

Consultation paper on Issues related to Media Ownership **ENIL counter comments**

Based on the comments offered by stakeholders, we would like to offer the following issue-specific counter comments:

1) Journalists feel emasculated:

One of the points raised by a body of journalists is that there is a “*great deal of unknown, unvoiced censorship within the media that stems from patterns of ownership and employment*”. To begin with, we totally dispute this statement. In our opinion, most respected media houses give journalists a large degree of freedom in expressing their viewpoints. Journalistic freedom is considered a must and is aggressively guarded.

But even otherwise, the point is irrelevant in the context of a discussion of cross media ownership restrictions, since the *extent* of ownership of media outlets hardly has any bearing on the issue of journalistic freedom. A deviant media owner may impose direct or indirect forms of censorship on his editorial team even if he owns just one media outlet; on the other hand, a professional media group having a presence in multiple media outlets will usually protect journalistic freedom zealously. To link ownership norms with journalistic freedom is bizarre. The two issues are unconnected.

2) News & Current Affairs:

A few players have indicated that maybe to begin with, the news and current affairs media outlets may be subjected to “some” ownership restrictions. It’s interesting that such wayward comments have in fact come largely from those media houses that have either none or very limited presence in the news and current affairs segment. At the very minimum, this smacks of immaturity in belittling an important subject. And in reality, it amounts to a motivated attempt to try to kill competition and strangle growth and innovation.

Most stakeholders agree that there is already too much media in the country. No one disputes that there are some 82,000 odd newspaper titles, 650 odd TV channels (including 300 odd news channels including foreign ones) and hundreds of radio stations (including some 245 odd private stations). All of them also agree that the digital revolution is truly upon us and that India is getting connected to the world like there is no tomorrow. There are anywhere between 150 and 200 million Indians already on the net and that number is only growing. With smart phones available at less than Rs 5000 now, and with cheap 4G broadband services round the corner, it is expected that there will be more than 500 million internet users in the next 5-7 years. Everyone also agrees that with such widespread internet availability, the whole business of news and current affairs is being turned upside down. Today, people don’t go to news channels or newspapers for

news. The news comes to them in the form of twitter and facebook updates from friends and those they follow, or “notifications” from media sites or “sms alerts” from news providers as well as from “mobile apps” that keep the news flow ticking all the time. In a hyper competitive environment like this – and one that is expected to get even more competitive – how can anyone even remotely be worried of content plurality? India today presents a case of have too much content plurality, not too little.

We would thus like to re-iterate that news and current affairs should also be left out of the purview of any new (yet outdated) laws on ownership restrictions.

3) FM Radio:

One of the comments made is that when FM radio is allowed news and current affairs, maybe cross media ownership norms with respect to print could be revisited. We totally disagree with this comment, for the issue is not about content plurality at all. The issue is about discrimination against FM radio.

The larger issue that TRAI should address is about why FM radio is not being allowed unfettered access to news and current affairs when every other segment of the media market is allowed. In no country in the world is radio denied news. In fact, radio is the only medium that can provide news to people on the move (in cars, public transport etc). We have seen this when tragedies have struck our cities – be it the bomb blasts in Delhi or the torrential rains in Mumbai. At such times, neither TV channels nor internet nor newspapers can disseminate information to people who are stranded. Likewise, only radio can provide news when there are power outages – a very common site in most Indian cities and rural areas. And further, only radio can provide news to those who are too poor to buy TV sets or too illiterate to read newspapers.

Yet, FM radio broadcasters are disallowed the right to broadcast news and current affairs. Even the Phase-3 policy of expansion allows news only if it is sourced from AIR. This is a double-whammy for radio broadcasters. Not only are they being discriminated against (in comparison with other media), they are also being forced to buy from one single news vendor. This is what TRAI should address urgently. The authority has done much good for FM radio in the past; this is one pending reform that it must push forward.

4) Vertical integration:

Expectedly, most cable operators have argued that existing vertical restrictions between broadcasters and distributors should continue. Frankly, except for the need for self-preservation, there is no other case made out by any of them. If TRAI’s primary objective is to ensure content plurality, it can be served by simply ensuring adequate competition in the distribution business. And that’s indeed the case at present. There is rampant competition with half a dozen DTH companies battling it out with dozens of cable companies and MSOs for a piece of the action. In an environment like this, no broadcaster is interested in jeopardizing its viewership only for the sake of favoring a distribution company that it may have an interest in. For any broadcaster, the bread and

butter comprises of advertising revenues, and to protect that, they would be keen on getting the widest possible distribution.

Broadcasters, rather than playing favorites with distribution companies, have actually been victims of the demands made by distribution companies in the form of carriage fees. It's a matter of fact that sky-high carriage fees have wreaked havoc on the balance sheets of most broadcasters. In this context, does the argument presented by the cable operators sound reasonable?

Summary: We would like to re-iterate that given the hyper competitive nature of the Indian media market, and the rapidly changing market dynamics thanks to the onset of the digital revolution, there is no need for any cross media restrictions to be imposed. All attempts must be made to ensure that competitive intensity remains unchanged. If that is done, content plurality will never be an issue.