

21<sup>st</sup> October 2005

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Policy Advisor  
ICSTIS Ltd  
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4 Maguire Street  
London SE1 2NQ

**FREMANTLEMEDIA LTD**

Dear Mr Bhat

In response to the ICSTIS public consultation, we are pleased to submit our comments on proposed specific conditions applicable to premium rate TV quiz channel participation TV services.

We have detailed our responses to your questions below together with background on our company and the importance of this new interactive format. We would welcome the opportunity to meet with ICSTIS to discuss our response in more detail. Additionally, we would be delighted to show you our studio production in a live environment.

### **Background to Fremantle and Quizmania**

FremantleMedia Limited (“**Fremantle**”) owns the participation TV format called Quizmania aired on Sky Digital channels 262 (11 pm to 2 am daily) and 277 (9 pm to 2 am daily) (“**Quizmania**”). This popular programme launched on the 12<sup>th</sup> of August 2005. Fremantle’s service provider is Harvest Media Group Ltd (“**Harvest**”) which supplies the control interface and the telephony back-end management for Quizmania. Harvest applied for and received an ICSTIS certificate to run this Premium Rate Service on behalf of Fremantle.

Fremantle is one of the largest international creators and producers of programme brands in the world, with leading prime time drama, serial drama, entertainment and factual entertainment programming in around 40 territories, including the UK, US, Germany, Australia, France, Italy, Spain, Portugal, Scandinavia, Latin America and Asia. The company has created a number of international TV brands such as *Pop Idol*, *The Bill*, *Grand Designs* and the worlds longest running game show; *The Price is Right*.

Fremantle is the content business production arm of RTL Group, Europe’s largest television company with interests in 32 television channels in 11 European countries.

Fremantle has a significant and growing premium rate telephony business which covers a wide spectrum of viewer formats including voting, competitions, information services and content downloads across fixed-line, mobile and interactive TV channels.

### **Rationale for the Launch of Quizmania**

Fremantle regards participation TV and the development of its Quizmania brand as a strategic business and we envisage that we will be operating in this area in the long term. There are a number of reasons for this:

- We have a strong desire to develop this area of programming which has its roots in interactivity and viewer empowerment. Fremantle together with other leading companies such as Endemol and Celador have, over recent years, produced a number of formats whereby viewer participation is the theme of the show and notable examples include *Pop Idol*, *The X Factor* and *Big Brother*. Furthermore, Premium Rate Service (PRS) competitions have been used for years in general entertainment shows varying from *Wish Your Were Here* to *Family Fortunes*. This area of programming is not a short term fad, rather it has become part of the staple diet for TV viewing and it is vital that Fremantle is at the forefront of this development.
- The commercial broadcast model is changing – advertising revenue and ratings are no longer the sole considerations. As audiences fragment with the proliferation of new channels catering for viewer preferences, it has become necessary to identify and capitalise upon other revenue streams which allow broadcasters and production companies to continue producing new and innovative formats to satisfy demand.
- Participation TV is becoming increasingly important to the broadcasting industry. It caters for a niche of consumers who repeatedly interact with these services. Furthermore, participation TV is a test bed for new programme formats, which will strongly influence some of output that will be seen on mainstream television over the coming years. Indeed, we believe that participation TV is a classic example of a new creative industry which the government is keen to promote.

### **Proposed Regulatory Measures**

Fremantle strongly believes that there needs to be a solid regulatory foundation within which TV Quiz programmes should operate. This framework should be underpinned by the ICSTIS code and general industry self regulation, which should protect the long term interests of the consumer and the industry.

Nevertheless, we do not believe that it is in the interest of the consumer or the industry to impose detailed operational regulation which limits the creative freedom of producers. Overly prescriptive regulation is likely to restrict innovation, limiting viewer choice and could ultimately hamper growth and progress of the industry.

However, Fremantle believes that prior permission is a good thing for participation TV and we strongly support it. In addition, the prior permission guidelines should be made mandatory and enforcement/monitoring procedures should be implemented.

