

MEDIA EMPIRE –
CONTEMPORARY MASTERS
OF INFORMATION

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A Spectre is haunting multinational capitalism—the spectre of free information. All the powers of “globalism” have entered into an unholy alliance to exorcize this spectre: Microsoft and Disney, the World Trade Organization, the United States Congress and the European Commission.

Eben Moglen, *The dotCommunist Manifesto*¹

The Brass Check is found in your pay-envelope every week—you who write and print and distribute our newspapers and magazines. The Brass Check is the price of your shame—you who take the fair body of truth and sell it in the market-place, who betray the virgin hopes of mankind into the loathsome brothel of Big Business.

Upton Sinclair, *The Brass Check: A Study of American Journalism*.²

In his book entitled *Free Culture*, Lawrence Lessig, a US professor of constitutional law, looks into the historical shift that occurred in the area of the legal protection of copyright and its implications for the nature and future of creativity, and freedom of expression. In the chapter on (media) ownership and its effect on creativity he broached the issue of media concentration: “My view was that concentration wouldn’t matter. I thought it was nothing more than a more efficient financial structure. But now, after reading and listening to a barrage of creators try to convince me to the contrary, I am beginning to change my mind. [...] If a handful of companies controls access to the media, and that handful of companies gets to decide which political positions it will allow to be promoted on its channels, then in an obvious and important way, concentration matters. You might like the positions the handful of companies selects. But you should not like a world in which a mere few get to decide which issues the rest of us get to know about.”³

Media property is important, and so is concentration in the media field. Those who own the media have an opportunity to influence what we will (and what we will not) read, hear or view, as well as how the events, individuals or phenomena will be presented. The Slovenian media space, along with its specific »local« traits, is part of the global

- 1 Eben Moglen, *The dotCommunist Manifesto*, <http://emoglen.law.columbia.edu/publications/dcm.html> (15.6.2006)
- 2 Upton Sinclair, *The Brass Check, A Study of American Journalism*; the English quotation was taken from the on-line edition of the book available at <http://www.teleread.org/brasscheck.htm>
- 3 Lawrence Lessig, *Free Culture*. The quotation in English was taken from the on-line edition available at <http://free-culture.org/freecontent/>.

media empire, and as such it is susceptible to global trends. The concentration of media in the hands of a small group of owners affects not only the offering but also working conditions within the media industry. The situation of journalists, the changed conditions of their work, interventions on the part of media owners in the production of programming content and control over the operation of media companies are all issues that affect not only the variety of content but also the citizens' right to free expression. Without free, open and professional media, there is no democracy.

This essay presents the basic outline of the situation in the media field in Slovenia and draws attention to certain trends that reduce journalists' (media) autonomy. The story about the Slovenian media is a story about the continual influence on the media of media owners and politics (with the government being one of the major media owners). It has a history that can be traced back to the early 1990s when Slovenia chose a specific form of media privatization. The present government's involvement in the removals and appointments of supervisory and management boards members, editors-in-chief and editors should be considered within the wider context of shifts that occurred during the period of transition in Slovenia. Instead of leading to less influence of politics on the media, media privatization in Slovenia resulted in politics having an even greater influence than in the past.

Amendments to the RTV Slovenia Act and the Mass Media Act, the introduction of a third national channel that would be part of public service television and would transmit, unedited, the sessions of the National Assembly and its committees, and demands for plurality and balanced media – these were the most important topics of public debate following the parliamentary elections in 2004. When in March 2006 the State Department published its regular annual report on the situation of human rights around the world, the part of the report that refers to freedom of expression and media freedom in Slovenia became the focus of polemical public debate joined by politicians and the media. From the 14 lines of this report,⁴ there were singled out only those parts that could serve as proof of the claim that there was no media plurality in Slovenia and that there were examples of direct governmental influence on the media. The government asserted that this problematic state of affairs

⁴ Country Reports on Human Rights Practices, March, 8, 2005. Available at <http://www.state.gov/g/drl/rls/hrrpt/2005/61675.htm> (last accessed on June 10, 2006)

had been inherited from the previous government so the situation within the media must be put in order, while the opposition parties were of the opinion that these circumstances resulted from changes to media legislation and from staff replacements in media companies that were brought about by the current government.

What exactly does the report say? It states that media in Slovenia “were active and independent but did not express a broad range of political views. The major print media were supported through private investment and advertising; however, the government owned substantial stock in many companies that were shareholders in the major media houses.” The report also says that “there were reports of indirect government influence on the media.”

The fact that the deputies to the National Assembly eventually adopted a decision to translate the report in its entirety, arguing that the report as a whole, rather than its parts, should be the subject of future debate, illustrates one of the basic problems of Slovenian politics and politicians – their continual need to discuss the media and its reporting. Is there a lack of plurality on the Slovenian media market, and do we have “proof” that the government exerts influence over editorial policies through its stakes in the media? These are the questions that best describe the “underlying principles” of Slovenian media policy over the past 15 years. For Slovenian politics, the issue of media policy has always (and above all) been a political issue.

Despite everything, government representatives have repeatedly assured the public that the state was not a significant media owner. In support of this argument they listed the state’s interests in the media, but only transparent ones, while deliberately ignoring the fact that these stakes represent only a small fraction of the story about the Slovenian media owners, their property and the ways in which they manage that property. The thesis that the government does not have direct influence on the media was disproved by events that took place within a few months of the parliamentary elections in November 2004 and the subsequent change in government. This period was characterized by hasty drafting of new laws on public service radio and television and mass media, staff replacements in media companies and finally the non-transparent trading in shares. Today, one-and-a-half years later, most of the largest Slovenian media (public service radio and television and three daily newspapers, among others) are led by new executives

who succeeded their predecessors prematurely, before the expiration of the latter's terms in office. This reshuffle would not have been possible without interference on the part of the government.

In order to understand what (formal) media owners in Slovenia expect to gain from their property, we have to explain how they got hold of that (media) property and who these owners are. The owners of media owners in Slovenia are commercial companies whose majority owner, whether directly or indirectly, is the state. After enduring the nearly fifteen-year long privatization process, the majority of influential Slovenian daily newspapers “have come a long way” indeed - they are no longer socially owned but have ended up in the hands of the state. This unusual state of affairs is a result of the privatization of social property that began in the 1990s and was accompanied by debates on how to privatize the media while preventing an outcome in which the state would become their majority owner. However, media privatization has never been an (exclusively) economic issue. Media ownership is not an ordinary kind of ownership. Politicians have always seen media ownership as a tool that enables influence over potential voters and creates opportunities for controlling the space in which public debate takes place.

For this reason, the story about the privatization of the three major Slovenian daily newspapers, *Delo*, *Dnevnik* and *Večer*, has become just one among many similar incomplete and uninvestigated privatization stories.

DELO, OR HOW IT ALL BEGAN

To illustrate the process of media privatization in Slovenia, we will first describe the reorganization of *Delo*, the main daily newspaper in Slovenia. Originally owned by the state and later turned into a socially owned company during the socialist era, *Delo* became, after 15 years of privatization, a company worth 20 billion Slovenian tolar, with the state being its majority shareholder, thanks to ownership links among the companies in its possession.

Towards the end of 1989, the Reorganization Board of ČGP *Delo* announced a proposal based on the then Enterprise Law that *Delo* should become a parent company with five affiliated sister companies. The parent company was to be formed out of several existing units (then called Basic Organizations of Associated Labor or BOAL), i.e. *Delo*, *Naši razgledi*, *Revije*, *Prodaja*, *Stik*, and a part of the joint administration service. The sister companies were to include *Grafika*, *Novi Tednik*, *Globus*, *Gospodarski vestnik* and *Studio Marketing* (*Interno Delo*, November 1989, Referendum na pot (Towards the Referendum), December 1989). In June 1990, *Delo* BOAL became the founder of the newspaper *Delo* by a resolution of the Worker's Assembly. The resolution was approved by the Worker's Council and its external members. On June, 18, 1990 the *Delo* daily carried the following statement: "In this way *Delo* will officially become an independent newspaper not affiliated to any political party and serving the interests of the Slovene public" (*Delo*, 18 June 1990). In a survey conducted by *Delo* (23 June 1990), 51.5% of respondents were of the opinion that *Delo* had made the right move because such a newspaper must be independent in a multi-party system; 15.9% of respondents thought that it was the right move but that the newspaper should be supervised by representatives of the independent public; 24.5% of respondents answered that politics and journalism were two completely separate worlds and that a newspaper should depend primarily on its readership and market success.

The transformation process of the former BOAL *Delo* into an independent, socially-owned enterprise was concluded with the registration of the company *Delo d.o.o.* (limited liability company) in Ljubljana in April 1991. *Delo's* transformation gave rise to a number of public debates. The *Demokracija* weekly newspaper carried (on 24 July, 1990) a letter, signed by representatives of the Socialist Alliance

of Workers which founded the former ČGP Delo, in which they stated that they agreed with the transfer of founder rights. However, they explicitly stressed that the transfer did not apply to their ownership rights in ČGP Delo and that “the signatories do not renounce their ownership rights in the newspaper *Delo* and ČGP Delo.” *Delo* published in the same issue an answer by Stane Stanič, then the Minister of Information, in which he stressed that “in recent years Delo received more than three-quarters of the total budget resources allocated to daily newspapers in the republic” (*Delo*, 24 July, 1990).

In November 1995 the Privatization Agency issued an approval (the second in a series), by which *Delo* became a joint-stock company. The original capital, which was to be converted into shares in the privatization process, amounted to 670 million Slovenian tolar (SIT). A survey made by the company management at the time showed that 93% of *Delo*'s employees supported the ownership transformation by which the employees would become the majority shareholder. The goals of the privatization, as they were explained to the future shareholders, were as follows: to preserve the autonomy and independence of the company, to achieve better business results and to ensure the highest possible standard of living and working conditions for the employees, which would be based on capital gains, among other things. The company decided on the following privatization scheme: 40% of the social capital was allocated to state funds, namely the *Pension Fund* (10%, currently *KAD*), the *Indemnification Fund* (10%, currently *SOD*) and the *Development Fund* (20%), while the employees were to become 60% owners. The internal buyout scheme was as follows: 20% of the property was distributed to the employees, their close family members, former and retired employees in exchange for ownership certificates, 22% was to be sold through internal buyout, and 18% was to be sold to *Delo*'s readers.

In January 1999, *Delo* became the first media company in Slovenia listed on the Ljubljana stock exchange. Until that time the company's shares had been sold on the gray market within the company, where their value rose to 7,000 SIT⁵ by the end of 1998. Once listed on the stock exchange, their value radically increased and amounted to 19,000 SITs within a single week (*Slovenski delničar*, 6 March, 1999).

5 The accounting value of *Delo*' shares was 2000 SIT in 1997; by the end of 1997 it rose to 2500 SIT and by the end of 1998 to 3600 SIT.

At the end of December 2000, the share value was slightly over 15,000 SIT; at the end of December 2001 it was 13,600 SIT, and at the end of December 2002 it almost doubled. In December 2002 Delo share was worth 29,000 SIT, in August 2004 more than 30,000 SIT, and a year later, in August 2005, it was 30,700 SIT. In 1995, *Delo's* worth was estimated at 670 million Slovenian tolar, and today its value is more than 20 billion Slovenian tolar.

The original idea that *Delo* should remain in the possession of its employees, former employees, their family members and readers was betrayed. Employees mainly sold off their shares. The largest single owner among them today is Tit Doberšek, the former editor-in-chief of *Delo*. Journalists, employees and former employees, who actually had the opportunity to retain the ownership of *Delo*, simply sold this opportunity to the highest bidders. So the 60% stake held by internal owners was reduced to a less than 10% stake, while the share of external owners increased, and the reason is primarily the concentration of capital in the hands of a single owner. (Table 1)

Trading in *Delo* shares has never been motivated exclusively by business interests, despite the public assurances of those involved. Two weeks before he was released from duty in July 2000, the managing director of *Kapitalska družba* sold 5.5% of the company's stake in *Delo*. The price was approximately 700 million Slovenian tolar, and the shares were sold to *Cobito*, *Gorenje*⁶, and *Emona Maximarket*. This was the maximum percentage of shares that could be sold without obtaining approval at the company meeting (given the political changes at the time, it is very likely that such approval could not have been obtained at all). This transaction provided clear evidence that media ownership (at least in the view of the government) is primarily a political asset.

When in 2003 *Pivovarna Laško* (Laško Brewery) purchased a one-quarter stake in *Delo* from *Krekova družba*, the other potential buyer, *DZS*, stated that *Pivovarna Laško* had overpaid. In reply to the question from the *Finance's* journalist, "Why does *Pivovarna Laško* want to invest in *Delo*?" the Chairman of the Management Board of *DZS*, Bojan Petan, answered: "I believe that *Pivovarna Laško* bought *Delo* for themselves [...]. I think that they paid around

6 After the fire destroyed some parts of the Gorenje production facilities, the government led by PM Andrej Bajuk required that Gorenje sell its share in *Delo* if it wanted to obtain aid from the government.

TABLE 1: CHANGES IN THE OWNERSHIP STRUCTURE OF DELO 2000 – 2006

SEPTEMBER 2002		DECEMBER 2003		SEPTEMBER 2004		JANUARY 2005		JUNE 2006	
%		%		%		%		%	
25.000	ZVON I PID	24.989	PIVOVARNA LAŠKO	24.989	PIVOVARNA LAŠKO	24.989	PIVOVARNA LAŠKO	24.990	PIVOVARNA LAŠKO
11.720	SOD	11.720	SOD	11.720	SOD	12.105	INFOND HOLDING	20.000	KD holding
7.630	MAKSIMA I	11.096	ID MAKSIMA	11.096	ID MAKSIMA	11.720	SOD	11.720	SOD
6.180	KAPITALSKA DRUŽBA	7.465	KAPITALSKA DRUŽBA	9.166	INFOND ID	9.166	INFOND ID	9.170	INFOND ID
5.130	NFD I INVESTICIJSKI SKLAD	6.803	INFOND ID	7.761	INFOND HOLDING	6.719	KAPITALSKA DRUŽBA	7.800	Maksima
4.650	INFOND ID	5.129	NFD I INVESTICIJSKI SKLAD	6.717	KAPITALSKA DRUŽBA	2.878	MODRA LINIJA	6.170	KAD
2.040	POTEZA NALOŽBE	2.878	MODRA LINIJA	3.129	KBM INFOND DZU	1.049	APIH JURIJ	2.490	MODRA LINIJA
2.020	GORENJE	2.160	BANKA KOPER	2.878	MODRA LINIJA	0.962	ZLATA MONETA	1.470	ABANKA
1.798	APIH JURIJ	2.023	GORENJE	1.453	APIH JURIJ			0.950	PETROL
1.510	ZAVAROVALNICA TRIGLAV	1.498	APIH JURIJ					0.830	TIT DOBRŠEK
1.495	MODRA LINIJA	1.113	KBM INFOND DZU						

Comments: In December 2000, small shareholders held 36.85% of all shares in Delo, but as early as September 2002 their share had decreased radically. In December 2003, Pivovarna Laško (Laško Brewery) became the largest single shareholder of Delo with a 24.99% interest. Other larger shareholders were sod, id Maksima, kad and Infond id. The latest major change occurred when kd Group purchased a 20% stake towards the end of 2005.

