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MEDIA INFLUENCE MATRIX: SLOVAKIA

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Executive Summary

KEY FINDINGS

Slovaks consume news more frequently and in bigger amounts than ever before. They have access to a plethora of publications, news portals, radio and television stations. However, much of that is in the hands of a few powerful financial corporations, closely linked with political groups. Policymakers and regulators lack vision and have little interest in strengthening journalism. A handful of foreign players are still investing in news, but they are increasingly favoring investments in entertainment or are raring to exit. The Slovak public broadcaster has garnered kudos for its journalistic output in recent years, but after a new management was installed in 2018, quality, intrepid journalism programs got the axe.

Still, not all is gloom in the Slovak news media. A new generation of professionals is shaking up the status quo, launching new political platforms and funding media start-ups.

Slovakia is a voracious news consumer, with almost two thirds of people reading news portals, newspapers or news magazines. Much of this news appetite was stirred by technological advancement. Mobile penetration neared 133% in 2018. Over 86% of people use the internet, which is a big leap from less than 30% in the beginning of the 2010s. With mobile data services getting cheaper than ever before, an increasing number of Slovaks are roped in.

The biggest impact of technology in the Slovak news media and journalism was felt by the publishing industry. The number of print media publishers in Slovakia more than halved between 2009 and 2015. Some large publishers such as Ringier Axel Springer and Petit Press changed tacks, increasingly focusing on digital. Smaller ones, down on their uppers, are clutching at straws.

Nonetheless, a lucrative business model for quality journalism, anchored in subscriptions, has emerged. A news portal established by a group of journalists who left the daily Sme, DennikN broke even in 2016, two years after its launch, with some 23,000 paying subscribers. Impressively, it became the fourth most profitable news outlet in Slovakia after mainstream players such as Markiza TV, D.Expres radio and Petit Press, a leading publisher. Sme, the most popular, non-tabloid, daily in Slovakia is also heavily investing in a subscription model to offset losses from print.

Television remains the most dominant news medium. Slovaks watch nearly four hours of TV a day, more than the European average. The largest private broadcast operator, Markiza TV has significant influence, particularly among politicians, thanks to its popularity. It is also a financial powerhouse, its revenues dwarfing the sales of all other television broadcasters.

Seemingly, Slovaks have access to a wealth of news sources. In reality, though, the market is concentrated in the hands of a few large players. Powerful financial groups such as Penta Investments and J&T, and a handful of magnates including Ivan Kmotrik and Andrej Babis (who is also Czech Republic's prime minister) exert decisive influence in the ownership of most major media companies. They are also close to politicians (if they are not themselves one), which means big leverage in regulatory affairs. The entry on the Slovak market of PPF, a Czech financial group led by another wealthy oligarch, Petr Kellner, which bought Markiza TV in 2019, is further cementing the oligarchic control in the country's media.

The Antimonopoly Office of the Slovak Republic known as PMU is much responsible for the shape of the Slovak media market. It has been the PMU that approved a spate of merger cases allowing the

expansion of some media owners. Decisions by the PMU in 2015-2016 allowed Penta Investments to take over several major publishers. It was one of these deals that prompted journalists from the daily Sme (acquired by Penta) to leave and set up DennikN.

Civil society exerts little influence. International groups are not effective either. The Organization for Security and Co-operation in Europe (OSCE), a Vienna-based intergovernmental group, has some political leverage, but that does not materialize in any earth-shattering policy changes or palpable improvements for journalists. For example, in early March 2018, Harlem Desir, the head of media at OSCE, called on Slovak authorities in a meeting in Bratislava to investigate the killing by unknown assaulters in February 2018 of the Slovak investigative journalist Jan Kuciak. Instead, two months later, Slovak police began to harass Pavla Holcova, a Slovak journalist who was trying to help with the police investigation. It was only after massive pressures from citizens and journalism groups from abroad that four people were finally charged in October 2019 over Kuciak's killing.

Besides regulation, tightly controlled by authorities and highly politicized, the government plays also a direct role in the Slovak media market. Funding from license fees collected from all Slovak households and state budget makes the public broadcaster RTVS the largest player in the country's media with a budget in excess of €115m. That is not necessarily bad. For some years, the Slovak public got its money's worth. The station earned a feather in its cap for improved programming. Viewers and experts heaped praise on its news output. However, a new management installed at the RTVS' helm in 2017, has scotched much of this credit. Jaroslav Reznik, RTVS' head as of 2017, has made in the past three years a series of controversial decisions that seem to rather please friendly politicians than serve the public.

Technology had both a positive and negative impact on Slovak journalism.

Some policies and decisions of the global technology juggernauts raised hackles among the Slovak news media. A 2017 experiment by Facebook to remove posts by Slovak news media from its main feed crippled a string of news portals as their readership collapsed overnight. Some of their interactions with users declined by 60% the next day. In contrast, disinformation websites were less touched by the experiment. That is worrying in a country where disinformation and hate speech portals are mushrooming and commanding increasing audiences, particularly young ones. An online disinformation industry is thriving. Zem a Vek, one of the most popular bogus sites, pulled in revenue of over €430,000 in 2018.

On the other hand, a new generation of professionals and visionaries is gradually changing journalism and politics. Many come from the IT industry.

A social-liberal, progressive and pro-European political party, Progressive Slovakia (Progressívne Slovensko), was established in 2017 by a group of businessmen, innovators and IT professionals. Rasto Kulich, a Harvard-educated Slovak who now manages the Google office in Slovakia is one of Progressive Slovakia's main supporters. The party's biggest success to date was the victory of Zuzana Caputova, its candidate, in the March 2019 presidential elections, which made her the first woman to hold Slovakia's presidency and, at 45 years old, the youngest president in the history of Slovakia.

Google, which dominates the Slovak search market, also funds journalism. Some €1.2m was awarded by Google through its Digital News Initiative (DNI), a project run between 2016 and 2018, to local journalism projects. Although that is a very small amount hardly able to change the local news market, it helped, journalists say.

Technology-savvy groups also put up a fight with disinformation promoters. Konspiratori.sk, a website that keeps tabs on fake news websites operating on the Slovak market, has been growing its influence in the advertising industry, discouraging companies from buying ads on fake news websites.

