

## ANNEX

### 1.2

#### 1. Television

The situation of the Danish television market can best be depicted in terms of the distribution of viewing time (market share) between the channels and the stakeholders. Table 1 shows stakeholders' market shares for channels over the last five years (2003-2007).

#### The stakeholders and their market shares

The main stakeholders in the television market in Denmark are the two publicly owned stations DR and TV 2/Danmark A/S, which in 2007 together accounted for 72.4% of TV broadcasts.

DR is an independent public institution, which carries no advertising and is financed by a licence fee. DR operates two public-service TV channels with "must carry" status and accounts for a good 30% of viewing time. The trend is downwards.

TV 2/Danmark A/S is a state-owned company, which does not receive any revenue from the licence fee but is financed from advertising revenue and subscriptions. The main channel TV 2/Danmark is a public-service channel which has "must carry" status and therefore has no revenue from cable subscriptions. The channel has a roughly 33% market share, which is falling. The company TV 2 also owns five TV channels, which have no public service duties and do not receive any licence fee but are financed from advertising and subscriber revenues, as they do not have "must carry" status. In 2007 the five channels – TV 2/Zulu (for younger viewers), TV 2 Charlie (older viewers), TV 2 Film, TV 2 News and TV 2 Sport – together accounted for 7.9% of viewing time. TV 2 Sport owns TV 2/Danmark (51%) together with MTG. (49%).

There are two private stakeholders particularly worth mentioning, the Swedish-owned Viasat and the now German-owned SBS. Discovery is also represented in Denmark.

Viasat is owned by Modern Times Group A/S (MTG). Viasat A/S owns and distributes its own as well as third-party channels. Viasat's own channels, all of which have a British licence, include TV3, TV3+, the six TV1000 film channels, Viasat Sport, Viasat Explorer, Viasat Crime, Viasat Nature and Viasat History. The two general interest channels TV 3 and TV3+ together account for 9% of viewers. Viasat also distributes the new sports channel, TV 2 SPORT, and a broad range of third-party channels, including CNN, BBC, MTV, National Geographic and Disney.

Since the summer of 2007, SBS A/S has been owned by the German ProSiebenSat.1 AG Media. In Denmark SBS has four TV channels – Channel 5, Channel 4, Voice TV (all on British licence) and SBS Net, which, as the only private channel, broadcasts terrestrially across almost the entire country. SBS's share of the viewer market totals 5% and is falling.

Discovery operates two TV channels in Denmark, which together account for 1.9% of viewing time.

The remaining 11.7% of viewing time is distributed among a broad range of neighbouring countries' TV channels, satellite channels and local TV channels.

**Table 1: Share of viewing time of entire Danish population (3+ years), 2003-2005 (%)**

			2003	2004	2005	2006	2007
<b>Channels</b>	Public service?	Ownership?	Share%				
DR1	yes	public	29.8	29.8	28	27.7	26.5
DR2	yes	public	3.8	4.2	4.7	4.7	4.6
TV 2/Danmark	yes	public	35.2	35	35.8	34.2	33.4
TV 2 Zulu	no	public	2.1	2.5	2.9	3	2.5
TV 2 Charlie	no	public	0	0.3	1	2	2.7
TV 2 FILM	no	public	0	0	0.2	0.8	1.1
TV 2 NEWS	no	public	0	0	0	0	0.7
TV 2 Sport	no	public/private (MTG)	0	0	0	0	0.9
TV3	no	private (MTG)	6.6	6	5.4	5	5.3
TV3+	no	private (MTG)	3.5	3.5	3.6	3.7	3.7
Channel 5	no	private (SBS)	1.9	2.2	2.3	2.5	2.6
Channel 4	no	private (SBS)	4.7	4.3	3.9	3.1	1.2
SBS NET	no	private (SBS)	0	0	0	0	0.9
Voice TV	no	private (SBS)	0	0.1	0.2	0.3	0.3
Discovery Channel	no	private (Discovery)	1.3	1.1	1.1	1.3	1.3
Animal Planet	no	private (Discovery)	0.5	0.5	0.5	0.6	0.6
Other channels	-		10.6	10.5	10.4	11.1	11.7
Total TV			100	100	100	100	100
<b>Stakeholders</b>							
DR koncern	yes	public	33.6	34	32.7	32.4	31.1
DR+TV 2/Danmark	yes (PS total)	public	68.8	69	68.5	66.6	64.5
TV 2 koncern	yes/no	public	37.3	37.8	39.9	40	41.3
DR + TV 2 koncern	yes/no	public (total)	70.9	71.8	72.6	72.4	72.4
MTG	no	private (MTG)	10.1	9.5	9	8.7	9
SBS	no	private (SBS)	6.6	6.6	6.4	5.9	5
Discovery	no	private (Discovery)	1.8	1.6	1.6	1.9	1.9