36,000 SIT per share, a price, which, in my opinion, is too high. It amounts to 6 billion tolar for a one-quarter stake in *Delo*.” (*Finance*, February 5, 2003). On February 5, 2003, the price of *Delo* shares was 26,407 SIT.⁷ Managers at *Pivovarna Laško* obviously decided that investment in *Delo* was so lucrative that it was worth paying a premium for the shares. Was the decision of *Pivovarna Laško*’s managers in harmony with the interests of its shareholders? Was their purchase of the stake in *Delo* a good business decision or a good political investment?

An overview of the „redistribution“ of *Delo* shares shows that the basic aim of the trading in *Delo* shares was to prevent the „right-wing“ owner from obtaining a more than one-half stake that would have given it the opportunity to influence the editorial policy of *Delo*. The argument that *Pivovarna Laško* purchased the stake in *Delo* (primarily) to secure the domination of the political „left-wing,“ rather than to pursue an (alleged) business interest, could be countered by another argument – that by selling the one-quarter stake in *Delo* for 6 billion tolar, *Krekova družba* closed a deal that was one of the rare (or the only) economically justified business transactions on the media market. However, the situation is not as simple as that. *Krekova družba* actually realized that, given the dispersed ownership structure and the links among individual owners of *Delo*, it could not possibly come by a majority stake, so it decided to make the best of what it had at hand. The buyers of *Delo* shares (at first glance unrelated companies, but in reality linked to the government) obtained the opportunity (and later exploited it) to influence its editorial policy. Those in the majority on the supervisory board appoint the management board members, who appoint the editor-in-chief, who appoints individual editors. The ostensibly “closed door” separating politics from journalism was in effect wide open all the time.

The ownership structure of the two daily newspapers with the largest circulation, i.e. *Delo* and *Slovenske novice*, may seem to many entirely self-evident from today’s perspective. Yet, like many other privatization stories from the period of transition, this one has its peculiar history too. How did *Slovenske novice* come to be owned by *Delo*? In 1993 the company HIT posed several public questions to *Delo*’s management board regarding alleged irregularities during the privatization process. *Delo* presumably founded a bypass company in order to exercise ownership control

⁷ <http://dd.delo.si/datoteke/podatki2003.xls>.

over *Slovenske novice*, in which capital injections by some leading people from *Delo* radically departed from those of other employees. Indeed the company's register of shareholders lists 148 journalists working for *Delo* and *Slovenske novice*. In an interview given to *Fokus* (9/10, July/August 1993), Danilo Slivnik, the deputy editor-in-chief of *Delo* at the time, commented on the journalist's observation that *Novice* was a classic example of a by-pass company: "This is not true. *Slovenske novice*'s capital structure is completely transparent, with 51% of the capital private and 40% of it socially-owned, with this ratio later being changed to 60:40 in favor of the former through capital injections. The socially owned part will now be privatized. This is similar to what happened with *Delo*. *Delo* granted *Slovenske novice* a loan at 8% interest. We take every precaution when it comes to the privatization process, since we know that many would readily impute irregularities to us".⁸ The questions that may be asked in this connection are which private and which socially-owned capital was used to establish *Slovenske novice*? How was socially-owned capital privatized? Who received the loan and under what terms, and how was the sale of ownership stakes carried out?

When in 1990 *Delo* launched its (pre)privatization plan, it created a mother company and five sister companies. What happened to these companies, and who are their owners today? The *Naši razgledi* weekly folded because it brought a loss to the *Delo d.d.* joint-stock company, despite generous subsidies provided by the Ministry of Culture. *Delo Revije* is owned by *Delo TČR*, *Alpress* and *Delo prodaja* (Vojko Pehtavec and Igor Savič are two major individual shareholders). The largest owners of *Delo prodaja* are *Iskra commerce d.o.o.*, *DZS*, *Zvon ena holding* and *SOD*. Among its sister companies, the one-third owners of *Novi tednik* (NT&RC, *Novi tednik* and *Radio Celje*) are *Atka Prima d.o.o.* (whose CEO is Boško Šrot, the CEO of *Pivovarna Laško*, the biggest single owner of *Delo*), *Anica Šrot Aužner*, *SOD* and *Delo TČR*. *Gospodarski vestnik* was privatized through an internal buyout, whereby the shares were sold to its managers, and it then folded after 54 years of presence on the market. *Studio Marketing* became one of the largest advertising agencies in Slovenia (part of JWT).

⁸ Sandra B. Hrvatin and Marko Milosavljevič, 2001. *Medijska politika v Sloveniji v devetdesetih* (Media Policy in Slovenia in the 1990s), p.20.

WHO OWNS THE SLOVENIAN MEDIA?

The answer to the question of who owns *Delo*, *Slovenske novice*, *Dnevnik*, *Večer* and *Primorske novice* is not as simple as it may seem at first glance, since the list of owners based on the register of shareholders does not reveal the complete picture.

TABLE 2: THE OWNERSHIP STRUCTURE OF DELO

%	JUNE 2006
24.990	PIVOVARNA LAŠKO
20.000	KD HOLDING
11.720	SOD
9.170	INFOND ID
7.800	MAKSIMA
6.170	KAD
2.490	MODRA LINIJA
1.470	ABANKA
0.950	PETROL
0.830	TIT DOBERŠEK

Source: KDD.

TABLE 3: THE OWNERSHIP STRUCTURE OF VEČER

%	JUNE 2006
36.530	INFOND HOLDING
20.000	DELO
14.990	INFOND ID
10.001	SOD
7.150	LEYKAM
6.940	DELO PRODAJA

Source: KDD.

Comment: The ownership structure of the *Delo* daily newspaper is identical to that of *Slovenske novice*. Among its largest owners are Pivovarna Laško, with a 24.99% share, and KD Holding d. d., with a 19.99% share. KD Holding became a *Delo* shareholder on November 18, 2005, when it “handed over” to Infond holding its 3% stake in Mercator in exchange for shares in *Delo*.⁹ At the same time, *Delo* has a 20%

⁹ The price of *Delo* shares was 25% higher than its price on the stock exchange (on November 18, 2005 its price on the stock exchange was 30,030.82 tolar, while KD Holding paid 37,910.00 tolar). KD Holding explained this transaction as being a long-term investment from which they expected a corresponding profit. On

stake in Večer for which it paid 665 million tolar. Večer d. d. has a 6.5% share in Dnevnik d. d., the publisher of the Dnevnik daily.

TABLE 4: THE OWNERSHIP STRUCTURE OF DNEVNIK

%	JUNE 2006
51.050	DZS
25.740	STYRIA MEDIEN AG
10.110	KAD
6.520	ČZP VEČER
2.710	MOBITEL

Source: KDD.

Comments: Dnevnik d.d. is a 12% owner of Primorske novice.¹⁰ A 51% owner of the Dnevnik newspaper is DZS, which is also a 19% owner of Delo Prodaja. Delo Prodaja has a stake of nearly 7% in Večer and a 21.5% stake in DZS. DZS is a majority owner of the Direkt magazine.

A look at the stakes in daily newspapers held by the two pseudo-state funds, SOD and KAD, shows that KAD has a 6% interest in *Delo* and a 10% interest in *Dnevnik*, while SOD has an 11% interest in *Delo* and a 10% interest in *Večer*. Consequently, the state is the second largest shareholder of *Delo* through its two funds. But this is only the tip of the iceberg. A closer look at the ownership structure of the largest single shareholders in *Delo* (*Pivovarna Laško*, *KD Holding d.d.* and *Infond ID*) shows that KAD, *Infond holding* and *Infond ID* together have an interest in *Pivovarna Laško* that exceeds 30%. The remaining owners are investment companies founded by banks and insurance companies in which KAD and SOD have considerable interests and whose owner is still the state, either directly or indirectly. Significant shareholders of *Infond holding* and *Infond ID* are the *Radenska* company, whose majority owner is *Pivovarna Laško*, and *Nova KBM* bank, the mother company. The majority shareholders of *Nova KBM* are KAD, SOD and *Triglav*, with the combined KAD and SOD shares amounting to 80%. *Infond holding's* and *Infond ID's* combined share in the publisher of the newspaper *Večer* amounts to 63%. As regards the ownership of weekly newspapers, the picture is as follows: the *Mag* weekly is owned by *Delo d.d.*,

May 5, 2006 the price of *Delo* shares was 24,611.11 SIT, and on May 31, 2006 it was 25,819.20 SIT.

¹⁰ In addition to Dnevnik d.d., other large owners of Primorske novice are Banka Koper d.d., Primorje d.d., Forma Inn Koper, Luka Koper and Hit d.d.

and the *Demokracija* weekly is owned by the Slovenian Democratic Party (whose leader is the Prime Minister of Slovenia) and Dušan S. Lajovic. The significant owners of the weekly *Mladina* are *Delo TČR*, in which *Delo Revije* has a 10% interest. (Figure 1)

Neither does a simple listing of official owners reveal everything. A more complete picture emerges when one exposes the links between the members of management or supervisory boards of companies that are the official owners of individual media outlets and companies that are not direct media owners but are in a position to influence the interests they represent (and over which they have control). Power over the media is therefore closely connected with economic power and, undoubtedly, with virtually imperceptible yet definitely present political power. The appointment of a chairperson or a board member of a Slovenian daily newspaper is by no means (just) a business decision but primarily a political issue. “The political” aspect of media ownership is best demonstrated by the relationships among the supervisory board, management board, editor-in-chief and employees of a media company.

Unlike the owners of foreign media corporations, who openly expect that the media will operate in harmony with their interests, media owners in Slovenia have been repeatedly assuring the public that the media are “just a lucrative investment that earns good money” and that they (the owners) do not feel the need to influence editorial policy. When in early 2003 *Pivovarna Laško* became the one-quarter owner of *Delo d.d.*, the chairman of its management board at the time, Tone Turnšek, stated in an interview for “his newspaper”: “We are aware that this is the main Slovenian daily newspaper that significantly influences Slovenian public opinion. Were we guided by political interests (when purchasing a stake in it), the investment would probably be more to our disadvantage than to our advantage. It is not our intention to influence editorial policy, and we do expect that *Delo* will treat us critically, but in a correct and honest manner” (*Delo*, February 22, 2003). It is hard to say which business objectives *Pivovarna Laško* fulfilled through this purchase, but what can be said with certainty is that in November 2005 it exchanged its one-quarter stake in *Delo* for a 3% interest in *Mercator*, the largest Slovenian retailer. The non-transparent trade in the shares of media companies escalated after 2000. One interesting question is when and why the two pseudo-state funds, *KAD* and *SOD*,

retained or sold their interests in the media. Why did they retain their stakes in *Delo*, but sell those in *Dnevnik* (SOD) and *Večer* (KAD)? Did they conclude that it was necessary to retain their influence over the most important national daily, while *Dnevnik* and *Večer* could be dropped? Let us consider the case of *Dnevnik*. In April 2002 SOD sold its stake in *Dnevnik* to DZS, without a public bid and without checking whether someone else was willing to offer more money. Indeed, there was at least one buyer who would have been prepared to pay more. That was *KD Holding*, which had a 25.57% interest in *Dnevnik* (0.9% lower than that held by DZS). By purchasing the ownership stake from SOD, DZS began to increase its share in *Dnevnik*, so within five months (by September 2002) it had a 43% stake in *Dnevnik* and in 2003 it became *Dnevnik*'s majority owner. If SOD's decision in 2002 to sell its interest in *Dnevnik* was based on business results exclusively, then it would be interesting to see what the price of this stake would be today. In 2002, DZS paid 372 million Slovenian tolar for an 8% stake in *Dnevnik*. Today, it is worth 1.1 billion Slovenian tolar. It is not the state that profited from such a difference in price, but DZS itself. The ownership structure shows that *Dnevnik* is owned by companies whose greatest owner is DZS itself. In May 2006, the German publishing corporation WAZ entered the Slovenian media market by purchasing a one-quarter stake in *Dnevnik* through the joint company DZS-WAZ Mediji. (Figure 2)

FIGURE 1: THE LINKS AMONG THE OWNERS OF THE SLOVENIAN PRINT MEDIA

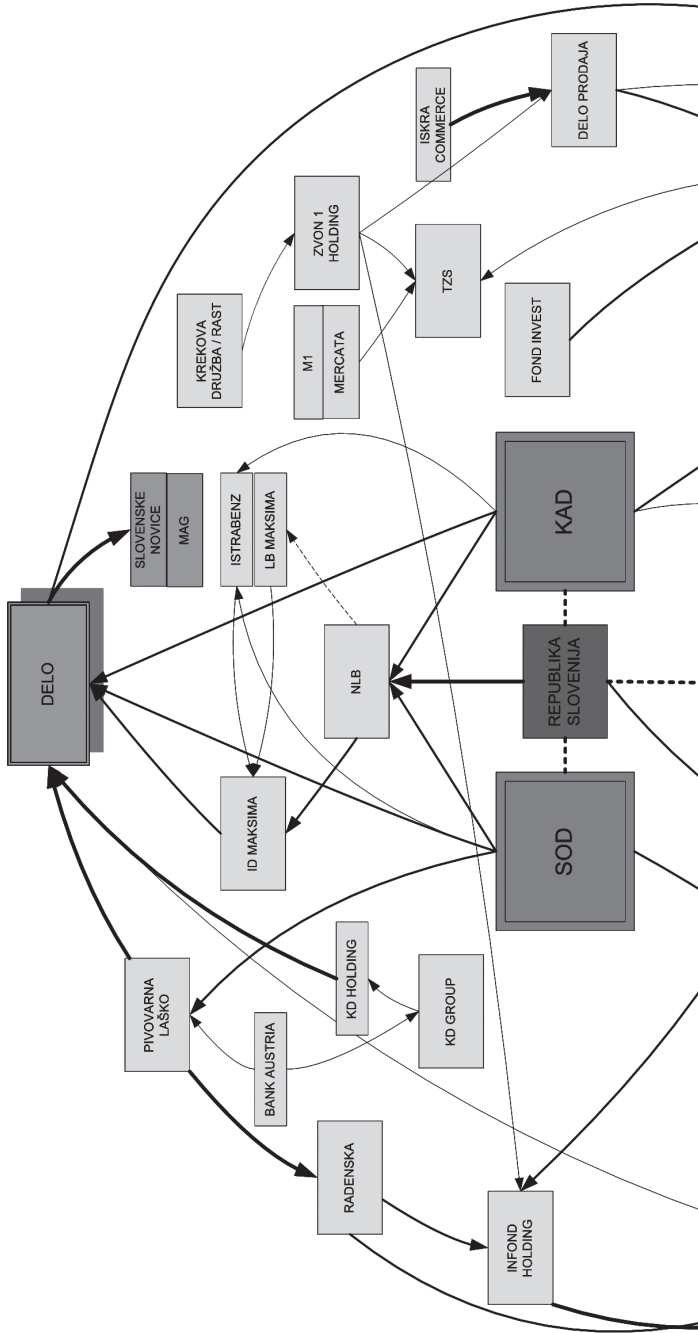
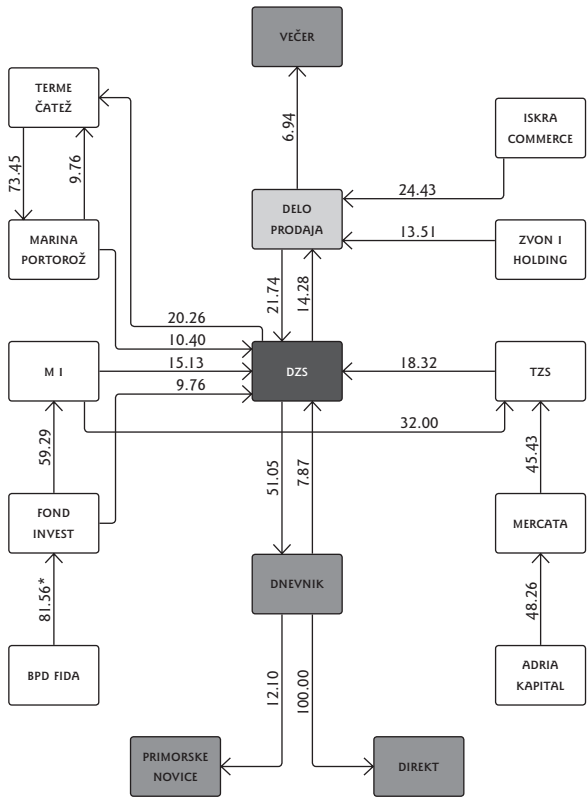


FIGURE 2: OWNERSHIP LINKS BETWEEN DZS AND DNEVNIK



* The address is the same as for Fond Invest.