FUTURE OUTLOOK

There are strong signs that the Slovak news media market is going through further consolidation with dominant financial corporations bulking up their existing media portfolios. The sale of Markiza TV by its American owners to an oligarch from the region was the latest move in that direction.

Big changes are expected in internet regulation. Online content is not regulated now. Increasingly, the Council for Broadcasting and Retransmission known as RVR is extending its remit to the internet, but there are no legal provisions specifically designed for online content. This should remain so: the government should not meddle with online content, local journalists say.

Authorities have not taken any steps in that direction yet, but they started to target technology companies, especially foreign ones, for different reasons. Tax is a key one. New fiscal rules are likely to force Google and Facebook to pay more taxes to matching the actual revenues they generate on the Slovak market. Upcoming provisions are also expected to make it difficult for companies without a local office to operate in Slovakia. Facebook, which runs Slovak operations from its Warsaw and Dublin offices, is a case in point.

There are no signs that politicians and policymakers are going to actively promote independent journalism. No major investments in new independent media are likely. However, the subscription-based business model has been tried successfully so far, providing a lifebuoy (the only one, probably) to Slovak journalism.

Government, Politics and Regulation

LEGAL OVERVIEW

Freedom of speech and the right to information are guaranteed by the Slovak Constitution, which states that everyone has the right to express their opinions in writing, print, through pictures or any other means. Press publishing does not require any approval, and censorship is forbidden, according to the Constitution. Freedom of expression and the right to information can only be restricted if such a measure is needed to protect the rights of others, national security, public order or the protection of health and morals.[1]

The media sector is governed by several laws including the 2000 Broadcasting Law, the 2007 Digital Broadcasting Law complementing the broadcast law, and the Press Law of 2008. These laws were all amended at a later stage. They put forward provisions guaranteeing protection of sources by journalists. Most of the important media-related issues and operations including licensing of broadcasters, media ownership and transparency of ownership are covered by these laws.

The most contentious legal issue that the media sector was faced with in 2019 was the approval by Parliament of an amendment to the Press Law that would make it easier for politicians to demand a right of reply in the media. The amendment was sponsored by the ruling Smer-SD party as a response to “media terror,” which is how Smer-SD calls journalists’ critical coverage. The amendment, which was yet to be signed by the President, had been harshly criticized by international press freedom groups.[2]

Other important laws that affect the media include an act adopted in 2010 that regulates the operation of the Slovak public media, and a 1995 law on State Language of the Slovak Republic that has provisions on use of language in electronic media. Some of the provisions in the language law were criticized for restricting use of minority languages.

A law on access to information from 2000 empowers any citizen in Slovakia to request information from state agencies.[3] According to the law, officials who do not respond to such requests can be fined. In 2013, government officials said that they might change this law because it was “misused by students and private interests.”[4] However, local surveys showed that the amount of information requests during the period 2010-2013 was far from overwhelming the state administration and local municipalities. Defamation is a criminal offense in Slovakia, punishable by eight years in prison. This provision has been used by politicians to sue newspaper and journalists critical of the government.[5]

Privacy is mainly regulated by a law on data protection adopted by Slovak parliament in 2013. This law implemented an EU Directive on data protection. As of May 2018, it was replaced by a new EU piece of law, known as the General Data Protection Regulation (GDPR).[6] Police are the main implementer of the data protection legislation in Slovakia.

[1] Constitution of the Slovak Republic of 1 September 1992, republished on 26 March 2001 and supplemented by the Act of 11 April 2002, available online at <https://www.prezident.sk/upload-files/46422.pdf>

[2] Reporters Without Borders (RSF), “Slovak press law change would dangerously expand politicians’ ‘right of reply,’” 29 March 2019, available online at <https://rsf.org/en/news/slovak-press-law-change-would-dangerously-expand-politicians-right-reply> (accessed on 2 September 2019).

[3] For more information on media laws in Slovakia, see Andrej Skolkay, *Media Law in Slovakia*, Kluwer Law International, 2011. A database of legal acts adopted in Slovakia is made available, in Slovak, by the justice ministry on this portal: <https://www.slov-lex.sk/domov>

[4] Freedom House, “Slovakia” in *Freedom of the Press 2017*, available online at <https://freedomhouse.org/report/freedom-press/2014/slovakia>

[5] Ryan Heath, “Robert Fico Calls Reporters ‘Dirty, Anti-Slovak Prostitutes’”. in *Politico* (23 Nov 2016), available online at <http://www.politico.eu/article/robert-fico-calls-reporters-dirty-anti-slovak-prostitutes-foreign>

[6] See the GDPR on the EU’s website: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.119.01.0001.01.ENG

REGULATORY AUTHORITIES

The regulation of media in Slovakia is a heavily politicized process. All of the regulators covering media are in theory autonomous institutions, but in practice they take orders from the politicians in power as the state has the biggest say in appointing and dismissing their members. The sole authority directly in charge of media regulation is the Council for Broadcasting and Retransmission (RVR), a body created in the early 1990s to watchdog the broadcast industry. Their regulatory role has been decreasing as licensing of broadcasters in the digital era has become a formality. Nevertheless, as calls for regulation of content online are intensifying, RVR (and possibly other regulators) are likely to regain their importance in the country's regulatory mix. The internet is still an unregulated field and, according to all of the journalists interviewed for this report, it should stay like that. However, using fake news as a pretext, authorities are looking into designing models to regulate content online, which journalists fear would eventually lead to more self-censorship among journalists and media outlets. RVR is increasingly expanding its authority to the internet, including in its monitoring a hotchpotch of small and big broadcasters, publishers and telcos that have an online presence. Major on-demand suppliers and social media such as Netflix and Facebook are not regulated today, but the regulations in the pipeline are very much likely to include them.

Policy in Slovakia is usually initiated by the culture ministry, which drafts most of the initial proposals for legislation in the media field. However, parliament has an equally high influence (in some cases even higher) in the policy process. A number of media laws (such as the Digital Broadcasting Act) drafted by the culture ministry were significantly altered in parliament under pressure chiefly from private broadcasters, according to journalists and media experts interviewed for this report.[7]

Several other regulatory authorities indirectly cover news media. In fact, a significant role in shaping the Slovak media market is played by the antitrust regulator, PMU. Its decisions, for example, allowing media acquisitions by Penta Investments, a mighty financial group, have helped this company gain a dominant position in the media market.

