of ITV's finances.

We can argue about whether the decline in quality caused the decline in revenue or not, but the fact remains that it should not be for Ofcom to make the broadcaster's arguments for them.

**Question 2: Do stakeholders agree that the new Code should discontinue detailed genre-specific rules on natural breaks?:**

My response to all Ofcom's questions (other than 3 to 8 and IA1 which I have answered specifically) is as above i.e. Ofcom should be guided by the principle "would the rule change enhance or degrade the average consumer's viewing experience?"

**Question 3: Do stakeholders agree that the new Code should allow advertising and teleshopping breaks to be signalled in sound or vision or by spatial means, and should drop the requirement for teleshopping segments to be distinguished from programmes by both sound and vision?:**

The main problem area seems to me to be internal breaks within programmes. In my view the programme segment should be followed by a momentary fade to black, after which a sound/visual signal should be given. At the end of the break there should as a minimum be a momentary fade to black.

Some channels, especially satellite channels, are often unprofessional in the way they cut into and out of breaks - leaving confusion for several seconds sometimes, before the realisation we are now in an ad or a promo. This destroys the enjoyment and continuity of the programme.

A related problem is the editing of breaks, with programmes often poorly cut at dramatic points in the dialogue or action, This problem is obviously exacerbated the more breaks you allow to take place.

**Question 4: Do stakeholders agree that the new Code should discontinue the requirement for a buffer between advertising and coverage of a religious service or Royal occasion?:**

See 3 above

**Question 5: Do stakeholders agree that the rule requiring a 20-minute interval between advertising breaks should be scrapped?:**

Following on from 3 above, I would far prefer fewer breaks with (if required) each break longer in duration.

**Question 6: Do stakeholders agree that there should be limits on the number of advertising breaks within programmes of a given scheduled duration?:**

Yes, see 5 above.

**Question 7: Has Ofcom identified the right options for break frequencies? What issues should Ofcom take into account in formulating proposals for consultation?:**

The biggest problem for viewer enjoyment is the "hook 'em then cook 'em" strategy i.e. the programme begins with a relatively long and uninterrupted segment, followed by the first break. Thereafter the breaks in that programme come very frequently, severely degrading the viewer's ability to maintain some sense of continuity in the programme. At the very least this problem should be addressed in all forms of drama programmes and films, and probably documentaries as well, where the threat to the plot line is at its highest.

**Question 8: Do stakeholders agree that the restrictions on advertising in films, documentaries and religious programmes and children's programming should be relaxed to the extent permitted by the AVMS Directive? :**

See 7 above

**Question 9: Do stakeholders agree that changes to the rules on advertising breaks in news and children's programmes that must be made to secure compliance with the AVMS Directive should be deferred until December 2009?:**

**Question 10: Do stakeholders agree that:**

- a. the Code should make clear that advertisements are permitted between schools programmes?
- b. the requirement for a buffer between coverage of a religious service or Royal occasion and advertising should be discontinued?
- c. the rule prohibiting advertising after an epilogue should be discontinued? and
- d. the rule allowing Ofcom to exclude adverts from specified programmes should be discontinued?

:

**Question 11: Do stakeholders agree that the rules limiting the length of individual advertisements on PSB channels should be discontinued?:**

**Question 12: Do stakeholders agree that the new Code should discontinue rules on the length of breaks on PSB channels?:**

**Question 13: Do stakeholders agree that the draft Code should establish the principle that the distinction between advertising and editorial content must be readily recognisable, and set out the means for doing this, but avoid more prescriptive rules?:**

**Question 14: Do stakeholders agree that the current arrangements for transferring unused minutage should remain in place, and be applied to Channel 4 in place of the special arrangements in respect of schools programmes?:**

**Question 15: What views do stakeholders have on the possible approaches to advertising minutage regulation outlined above?:**

**Question 16: What views to stakeholders have on the teleshopping options and preliminary assessment outlined above in relation to non-PSB channels?:**

**Question 17: What views do stakeholders have on the teleshopping options and preliminary assessment outlined above in relation to PSB channels?:**

**Question IA1: Do you agree with this overview of the impact of the current rules? Do you agree with our starting hypothesis in respect of the extent to which the current rules are likely to impose a constraint on different broadcasters i.e. PSBs and non-PSBs? If not, please set out your reasoning.:**

See 1 above

**Question IA2: Do you agree with the broad assessment of the impact on different stakeholders of changes to the rules on the distribution of TV advertising set out in Part 2? If not, please set out your reasoning.:**

**Question IA3: Do you consider that our optimisation approach is a reasonable approximation as to how additional advertising minutage would be used by broadcasters in practice? If not, please set out how you would approach this modelling issue and what assumptions you would adopt.:**

**Question IA4: Do you consider dividing non-PSB channels into the three categories of "sold out", "nearly sold out" and "unsold inventory" reflects the realities of the TV advertising market for non-PSB channels. If not, how would you suggest we approach this issue in modelling terms?:**

**Question IA5: Do you agree that the assumptions of no drop-off effect is a reasonable assumption to make for the purposes of this modelling exercise? If you disagree, please explain your reasoning and provide data to support any alternative assumptions that you would use.:**

**Question IA6: Do you consider that this range of scenarios is appropriate? Are there any other types of scenarios that you believe we should explore as part of our modelling work?:**

**Question IA7: Is the modelling of the changes in the volume of commercial impacts/share of commercial impacts for these different scenarios broadly in line with any modelling work you have carried out? If not, we would be interested to understand what results you have obtained in modelling these scenarios.:**

**Question IA8: To what extent do you think that is reasonable to assume a constant price premium in light of changes to minutage restrictions? If you think that this could be unreasonable, please set out what you think might happen and how that could be modelled.:**

**Question IA9: To what extent do you think that this approach would be a reasonable modelling approach to adopt?:**

**Question IA10: To what extent do you think that is reasonable to make use of the elasticity estimates derived from the PwC study? Are they in line with your own views as to the operation of the TV advertising market? If not, please explain your reasoning.:**

**Question IA11: To what extent is there evidence to support the argument that an increase in advertising minutage could reduce overall advertising expenditure on TV, i.e. that the advertising market is inelastic?:**

**Question IA12: To what extent do you consider that these estimates of the financial impact of changes to the rules on the amount of advertising minutage provide an indication of the potential overall scale of any changes as well as the distribution of the impact between PSBs and non-PSBs? Are they in line with your own views as to how the TV advertising market would adjust to such changes? If not, please explain your reasoning.:**

**Question IA13: The discussion of the modelling approach set out above has focused on the potential impact on different types of broadcasters. To what extent could there be an impact on other stakeholders, particularly media buying agencies and their clients, the advertisers? What is the attitude of these stakeholders to changes in the volume of advertising minutage?:**

**Question IA14: Do stakeholders agree with the analysis of the impact of these options on non-PSB channels? If not, please set out your reasons, providing evidence to support your analysis wherever possible.:**

**Question IA15: Do stakeholders agree with our analysis of the impact on PSB channels of these three options? If not, please explain your reasons, providing evidence to support your analysis wherever possible.:**

**Additional comments:**