Source: KDB (June 2006) and Media register.

PROFITABILITY OF SLOVENIAN GENERAL DAILY NEWSPAPERS

The high return on investment in the three main daily newspapers compared to the return on investment in other business areas is just one of two main reasons behind the incessant efforts of media owners to increase their interests. The other reason is the influence obtained through media ownership. What are the business results of the largest Slovenian daily newspapers? In 2004, net return on capital in *Delo* was 12.3%, in *Večer* it was 14.7% and in *Dnevnik* 27.8%. In 2004, net profit in *Delo* was 729,216 million Slovenian tolar; in *Dnevnik* it was 166,992 million tolar (this profit was 10.49% higher than in 2003). The picture emerging from the comparison of income per employee is somewhat different, though. *Dnevnik* exceeded the average by one quarter, *Delo* by five percentage points, while at *Večer* this index was a little more than 30% below the average. The net capital gain in *Dnevnik* is proportionally very high, among other reasons, because of lower labor costs with respect to business results, while in *Delo* capital gain was lower because of lower income. It is hence possible to expect that in the future *Delo's* managers will focus on reducing labor costs (lower salaries and job shedding). *Večer* already has lower salaries compared to *Dnevnik* and *Delo*, but its income is also lower.¹¹

11 The author of table 5 and of the data analysis is Iztok Jurančič, the president of the Trade Union of Journalists.

TABLE 5: BUSINESS RESULTS OF THE DAILY

BALANCE SHEET DATA									
in '000 tolar									
Publisher	No. of employees	total revenues	sales revenues	assets	equity capital	net earnings	total expenses	salaries	labor costs
DELO D.D.	454	14,001.300	13,890.800	8,289.591	5,982.080	729.216	13,066.169	3,174.527	4,469.922
DNEVNIK D.D.	207	7,526.344	7,257.123	3,101.601	1,882.217	486.069	6,909.924	1,248.550	1,732.892
ČZP VEČER D.D.	221	4,326.450	4,261.555	1,550.095	1,132.444	166.992	4,109.105	1,134.729	1,571.947
SKUPAJ	882	25,854.094	25,409.478	12,941.287	8,996.741	1,382.277	24,085.198	5,557.806	7,774.761

Source: Balance sheet data AJPES (IBON, September 2005).

Obviously, media owners reach decisions to buy or sell (or exchange) their stakes primarily on the basis of the “gain” expected on the rather carefully controlled “market of ideas.” Apart from the Austrian company *Styria Medien AG*, which owns a one-quarter stake in *Dnevnik* and is the sole owner of the weekly *Žurnal*, and the Swedish corporation *Bonnier* which owns *Finance*, other media owners in Slovenia manage their interests in media companies in accordance with their political interests.

The influence of politics on Slovenian media was clearly explained by Horst Pirker, the Chairman of the Board at *Styria Medien AG*: “In my opinion, the influence of politics in Slovenia is traditional, and it has been present for some time. Politics traditionally had control over the Slovenian media [...] The government’s control over the media has been increasing. *Delo*, the largest Slovenian newspaper publisher, is explicitly controlled. I’d say that the situation within the state television organization is not much different either. Even DZS, the main owner of *Dnevnik*, is probably under the government’s control. This means that all the important media, save for *Finance* and *Žurnal*, are under the government’s control [...] The Slovenian media do not deserve such an influence from politics. The attitude of the Slovenian political establishment towards the media is unacceptable and untenable.”¹²

¹² *Finance*, May 23, 2006 (pp.4-5), “Vpliv politike v Sloveniji je neznošen” (The Influence of Politics in Slovenia is Untenable), an interview with the Chairman of the Executive Board of *Styria Medien AG*, Horst Pirker.

NEWSPAPERS *Delo*, *Dnevnik* AND *Večer*

MARKET SHARES			SELECTED INDICATORS						COMPARATIVE MATRIX				
in percentages			in percentages			in '000 tolar per employee			index =the observed average is 100				
									profitability		labor cost per employee		
total revenues	sales revenues	assets	profit/capital	profit/assets	revenues	labor costs	salaries	profit/capital	profit/assets	revenues	labor costs	salaries	
54.16	54.67	64.06	12.19	8.80	30.840	9.846	6.992	79.4	82.4	105.2	111.7	111.0	
29.11	28.56	23.97	25.82	15.67	36.359	8.371	6.032	168.1	146.7	124.0	95.0	95.7	
16.73	16.77	11.98	14.75	10.77	19.577	7.113	5.135	96.0	100.9	66.8	80.7	81.5	
100.00	100.00	100.00	15.36	10.68	29.313	8.815	6.301	100.0	100.0	100.0	100.0	100.0	

For more than a decade now, the state has been carefully guarding its interests in the media and using them to exert political influence. It sold its stakes only when it needed to ensure (political) interests. The ostensibly “silent” and “non-problematic” owner who has never been too particular about the profitability of the investment, guarded its political “added value”, or public opinion value, with the utmost care. The fact that politics has always felt the need to exercise control over the media and wished to exert influence over editorial policy is evident from the statement of the Foreign Minister Dimitrij Rupel. In his article, carried by the weekly *Mag* in the late spring of 2005, Rupel wrote critically about reporting in the Slovenian media. In his opinion, Slovenia “entered a new phase of the revolutionary settling of accounts with the government of Prime Minister Janez Janša, and that with a view to gaining advantages for the discarded socialist program. The media, which have capital and personal links with the former governmental parties, have special tasks and roles in this.” The minister then “asked” media and their owners “whether their war against the political side that won the elections and received much international recognition had paid off.”¹³ One month later, in an interview given to *Delo's Sobotna priloga* (Saturday Supplement),¹⁴ Rupel gave additional explanations about his view of the media. Asked by the journalist whether he could expand on his statement that some media owners should reconsider their “war against the side that

13 Dr. Dimitrij Rupel, “Prihajajo slabi časi?” (We Are In For a Bad Time), *Mag*, June 22, 2005.

14 “Sem liberalec. Sem vedno to, kar sem” (I’m a liberal. I’m Always What I really Am). An interview with Dr. Rupel in *Sobotna priloga*. June 7, 2005. All interviews with and texts by minister Dimitrij Rupel are available at (<http://www.mzz.gov.si/>)

won the elections”, he answered; “It is very simple and you understand well what I wanted to say.” To the journalist’s comment that in the societies that Slovenia should consider as models, the winning side does not control the media, the minister answered: “Well, it is like this: Slovenia has had too little time and too few opportunities to make real differentiation among the media. We have just one kind of media.”

Any naive conviction that the state has not actively interfered with editorial policies because of some (politically motivated) “pact on non-aggression” can most easily be disproved by considering a recent dismissal and appointment of the editor-in-chief of *Delo*. It is precisely such dismissals and appointments of editors-in-chief that point to the interference of owners with editorial policies.

REMOVAL, APPOINTMENT,
REMOVAL, APPOINTMENT ...

In mid July 2005, the supervisory board of *Delo d.d.* proposed that the management board replace the then editor-in-chief, Darijan Košir, and appoint Jani Virk to fill his position. Their statement read: “The decision about the replacement comes as a result of differing views on the editorial policy of the paper. The basic orientation of *Delo* as a quality, serious, relevant, and credible daily will remain unchanged. Darijan Košir will remain with *Delo d.d.* and will participate actively in the most important projects.”¹⁵ At meeting held on July 18, 2005, *Delo*’s management board adopted a resolution, in accordance with Article 9.2. of its statute, to begin a procedure by which Jani Virk would replace Darijan Košir as editor-in-chief. In mid September the board adopted a resolution by which it removed Darijan Košir. It was stated that Košir’s term would end when the supervisory board approved the appointment of the new editor-in-chief. At its session held on September 30, 2005, the supervisory board approved the proposal put forward by the management board and appointed Jani Virk editor-in-chief for a five-year term.

On October 7, 2005, the management board announced that Jani Virk had resigned. “The appointed editor-in-chief of *Delo*, Jani Virk, informed the board that he would not take up this position. Consequently, Darijan Košir remains editor-in-chief and retains full authorization until the appointment of a new editor-in-chief.” One week later (on October 12, 2005), *Delo* featured a text signed by the editor-in-chief, Darijan Košir and the editorial board: “On July 17, 2005, that is to say, one day before the replacement procedure was initiated, *Delo*’s editorial board proposed that the management board of *Delo d.d.* re-appoint the then editor-in-chief, Darijan Košir. Since the appointment of a new editor-in-chief ended with the resignation of the candidate, the editorial board proposed, in harmony with the media legislation and the statute of *Delo d.d.*, that the management board should declare void the replacement of Darijan Košir, which, although approved by the supervisory board had not been confirmed formally, nor had the date of the replacement been confirmed.” At its session on October 13, 2005, the supervisory board annulled the resolution on the

¹⁵ All communiqués by *Delo*’s supervisory and management boards cited in this text are available at <http://dd.delo.si/invest-cenovno.php>

appointment of Jani Virk. "For the time being, Darijan Košir remains the editor-in-chief and retains all authorizations."

In early February 2006, the Chairman of the Management Board, Danilo Slivnik, proposed the appointment of Peter Jančič (a journalist with and editor of *Večer*) as editor-in-chief. On February 17, 2006 a working group composed of *Delo's* journalists rejected Slivnik's proposal (of 170 employees altogether, only 17 voted for Peter Jančič). Despite such an outcome, on February 28, 2006 the supervisory board of *Delo* approved the appointment of Peter Jančič, and on March 2, 2006, Jančič started as editor-in-chief. The board of the working group of *Delo* journalists commented thus on the developments: "The new management board and the new supervisory board continue to disregard the opinion of journalists, and in this case they even acted against the plebiscitary will of the editorial board."¹⁶ The new editor-in-chief soon announced staff replacements, including inside editorial board, and the replacement of the Saturday Supplement editor. The last issue of the Saturday Supplement that should have been edited by the previous editor, Ervin Hladnik Milharčič, appeared on April 29, 2006, but without the editorial commentary scheduled to appear on page 2,¹⁷ and without an announced interview with the former Chairman of Mercator's Management Board, Zoran Jankovič.¹⁸ These disputes among the editors and journalists were taking place before the eyes of *Delo's* readers throughout April. The editor-in-chief, Peter Jančič, explained his programming and editorial decisions in a regular Saturday column. So, for example, on April 15, 2006, he wrote that the open letter from the board of journalists' working group,

16 Article 18 of the Mass Media Act stipulates that "before appointing or dismissing an editor-in-chief, the publisher must obtain an opinion from the editorial board unless stronger influence on the part of the editorial board is stipulated in the basic legal act".

17 According to *Delo* d.d.'s statute, "the editor-in-chief formulates editorial policy in collaboration with other editors. Within the framework of the adopted programming concept, the editor in chief is authorized to implement and is responsible for the implementation of the business and programming plan in coordination with the management board (Article 10.4). Article 10.7 of the Statute further stipulates that "based on solid reason an editor may reject the publication of any journalistic text. The editor-in-chief may invalidate any editorial decision of a subordinate editor based on solid reasons."

18 The controversies surrounding the last issue of *Saturday Supplement* edited by Ervin Hladnik Milharčič were recorded by Neva Nahtigal. See "Novinarska avtonomija utopljena v kozarcu piva, temnega" (Journalists' Autonomy Drowned in A Glass Of Beer, Dark beer), *Media Watch journal*, May, 2006, No 25-26 (pp. 30-31). One of the journalists who conducted the interview with the Chairman of Mercator, Mr. Zoran Jankovič, said in a letter addressed to the leader of the union of *Delo's* journalists that, owing to pressure from the board members, he had been forced to drop the interview already conducted and to give up his intention to hand it to the deputy editor-in-chief of the *Saturday Supplement*.

in which they opposed his decisions, could appear in *Delo* only as a paid advertisement, while as the reason for the replacement of the *Saturday Supplement* editor, he cited insufficient education.¹⁹ “In the case of the top chiefs of *Delo*’s editorial boards, they must have completed at least a university course. No matter what journalists’ organizations, trade union and other activists say.”²⁰

In a public letter the president of the board of the journalists’ working group, Jože Poglajen said, “*Delo* is the most conspicuous victim of the political purge that has affected the print media in the country. The new chairman of the management board and ‘his’ new editor-in-chief are, despite their assurances to the contrary, simply executors of a political will that has nothing to do with the modernization of newspaper content or the improvement of business results. The motive behind the changes in the ownership structure and executive bodies is clear: full subordination of the newspaper to the current political leaders.”²¹

Since 2000, Slovenian daily newspapers have seen many replacements. The chairpersons of the management boards and editors in chief of *Delo* and *Večer* were replaced three times during this period. The editor-in-chief of *Dnevnik* was appointed in 2001; in April 2006 the newspaper *Finance* merged the functions of the director and editor-in-chief. The most recent changes took place at *Primorske novice*, where NS replaced the CEO, while the editor-in-chief resigned for personal reasons.²²

When editors are replaced, business results are poor, circulation decreases and the price of advertising space falls, the first task of an owner who truly cares about his property is to secure the investment. It is content and credibility that sell newspapers. However, if the newspaper itself and the relationship between its employees and managers become the topical story covered by other media, then the value of the investment is reduced day by day. And that is precisely what has been happening in Slovenia.