The key influencers in the Slovak media regulation are in a way or another associated with politics and politicians. Most of those sitting on regulatory bodies need in the first place the support of authorities (parliament or government) to be appointed in those positions. The Slovak regulatory environment is characterized by a dearth of vision and progressive thinking needed to spark innovative journalistic projects. Instead, hackneyed regulatory practices allow the Slovak news media market to get captured by a handful of financial powerhouses with dubious business practices and close anchors in political life. The investigations into the killing of the journalist Jan Kuciak are unveiling a cesspool of corruption and organized crime that connects major media groups, politicians and criminals.

These revelations though have led to a mobilization of civil society that has no precedent in Slovakia, creating a momentum for a major cleanup in the country's society. The election of Zuzana Caputova, a progressive lawyer, as Slovakia's president in June 2019, has given civil activism another boost. People are calling top officials from politics, judiciary, police and other public administration bodies to account. But although some of these efforts forced some out of the public office, the structure of the Slovak media sector remains unchanged, with wealthy oligarchs and dubious financial groups of interests controlling much of the country's media.

[7] See Methodology in Media Influence Matrix: Slovakia

Regulation: Rules in the Works

Broadcast Media and Frequency Spectrum

Remit and Tasks

Council for Broadcasting and Retransmission

The radio and TV broadcast media in Slovakia are regulated by the Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR). The competencies of the RVR fall into three categories:

- Licensing and registrations
RVR is in charge of awarding licenses to broadcasters to operate in Slovakia as well as of withdrawing licenses in cases of serious legal breaches.
- Legal compliance

RVR is the body that ensures broadcasters comply with the legal provisions laid down in local legislation, particularly the Act on Broadcasting and Retransmission, Slovakia's primary broadcast law. Failure to comply with law leads to sanctions such as fines or suspension of licenses that RVR has the power to impose on broadcasters.

- Reporting and policy recommendations
RVR is churning out regular reports for the European Commission on how broadcasters perform their duties. The authority also processes statistics about TV and radio programs, focusing on statistics related to legal obligations related to the EU law such as the share of European works in the total audiovisual offering or volume of advertisements. The authority also participates in drafting laws applying to broadcasting.

RVR's remit covers radio and TV broadcasters, retransmission operators such as cable providers, and on-demand providers of audiovisual media services.[8]

Regulatory Authority for Electronic Communications and Postal Services

Another regulator with competence in the area of broadcasting is the Regulatory Authority for Electronic Communications and Postal Services (*Urad pre reguláciu elektronických komunikácií a poštových služieb*, RU), formerly the Telecommunications Office.

The RU's regulatory tasks target primarily the area of telecoms and postal services. The most relevant tasks for the broadcast media are those related to the frequency spectrum. The RU is in charge of managing the broadcast frequency spectrum jointly with the Ministry of Transport and Construction of the Slovak Republic. They cooperate with the RVR in updating every two years the planning for broadcast frequency allocation. Broadcasters in Slovakia, to be able to operate, need, in addition to the broadcast license from the RVR, an approval to use a frequency use from the RU.[9]



[8] For more information about the RVR, visit the regulator's website at www.rvr.sk

[9] For more information about the RU, visit the regulator's website at <https://www.teleoff.gov.sk>

Board Composition

Council for Broadcasting and Retransmission

The RVR is according to its Statute an “independent organ” that is not part of the governmental administration. However, in reality it acts as an administrator operating on behalf of the government. It decides who can and cannot operate TV and radio broadcast channels and monitors broadcasters to ensure they comply with the state law.

The RVR council, the main governing structure of the authority and the body with decision-making power, consists of nine members, all appointed by the National Council of Slovakia, which is the country’s Parliament. The RVR’s annual report has to be approved by Parliament, which is also the sole authority who can fire the RVR’s members. They can do that, though, in line with a set of legal provisions.

The members of the RVR are elected for six-year mandates. One-third of the members are replaced every two years to ensure that the RVR board is less vulnerable to the changes in political power. A staff of some 30 specialists, known as the RVR Office, offer advice and expertise to the council to help them make the right decisions. The RVR usually meets twice a month. In December 2018, Parliament appointed three RVR board members as three board member mandates ended. One of them was Marta Danielova, the chair of the RVR board whose mandate was renewed for another term.[10]

List of RVR members, October 2019

- Marta Danielova (in office until 15 December 2024), chair
- Peter Kubica (in office until 26 January 2026), vice-chair
- Ingrid Fasiangova (in office until 16 December 2020)
- Gabriela Rothmayerova (in office until 16 December 2020)
- Peter Kolenic (in office until 13 January 2021)
- Milan Blaha (in office until 16 February 2023)
- Pavol Holestiak (in office until 28 March 2023)
- György Batta (in office until 13 December 2023)
- Anikó Dusikova (in office until 26 January 2025)

Regulatory Authority for Electronic Communications and Postal Services

The RU’s Office is authority’s main decision-making body: it consists of a chairman who is elected and recalled by Parliament at the recommendation of the Government, and a vice-chairman who is appointed and recalled by the Government. The RU is a large institution with nine different offices all reporting to the chairman. They include the legal, telecommunications, technical regulation and postal services offices.

[10] “Zvolili nových členov licenčnej rady, aj spoluautora knihy o Tisovi” (New members of the licensing board, including co-author of book about Tiso, appointed), Trend, 6 December 2018, available online at <https://medialne.etrend.sk/televizia/zvolili-novych-clenov-licencnej-rady-aj-spoluautora-knihy-o-tisovi.html> (accessed on 15 September 2019).

RU board and management, October 2019

Board

- Vladimir Kesjar, chair
- Jan Flak, vice-chair

Management

- Bruno PatUs (RU office)
- Milan Mizera (frequency spectrum)
- Milada Lovicova (economy)
- Kamil Mikulasek (technical regulation)
- Ivan Martyak (economic regulation)
- Paulina Stanova (legal)
- Miroslav Baxa (telecommunications and IT)

Funding

Council for Broadcasting and Retransmission

The RVR operates with a subsidy from the state budget. In 2018, the regulator received a state subsidy of nearly €1.4m to cover its expenses, a slight increase, of less than 5% compared to the year before. However, over the past five years or so, the government has pushed the RVR to generate more cash on its own. In 2016, a revenue target of €350,000, more or less as in the previous two years, was imposed on the RVR by the finance ministry. The government for the first time hiked the level of revenue that RVR must raise in 2014, forcing the regulator to increase the number of fines on broadcasters, which is the main source of revenue that RVR can generate.

