

e.tv seeks flexibility in shareholding and programming

In an application to the Independent Communications Authority of SA (Icasa) Midi Television, the owner of e.tv, has asked for an easing of the empowerment restrictions on its shareholding, saying that the current licence conditions are an obstacle to investment.

In their application Midi Television says that the empowerment restrictions on the shareholding in Midi and Sabido (its major shareholder) are such that no non-empowered shareholders may be brought into Midi's shareholding at all. It says that the licence, by defining Sabido as a South African shareholder, "purports to restrict foreign shareholders from the shares in Sabido".

The changes that Midi would like to see in its shareholding arrangements would reduce the empowerment component to just over 50%.

The application also seeks amendments to e.tv's programming conditions regarding local content. It claims that the SABC has an unfair advantage in respect of advertising revenue due to the flexibility of its programming scheduling. The application states that "at the time the licence was granted and promises of performance were made by Midi, it had envisaged that the SABC would operate in a regulated environment where its conditions would be at least as onerous as those of Midi."

Midi would like a new clause inserted to allow for the temporary suspension of licence obligations during the broadcasting of major news and sporting events, such as five-day cricket matches and the recent Soccer World Cup. It says that because of the duration of such events, the cost implications of 'catching up' on local content and other programming licence requirements after the broadcast of such events is prohibitive.

Interested parties have been given until the 10th of September to submit written representations to Icasac on the proposed amendments.