19 Before he became the editor in chief of *Delo*’s *Saturday Supplement*, Ervin Hladnik Milharčič was *Delo*’s US and Middle East correspondent. Before he came to *Delo*, he worked as a journalist for the *Mladina* weekly.

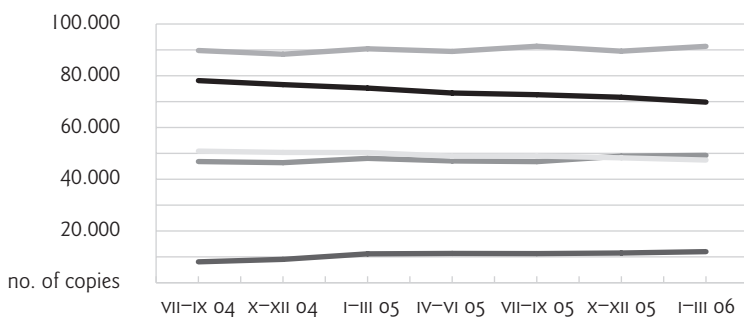
20 Peter Jančič, “Hoja po robu stolpnice” (Walking Along the Edge of a High Rise), *Delo*, April 15, 2006 (p.5)

21 A letter from the president of the board of *Delo*’s working group entitled “Poziv k uporni držbi” (A Call For a Resistance Stand), was published in the Readers’ Letters section.

22 For a detailed overview of personnel changes in Slovenian media companies, see Neva Nahtigal’s text in the *Media Watch* journal, May 2006, No. 25-26, (pp. 27-29).

TABLE 6: DAILY NEWSPAPERS – NUMBER OF COPIES SOLD

	Delo	Večer	Dnevnik	Slovenske novice	Finance
VII-IX 2004	78.125	50.878	46.839	89.758	8.078
X-XII 2004	76.574	50.363	46.406	88.322	9.033
I-III 2005	75.231	50.304	48.075	90.421	11.167
IV-VI 2005	73.329	48.902	47.076	89.403	11.326
VII-IX 2005	72.680	48.981	46.811	91.405	11.266
X-XII 2005	71.685	48.272	48.922	89.501	11.491
I-III 2006	69.810	47.425	49.248	91.370	12.019

FIGURE 3: DAILY NEWSPAPERS – NUMBER OF COPIES SOLD
(■ DELO, ■ VEČER, ■ DNEVNIK, ■ SLOVENSKE NOVICE, ■ FINANCE)

Comment: According to the revised data on the copies of print media sold during the periods July to September 2004 and January to March 2006, the number of *Delo*'s copies sold fell by more than 8,300, and that of *Večer* by more than 3,400. During the same period, the number of *Dnevnik*'s copies sold rose by 2,400, and that of *Finance* by 3,900 (almost one quarter).

PERSONNEL CHANGES AS AN INSTRUMENT IN THE STRUGGLE TO ATTRACT ADVERTISERS

According to *Marketing magazin*, in 2005 *Delo* had the most revenue from advertising of all the daily newspapers (more than 3.8 billion tolar). The combined advertising revenue of *Dnevnik* and *Večer* newspapers was lower than that of *Delo* (*Večer* 1.8 billion tolar, and *Dnevnik* 1.7 billion tolar). According to *Mediana*, the total amount spent on advertising in Slovenia in 2005 was 83.5 billion tolar. Of this sum, 11% was spent on advertisements in daily newspapers, and 10% on advertisements in various other magazines.

TABLE 7: THE MAJOR ADVERTISERS IN SLOVENIA

1	P&G	21	BOLTON TRADING
2	RECKITT BENCKISER	22	LOTERIJA SLOVENIJE
3	L'OREAL SLOVENIJA	23	CITROEN SLOVENIJA
4	HENKEL SLOVENIJA	24	OPEL
5	MOBITEL	25	ZAVAROVALNICA TRIGLAV
6	SIMOBIL	26	ENGROTUŠ
7	DANONE	27	COLGATE PALMOLIVE
8	BEIERSDORF	28	DELO REVIJE
9	WRIGLEY	29	GLAXOSMITHKLINE
10	PEJO TRADING	30	VZAJEMNA
11	MERCATOR	31	PETROL
12	DELO	32	MERKUR
13	PORSCHE SLOVENIJA	33	TOYOTA ADRIA
14	MASTER FOODS	34	STUDIO MODERNA
15	RENAULT NISSAN SLOVENIJA	35	BANEX
16	UNILEVER	36	JOHNSON&JOHNSON
17	DNEVNIK	37	PEUGEOT SLOVENIJA
18	JOHNSON WAX	38	SIOL
19	FERRERO	39	HERVIS
20	SPAR SLOVENIJA	40	TELEKOM SLOVENIJE

Source: *Marketing magazin*, January 2006.

In 2005, the *Demokracija* weekly's revenue from advertising was 70 million tolar, meaning twice as much as in the previous year. The *Mladina* weekly's revenue from advertising was four percent lower than was envisaged in the annual plan. This information is interesting because it points to still

another frequently overlooked form of political influence on the media. *Demokracija* is a political weekly founded by the political party SDS (Slovenian Democratic Party) which over the past few years has frequently struggled because of a lack of advertising. In contrast, *Mladina* is regarded as a “left-leaning” political weekly that is close to the Liberal Democracy of Slovenia (LDS), currently an opposition party. *Delo* and *Dnevnik* were among the largest advertisers in Slovenia in 2005, with *Delo* occupying position 12 and *Dnevnik* position 17 on the list. The list further includes a number of other companies over which the state exerts significant influence: *Mobitel*, the mobile telephone operator (place 5), other national telecom companies (*Telekom Slovenije* and *Siol*), then *Mercator*, *Slovenian Lottery*, *Triglav Insurance*, and so on. Representatives of these companies, who wished to remain anonymous, assured us on many occasions that their decisions as to where they should place their advertisements were frequently influenced by the state, which told them in which media they should place advertisements and where the “advertising tap” should be turned off. Foreign companies, too, have to observe the same rules of strategic advertising, since they have to cultivate good relationships with important business partners or local authorities. The story of *Hofer*, a discount retailer, which in early February 2006 suddenly withdrew from a contract signed with *Dnevnik* that was worth 100 million tolar, has never been fully explained. The reason stated by *Hofer* was the increase in the price of advertising space in *Dnevnik*, but *Dnevnik* denied this. *Hofer* then continued to advertise in *Delo*, which soon carried an interview with *Hofer*’s regional manager responsible for *Hofer*’s operations in Slovenia.

The struggle for advertisers and readers among the competitive daily newspapers in Slovenia led to the practice of (ab)using newspapers for attacks on various opponents. In an interview given to the *Finance* daily, the Chairman of the Board of *Styria Medien AG* (a 25% owner of *Dnevnik*), described the *Mag* weekly as an “exception in the media world”. “*Mag*’s manner of writing would not be acceptable anywhere else. I feel sorry for *Mag*’s employees” (*Finance*, May 23, 2006). The weekly *Mag*, on the other hand, wrote that *Styria Medien AG* “experienced a financial disaster on the Slovenian market” with its free weekly *Žurnal (Mag)*, No. 20, 2006). *Mag* also frequently wrote about the business (and ethical) difficulties experienced by the tabloid *Direkt*, which was also a topic mentioned on several occasions in

the commentaries of *Delo*'s editor-in-chief, Peter Jančič. The Chairman of the Management Board of *Delo*, Danilo Slivnik, wrote in his regular column for the *Mag* weekly: "A publisher who wants to increase his profit on the Slovenian market must shift towards popular content in one way or another. It is only there that one can find enough room for higher circulation, and only there, as a rule, is one spared political problems. Experience of foreign investors in media confirms that this is true. The American owners of POP TV created a quite commercialized television station, the Austrian *Styria* laid foundations for the sale of a specific type of journalistic content with its free weekly *Žurnal*, and the Swedish owners of *Finance* allowed the transformation of a rather serious business newspaper into a tabloid that presents numbers in a quite questionable manner."²³ In April of 2006,²⁴ the *Demokracija* weekly featured the salaries of *Delo d.d.* employees, listing the sums received by 86 employees (managers and journalists).

The story about the media owners is also a story about journalism and journalists. As Serge Halimi says in his book "Novi psi čuvaji,"²⁵ "the journalist is more often the prey than the hunter." If journalists are frequently the "prey" of their media owners' interests, their position within the Slovenian media is even more delicate. We have shown that, owing to the specific ownership structure, the owners of general interest daily newspapers are mainly committed to the interests of politics, which manages "its" media property neither with readers' interest in mind nor with a view to earning profit. Political property serves the political interest only and, accordingly, politicians argue for a free (media) market only when they face demands to regulate it in the interest of citizens.

According to data from the Statistical Office of Slovenia, in 2005 there were 1 635 journalists employed at Slovenian media companies. The register of independent journalists maintained by the Ministry of Culture shows that in June 2006 there were 331 independent journalists, while a further 400 journalists had no their independent status legally regulated. According to the Employment Service of

23 Danilo Slivnik, "Persil sive barve" (Gray Persil), in *Mag*, February 20, 2006 (p.19)

24 Milijonarji na Delu (Delo's Millionaires), in *Demokracija*, April 13, 2006 (pp.18-20). In early June 2006, the officer for information protection issued a decree stipulating that a fine be paid by *Demokracija* for violating the law on the protection of personal data.

25 Serge Halimi, *Novi psi čuvaji* (New Watchdogs). 2004. Ljubljana, Maska, Mediacije book series.

Slovenia, in March 2006 there were 43 unemployed journalists.²⁶ Since October 2004, when journalists went on general strike demanding the regulation of their social rights, no collective agreement to regulate this area has been signed. Neva Nahtigal, who has been focusing on the situation of independent journalists for several years now, has concluded that one third of journalists work without the employment contract and without even the basic legal or social security guarantee.²⁷ A considerable number of journalists are self-employed or they have fictitious contracts with some limited liability company. This type of employment is also found within Pro Plus (the owner of the two largest commercial television channels *POP TV* and *Kanal A*). The majority of executives are not Pro Plus's employees, but bill their services. The Managing Director of Pro Plus is a self-employed person, while the director of news and sports departments is the owner of a limited partnership company.²⁸ In contrast to Pro Plus's executives, the majority of independent journalists working for various media receive low payments for their work and work by contracts that are mainly harmful for them (with the situation of journalists working for local media being the most critical of all).²⁹ Such undefined legal and social situation of journalists has adverse effects on their independence, credibility and professionalism. Uncertainty (low payments, delayed payments, harmful contracts) makes journalists susceptible to pressures exerted by editors, owners and advertisers who require from them to write »paid articles« or PR articles that rather than serving the interest of the public serve the interests of owners

26 Data were collected by Lana Zdravković.

27 Neva Nahtigal. 2006. »Kolektivna pogodba za vse novinarje« (Collective Agreement For All Journalists), *Media Watch journal* (May, 2006), available at <http://mediawatch.mirovni-institut.si/bilten/seznam/26/polozej>

28 Silvester Šurla, »Operacija POP TV« (Operation POP TV), in *Mag*, No. 27, July 5, 2006 (p. 49)

29 Jasmina Potokar Rant analyzed 66 copyright agreements signed between 2003 and 2006 by self-employed and independent journalists working for the print media (25), television (20) radio (16) and a web portal (1) The analysis suggests that media companies are either not acquainted with the copyright law or they hope that journalists are not acquainted with it and will sign whatever is presented to them. The analysis of articles regulating economic rights showed that the media appropriated or wanted to appropriate more rights than legally allowed. Accordingly, 40 copyright agreements did not include the list of economic rights transferred to the media company. Twenty-one agreements had a non-competition clause, which is controversial since a copyright agreement should be signed for one individual piece of work. The majority of agreements (54) did not specify the extent of work, meaning that the quantity of work required from journalists could have been defined arbitrarily although the payment was fixed. See Jasmina Potokar Rant. 2006. *Urejanje statusa samostojnih in svobodnih novinarjev v Sloveniji. Analiza pogodbenih razmerij (Regulating the Status of Independent Journalists in Slovenia. The Analysis of Work Agreements)*. Ljubljana: FDV (a diploma work).

and advertisers. As a result, the once clear distinction between advertising (PR) and journalism has gradually become blurred, but the managers of media companies and their journalists have never alerted their readers, listeners and viewers to this fact.³⁰

The study of potential influence of media owners on whether or not a certain story will be featured and of their influence on editorial and journalists' autonomy should therefore be directed at uncovering the concrete pressures exerted on journalists. In one of the first research studies concerned with this problem, indeed conducted on a non-representative sample,³¹ the author³² used a simple questionnaire in an attempt to establish who exerted influence on journalists and in what ways. When journalists were asked who tried to influence their work, the answers were as follows: the representatives of the organization that felt affected (30% of respondents), politicians (24%), company executives (11%) and advertisers (10%). When asked how often this happened, one-third of respondents answered that it occurred frequently, 38% said rarely, and 23% said very rarely. As to the forms of pressure, the most frequent method was persuasion (30%), advice (31%), demand (14%) and the threat of filing suit against the journalist (12%).

However, journalists and media owners should be even more concerned with how their media are perceived by the viewers and readers. In May of 2006, while participants in the discussion series entitled *Trenja (Frictions)* on POP TV wrangled over whether or not media freedom in Slovenia was threatened and whether the democratic foundations were being undermined through staff replacements, viewers were asked the following question: Do you think that with the change in government media freedom improved, deteriorated or remained the same? Of the 9 492 viewers

30 Igor Drakulič lists additional problems faced by independent journalists: non-competition clause, forced »free-lancing«, economic dependence on one contractor only, the extent of work that equals to, or is greater than, the work performed by regular employees, low payments, dependence on the good-will of the editor/owner/customer, pushing journalists to perform PR and marketing work, and work without contract. Drakulič Igor. 2005. »Svobodni novinarji podpisali škodljive pogodbe« (Independent Journalists Signed Harmful Agreements), in *Media Watch journal* (November). Available at <http://mediawatch.mirovni-institut.si/bilten/seznam/24/polozej>

31 The author conducted personal interviews with 29 journalists during an educational seminar for journalists held in November 2005. Among the respondents there were 12 journalists working for *Delo*, 6 for *Dnevnik* and 11 for *Večer*. Of these, 10 were editors, 3 were editors and journalists and 16 were journalists only (all holding full-time jobs with the said newspaper companies).

32 This survey was part of the MA thesis entitled "Vpliv lastnikov kapitala na uredniško politiko" (The Influence of Capital Owners on Editorial Policies) by Irena Ferluga-Jedlončnik, a journalist for *Večer*. Ljubljana: FDU. 2006.

who voted by phone, 50% thought that media freedom had become greater with the change in government, 40% said that it had become smaller, and only 1% were of the opinion that nothing had changed. The conviction that the government has the potential to significantly influence media freedom, regardless of its political orientation, has obviously come to be taken for granted.