International NGOs, such as the International Press Institute (IPI) and South East Europe Media Organisation (SEEMO) criticized the government's decision.^[11] They say that by forcing the regulator to impose more fines, the government threatened the RVR's independence and instilled fear and self-censorship among media outlets. According to legislation, RVR can impose fines on broadcasters ranging from €99 to €165,959, depending on the gravity of the violation. The funding the RVR generates on its own is returned to the state budget.

Paying the watchdog

The budget of the broadcast regulator RVR (€), 2013-2018

	2013	2014	2015	2016	2017	2018
Revenue	160,000	340,000	350,000	350,000	250,000	250,000
Expenses	1,142,605	1,134,638	1,151,224	1,188,473	1,337,057	1,402,536

Source: CMDS based on data from RVR annual reports

[11] "Press group says state budget threatens Slovak broadcast regulator", *The Slovak Spectator*, 12 December 2013, available online at <https://spectator.sme.sk/c/20049191/press-group-says-state-budget-threatens-slovak-broadcast-regulator.html> (accessed on 2 September 2019).

Regulatory Authority for Electronic Communications and Postal Services

The telecom regulator generated revenues of over €14.7m in 2016. Much of that came from fees for spectrum management and technical regulation. The regulator had a staff of 146 in 2016. The government is imposing on the telecom regulator an annual revenue target of €6.5m. The RU has overachieved in the past five or so years when it comes to revenue generation, sending to the state budget much more than that. They generated a high record sum in 2014 mostly thanks to the auctioning that year of some lucrative frequencies for mobile telephony operations.

A powerhouse

The budget of the telecom regulator RU (€), 2013-2018

	2013	2014	2015	2016	2017	2018
Total income	11,536,831	17,921,340	13,111,695	14,704,546	16,715,291	15,399,140
Expenditure	4,482,102	4,413,282	4,400,088	4,629,309	5,343,168	5,866,736

Source: CMDS based on data from RU annual reports

Print Media Regulators

There is no government regulator of the print media in Slovakia. The sector has though a system of self-regulation represented by the Press-Digital Council of the Slovak Republic (*Tlacovo-digitalna rada Slovenskej republiky*, TR SR), a body created in 2002 through the merger of the Slovak Syndicate of Journalists and the Association of Periodical Print Publishers. (See *Decision-making process/Impact in this report*)

Internet Regulators



There is no official regulator specifically covering the internet in Slovakia. Thus, online media is not subject to any form of institutionalized regulation. There is no legal provision either establishing responsibility for third-party online content such as comments. However, informal avenues for pressure and censorship on the internet are in place, according to a 2014 assessment of the Slovak internet by Miroslav Kollar for the Institute for Public Affairs (IVO).[12] Lawsuits related to online content can be lodged in court.

Increasingly, the RVR is entering the internet space by making decisions about media content online. They are empowered by EU regulations to do so. According to EU law, audiovisual media including on-demand service providers and internet broadcasters are regulated more or less like traditional broadcasters. EU regulation, for example, obliges such providers to clearly distinguish between advertising and content in their videos posted online.

[12] Miroslav Kollar, "Free for All, but Someone is Watching. Internet Freedom Report 2014: Slovakia", The Institute for Public Affairs (IVO) Bratislava, PASOS, Transitions Online, available online at <http://pasos.org/wp-content/uploads/2015/03/Internet-freedom-Slovakia.pdf>

The law allows RVR to regulate three content-related aspects: age appropriateness, legal provisions on advertising and news standards such as objectivity or protection of human dignity. Under the EU's Audiovisual Media Services Directive (AVMSD), the RVR started to regulate certain types of online content, particularly videos. Local experts and journalists say that the RVR's regulatory approach online is too strict, which is in contradiction with the recommendations of the European Commission that has called for a light-touch regulation.[13]

In recent years, the main regulatory challenge has been the lack of clear definitions of the content that RVR is competent to regulate online. RVR has the power to impose fines on publishers of videos on the internet that do not respect standards on children protection or hate speech, but it has no power in judging news impartiality or objectivity online. RVR first used its regulatory power in 2011 when it warned the TV station Joj TV that one of its broadcasts aired online violated children protection rules.

The adoption of an amended Audiovisual Media Services Directive (AVMSD) in November 2018[14] is expected to change that. The directive cover video-sharing platforms (VSPs), which is the first time EU legislation addresses content regulation on any digital platform. The culture ministry in Slovakia announced in April 2019 that it established a working group that was drafting amendments to Slovak law to incorporate the directive's new provisions.[15]

Already for the past five years, RVR has expanded its regulatory remit on the internet. It identified a total of 65 online news media that fall under its regulatory remit, according to the RVR 2016 annual report. Two years later, the number of regulated news media online increased to 80. They all have an audiovisual element in their internet content. The outlets include small online media, primarily local outlets such as Hlohovska televizia and Humenska televizia, but also major players such as the public broadcaster RTVS, all of the largest private TV stations in Slovakia, the telecom operators Orange Slovensko and Slovak Telekom and the publishers Ringier Slovakia and Petit Press. However, sanctions imposed by RVR on online content are rare. For some reason, international social media such as Facebook or Twitter and global on-demand service providers such as Netflix are not regulated by RVR or any other body although these providers host audiovisual content on their platforms. However, following the adoption the new audiovisual directive, these operators are likely to be regulated, according to RVR experts.[16] Local experts interviewed for this report say that the planned regulations represent a revolutionary measure in Slovakia as it will be for the first time when online content will be regulated in full.

So far, IAB Slovakia-Association for Internet Advertising, a joint industry committee of digital media, ad agencies and advertisers, has done a great deal of self-regulation on the internet. Although it covers mostly advertising-related issues, it also has an ethical commission that often covers cases related to news media.

[13] Ingrid Lunden, "EU backs light-touch regulation for on-demand companies like Uber and Airbnb", 2 Jun 2016, TechCrunch, available online at <https://techcrunch.com/2016/06/02/eu-on-demand-guidance/>

[14] See EU's official announcement online at <https://ec.europa.eu/digital-single-market/en/audiovisual-media-services-directive-avmsd> (accessed on 1 August 2019).

