

**BAD RECEPTION**

Channel 3 laid off more than 100 workers over the weekend, fuelling fears of copycat moves in the industry. **B3**

**BROADCASTING**

# BEC World taking hatchet to CH3 costs, culling staff

**POST REPORTERS**

BEC World, the concession holder that operates Channel 3, says it must make further cuts to operating costs, especially staff, to maintain cost effectiveness as it faces digital disruption, with the cuts continuing until at least 2020, when its concession expires.

Channel 3 laid off more than 100 employees this past weekend, mostly in news production. The workers received 10 months' compensation plus an additional two months' compensation for the abrupt decision.

The National Broadcasting and Telecommunications Commission (NBTC) urged digital TV operators not to rush to cut costs through layoffs, as the regulator plans to launch new measures to ease their financial burdens.

A source at Channel 3 said the company has been implementing operations cost reductions for years to deal with declining year-on-year revenue.

"This is not the first time; we did it earlier this year and may have to continue cutting operation costs next year, especially in manpower," the source said.

The source also said expiry of the concession is not the main cause. A major factor is the change in Channel 3's business model.

Fast-changing communication technologies, in particular social networks like YouTube and Facebook, have created a tough market for media outlets.

Channel 3 Group has some 2,500

employees, mostly in the news production unit, while drama production is mostly outsourced.

Channel 3 holds three licences for digital TV from NBTC, comprising Channel 33, 28 and 13.

NBTC secretary-general Takorn Tanta-sith said the NBTC does not want to see a rush in layoffs from digital TV operators because such measures from any operator will inevitably create a ripple effect among other broadcasters.

"We plan to launch another series of assistance measures to digital TV operators in 2019," he said, noting an extension on the 50% subsidy of MUX rental fees from 2020 to 2022, as well as extending help with operation costs from the must-carry rule from 2019 to 2022.

"Subsidising digital TV operators' cost would also be done partly through the telecom spectrum licence auction in 2019," said Mr Takorn.

He said the NBTC will support TV ratings for digital TV programmes that were broadcast through online platforms to create a better standardised rating system that digital TV operators can also benefit from.

Channel 3 released a statement yesterday, denying the rumour that company laid off employees aged 40-55. According to the statement, staff in this age group remain an important part of the production team, producing quality TV programmes for Channel 3.

The broadcaster also contests the number of employees laid off.