THE (NON)PLURALITY OF SLOVENIAN MEDIA SPACE

After several months of debate, on May 26, 2006, the National Assembly of Slovenia passed the amended law on the mass media (Amended Mass Media Act, hereafter AMMA).³³ One important new provision in this law is state support for certain programming content. Article 4.a stipulates that, with a view to ensuring the plurality and democracy of the media, the Republic of Slovenia shall provide, through the ministry responsible for culture, funds for realizing the public interest in the media. Budget resources will be provided to general interest print media, radio and television programs, on-line publications and radio and television programming of special significance (local, regional and student programming, and non-profit radio and television programming). One of the basic motives behind the legislator's decision to introduce this provision was the conclusion that there is a lack of media plurality in Slovenia and that the programming content in the "public interest", or greater plurality of the media environment, needs government support. However, a deficient and unidimensional definition of the notion of plurality persists.³⁴

The previous law on the mass media (passed in 2001, hereafter MMA) included several methods for ensuring media plurality. Article 4 stipulated that "the public interest in the area of mass media" was to be ensured through government support in disseminating certain programming content (in the public interest) and support for the development of technical infrastructure in the area of mass media. Section 9 of Title 1 (Protection of Media Plurality and Diversity), comprised articles that protected plurality and diversity of the media by restricting ownership concentration and regulating ownership shares in the media. It should be added, however, that the law did not provide a definition of the notions of plurality and diversity mentioned in the title of this section, nor did it explain the difference between plurality and diversity. We assume that by explicitly mentioning both terms the legislator wanted to emphasize that these were the two objectives of media policy, so corresponding

³³ *Uradni list RS* (Official Gazette of RS), 60/06, 9. 6. 2006 p. 6537.

³⁴ For more on the differences between the concepts of plurality, diversity and media diversity and their implications for the formulation of media policy, see Sandra B. Hrvatín, "Ali snovalci medijske politike razlikujejo pluralnost, različnost in raznolikost medijev?" ("Do the creators of media policy differentiate among media plurality, variety and diversity?" in *Media Watch journal*, May 2006, No. 25–26 (pp: 4–11).

mechanisms for their implementation should also have been in place. However, no such mechanisms were to be found anywhere within MMA.

The confusion over terms was compounded by the introduction of a new category, i.e. radio and television programming of special significance, stipulated in Section 3 of Title II. This kind of programming (including national programs produced by the public institution RTV Slovenija) was expected to ensure diverse content intended primarily for local and regional audiences. In addition to the said measures and mechanisms, we should also mention some additional support for programming stipulated by Article 110 of MMA. According to this article, the state was obliged to set aside part of the budget for the support of audio-visual production. To sum up, the previous law included both measures aimed at ensuring plurality (restriction of media concentration) and measures for ensuring diversity (Articles 4, 82, and 110). We shall now take a look at how budget resources were allocated to various media during the period 2002-2005 with respect to the provision described above.

TABLE 8: CO-FUNDING OF THE MEDIA IN ACCORDANCE WITH MMA (ARTICLES 4, 82, AND 110) DURING THE PERIOD 2002-2005.

	Programming content (Article 4)	Technical infrastructure (Article 4)	Audio-visual projects (Article 110)	Content of special significance (Article 82)	Total
2002	126,462.100		96,902.500		223,364.600
2003	59,167.966	9,999.999	54,690.742	235,360.937	359,219.644
2004	160,619.847	66,958.462	79,999.925	522,976.588	830,554.822
2005	116,865.322	70,717.478	127,480.000		315,062.800
Total					1,756.817.066

Source: Ministry of Culture.

During the period 2002-2005, the government earmarked more than 1.7 billion tolar for the implementation of media diversity. The resources stipulated by Article 4 of MMA were to be allocated to the media for selected programming content in the public interest, resources stipulated by Article 82 to the broadcasters of programming content of special significance, and those stipulated by Article 110 to projects that enabled the development of audio-visual production in the area of mass media. The envisaged budget

resources arising from Article 4 alone amounted to 900 million tolar. However, the government never actually provided these funds, despite the explicit provision in Article 149 of MMA. Resources were allocated by special commissions appointed by the Ministry of Culture, whose members included people who had direct links with the broadcasters and publishers who competed at public tenders.

Even if we ignore the conflict of interest, the criteria for the selection of projects and the failure of the government to provide the legally stipulated amount, there still remains one problematic issue that has never been resolved. This is the question of how (if at all) to assess the efficiency of the exploitation of these resources. The aim was to increase media diversity through certain measures, yet during the five years while state support was provided according to this law, the government never conducted any research to find out whether the support was sensible and efficient. Or, to put it differently, it never tried to establish whether this model for supporting diversity actually produced the desired results. Did 1.7 billion tolar of state subsidy contribute to greater diversity of the media in any meaningful way? Nor did the government make an analysis of the efficiency of measures aimed at ensuring plurality (i.e. restrictions on media concentration) or of the consumption of available content (i.e. the diversity of exposure or assessment of the extent to which the citizens “consumed” this content).

Since one of the basic arguments for introducing a special budget fund for ensuring media plurality was the lack of plurality on the Slovenian media scene, the aim of our analysis is rather limited. We have already shown that ownership concentration and the significant presence of the state in media companies have implications for editorial policies and journalists’ autonomy. According to the data in the media register maintained by the Ministry of Culture, the number of media outlets in Slovenia is quite high. However, this is not all there is to plurality. It would also be necessary to establish the extent of the diversity of content provided by these media and the diversity of exposure to this programming content (media consumption).

We shall first consider the case of daily newspapers which, according to the conclusions of those who proposed changes in the media law, displayed a lack of plurality. There are four general daily newspapers in Slovenia (*Delo*, *Dnevnik*, *Primorske novice* and *Večer*), one business newspaper (Finance) and two tabloids (*Direkt* and *Slovenske novice*).

Their combined circulation is approximately 300,000 copies. Given that subscriptions account for the major part of the circulation of daily newspapers, we should start from the assumption that readers differ among themselves, as indicated by their choice of newspaper. If the plurality of daily newspapers is considered from the ownership perspective, it is evident that, of the seven newspapers on the market, six are in the hands of owners who are related through ownership links. However, what is more important for the reader is whether the chosen newspaper provides all the necessary information.

As a matter of fact, most readers read just one newspaper, so in obtaining information they depend on the sources and explanations offered by that specific/chosen newspaper. When studying the plurality of content the crucial question is not how much the contents of various newspapers differ among themselves, but rather, what content is not being provided by any newspaper. In assessing media plurality, one should primarily focus on that which is absent from all media, rather than on the content carried or presented in various ways by various media. In accordance with this, a media policy that aims for plurality should strive to ensure subsidies (state support) for that programming content not featured by the media, rather than for content that is already featured and should be presented in diverse ways. To put it differently, studies of media plurality should aim to establish what content is not present in the media, rather than to compare content that is present.

The study entitled “Media Plurality in Slovenia,”³⁵ commissioned by the Ministry of Culture for the purpose of facilitating the drafting of amendments to the media legislation, started from the assumption that there was “weak differentiation among the media in Slovenia in terms of opinions (views), as regards both internal and external plurality.” This assertion was supported by the results of the analysis of texts featured by four daily newspapers (*Delo*, *Dnevnik*, *Finance and Večer*), all of which addressed issues related to the Prime Minister or to the government’s proposal for reforms (during February and December 2005), and of the columns in *Dnevnik* (in 2005). The analysis included 582 texts dealing with the PM or the proposed reforms. The conclusions were as follows (the following is a selected list):

35 Stanje medijskega pluralizma v Sloveniji (Preliminarno raziskovalno poročilo) (The state of media plurality in Slovenia/Preliminary research report), 2006. Inštitut za razvojne in strateške analize (Adam Frane, Matej Makarovič, Matevž Tomšič and Peter Lah). Available at <http://www.kultura.gov.si/>

- *Večer* showed a greater tendency than other three dailies to refer to the views of the opposition parties; *Finance* is outstanding in this respect, as it allegedly explicitly focuses on the LDS opposition party;
- Approximately 40% of the text analyzed relied on government sources when writing about the PM or the proposed reforms; 15% of texts referred to the opposition parties in addition to government sources, while approximately 10% relied on the coalition parties;
- The analysis of the main actors' and authors' attitudes towards the government indicated that negative attitudes prevailed;
- It is obvious that the media are not pro-governmental, and there are no indicators that the media have recently become pro-government (because of alleged pressure or for other reasons).³⁶

And what were the conclusions as to the plurality of *Dnevnik's* columns? The researchers analyzed 292 columns by six authors and divided them into "left" and "right" oriented and "ideologically neutral" on the basis of their underlying standpoints. The conclusion was that 60% of the columns carried connotations of specific underlying standpoints; of these, 46% were left oriented, 39% were neutral and 15% right oriented.³⁷

Since the Ministry of Culture commissioned this study to meet the needs arising from the drafting of amendments to the media legislation, it is interesting to see what, in the opinion of the author of the study, the guidelines for media policy should be. If we start from the conclusion found in this study which says that "(1) the government has a legitimate interest in the area of the mass media" and that "(2) governments actually regulate the media," then it would be necessary to find "such criteria as won't be susceptible to subjective interpretation." The platform on which plurality-oriented media policy should be based could rely on the following principles: "(1) the government or the National Assembly cannot create plurality, but they can encourage it; (2) the objective of the regulation is to provide quality journalism reflecting a diversity of ideas. This means that it would be sensible to support those media that meet the objective criteria for journalistic quality. In addition, there

³⁶ Stanje medijskega pluralizma v Sloveniji (The state of media plurality in Slovenia), 2006: p.44.

³⁷ Stanje medijskega pluralizma v Sloveniji (The state of media plurality in Slovenia), 2006: p.49.

must be present a demonstrable interest of the public in these media.”³⁸

Among the criteria for the allocation of state support found in the AMMA are:

- Ensuring of regular, objective and balanced presentation of political activity and viewpoints of various organizations and individuals, and the governing political parties and opposition parties in particular.
- Quality, originality, communicativeness and currency of the author’s approach.
- The average number of copies sold in the case of the print media.
- The average number of featured original articles in individual issues.
- The quantity of general interest, cultural, expert, research and educational content.
- The significance of the exercise of the right to public information and objective information.
- The extent to which the media create more jobs or more opportunities for contractual work for journalists or other workers creating programming content.
- The importance of the media for the region or local community.³⁹

On the basis of these criteria and regular annual analysis of media plurality in Slovenia, a special expert committee (appointed by the Minister of Culture) is envisaged. It will allocate state support to general interest daily newspapers with a view to ensuring greater plurality.⁴⁰ But to which general interest daily newspapers and to what content will the committee grant support? Will it give support to those

³⁸ Stanje medijskega pluralizma v Sloveniji (The state of media plurality in Slovenia), 2006, p.16 and p. 18.

³⁹ Zakon o spremembah in dopolnitvah zakona o medijih (Amended Mass Media Act), Article 4.a, paragraph 9.

⁴⁰ In early June 2006, Barbara Žgajner Tavš, an MP from the Slovenian National Party posed in writing a question to the Minister of Culture: »With regard to the opinion of individual ministry’ representatives who do not perceive media plurality in Slovenia, I ask the minister responsible for this area on the basis of which criteria and in relation to the pluralization of the media environment, the ministry formulated the conditions for the allocation of subsidies? After all, it was the main argument for amending the media law and the law on RTV Slovenija.« The reply of the ministry dated June 21, 2006 was short. The subsidies will begin to be allocated only after the new law comes into effect, and the by-law that regulates the criteria for allocation is being considered by the government for harmonization. The Ministry stressed that »when reviewing the projects competing for subsidies the expert committee will take into account the findings of the regular annual study of the state of media plurality.« This MP’s question and the reply are available at <http://www.dz-rs.si>. The First »regular study of the state of media plurality in Slovenia« mentioned in this reply was presented by the Ministry at the end of June 2006, but, as we have shown, this study does not comprise a complete analysis of media (non)plurality.

newspapers that treat the government critically, in order to encourage more balanced coverage of the work of the government? Or should it support the authors of columns whose views are more inclined to the right-wing? How large should be the sum allocated for launching a new, “right-wing” oriented newspaper in an environment already experiencing media concentration? Or, should the committee support programming content not provided by the existing media, which would, indeed, lead to greater plurality of the print media?

While the study commissioned by the ministry showed that the market in general interest daily newspapers is not plural, it did not answer the question of whether the radio and television media market is plural, since it did not investigate this segment. Yet despite this, a substantial portion of state support will go to radio and television programming content, and to content of special significance in particular.⁴¹

TABLE 9: THE REACH OF RADIO STATIONS IN 2005

	IN 000	IN %
VAL 202	239	14.00
SLO 1 (AI)	189	11.10
CITY	67	3.90
HIT DOMŽALE	59	3.40
OGNJIŠČE	55	3.20
POSTAJA CENTER	54	3.20
MODRI VAL (KOPER)	54	3.20
MARIBOR	45	2.70
KRKA	45	2.70
MURSKI VAL	44	2.60
VESELJAK	37	2.20
PTUJ	37	2.20
ŠTAJERSKI VAL	36	2.10
ANTENA 1	33	2.00
SRAKA	33	1.90
FANTASY	33	1.90
NET FM	32	1.90
BELVI	29	1.70
ROGLA	28	1.60
KOROŠKI RADIO	28	1.60
MAXI - PRLEŠKI VAL	26	1.50

41 Nineteen radio programs and 11 television programs in Slovenia enjoy the “special significance” status.

	IN 000	IN %
CELJE	26	1.50
RGL	25	1.50
ZELENI VAL	25	1.40
SALOMON	21	1.20
KRANJ	19	1.10
GOLDI	19	1.10
TRIGLAV	19	1.10
CAPRIS	17	1.00
RADIO SI	17	1.00
STUDIO D	16	0.90
GAMA MM	15	0.90
BREZJE (MARIBOR)	15	0.90
KUM	14	0.80
SLOVENSKE GORICE	14	0.80
MOJ RADIO	14	0.80
ŠPORT	13	0.80
BREŽICE	13	0.70
RADIO 94	12	0.70
SORA	12	0.70
VAL	11	0.70
RADLJE	10	0.60
VIVA	10	0.60
UNIVOX	10	0.60
BAKLA	9	0.60
DUR	9	0.50
POSLOVNI VAL	9	0.50
ENERGY	9	0.50
ODMEV	8	0.50
ROBIN	7	0.40
VELENJE	7	0.40
SLO 3 (ARS)	7	0.40
ALPSKI VAL	6	0.40
MAX	6	0.40
ORION	6	0.30
ALFA	5	0.30
PLUS	4	0.20
GORENC	4	0.20
NOVA	4	0.20
TEMPO	4	0.20
LASER	4	0.20
MORJE	4	0.20
ŠTUDENT	4	0.23
SNOOPY - STUDIO ZOS	4	0.20
SEVNICA	3	0.20

	IN 000	IN %
PRLEK	3	0.20
GEOSS	3	0.20
ODEON	2	0.10
SLOVENSKI POSLOVNI KANAL	2	0.10
CELJSKI VAL	1	0.10
ITR	1	0.10
URBAN	1	0.10

Source: NRB 2005.