[15] "Do jesene pripravime novy zakon o vysielani a retransmisii, hovori skreko z ministerstva kultury" (By autumn we prepare a new law on broadcasting and retransmission, says skreko from the culture ministry), *Stratégie*, 25 April 2019, available online at <https://strategie.hnonline.sk/media/1930086-do-jesene-pripravime-novy-zakon-o-vysielani-a-retransmisii-hovori-skreko-z-ministerstva-kultury> (accessed on 12 August 2019).

[16] Petronela Sevcikova, "Ľubos Kuklis: Je nacase, aby sa regulacné iniciativy zacali zaoberat socialnymi médiami" (Ľubos Kuklis: It is time that regulatory initiatives started to address social media), *Stratégie*, 29 March 2019, available online at <https://strategie.hnonline.sk/media/1915409-novy-audiovizualny-zakon-zasiahne-aj-youtube-a-facebook> (accessed on 3 August 2019).

On the other hand, calls for regulation of content on social media have become more frequent. In early 2019, Martin Fedor, an MP from the Social Democratic and Christian Union-Democratic Party (SDKU-DS), said that the state had to intervene to “curb the influx of hate and disinformation.” Fedor added that German and French models of legislation that prevent incitement to hatred on social networks should be followed by the Slovak government.[17]

In another call for regulation of the internet, Robert Fico, a former Prime Minister until his resignation in 2018, floated suggestions to regulate content online by making it mandatory for people to give their real names when they make comments online. However, experts agree that this will be totally impossible.[18] A more dangerous proposal came from Andrej Danko, chairman of the Slovak National Party, a racist nationalist party, who called for legal provisions that would equally apply to radio and television broadcasting as well as the internet. Saying that, “media in the digital space cannot write what they want,” Danko called for a law that would introduce a strong provision that would give people the right to “correct” content online.[19]

Data Protection Regulation

Remit and Tasks

Established in 2002, the Office for Personal Data Protection (*Urad na ochranu osobnych Udajov SR*, UOOU SR) is the main data regulator in Slovakia. It principally regulates the use of personal data in Slovakia in line with the Data Protection Directive of the EU. As the law authorizes the use of personal data for journalistic purposes (subject to certain conditions), the remit of the UOOU is not much relevant to journalism.[20]

Board Composition

The UOOU’s chair is Sona Potheova, a former television journalist who also worked in Public Relations and government before joining the data regulatory authority. The office operates with a staff of some 40. The UOOU's head is appointed by Parliament.

Funding

The data regulator is financed by the state. It operated with a budget of over €1.4m in 2019, an increase of almost 24% compared to the year before. The organization’s budget has increased the most in recent years compared to the financing allocated to other regulators in the media and internet areas.

[17] “Socialne média, sirenje nenavisti a dezinformacii sa stavaju hrozbou, tvrdi Fedor” (Social media, spread of hatred and disinformation are becoming threat, said Fedor), *Zoznam*, 6 January 2019, available online at <https://glob.zoznam.sk/socialne-media-sirenje-nenavisti-a-dezinformacii-sa-stavaju-hrozbou-tvrdi-fedor/> (accessed on 1 August 2019).

[18] “Filip Struharik, “MediaBrifing: Fico a Danko chcU tento rok zregulovat média a internet” (Media Briefing: Fico and Danko want to regulate media and internet this year), *DennikN*, 4 January 2019, available online at <https://e.dennikn.sk/1341136/mediabrifing-fico-a-danko-chcu-tento-rok-zregulovat-media-a-internet/> (accessed on 15 March 2019).

[19] Filip Struharik, “SNS vymysla nové pravidla pre média. Pripomina mi to meciarizmus, reaguje pravnik” (SNS envisaged new rules for the media. It reminds me of the Meciar ideology, lawyers responds), *DennikN*, 18 January 2019, available online at <https://dennikn.sk/1354712/sns-chce-vacsie-zmeny-v-tlacovom-zakone-pripomina-mi-to-meciarizmus-reaguje-pravnik/> (accessed on 15 August 2019).

[20] For more information about the data regulator, visit the UOOU website at <https://dataprotection.gov.sk/uoou/>

Data watchdog coffers

The budget of the data regulator UOOU (€), 2013-2019

	2013	2014	2015	2016	2017	2018	2019
Budget	876,324	856,329	874,599	988,925	1,018,835	1,163,853	1,442,263

Source: CMDS based on data from UOOU annual reports

Other Institutions with Regulatory Powers

The **Ministry of Culture** is the key body in the state administration that prepares the basic state media policies as well as most of the media laws in Slovakia. The ministry maintains a public register of broadcast content providers and a public register of print media that includes their owners.[21]

Slovak Trade Inspection (*Slovenska obchodna inspekcia*, SOI), an independent watchdog with powers in consumer protection issues, regulates some aspects of advertising.[22]

A regulatory authority with a big say in the media is the **Antimonopoly Office of the Slovak Republic** (*Protimonopolny Urad Slovenskej republiky*, PMU), an antitrust public administration body. It intervenes in cases of cartels or abuse of a dominant position in all industries, media included. PMU also gives the green light for mergers and acquisitions. The decisions of the PMU are made by a seven-member council that is appointed by the government for a mandate of five years.

Most of the members of the PMU Council are lawyers.[23] Many of them have links with industry, chiefly companies where they worked before joining the antitrust authority. For example, Tibor Menyhart and Martin Suchanek both worked for Transpetrol, an oil transportation company, before their term at PMU. Another PMU member, Mojmir Mamojka, an influential lawyer and former politician, was directly involved in media regulation as a member of RVR until 2017.[24]

[21] For more information about the Slovak culture ministry, visit the ministry's website at <http://www.culture.gov.sk>

[22] For more information about the trade inspection watchdog, visit the SOI's website at <https://www.soi.sk/>

[23] For more information about the Slovak antitrust regulator, visit the PMU website at <http://www.antimon.gov.sk>

[24] According to data obtained through investigation of trade databases, regulatory reports and corporate public records.

Decision-Making: Regulation and Policymaking

Key Players[25]

Many of the key influencers in the Slovak media regulation have some sort of connection with politicians. Some of them are very close to political parties or come themselves from politics and, thus, their decisions are heavily influenced by the political logic. Only a few of the influencers in the Slovak policy and regulation are truly progressive and visionary, and their power is far from matching the might of those connected with political groups or financiers. That explains why the Slovak media market is shaped by the interests of a handful of powerful financial groups that have leverage with the government.