Source: TNS Gallup TV Meter, cf. Danish Library Agency



Source: *TNS Gallup Supernova*, cf. *DR Media Research*

The other private channels, which account for 16-17% of listening time, consist of around 100 local radio stations. They sell their advertising time on three different networks. Dansk Radiobureau is linked with Talpa and Radionet is connected to SBS Radio, while ”Radioerne” consists of radio stations linked with the press.

Despite these shifts in the Danish radio market in recent years, 2/3 of listening time continues to be accounted for by DR and 1/3 by the commercial radio stations. Radio advertising still only makes up 2% of Danish media advertising; see below.

### 3. Advertising sales

Advertising sales in the media amounted to some DKK 13 billion in 2006. Media turnover is known to be sensitive to the economic climate and after remaining almost stagnant between the years 2002 and 2004, has shown some growth over the last few years. However, in 2006 some of it (DKK 814 million) was attributable to changes in the method of calculating turnover on the Internet.

**Table 2: Advertising turnover 2002-2006 (Source: Danish Audit Bureau of Circulations)**

Media groups	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Newspapers	2697	2647	2854	3139	3493
Local weekly papers	2097	2061	2159	2323	2467
Magazines/Specialist publications	1537	1434	1505	1623	1794
Annual publications	1305	1181	1176	945	911
<i>Printed media total</i>	<i>7636</i>	<i>7323</i>	<i>7694</i>	<i>8030</i>	<i>8665</i>
TV	1675	1927	2125	2254	2471
Radio	222	216	211	280	283
Cinema	70	55	51	57	55
Internet	418	486	582	742	1794*
<i>Audiovisual media total</i>	<i>2385</i>	<i>2684</i>	<i>2969</i>	<i>3333</i>	<i>4603</i>
Advertising turnover total	10021	10007	10663	11363	13268

\* Internet turnover based on new method from 2006. Using the earlier method, turnover would be 980

Media groups	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Newspapers	27%	26%	27%	28%	26%
Local weekly papers	21%	21%	20%	20%	19%
Magazines/Specialist publications	15%	14%	14%	14%	14%
Annual publications	13%	12%	11%	8%	7%
<i>Printed media total</i>	<i>76%</i>	<i>73%</i>	<i>72%</i>	<i>71%</i>	<i>65%</i>
TV	17%	19%	20%	20%	19%
Radio	2%	2%	2%	2%	2%
Cinema	1%	1%	0%	1%	0%
Internet	4%	5%	5%	7%	14%
<i>Audiovisual media total</i>	<i>24%</i>	<i>27%</i>	<i>28%</i>	<i>29%</i>	<i>35%</i>
Advertising turnover total	100%	100%	100%	100%	100%

\* Internet turnover based on new method from 2006. Using the earlier method, turnover would be 980

The percentage-based distribution reveals a slow relative growth for advertising via the audiovisual media, which accounts for some 1/3 of media turnover. The growth is however attributable exclusively to the Internet (also regardless of the change of method), whereas both TV and radio are stagnating.