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Grade grumbles about Google

ITV chairman says "Google and Apple are free to build market dominating positions"

by Amy-Mae Elliott published on 30 June 2008

The launch of the proposed video on demand service from BBC Worldwide, ITV and Channel 4 has hit a major setback by being referred to the Competition Commission by the Office of Fair Trading.

In response the news, ITV's executive chairman Michael Grade has issued a strongly worded statement that suggests British companies are at a disadvantage in the online content market. It reads as follows:

"While I understand that the Office of Fair Trading is carrying out its statutory obligations, there is a serious problem with a regulatory framework that seems unable to take the most important interest into account - that of British viewers."

"The UK's three biggest public service broadcasters together invest £2.5 billion per annum in original UK production, representing over 90% of the total spend, as the recent Ofcom report highlighted."

"As digital distribution gathers pace, we want to make our content available for free to online users in the most accessible way through Kangaroo."

"This venture has been delayed by a reference to the Competition Commission, at the very same time that non-UK companies like Google and Apple are free to build market dominating positions on line in the UK without so much as a regulatory murmur."

"There must be a level playing field for those of us whose investment sustains UK production. Companies without that commitment, who financially contribute virtually nothing to the UK creative economy, are trying to use a narrow



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regulatory remit to exploit our investment at little cost or risk to themselves. If they succeed, the losers will be UK viewers, UK advertisers and UK producers."

"Today's ruling suggests that the regulatory framework does not seem to take that wider public interest sufficiently into account."

"In the meantime, as joint shareholders in a ground-breaking venture we feel passionately about, we will engage in the continuing process with the Competition Commission."