Political stalwarts

Appointed by parliament to RVR in February 2018, **Milan Blaha** is, as expected, playing a major role in the regulatory field. He has close political connections; the most important is Lubos Blaha[26], his son, a Marxist philosopher and political scientist who entered parliament in 2012 as a representative of the Social-Democratic Party (Smer-SD). Milan Blaha is a veteran journalist who was known in the old days as a propagandist of Vladimir Meciar, a controversial politician who was three times the prime minister of Slovakia in the 1990s.[27] In the 2000s, Milan Blaha worked as a journalist with the public TV and a few, now-defunct, private TV channels, including VTV and TV Luna.



Source: YouTube



Source: Wikipedia

A lawyer by education, **Andrej Danko** is chairman of the nationalist SNS party. As a parliament speaker, Danko has been exerting significant power in the Slovak public affairs. He has shown a keen interest in the media and is known as one of the most powerful government players when it comes to media policy. He has relentlessly attacked the current model of financing the Slovak public broadcaster calling for the replacement of the license fee (paid by all households) by advertising revenue.[28] Such a model, experts say, would badly affect the quality of programming produced by the public

broadcaster and would even jeopardize the very existence of the broadcaster. Much of Danko's influence will depend on the parliamentary elections scheduled for March 2020. Since 2016, Danko's party has been in the government with Smer-SD, the party of Robert Fico, the prime minister who resigned in 2018 following the assassination of the Slovak journalist Jan Kuciak. Danko is by far the biggest enemy of press freedom and independent journalism in Slovakia.

[25] The content in this part of the report is based mostly on interviews with Slovak journalists and experts carried out for this report (See *Methodology in Media Influence Matrix: Slovakia*).

[26] See a profile of Lubos Blaha on Aktuality.sk: <https://osobnost.aktuality.sk/lubos-blaha/>

[27] Miro Kern, "Meciarovsky novinar Blaha i pravnik s väzbami na Basternaka sU vo funkciach aj vdaka opozicii" (Meciar's journalist Blaha and the lawyer with links to Basternak are in positions also thanks to the opposition), DennikN, 7 Feb 2018, available online at <https://dennikn.sk/1022022/meciarovsky-novinar-blaha-i-pravnik-s-vazbami-na-basternaka-su-vo-funkciach-aj-vdaka-opozicii/>

[28] "Danko chce zmenit RTVS, kritizuje Madarica" (Danko wants to change RTVS, criticizes Madarica), Trend, 31 Dec 2017, available online at <https://medialne.etrend.sk/televizia/danko-chce-zmenit-rtvs-kritizuje-madarica.html>



Source: teraz.sk

Ingrid Fasiangova, member of the RVR, is a playwright with experience in cultural events management. She has held positions in the supervisory boards of both public radio and public television in Slovakia. She has been associated with the company IstroArt Production, which appears to run a real estate agency. Fasiangova was a co-owner in the company until 2008. The company is controlled by the businessman Anton Ozvold from Bratislava. Fasiangova is close to the Social-Democratic Party (Smer-SD) that won the 2016 elections. She is close to Marek Madaric, a Smer-SD

politician who was three times minister of culture and who resigned, in a moral gesture, in February 2018 after the Slovak investigative journalist Jan Kuciak was assassinated by unknown killers.[29] Madaric named Fasiangova general director of the theater Nova Scena in Bratislava.

Appointed head of the RTVS Council in 2013, and reappointed twice in 2015 and 2017, **Igor Gallo** has experience in several, often unrelated, industry sectors. His name is connected with media. He was editor-in-chief of the daily *Kosický večer* in the early 2000s. At the time, he had shares in the company Cassovia-Press, which published the daily. Gallo also works for the state-owned power provider Slovenska elektrizacna prenosova sUstava (SEPS). In that role, he was reportedly one the best-paid employees in the Slovak public system, with over €100,000 annually in wages, more than Slovakia's president or prime minister.[30]



Source: netky.sk

Appointed member of the RVR in May 2018 after the resignation of Peter Joanidis (*see Fading glory below*), **Pavol Holestiak** is another political puppet sent to the board of the broadcast regulator thanks to his affiliation with SNS. Holestiak is known as a sympathizer of Jozef Tiso, a Slovak politician and Roman Catholic priest who led Slovakia as a supporting state of Nazi Germany, between 1939 and 1945. Holestiak wrote a collection of poetry in Tiso's honor and writes critical, often false, accounts about the opposition on his social network accounts. Thanks to his SNS membership, Holestiak has had top positions in state-controlled structures or companies including head of the state insurer Vseobecna zdravotna poisťovňa (VsZP), and director of the Zilina regional government.[31]



Source: Facebook



Source: teraz.sk

Lubica Lassakova was appointed culture minister in March 2018, position from which she was expected to exert significant influence in the media industry. Her journalism background includes over two decades spent at the Slovak public radio. She was a local councilor in the Banska Bystrica region and sits in the supervisory board of the development company MBB, controlled by the Banska Bystrica municipality. Lassakova's appointment was harshly criticized by NGOs following her comments that civil society organizations in Slovakia are influenced by the philanthropist

[29] "Culture minister resigns after journalist murder shakes Slovakia", *Reuters*, 28 Feb 2018, available online at <https://www.reuters.com/article/us-slovakia-crime-government/culture-minister-resigns-after-journalist-murder-shakes-slovakia-idUSKCNIGCIXO>

[30] Marian Kizek, "Manažér statnej akciovky zarobil viac ako prezident ci premiérka" (Manager of state shareholding earned more than president or prime minister), *Korzar Kosice*, 22 Aug 2011, available online at <https://kosice.korzar.sme.sk/c/6021036/manazer-statnej-akciovky-zarobil-viac-ako-prezident-ci-premierka.html>

[31] "Pochybne rozhodnutie poslancov parlamentu: Média bude kontrolovať sympatizant Tisa" (Wrong decision of MPs: Tiso's sympathizer will control the media), *Topky.sk*, 17 May 2018, available online at <https://www.topky.sk/cl/10/1710665/Pochybne-rozhodnutie-poslancov-parlamentu--Media-bude-kontrolovat-sympatizant-Tisa> (accessed on 1 March 2019).