Our responses to your numbered questions are detailed below:

### **Question 1**

*We would welcome your views on whether you are content with the title TV Quiz Channel Services.*

We have no objections to this title. We would however draw attention to the growth of new technologies such as broadband and IPTV where convergence will result in consumers being able to access a number of channels (TV, mobile and web) through different platforms.

### **Question 2**

*We would welcome your views on whether you believe we have successfully managed to cover the services in question? Are there any other defining characteristics of these services which we should incorporate?*

We have no objection to the intended scope of the Consultation.

### **Question 3**

*We would welcome your views on whether you believe providing this information (odds of getting through, number of live operators taking calls, stating the number of calls taken per hour, etc.) will be beneficial to the consumer and allow for greater transparency of how the services operate.*

Whilst we agree with the need to provide viewers with clear information of how the game mechanics work and that not every caller will get through to air, we do not believe that the suggestions are workable or practical. Operators should have an obligation to explain the basic game mechanics on air, however giving specific odds or callers per hour is in our view either impractical and/or irrelevant.

In our view there will be no benefit to the consumer for the following reasons:

- As all our games are skill based, the odds of winning cannot be determined and thus it is impossible to communicate odds. Furthermore, communicating the chance of being put through to air is impractical, as the number of viewers participating in the games changes constantly.
- Attempting to quantify the odds of getting through to air could encourage a gambling element and we are keen to ensure that Quizmania is regarded as an entertainment format only.
- There are already a number of transparent checks and procedures (including on-air presenter communication) which allow viewers to clearly understand that they will not definitely get through to the studio and that, if they do get through, they will not definitely win the prize.
- We do not operate with live telephone operators (with the exception of studio presenter taking calls on air). Rather, calls are answered via IVR which offers dynamic capacity and it would be irrelevant for viewers to know how many lines are available to take calls.
- Giving out call volumes is also highly commercially sensitive information and could threaten normal relationships with suppliers and competitors. The likelihood of competitors copying successful games would increase substantially and negotiations with suppliers could be affected significantly.

#### **Question 4**

*We would welcome your views on how effective you believe the proposals in relation to the provision of pricing information would be in practice and whether you believe that they are proportionate and targeted. Are there other or alternative requirements that we should consider?*

We agree that it is very important that viewers are aware of the pricing of the service and the fact that they will be charged even if they are not selected to go on air. Fremantle aims to adhere to the

highest industry standards in conveying pricing information. Call charges are on screen for the duration of the show and are easy to read. Callers are greeted at the start of each call with the cost of the call. In addition, our presenters regularly communicate call costs and stress that viewers will still pay for the cost of the call even if they do not get through to the studio.

We are concerned that ICSTIS are considering the imposition of a requirement to inform callers about every £20 spent and we disagree with such proposal for a number of reasons outlined below:

- A proportion of callers withhold their numbers and therefore it is not possible to recognise how many calls have been made by such callers as there is no CLI recognition. Accordingly, it would not be possible to inform every viewer about the number of calls made.
- Participation TV is often played by families and more than one person will be using a telephone.
- If ICSTIS were to decide to impose such pricing information where feasible, a limit needs to be set over which time period this applies.
- There is already a built in safeguard whereby network operators call their subscribers if their phone bills increase over usual spending patterns. In addition, Fremantle frequently calls its viewers who have opted in as part of the customer care programme and reminds viewers of the costs involved.
- We believe that if consumers are informed properly about the pricing level of each call, they should be free to decide how many calls they make.
- Fremantle does recognise that a small number of problem cases may arise, irrespective of any notification policies and would welcome an industry initiative to deal with these cases.