TABLE 10: REACH OF TELEVISION STATIONS IN 2005

NATIONAL STATIONS	IN 000	IN %
POP TV	1031.4	60.40
SLOVENIJA 1	929.5	54.50
KANAL A	468.4	27.40
SLOVENIJA 2	441.9	25.90
TV 3	95.2	5.60
KOPER - CAPODISTRIA	22.0	1.30
LOCAL STATIONS	IN 000	IN %
NET TV	44.9	2.60
VAŠ KANAL	26.7	1.60
VTV VELENJE	24.0	1.40
TV PIKA	21.2	1.20
TV PAPRIKA	12.8	0.70
TV CELJE	10.9	0.60
TV PRIMORKA	10.0	0.60
TVM	9.3	0.50
GORENJSKA TV	3.2	0.20
IDEA TV	1.9	0.10
STUDIO AS	1.8	0.10

Source: NRB 2005.

Comments: Data about the reach of radio and television stations in 2005 shows that the most viewed television channels were *POP TV*, *RTV SLO1*, *Kanal A*, *RTV SLO2* and *Prva TV*. *POP TV* and *Kanal A*, the two most watched commercial television stations, are both owned by CME. Among the five most watched local television programs are three commercial stations (*Net TV*, *TV Pika*, *TV Paprika*) and two programs of special significance (*Vaš kanal* and *VTV Velenje*). Among the five most listened to radio stations are two programs of the public radio station (*Val 202* and *Slo 1*), two commercial stations (*City* and

Hit Domžale) and a non-profit station of special significance, *Radio Ognjišče*.

The owners of content classified as having special significance proposed, through the Publishing, Printing and Media Association of the Chamber of Commerce, an amendment to the media legislation envisaging special support for their operation, on the grounds that their programming content serves the public interest. The government supported their proposal and allocated to these programs a sum equal to 3% of the support received by public television RTV Slovenia programs.⁴² Arguing for the adoption of this amendment, the Association said that “owing to the high costs of production, all programs of special significance, by nature of their activity, operate on the margins of profitability or even below the profitability threshold, virtually without earning any profit. In fact, the production costs are financed from other profit-earning activities of the economic organization.” They also argued that, with the minimal state support provided so far, which has not exceeded 10% of the total sum needed to produce programming content of special significance, “programming content of special significance will hardly be able to fulfill the requirements needed to preserve this status and obtain funds through public tenders, or the expectations of the public regarding quality local and regional content.” Without generous state support, they are allegedly “in danger, and particularly so are the job positions of journalists and other programming staff.”⁴³

⁴² AMMA, Article 4a, paragraph 3.

⁴³ Remarks by the Print and Media Union on the amendments to the MMA, EPA 0699-IV, first reading (pp. 2–3). Print and Media Union with the Chamber of Commerce has around 460 members-media publishers.

TABLE II : BUSINESS RESULTS OF BROADCASTERS

PUBLISHER	CITY	MEDIA	No. of employees	total revenues in '000 tolar	MARKET SHARES		
					in percentages		
					total revenues	sales revenues	assets
PODJETJE ZA INFORMIRANJE D.D.	MURSKA SOBOTA	RADIO MURSKI VAL (NGD)	35	571.900	2,55	2,47	1,45
NT&RC D.O.O.	CELJE	RADIO CELJE (NGD)	32	467.360	2,08	2,25	0,44
INFONET MEDIA D.D.	LJUBLJANA	NACIONALNA PROGRAMSKA RADIJSKA MREŽA	1	456.136	2,03	2,21	2,60
RADIO TEDNIK PTUJ D.O.O.	PTUJ	RADIO PTUJ	23	350.325	1,56	1,69	0,67
RGL D.D.	LJUBLJANA	RADIO GLAS LJUBLJANE	11	350.015	1,56	1,61	1,06
QUADRUM, D.O.O.	TOMAJ	RADIO VAL, INFORMATIVNI VAL	1	331.677	1,48	1,60	3,26
R DOMŽALE D.O.O.	DOMŽALE	RADIO HIT, RADIO ROCK FM	18	309.227	1,38	1,42	2,43
RADIO CITY D.O.O.	MARIBOR	RADIO CITY	12	271.536	1,21	1,30	1,01
RADIO OGNJIŠČE D.O.O.	KOPER	RADIO OGNJIŠČE	22	251.520	1,12	0,65	1,28
NAŠ ČAS, D.O.O.	VELENJE	RADIO VELENJE (PODRUŽNICA NČ) (NGD)	18	235.710	1,05	1,11	1,19
NOVICE D.O.O.	SLOVENSKE KONJICE	RADIO ROGLA (NGD)	13	203.912	0,91	0,98	0,46
RADIO KRANJ, D.O.O.	KRANJ	RADIO KRANJ	11	195.377	0,87	0,80	0,95
RADIO KRKA NOVO MESTO, D.O.O.	NOVO MESTO	RADIO KRKA	9	177.717	0,79	0,85	0,65
RADIO ŠTAJERSKI VAL D.O.O.	ŠMARJE PRI JELŠAH	RADIO ŠTAJERSKI VAL	13	147.202	0,66	0,71	0,28
RECAL D.O.O.	LJUTOMER	RADIO MAKI - PRLEŠKI VAL	7	143.466	0,64	0,58	0,82
RADIO TRIGLAV JESENICE, D.O.O.	JESENICE	RADIO TRIGLAV	10	133.091	0,59	0,54	0,44
RADIO 94 D.O.O.	POSTOJNA	RADIO 94, KRPAN	4	132.664	0,59	0,62	1,39
UNIVOX D.O.O.	KOČEVJE	RADIO UNIVOX	11	119.509	0,53	0,52	0,35
RADIO KUM TRBOVLJE, D.O.O.	TRBOVLJE	RADIO KUM	11	115.314	0,51	0,50	0,26
KOROŠKI RADIO D.O.O.	SLOVENJ GRADEC	KOROŠKI RADIO (NGD)	12	108.266	0,48	0,52	0,24
STUDIO D, D.D.	NOVO MESTO	STUDIO D	10	107.722	0,48	0,48	0,24
ALPE ADRIA ZELENI VAL PODJETJE ZA RADIOFUZIJO IN MARKETING, D.O.O.	SPODNJA SLIVNICA	RADIO ZELENI VAL	9	106.626	0,48	0,47	0,22
RADIO BREŽICE D.O.O.	BREŽICE	RADIO BREŽICE	8	106.612	0,48	0,49	0,20
RADIO SORA, D.O.O.	ŠKOPLJA LOKA	RADIO SORA	10	105.182	0,47	0,46	0,23
RADIO CAPRIS D.O.O.	KOPER	RADIO CAPRIS	7	96.430	0,43	0,40	0,47
OPTIMEDIA, D.O.O.	LJUBLJANA	RADIO ŠPORT	1	94.740	0,42	0,45	0,55
BIROTEH, D.O.O.	HRUŠICA	RADIO BELVI GORENJSKA (NGD)	0	92.953	0,41	0,45	0,41
RADIO ROBIN D.O.O.	NOVA GORICA	RADIO ROBIN	5	91.650	0,41	0,41	0,19

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

44 Table 11 and the data analysis were prepared by Iztok Jurančič, president of the Trade Union of Journalists in Slovenia.

BROADCASTERS OF RADIO PROGRAMS⁴⁴

SELECTED INDICATORS					COMPARATIVE MATRIX					subsidies by the Ministry of Culture (in tolar)
in percentages		in'000 tolar per employee			index =the observed average is 100					
profit/ capital	profit/ assets	revenue	labor costs	salaries	profitability		labor costs per employee			
					profit/ capital	profit/ assets	revenue	labor costs	salaries	
5.89	4.12	16.340	6.850	5.074	21,1	31,4	59,4	155,6	159,6	12,250.800
-21.26	-4.21	14.605	5.826	4.307	-76,2	-32,0	53,1	132,4	135,5	-
68.49	3.77	456.136	5.928	5.928	245,5	28,7	1657,4	134,7	186,4	-
6.27	2.69	15.232	5.686	4.148	22,5	20,5	55,3	129,2	130,4	20,597.484
3.49	2.77	31.820	5.498	4.022	12,5	21,1	115,6	124,9	126,5	5,892.960
17.69	2.94	331.677	3.168	3.168	63,4	22,4	1205,2	72	99,6	-
6.34	2.08	17.179	3.996	3.177	22,7	15,9	62,4	90,8	99,9	10,019.897
14.40	8.59	22.628	4.363	3.210	51,6	65,4	82,2	99,1	100,9	-
-	-5.95	11.433	5.323	3.778	-	-45,3	41,5	120,9	118,8	-
10.75	7.93	13.095	6.282	5.604	38,5	60,4	47,6	142,7	176,2	-
15.57	11.90	15.686	4.212	2.895	55,8	90,6	57,0	95,7	91,0	1,256.450
16.33	13.99	17.762	7.130	4.989	58,5	106,6	64,5	162	156,9	14,160.000
18.60	11,13	19.746	6.339	4.573	66,7	84,7	71,8	144	143,8	-
37.26	19.08	11.323	3.747	2.670	133,6	145,3	41,1	85,1	84,0	-
53.00	18.72	20.495	3.149	2.252	190,0	142,6	74,5	71,6	70,8	-
3.68	3.09	13.309	6.663	4.812	13,2	23,5	48,4	151,4	151,3	10,275.000
16.88	8.61	33.166	1.966	1.417	60,5	65,5	120,5	44,7	44,5	-
9.17	3.53	10.864	3.308	2.408	32,9	26,8	39,5	75,2	75,7	11,260.198
3.95	2.86	10.483	5.973	4.256	14,2	21,8	38,1	135,7	133,9	9,524.050
5.52	4.25	9.022	6.330	3.062	19,8	32,4	32,8	143,8	96,3	6,455.400
15.99	12.94	10.772	5.154	3.495	57,3	98,5	39,1	117,1	109,9	15,208.695
14.67	7.43	11.847	2.759	1.894	52,6	56,6	43,0	62,7	59,6	7,052.337
-1483.79	-88.94	13327	3211	2242	-5318,3	-677,4	48,4	73,0	70,5	3,380.608
11.45	8.29	10518	5245	3680	41,0	63,1	38,2	119,2	115,7	8,911.619
55.73	8.68	13776	3921	2909	199,8	66,1	50,1	89,1	91,5	-
1.41	0.16	94740	4952	4952	5,1	1,2	344,2	112,5	155,7	-
25.14	1,74	-	-	-	90,1	13,2	0	0	0	-
41.69	26.08	18.330	4.270	3.168	149,4	198,6	66,6	97,0	99,6	3,645.860

PUBLISHER	CITY	MEDIA	No. of employees	total revenues in '000 tolar	MARKET SHARES		
					in percentages		
					total revenues	sales revenues	assets
RADIO CENTER D.O.O.	MARIBOR	RADIO CENTER	5	91.620	0,41	0,44	0,33
RADIO GORENC D.O.O.	TRŽIČ	RADIO GORENC	8	81.331	0,36	0,25	0,33
RADIO NET D.O.O.	MARIBOR	RADIO NET FM	8	78.463	0,35	0,38	0,17
SRAKA INTERNATIONAL D.O.O.	NOVO MESTO	RADIO SRAKA (NGD)	6	74.366	0,33	0,35	0,09
NOVA NOVA D.O.O.	AJDOVŠČINA	RADIO NOVA	3	51.470	0,23	0,25	0,11
MEDIA INFO D.O.O.	MURSKA SOBOTA	RADIO VIVA	4	39.869	0,18	0,19	0,15
SANTI, D.O.O.	NOVO MESTO	RADIO MAX (NGD)	1	38.350	0,17	0,18	0,20
I RADIO D.O.O.	LJUBLJANA	I RADIO	0	37.881	0,17	0,14	0,10
RADIO ALFA D.O.O.	SLOVENJ GRADEC	RADIO ALFA	4	37.380	0,17	0,18	0,18
RADIO CERKNO D.O.O.	CERKNO	RADIO ODMEV	3	37.344	0,17	0,17	0,11
RADIO BELVI, D.O.O.	KRANJ	RADIO BELVI KRANJ	1	36.895	0,16	0,17	0,13
RADIO SLOVENSKE GORICE D.O.O.	LENART V SLOVENSkih GORICAH	RADIO SLOVENSKE GORICE	8	36.772	0,16	0,17	0,21
BORIS SUŠIN S.P.	VELENJE	MOJ RADIO (NGD)	2	35.996	0,16	0,17	0,11
RADIO ANTENA D.O.O.	LJUBLJANA	RADIO ANTENA (NGD)	0	32.175	0,14	0,15	0,19
RADIO KOBARID D.O.O.	KOBARID	ALPSKI VAL	3	25.715	0,11	0,09	0,05
RADIO GOLDI SAVINJSKI VAL, D.O.O.	DOLENJA VAS	MIDI-RADIO GOLDI SAVINJSKI VAL	2	24.747	0,11	0,12	0,06
FANTASY - ŠPRAH, K.D.	ŠKOFJA VAS	RADIO FANTASY (NGD)	1	23.577	0,11	0,11	0,09
B.&B.BELNA D.O.O.	ŠENTILJ V SLOV. GORICAH	RADIO PLUS MARIBOR	2	23.389	0,10	0,10	0,25
PUNTAR D.O.O.	KRŠKO	RADIO ENERGY	2	21.282	0,09	0,10	0,05
ITAK D.O.O.	LJUBLJANA	RADIO MESTO, RADIO BTC (NGD)	2	19.332	0,09	0,09	0,05
RADIO SEVNICA D.O.O.	SEVNICA	RADIO SEVNICA	1	19.208	0,09	0,04	0,11
INTERTEH, D.O.O.	VNANJE GORICE	RADIO ORION	0	17.039	0,08	0,07	0,10
MAHKOVEC Š & D, D.N.O.	LITIJA	RADIO GEOSS	1	15.889	0,07	0,07	0,04
NOBLESSE, D.O.O.	REČICA OB PAKI	RADIO BAKLA (NGD)	1	15.732	0,07	0,08	0,06
RADIO TEMPO MATJAŽ JERŠIČ S.P.	POLZELA	RADIO TEMPO	1	13.886	0,06	0,07	0,04
RADIO BREZJE D.O.O.	MARIBOR	RADIO BREZJE	1	13.671	0,06	0,07	0,09
ARTIST D.O.O.	ČRNOMELJ	RADIO ODEON	0	13.584	0,06	0,04	0,07
ŠUJ & CO, D.O.O.	PIRAN	RADIO TARTINI (NGD)	0	13.197	0,06	0,06	0,07
RADIO RADLJE D.O.O.	RADLJE OB DRAVI	RADIO RADLJE	0	10.774	0,05	0,05	0,02
NTR, LOGATEC, D.O.O.	LOGATEC	ITR	0	10.537	0,05	0,03	0,02
LASER VILKO PUSTOTNIK S.P.	SLOVENJ GRADEC	RADIO LASER (NGD)	1	8.931	0,04	0,04	0,05
R GAMA - MM D.O.O.	LJUBLJANA	RADIO EKSPRES	0	8.704	0,04	0,04	0,05
RADIO AVA D.O.O.	LJUBLJANA	RADIO AVA	1	7.137	0,03	0,03	0,05