and investor George Soros. She later withdrew her comments.[32] Nevertheless, in the past year she continued to receive criticism because of her decisions to cut the budget of several major cultural institutions, but also for rejecting financing for a series of LGBTI projects.[33]



Source: korkep.sk

Appointed by parliament at the helm of the public broadcaster RTVS, **Jaroslav Reznik** is a key player in the Slovak decision-making process. He has long experience in the media and has maintained close relations with politicians of all colors. In the 1990s, he had intimate links with the Movement for a Democratic Slovakia (HZDS), a national conservative party founded by Vladimir Meciar, a controversial politician who was prime minister three times.[34] Reznik is preferred by political parties because he is a loyal executant. During his management at the Slovak public radio in the 1990s, journalists complained about his censorship. In 2007, he was appointed general director of the state-controlled news agency TASR. He is said to be close to the financial group Slavia Capital, company invested in a raft of industries including fast-moving consumer goods, aerospace industry, construction and real estate. He has also developed close relations with the right-wing party SNS. [35]

Ivan Secik is a key player and influencer in decision-making related to media and journalism. Born in 1951, Secik worked during communism for the Slovak Office for Press and Information (SUTI), which was known as the regime's press censor.[36] Educated in journalism universities in the former Soviet Union, Secik continued to work in the government after the collapse of communism. Secik has been a state secretary in the culture ministry, from which position he participated in drafting the country's main media legislation. Former culture minister Marek Madaric publicly said that he respected his opinion. According to local journalists, much of the ministry's direction in the media has been shaped by him. He has also been known as a key link with the Russian government, particularly in the cultural field.



Source: Ministry of Culture

Progressives

Peter Kerecman is known as one of the most progressive voices supporting press freedom in Slovakia. A member of the Slovak press council, Kerecman is a renowned lawyer and non-fiction author. He influences public debates on media and journalism. He is also known for his influence on the Slovak Constitutional Court, which he has advised since 2007. Kerecman runs his own private legal firm in Kosice, which in 2018 had an annual turnover of some €150,000 and a net profit of some €44,000, according to data from the local Trade Registry.



Source: trsr.sk

[34] Marius Dragomir, "A Dim Future Approaches for Objective Reporting in Slovakia", *MediaPowerMonitor*, 15 Jan 2018, available online at <http://mediapowermonitor.com/content/dim-future-approaches-objective-reporting-slovakia>

[35] Marius Dragomir, "A Dim Future...", cit.

[36] Veronika Sutkova, Marek Vagovic, "Dozeral na tlac, teraz na zakon" (He took care of the print, now of the law), *Sme*, 7 Feb 2008, available online at <https://www.sme.sk/c/3716914/dozeral-na-tlac-teraz-na-zakon.html>



Source: lupa_cz

Although not directly involved in the media business or in media policy, **Vladimir Kesjar**, chair of the telecoms regulator, is an influential actor in the Slovak regulatory environment, indirectly impacting decisions that can affect the media as well. In spite of his political connections, Kesjar is seen as independent thinker with a solid professional background. He has strong connections with the Smer-SD, party where he used to be a member. At some point in life, Kesjar worked for Eufinex, an investment company owned by the Smer-SD MP Ladislav Kamenicky.



Source: spolok-slovenskych-spisovatelov.sk

With an RVR mandate until December 2020, **Gabriela Rothmayerova** is seen by local journalists as a progressive voice in the country's media. She was a politician in the early 1990s in then Czechoslovakia. Rothmayerova is a writer and journalist known for influencing in an articulate manner public debates on the role of media. For several years, she has written a blog on the website of the daily Pravda.

Anton Skreko is the general director of the department covering media, audio-visual and copyrights at the culture ministry. He is a young, educated and outspoken expert who is known for his strong take on the independence of RTVS, Slovakia's public service media. He has been pushing for a reform package aimed at changing the rules of appointment in the RTVS' governing structure with the aim of uncoupling the institution from the political control.



Source: avf.sk

Non-aligned

Marta Danielova, the chair of the RVR, has a solid reputation in both the political life and media industry given her long career in journalism. Danielova worked most of her life for the Slovak public media, both during communism and after 1990. She was vice-chair of the Slovak public TV board between 2008 and 2010. In spite of her reputation and support from many political parties, Danielova does not exert much power on media players or policymakers. She is described by journalists as an effective mediator and negotiator. Danielova is not connected through ownership or financial links with media companies or politicians in Slovakia, according to CMDs records. As RVR chair, she receives a monthly salary equivalent with an MP salary, which is roughly €2,000 a month.



Source: RVR

Fading glory

Peter Joanidis was appointed to the RVR in 2017. He is known to have close relations with the Slovak National Party (SNS), a right-wing political party, which is part of the government coalition formed after the 2016 elections. Joanidis' nomination to RVR was supported by Tibor Bernatak, an MP who leads the SNS parliamentary caucus.[37] With friends in the financial group J&T and well connected

[37] "Opozicny navrh na zmiernenie zakona o statnom obciansvte nepresiel" (The opposition proposal to improve the citizenship law has not passed), *Sme*, 29 Mar 2017, available online at <https://domov.sme.sk/c/20495494/zakon-o-dvojtom-obciansvte-poslanci-nezmiernili.html>

with politicians, Joanidis has exerted significant influence in the RVR. However, following a series of scandals related to his involvement in a company with debts to the state, Joanidis has been pushed out from the Slovak power corridors. In October 2017, Joanidis was appointed member of the supervisory board at the gas distribution company Eustream, on behalf of the government, which has a stake in the company. However, following reports in the media that Joanidis' own company Start Group had unpaid debts to the state, Joanidis resigned from Eustream.[38] Several months earlier, Joanidis also resigned from the RVR.[39]

Former culture minister, **Marek Madaric** has lost much of his influence within the Smer-SD party, which means that he no longer has much impact on media-related decision-making in the state bodies. He is appreciated within the profession as he managed to change from a nationalist party nominee into a critic of the political influence in the public media. Following his resignation as culture minister after the killing of the journalist Jan Kuciak in February 2018, Madaric recommended the new culture minister Lubica Lassakova to push the public broadcaster RTVS to resume the investigative journalism program Reporteri, which RTVS' head Jaroslav Reznik canceled in January 2018.[40] The show was reinstated in September 2018.[41] Madaric was also instrumental in forcing the state-owned news agency TASR to cancel in 2017 a cooperation contract they concluded with Sputnik, the news agency run by the Russian government.

