GLOBAL/GMG MERGER INQUIRY

Third party response to the provisional findings

13 March 2013

I have wanted to remain impartial regarding this merger, main reason being is that I deal with all the stations alike and have great relationships with them all.

However, putting that to one side, from an agency’s point of view and a client’s point of view it actually works well as it is. There are three major groups providing a good choice of stations and format and there is healthy competition, which in turn provides competitive rates and plenty of creative opportunities for the local advertiser. A merger, as is currently proposed would only mean 2 major groups operating in the area. I also think if one of these groups were controlling 3 stations, Bauer could easily be sidelined and suffer tremendously. In fact, Global with Capital, Real and Smooth, would mean another station isn’t necessarily needed and Global would have it sewn up—would that be a good thing?

The NE has already suffered with the ITV buy—an advertiser can no longer buy split transmitters which makes it expensive for a small business in the South of the region to pull together a good tv campaign. Radio, thank goodness, still provides the split transmitter buy but if the advertiser’s choice was reduced to just 2 major groups I fear the rates will be far less competitive, and it could be the beginning of the demise of Bauer.

Media Agency Y