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

Media Empire – Contemporary Masters of Information

SELECTED INDICATORS					COMPARATIVE MATRIX					subsidies by the Ministry of Culture (in tolar)
in percentages		in'000 tolar per employee			index =the observed average is 100					
profit/ capital	profit/ assets	revenue	labor costs	salaries	profitability		labor costs per employee			
					profit/ capital	profit/ assets	revenue	labor costs	salaries	
34.07	10.25	18.324	2.406	1.798	122.1	78.1	66.6	54.7	56.6	-
-	-15.42	10.166	2.592	1.689	-	-117.5	36.9	58.9	53.1	25,099.000
49.95	6.95	9.808	2.007	1.388	179.0	53.0	35.6	45.6	43.7	-
38.04	18.36	12.394	2.961	2.267	136.3	139.8	45.0	67.3	71.3	4,376.000
21.78	7.48	17.157	2.298	1.723	78.1	57.0	62.3	52.2	54.2	-
-	-105.35	9.967	2.081	1.532	-	-802.4	36.2	47.3	48.2	-
0	0	38.350	9.180	9.020	0	0	139.3	208.6	283.6	1,805.624
177.22	57.36	-	-	-	635.2	436.9	0	0	0	-
-16.27	-7.03	9.345	3.576	2.508	-58.3	-53.5	34.0	81.3	78.9	-
24.99	7.30	12.448	3.683	2.554	89.6	55.6	45.2	83.7	80.3	13,575.000
31.17	6.40	36.895	4.109	4.109	111.7	48.7	134.1	93.4	129.2	2,334.247
49.79	7.14	4.597	2.451	1.739	178.5	54.3	16.7	55.7	54.7	18,433.000
48.07	40.53	17.998	2.266	1.375	172.3	308.7	65.4	51.5	43.2	-
5.76	0.99	-	-	-	20.6	7.5	0	0	0	1,393.510
-116.25	-25.65	8.572	1.947	1.336	-416.7	-195.4	31.1	44.2	42	8,271.600
81.03	0.72	12.374	1.840	1.301	290.4	5.5	45.0	41.8	40.9	-
42.07	11.57	23.577	516	362	150.8	88.1	85.7	11.7	11.4	-
-	-12.31	11.695	2.453	1.986	-	-93.8	42.5	55.7	62.4	-
21.29	8.90	10.641	2.454	1.664	76.3	67.8	38.7	55.7	52.3	-
-116.32	-7.06	9.666	1.920	1.083	-416.9	-53.8	35.1	43.6	34.0	-
-18.73	-16.66	19.208	5.927	3.087	-67.1	-126.9	69.8	134.7	97.1	4,515.136
13.27	6.10	-	-	-	47.6	46.4	0	0	0	1,785.323
2.31	0.97	15.889	2.591	1.873	8.3	7.4	57.7	58.9	58.9	-
32.26	10.77	15.732	2.079	1.599	115.6	82.0	57.2	47.2	50.3	-
22.32	3.04	13.886	2.334	1.566	80.0	23.1	50.5	53.0	49.2	-
4.99	3.10	13.671	3.625	2.706	17.9	23.6	49.7	82.4	85.1	-
-452.85	-12.26	-	-	-	-1623.1	-93.4	0	0	0	3,557.832
9.80	1.61	-	-	-	35.1	12.2	0	0	0	-
0.00	0.00	-	-	-	0	0	0	0	0	-
-24.92	84.61	-	-	-	-89.3	644.4	0	0	0	-
15.95	10.31	8.931	1.347	1.120	57.2	78.5	32.5	30.6	35.2	-
-	-31.17	-	-	-	-	-237.4	0	0	0	-
-23.84	-5.90	7.137	2.228	1.883	-85.4	-44.9	25.9	50.6	59.2	-

PUBLISHER	CITY	MEDIA	No. of employees	total revenues in '000 tolaris	MARKET SHARES		
					total revenues	sales revenues	assets
					in percentages		
MOŠKOTEVC MARKETING D.O.O.	STOPČE	RADIO CELJSKI VAL (NGD)	0	6.468	0,03	0,03	0,01
SKUPINA KAOS, D.O.O.	LJUBLJANA	RADIO KAOS	0	4.850	0,02	0,02	0,07
ENIMAR D.O.O.	KOPER	RADIO PORTOROŽ	0	4.574	0,02	0,02	0,11
RADIO URBAN D.O.O.	RIBNICA	RADIO URBAN	0	4.565	0,02	0,02	0,03
RADIO MORJE D.O.O.	LJUBLJANA	RADIO MORJE	0	1.906	0,01	0,01	0,13
SODA D.O.O.	LJUBLJANA	RADIO LJUBLJANA	0	108	0,00	0,00	0,01
SVET IDEJ D.O.O.	GORICA PRI RAZTEZU	RADIO IO5 (5M POSLOVANJA)	0	3	0,00	0,00	0,01
MEDIA TON D.O.O.	RADENCI	RADIO RADIO (NGD)	0	0	0,00	0,00	0,02
RADIO KLASIK - OBLAK K.D.	LJUBLJANA	RADIO KLASIK	0	0	0,00	0,00	0,00
ZAVOD MARŠ	MARIBOR	MARIBORSKI RADIO ŠTUDENT	3-4	-	-	-	-
ZAVOD RŠ	LJUBLJANA	RADIO ŠTUDENT	2	-	-	-	-
ZAVOD ZA INFORMIRANJE	ORMOŽ	RADIO PRLEK	1	-	-	-	-
ZVEZA ROMOV SLOVENIJE	MURSKA SOBOTA	RADIO ROMIC	1	-	-	-	-
SKUPAJ IZDAJATELJI RADIJSKIH MEDIJEV			400	6.912.556	30,82	31,16	27,82
SKUPAJ IZDAJATELJI RTV MEDIJEV			815	22.429.651	100	100	100

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

Source: Balance sheet data AJPES (IBON, September 2005), Media register (April 2006).

Comment: Podjetje za informiranje d. d., NT& RC d. o. o, Radio Tednik Ptuj and Naš čas d. o. o. are broadcasters of radio programs and publishers of print media. The radio programs classified as programs of special significance are Radio Robin (local), Radio Murski val (regional), Radio Kum (regional), Radio Kranj (regional), Radio Triglav (regional), Radio Sora (regional), Radio Marš (student), Studio D (regional), Radio Ptuj (regional), Radio Odmev (local). Radio Alpski val (local), Koroški radio (regional), Radio Slovenske gorice (regional), Radio Gorenc (local), Radio Celje (regional), Radio Univox (local), Štajerski val (regional), Radio Ognjišče (non-profit), Radio Velenje (local).

SELECTED INDICATORS					COMPARATIVE MATRIX					subsidies by the Ministry of Culture (in tolar)
in percentages		in'000 tolar per employee			index =the observed average is 100					
					profitability		labor costs per employee			
profit/ capital	profit/ assets	revenue	labor costs	salaries	profit/ capital	profit/ assets	revenue	labor costs	salaries	
1420.59	19,46	-	-	-	5091.7	148.2	0	0	0	-
0.16	0,10	-	-	-	0.6	0.8	0	0	0	6,473.400
4,38	0,90	-	-	-	15,7	6,9	0	0	0	-
0,38	0,14	-	-	-	1,4	1,1	0	0	0	-
-	-3,62	-	-	-	-	-27,6	0	0	0	-
-4,19	-3,88	-	-	-	-15,0	-29,6	0	0	0	-
-12,06	-12,03	-	-	-	-43,2	-91,7	0	0	0	-
-	-0,86	-	-	-	-	-6,6	0	0	0	-
-10,98	-9,00	-	-	-	-39,3	-68,5	0	0	0	-
-	-	-	-	-	-	-	-	-	-	14,450.175
-	-	-	-	-	-	-	-	-	-	2,500.000
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
10,04	3,60	17,281	4,728	3,440	36	27,4	62,8	107,4	108,2	248,461.205
27,90	13,13	27,521	4,401	3,180	100	100	100	100	100	589,509.555

TABLE 12: BUSINESS RESULTS OF

publisher	city	media	No. of employees	total revenues in '000 tolares	MARKET SHARES		
					total revenues	sales revenues	assets
					in percentages		
PRO PLUS D.O.O.	LJUBLJANA	KANAL A, POP TV (LASTNIK) (NGD)	138	9.006.706	40,16	42,32	50,08
EVJ ELEKTROPROM D.O.O.	LOKE PRI ZAGORJU	ETV (NGD)	140	2.560.228	11,41	11,94	9,88
SKYLINE D.O.O.	LJUBLJANA	STUDIO SIGNAL (NGD)	10	513.521	2,29	2,47	1,17
TELE-TV D.O.O.	KRANJ	GORENJSKA TELEVIZIJA-GTV (NGD)	14	337.972	1,51	1,57	1,02
TELE 59 D.O.O.	MARIBOR	RTS	2	288.640	1,29	0,74	1,43
PRIVAT D.O.O.	LJUBLJANA	TV PAPRIKA	4	169.098	0,75	0,82	0,34
PRVA TV D.O.O.	LJUBLJANA	PRVA TV	10	852.237	3,80	0,81	1,59
VTV STUDIO, D.O.O.	VELENJE	TV VELENJE	13	160.311	0,71	0,77	0,78
NAKLO, D.O.O.	LOGATEC	TV LEP LOGATEC (NGD)	7	157.657	0,70	0,75	0,48
ALENKA CAMLEK S.P.	RAVNE NA KOROŠKEM	TOP RTV	5	147.470	0,66	0,57	0,94
VA D.O.O.	ŠEMPETER PRI GORICI	TV PRIMORKA	8	138.536	0,62	0,60	0,49
POP TV D.O.O.	LJUBLJANA	POP TV (NGD)	0	137.967	0,62	0,67	0,02
TELEVIDEO D.O.O.	LJUBLJANA	TV PIKA (NGD)	1	136.192	0,61	0,66	0,28
KANAL A D.O.O.	LJUBLJANA	KANAL A	0	131.565	0,59	0,61	0,97
TV CELJE D.O.O.	CELJE	TV CELJE	10	128.592	0,57	0,59	0,23
MINI GO D.O.O.	SOLKAN	MESTNI STUDIO (NGD)	4	125.185	0,56	0,60	0,68
TV IDEA - KANAL IO D.O.O.	MURSKA SOBOTA	KANAL IO	11	68.959	0,31	0,30	0,12
KTV DRAVOGRAD D.O.O.	DRAVOGRAD	KOROŠKA TV DRAVOGRAD (NGD)	1	68.554	0,31	0,33	0,16
POSEIDON D.O.O.	LJUBLJANA	GOLICA TV, ČARLI TV (V STEČAJU) (NGD)	2	55.536	0,25	0,26	0,05
HI-FI D.O.O.	MURSKA SOBOTA	TV AS	7	45.552	0,20	0,22	0,18
EURO 3 TV, D.O.O.	LJUBLJANA	EPTV	1	44.499	0,20	0,22	0,05
LOKA TV, D.O.O.	ŠKOČJA LOKA	DEŽELNA TELEVIZIJA LOKA	0	37.329	0,17	0,17	0,26
DOMATES D.O.O.	LUCIJA	SPONKA TV	2	24.410	0,11	0,09	0,12
ATV BABNIK & CO D.N.O.	LITIJA	RTV SIGNAL LITIJA	2	24.103	0,11	0,07	0,06
BRANKO VESELIČ S.P.	MARKOVCI	SKUPNI TELEVIZIJSKI PROGRAM OBČIN (NGD)	5	20.764	0,09	0,10	0,23
		DESTRNIK, DORNAVA, GORIŠNICA, MARKOVCI	-				
VI-TEL D.O.O.	DORNBERK	VITEL	4	18.162	0,08	0,08	0,05

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

45 Table 12 and the data analysis were prepared by Iztok Jurančič, president of the Trade Union of Journalists in Slovenia.

TELEVISION PROGRAM BROADCASTERS⁴⁵

SELECTED INDICATORS					COMPARATIVE MATRIX					subsidies by the Ministry of Culture (in tolar)
in percentages		in '000 tolar per employee			index = the observed average is 100					
profit/ capital	profit/ assets	revenue	labor costs	salaries	profitability		costs per employee			
					profit/ capital	profit/ assets	revenue	labor costs	salaries	
35,12	22,73	65.266	5.091	3.547	125,9	173,1	237,1	115,7	111,5	-
9,09	2,26	18.287	3.537	2.625	32,6	17,2	66,4	80,4	82,5	-
64,20	24,70	51.352	3.350	2.396	230,1	188,1	186,6	76,1	75,4	-
18,98	9,50	24.141	6.064	4.592	68,0	72,3	87,7	137,8	144,4	-
2,77	1,22	144.320	1.785	1.416	9,9	9,3	524,4	40,6	44,5	90.091.961
1,11	0,06	42.275	2.033	1.483	4,0	0,4	153,6	46,2	46,6	-
-24,13	26,20	85.224	5.225	4.011	-86,5	199,5	309,7	118,7	126,1	-
-82,38	-16,99	12.332	2.685	1.926	-295,3	-129,4	44,8	61,0	60,6	108.041.700
26,65	1,61	22.522	4.651	3.343	95,5	12,2	81,8	105,7	105,1	-
0	0	29.494	2.314	1.671	0	0	107,2	52,6	52,5	-
-25,35	-15,99	17.317	6.095	4.394	-90,9	-121,8	62,9	138,5	138,2	10.481.848
4,44	2,87	-	-	-	15,9	21,9	0	0	0	-
26,01	19,41	136.192	12.284	9.145	93,2	147,8	494,9	279,1	287,6	-
5,44	4,00	-	-	-	19,5	30,4	0	0	0	-
116,10	12,95	12.859	4.750	3.505	416,1	98,6	46,7	107,9	110,2	8.108.765
12,69	9,85	31.296	3.541	2.666	45,5	75,0	113,7	80,5	83,8	-
0	0	6.269	3.053	2.179	0	0	22,8	69,4	68,5	95.738.183
55,96	23,23	68.554	2.971	2.243	200,6	176,9	249,1	67,5	70,5	-
-	-504,79	27.768	1.562	1.013	-	-3844,5	100,9	35,5	31,8	-
430,53	-4,85	6.507	2.265	1.553	1543,1	-36,9	23,6	51,5	48,8	-
0	0	44.499	3.131	2.280	0	0	161,7	71,1	71,7	-
-	-13,20	-	-	-	-	-100,6	0	0	0	-
35,90	13,98	12.205	1.681	1.213	128,7	106,5	44,3	38,2	38,1	8.137.448
28,28	14,78	12.052	2.947	1.913	101,4	112,6	43,8	67,0	60,2	14.352.500
0	0	4.153	1.751	1.333	0	0	15,1	39,8	41,9	-
-	-	-	-	-	0	0	0	0	0	-
-	-95,91	4.541	2.243	1.709	-	-730,4	16,5	51,0	53,7	-