### **Question 5**

*We would welcome your views on whether you believe requiring a helpline number is proportionate and reasonable? Are there other or alternative requirements we should consider?*

Fremantle supports the requirement of having an easily accessible customer service, which should be provided by all operators. However, we do not believe it is necessary to promote a helpline number on screen together with the name of the service provider for the duration of the competition for the reasons outlined below:

- Quizmania already has clear viewer contact points, including promotion of our website together with a PO Box address. There is also an IVR helpline promoted on the web. This system has worked successfully so far.
- Too many different numbers and instructions on screen will lead to clutter and viewer confusion. We have to maintain editorial integrity and are concerned about a reduced viewer experience due to this confusion.
- The average viewer will not be aware, or generally be interested in the service provider. Displaying the service provider details on screen, will mean that the consumer will potentially have three separate contact points between the broadcaster, production company and service provider. It would be much simpler to clearly provide information on the internet and through a PO Box accessible to everyone.

#### **Question 6**

*We would welcome your views on whether you believe requiring the terms and conditions to be displayed on screen are proportionate and a workable proposition. Are there other or alternative requirements we should consider?*

Fremantle clearly displays the most important terms and conditions. Pricing is always on screen and there is an age restriction of 18. The prizes are all cash and are clearly communicated for each competition. We also state that full Terms and Conditions are on our website and provide a PO Box address. In addition, the presenters verbally mention the most important terms and conditions.

It would be totally impracticable to communicate all terms and conditions on screen and full terms and conditions are available on the website and by post. We generally feel that it is important to limit the written messages on screen to the bare minimum, so that the text size is large enough to be legible, but also because the average viewer is not able to absorb too many different messages. The communication is a lot more effective, if we concentrate on the key messages.

### **Question 7**

*We would welcome your views on whether you believe requiring age and bill payer warnings to be displayed and being stated verbally is proportionate and a workable proposition. Are there other alternatives we should consider?*

Fremantle has set an age limit of 18 years and frequently communicates on air graphically and verbally that callers must be over this age and have the permission of the bill payer before participating. Furthermore, if callers on air sound very young, presenters will ask for their date of birth. All winners also have to provide their date of birth to ensure that there are no under age winners.

As outlined under Question 6, we feel that it is important to limit the graphical representation of information. We therefore suggest that the age limit should be provided on a scrolling or rotating basis, rather than be displayed permanently.

### **Question 8**

*We would welcome your views on how easily paragraph 6.2.7 of the Code can be complied with. Are there any specific reasons or difficulties in ensuring closing dates or times are provided?*

What is outlined in the consultation document is unworkable because the skill element means that viewers partly determine the closing time for each competition by getting the answer right or wrong. This is a dynamic medium and to require formulaic procedures such as set closing times would destroy the dynamic interactive format.

Quizmania differentiates itself from other channels by putting many callers through to the studio (can be 50+) and on average, there are an excess of 3 winners per hour.

The countdown clock has different creative purposes, which are explained to the viewer. We oppose overly prescriptive regulation on how clocks should be used, as we believe that this interferes significantly with the creative freedom of producers and potentially limits viewer enjoyment.

### **Question 9**

*We would welcome your views on whether you believe these substantiation requirements are proportionate and a workable proposition?*

All of Quizmania's competitions have one correct answer and we do not believe that they are misleading in any way. Fremantle employs question specialists who have a good understanding of getting the balance right between ease of question and entertainment value. Each competition is consistent and has a logical explanation. Furthermore, for clarity our presenters frequently open an envelope after the competition has ended and reveal a card with the answer written on it.

We would not be against lodging answers with an independent third party although this would impose a significant administrative burden and would have some practical complications as the number of games played on the night cannot be predetermined. A more practical solution would be to lodge the game rules with an appropriate body, so that an audit can take place at any time.

We strongly support the introduction of some regulation in this area, as there is significant room for operators to manipulate game answers if they wish to do so.

Regarding prizes, Fremantle has a viewer care department which sends out cheques generally within 48 hours of prizes being won.

Winners are selected at random and the selection process is impartial as there is a fixed ratio of calls which go through to the studio.

### **10. Legality**

Fremantle has taken legal advice to ensure compliance to best practice guidelines, for instance, there is a free alternative method of entry.

Yours sincerely

Charly Classen