publisher	city	media	No. of employees	total revenues in '000 tolar	MARKET SHARES		
					total revenues	sales revenues	assets
					in percentages		
LOKALNA TV GROSUPLJE, PODRUŽNICA S.P., AVDIO VIDEO SIGNAL, ZORC MIRAN	GROSUPLJE	TV GROSUPLJE (NGD)	-	14.121	0,06	0,06	0,05
VIDEOPRODUKCIJA MARTIN IVANUŠA S.P.	PTUJ	TELEVIZIJA PTUJ (NGD)	0	13.086	0,06	0,06	0,05
MOJ TV D.O.O.	SELNICA OB DRAVI	MOJ TV	1	12.093	0,05	0,06	0,04
PINTERIČ & CO., D.N.O.	BREŽICE	ROPOT TV	1	11.506	0,05	0,05	0,02
STUDIO FORMA, SAMO SADNIK S.P.	ŽALEC	SAVINJSKA TELEVIZIJA (NGD)	1	10.417	0,05	0,05	0,03
PROSPERA D.O.O.	LJUBLJANA	TV PETELIN	3	10.298	0,05	0,05	0,03
LOKALNA TV TRBOVLJE, PODRUŽNICA S.P., AB VIDEOPRODUKCIJA, ANTON BERAKOVIČ	TRBOVLJE	LOKALNA TV TRBOVLJE; I M POSLOV. (NGD)	1	9.074	0,04	0,04	0,03
TV SRK-II JOŽE ČOŠIĆ S.P.	GORNJA RADGONA	TV STUDIO RADGONA- KANAL II	0	8.211	0,04	0,04	0,01
TELEFILM SILVO LEŠNIK S.P.	ZGORNJA VOLIČINA	TELEVAL	0	7.914	0,04	0,04	0,03
M 3 PLUS D.O.O.	MARIBOR	METKA (NGD)	2	7.058	0,03	0	0,11
JTV, D.O.O.	LJUBLJANA	TELEVIZIJA ŠIŠKA	0	4.118	0,02	0,02	0,03
J & V D.O.O.	LJUBLJANA	TELEVIZIJA LJUBLJANA (NGD)	0	3.916	0,02	0,02	0,03
VIGRED D.O.O.	LAŠKO	TV KRAPAN LAŠKO (NGD)	2	3.059	0,01	0,01	0,04
AJKOM D.O.O.	GMAJNICA	TV PLUS	0	2.215	0,01	0,01	0,01
MEDIA TEAM TIMOTEJ PEČOLER S.P.	VUZENICA	TV PROMETEJ	0	249	0	0	0
KABELSKA PRODUKCIJA D.O.O.	NOVO MESTO	I-TV; 3M POSLOVANJA	0	15	0	0	0,01
KABELSKA TELEVIZIJA MEDVODE, ZAVOD	MEDVODE	TELEVIZIJA MEDVODE (NGD)	2	-	-	-	-
KTRC RADEČE, JAVNI ZAVOD	RADEČE	VIDEO STRANI KTRC RADEČE (NGD)	5-9	-	-	-	-
KTV ORMOŽ, ZAVOD	ORMOŽ	KABELSKA TELEVIZIJA ORMOŽ (NGD)	-	-	-	-	-
MTV ADRIA D.O.O.	LJUBLJANA	MTV ADRIA (NGD)	-	-	-	-	-
ORON, ZAVOD	LOŽ	TELEVIZIJSKI KANAL LOŠKA DOLINA (NGD)	1	-	-	-	-
UPC D.O.O.	LJUBLJANA	PLAY TV	-	-	-	-	-
VASCOM, ZAVOD ZA IZOBRAŽEVANJE IN VIDEO- PRODUKCIJO, PIVKA	PIVKA	VASCOM PIVKA (NGD)	-	-	-	-	-
XTENSION D.O.O., PODRUŽNICA MARIBOR	MARIBOR	NET TV, NET XXL (NGD)	-	-	-	-	-

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

publisher	city	media	No. of employees	total revenues in '000 tolar	MARKET SHARES			assets
					in percentages			
				total revenues	total revenues	sales revenues		
ZAVOD NEVIODUNUM	KRŠKO	TV KRŠKO (NGD)	5-9	-	-	-	-	
ZAVOD ZA KTV IN INFORMIRANJE SLOVENSKA BISTRICA	SLOVENSKA BISTRICA	STUDIO BISTRICA (NGD)	3-4	-	-	-	-	
SKUPAJ IZDAJATELJI TELEVIZIJSKIH MEDIJEV			415	15.517.095	69,18	68,84	72,18	
SKUPAJ IZDAJATELJI RTV MEDIJEV			815	22.429.651	100	100	100	

NGD: radio and television broadcasting is not registered as the publisher's main line of business (in many cases, broadcast activity is in fact the main line of business although not registered as such).

Source: Balance sheet data AJPES (IBON, September 2005), Media register (April 2006).

Comment: Eleven television programs are classified as having special significance: Vaš kanal (regional), ATV Signal (local), TV Primorka (local), Vaša televizija – vTV (regional), Kanal 10 (local), Televizija Celje (local), Loka TV (local), GTV (local), RTS (regional) i-TV (non-profit) and Čarli TV (non-profit).

Business results for 2004 indicate a relatively high average profitability within the private radio sector. The average return on capital amounted to nearly 28%; this percentage for radio stations was 10%, and for television stations almost 33% (especially good were the business results of Pro Plus, the owner of two largest commercial television channels, POP TV and Kanal A). The comparison of business results shows considerable differences between individual broadcasters. Many declared low profits, indicating that the main line of business for which they are licensed (and which they carry out using a limited public resource – frequencies) earns virtually no profit at all. Furthermore, according to the business results declared, the labor costs at these companies are far below the average within the radio sector, with this average being low in general, as well. Some broadcasters had serious difficulties with financial stability, given that in 2004, in addition to negative profit they also reported negative capital. However, apart from one radio program (*Radio Gorenc*), there are no radio or television

SELECTED INDICATORS					COMPARATIVE MATRIX					subsidies by the Ministry of Culture (in tolar)
in percentages		in '000 tolar per employee			index = the observed average is 100					
					profitability		costs per employee			
profit/ capital	profit/ assets	revenue	labor costs	salaries	profit/ capital	profit/ assets	revenue	labor costs	salaries	
-	-	-	-	-	-	-	-	-	-	2,711.009
32.69	16.80	37.391	4.085	2.929	117.2	128.0	135.9	92.8	92.1	341,048.350
27.9-	13.13	27.521	4.401	3.180	100	100	100	100	100	589,509.555

programs of special significance in this group. It is a fact that the broadcasters who received state support between 2002 and 2005 as a rule have returns on capital and labor costs that are lower than the average in this sector. A look at the business results of radio stations in 2004 also shows that 17 radio stations had no employees, and 15 had only one employee.

After 2000, the owners and their interests in radio stations changed frequently and at a fast pace. Given that the government never provided frequencies for a commercial radio station with national coverage, the owners of individual radio stations were buying ownership stakes in other stations. In so doing, they not only consolidated their property but also extended the geographical coverage of the programs in their possession.⁴⁶ The consequences of this “consolidation” are most evident in the programs themselves. Many radio stations offer little diversity of content.

⁴⁶ The MMA of 2001 made possible the foundation of radio and television networks. The largest radio network is Infonet, comprising *Poslovni val*, *Slovenski poslovni kanal*, *Radio Antena*, *Radio Belvi Gorenjska*, Celje's and Postojna's radio *Fantasy*, *Radio 1*, *Max*, *Morje*, *Portorož*, *Šport*, *Urban*, *Val*, *Vrhnika* and *Koroški radio*. Infonet prepares news and sells it to ten radio stations; they have business partnership with 14 radio stations. (Petra Šubic, “Kako je Oblak postal radijski mogotec” (How Oblak Became a Radio Tycoon), in *Manager*, No. 5, May 2006, pp:48–49.).

MORE DIVERSITY = LESS UNIFORMITY

The notions of plurality and diversity reflect various objectives of media policy that can be ensured through certain measures. Plurality may be achieved by restricting media ownership, and diversity through a proactive media policy not limited exclusively to the allocation of state support or subsidies for certain media and the content they offer. Media concentration, the decline of independent editorial policies and their “submersion” within large editorial offices of media corporations, the disappearance of content that is unattractive to advertisers, lower access to the media for minorities, uniformity of opinion and views – all these are the trends typical of contemporary media. The decades-old concept and related policy for regulating the media market has proved unsuccessful. Rather than offering more diverse views of the world, a greater number of media brought uniformity and monotony instead. Therefore, the main problem of media policy in the 21st century, on the national level and globally, is how to ensure and protect plurality and diversity.

The passing of three media laws over the last 14 years, all of which placed stress on plurality and diversity as important aspects of media policy, clearly show that the Slovenian government has no suitable strategy in this area. It is true that the two previous laws on the mass media, one from 1994 and the other from 2001, had two sections dedicated to plurality and diversity, but the practical implementation of these provisions was problematic. The 1994 law attempted to ensure plurality and diversity by restricting ownership stakes in the media to 33%. Unfortunately, this provision was formulated loosely, leaving ample room for circumventing it in more than one way. Although the legislator set a two-year deadline for harmonizing controversial ownership stakes with this provision (by 1996), and although it gave a green light to the ministry responsible for this area to remove from the register those media outlets that failed to fulfill this requirement, no one checked how the requirement was actually met. So despite the 33% limit, during this period CME acquired a majority stake in the commercial television station POP TV. The implementation of the legal provision obliging the government to make a declarative commitment to providing support for non-commercial media is similarly unclear. We do not have information whether the then government met the 60-day deadline as stipulated

by Article 91, within which it should have defined the criteria and methods for allocating state support. Neither do we have information on whether any media outlet received state support on the basis of this provision.

The Mass Media Act of 2001 also attempted to ensure plurality and diversity by restricting ownership shares in media companies. These provisions met the same fate as those in the previous law, since the law did not provide an adequate definition of the relationship between the broadcaster/publisher and the media owner. All prohibitions in this law applied to broadcasters/publishers, but in practice ownership stakes are concentrated in the hands of media owners. However, there is a difference between the two laws with respect to the allocation of state support. The 2001 Mass Media Act introduced mechanisms for the allocation of state support, so from 2002 to 2005 the government earmarked 1.7 billion tolar. However, there was no systematic policy to accompany this provision, and accordingly, no analysis was made of the effect of this support, that is, whether the declared objective, greater media diversity in Slovenia, was achieved. The Amended Mass Media Act is bound to repeat the same story all over again. The only difference is that today the legislator has a clear picture of how, why and to whom the resources should be allocated. But the question of whether the support thus allocated will indeed ensure plurality and diversity remains open.

POLITICS AND JOURNALISM

Janja Koren (journalist): Do you, after everything that you went through, regret entering politics? Would you do the same given your present experience?

Miro Petek: The experience is interesting and good. Above all, it is about some link between politics and journalism. Politics and journalism have many points in common. Perhaps there exists some hostile relation between politics and journalism from time to time, but we cannot do one without the other. We cannot do without you, and you cannot do without us.

Odmevi, August 7, 2006

In February 2001, unknown perpetrators beat and seriously injured Miro Petek, a journalist working for the *Večer* daily. Before the attack, Petek mainly wrote critical articles about the consequences of the transition in the Koroška region and links between public persons in the fields of economics and politics.⁴⁷ One of the stories traced by Petek explored the operation of a branch office of the bank that was the majority owner of *Večer*. In 2004, Miro Petek was elected a deputy to the National Assembly as a candidate of what is currently the largest coalition party, SDS (Slovenian Democratic Party). Petek never had the satisfaction of seeing his attackers (or those who ordered the attack) sentenced in court. After more than five years and many imbroglios, the Higher Court in Maribor (allegedly) decided that five suspects accused of attacking Petek were innocent. The decision of the court was leaked to the public even before it was handed to the defendants, and that occurred during the Court's summer recess. When Petek was asked by the journalist on the evening news program *Odmevi*, Janja Koren, whether after everything that he had gone through he was sorry that he had decided to enter politics, the former journalist turned politician answered that journalism and politics had many points in common. "Perhaps there exists some hostile relation between politics and journalism from time to time, but we cannot do one without the other."

There undoubtedly exists a relationship between journalists/journalism and politics. But this is a relationship in which limitations and prohibitions are clear. Politicians cannot be journalists, and journalists cannot be politicians. A

⁴⁷ Exhaustive information on the "case of Petek" is available at www.primerpetek.net. The report prepared on behalf of the International Federation of Journalists by its researcher Alexander Sami, dated June 14, 2002 is available at www.novinar.com/petek/petek-case.pdf (The Miro Petek Case. A Threat to Press Freedom in Slovenia).

politician writing for the media is not a journalist, and such contributions are at their best political viewpoints disguised as a journalistic text. When a journalist becomes a politician, he can no longer expect that his/her operation is in the interest of the public. He/she is simply a politician who represents partial (political) interests. In democratic societies these dividing lines are clear and transparent. Politics will always attempt to influence the media, and the media, on their part, should incessantly strive to prevent politicians from influencing their editorial policies. In democratic societies, politicians have very few points in common with the media. Independent media can operate and exist without politics. For them, politics is just one among the many subjects on which they report, and nothing besides that. But many politicians and many journalists still seem unable to accept this fact. For a number of editors and journalists, politics still provides the meaning of their existence.

In today's society in which media ownership has been concentrated in the hands of a few owners, and news production serves the purpose of increasing the price of shares and profit, politics has become a serious partner of media owners. Politics make possible the passing of "friendly" media legislation (elimination of anti-monopoly measures, less rigorous protection of copyright, protection of children etc.) and in exchange it obtains "amiable" media treatment or even free access to editorial policy.

Despite some specific features (e.g. considerable government stakes in media companies), the Slovenian media environment demonstrates all the typical traits of media development found in other European countries. The media transition that began in the 1990s and ended in the early 21st century has acquired the features of a new "democratic Leviathan." New-age censorship, whose implications are in no way different from "hard" censorship interventions of the past, is based on the rights of owners and the laws of the (free) market, thus producing extreme forms of (informational and communicational) exclusion and stratification.

The fact that during the drafting of the new media law in Slovenia the articles referring to the right of reply and right of correction were proposed and publicly defended (including at the session of the National Assembly's committee for culture, education and sport) by a powerful media owner, confirms that media owners and politicians in Slovenia indeed have many points in common.