Lubomir Kmec, a member of the RVR, in office until January 2019, was known to have some decision-making influence in regulatory affairs. Kmec co-owns the advertising agency Hi-Reklama, company with nearly €3m in turnover in 2017, according to financial data for two Hi-Reklama subsidiaries, located in Kosice and Bratislava. With the end of his RVR membership, Kmec, a playwright and screenwriter, is less likely to influence media affairs in Slovakia.

Transparency in Media Regulation

The main media regulator, RVR is a relatively transparent institution. Most of the documents issued by the RVR, including decrees, minutes of meetings, reports on the state of broadcasting and licensing decisions are published on the regulator's website. In the past, the licensing decisions and the deliberations around a licensing request were done behind closed doors.

While most of the members of the RVR council are regularly interacting with politicians and financiers with interest in the media, the declining importance of broadcast licensing, which is RVR's key role, has dented the influence of this body.

[38] Martin Okladal, "Z Eustreamu odisiel po otazkach Aktuality.sk statny nominant" (State nominee left from Eustream after questions asked by Aktuality.sk), *Aktuality.sk*, 24 August 2018, available online at <https://www.aktuality.sk/clanok/617358/z-eustreamu-odisiel-po-otazkach-aktuality-sk-statny-nominant/> (accessed on 10 June 2019).

[39] "Peter Joanidis sa vzdal funkcie v Rade pre vysielanie a retransmisiu: Kto bude jeho nahradou?" (Peter Joanidis resigned from the Broadcasting and Retransmission Council: Who will replace him?), *Novy Cas*, 12 May 2018, available online at <https://www.cas.sk/clanok/692461/peter-joanidis-sa-vzdal-funkcie-v-rade-pre-vysielanie-a-retransmisiu-kto-bude-jeho-nahradou/> (accessed on 15 May 2019).

[40] "Madaric odporuča ministerke iniciovať obnovenie investigatívy v RTVS" (Madaric recommends the minister to initiate the reinstatement of the investigations at RTVS), *Medialne.sk*, 23 Mar 2018, available online at <https://medialne.etrend.sk/televizia/madaric-odporuca-ministerke-iniciovat-obnovenie-investigativy-v-rtvs.html>

[41] "Reportéri sa vracajú od pondelka, v pôvodnom vysielačom čase" (The program Reporters returns from Monday, at the original airtime), *Trend*, 7 September 2018, available online at <https://medialne.etrend.sk/televizia/reporteri-sa-vracaju-od-pondelka-v-povodnom-vysielaacom-case.html> (accessed on 15 September 2019).

With the digital switchover, an increasing number of licenses for TV and radio operations has become available, making licensing a pure formality unlike more than one decade ago when only three to four television broadcast licenses were available on the market. The increased availability of licenses helped depoliticize the regulatory process and reduce the amount of pressure on the RVR's members. Today, any applicants satisfying a set of formal criteria can claim a broadcast license. In the past, a high number of bidders were participating in licensing tenders.

Today, if digital license holders want to air also terrestrially (besides via digital platforms), they have to conclude bilateral agreements with digital multiplex operators, which does not involve regulation either.

Regulation: Impact on News Media and Journalism

Although the quality of the decision-making at RVR has improved dramatically in the past 15 years, the regulator is still seen by local journalists and experts as a “conservative” body whose decisions can often hamper the independent operation of news media in Slovakia. In the past five years or so, as the government has pushed RVR to generate more income from its own activities, the regulator has increasingly focused on imposing fines on broadcasters, their only venue to boost revenues.

However, in spite of complaints from some fined broadcasters, RVR has not made in recent years any earth-shattering decisions that would negatively or positively affect news media companies. Fines, usually to the tune of thousands of euros, are not life-threatening for the major broadcasters.

Moreover, many of the RVR's decisions are turned down by the Constitutional Court, which according to experts interviewed for this project is seen as the institution with the biggest role in protecting and promoting freedom of expression in Slovakia. The court is the sole actor outside the politically polarized state institutions involved in media policy and regulation.

PMU, the Slovak antitrust watchdog, has substantial influence in the media market. PMU has been instrumental in the expansion of the country's major financial groups in the media. The regulator approved several major merger cases during the past 20 years. Recently, some of its decisions allowed the expansion of the financial group Penta Investments in the media. In June 2016, PMU approved the takeover by Penta Investments along with Prva slovenska investicna skupina, of the publisher Petit Press.[42] A year before, the PMU dealt with the acquisition by Penta Investments of the publishing houses Spolocnost 7 Plus and Trend Holding.[43]

[42] “KONCENTRACIE: PMU SR schválil koncentraciu Petit Press, a.s., Bratislava, Prva slovenska investicna skupina, a.s., Bratislava a PENTA INVESTMENTS LIMITED, Normanské ostrovy” (Concentration: PMU SR approved the concentration of ownership between Petit Press, Prva slovenska investicna skupina and Penta Investments Limited), 28 Jun 2016, available online at <http://www.antimon.gov.sk/4484-sk/koncentracie-pmu-sr-schvalil-koncentraciu-petit-press-as-bratislava-prva-slovenska-investicna-skupina-as-bratislava-a-penta-investments-limited-normanske-ostrovy/>

[43] “Penta kupuje Trend Holding a 7 Plus” (Penta buys Trend Holding and 7 Plus), Medialne.sk, 3 Sep 2014, available online at <https://medialne.etrend.sk/tlac/penta-kupuje-trend-holding-a-7-plus.html>

INFLUENCERS

The industry, mostly broadcasters, advertising and publishers, is by far the most influential player in the regulatory process and policymaking affecting media in Slovakia. They actively lobby for their interests, which are primarily commercial.

However, the biggest influencers in the Slovak media (and Slovakia, generally) are a group of magnates including Andrej Babis, Marek Dospiva, Ivan Kmotrik, Petr Kellner and Peter Korbacka, who control vast amounts of funds and have interests in a spate of industries; many of them operate also in neighboring Czech Republic. They are supported by a network of less wealthy, yet powerful and politically connected underlings with high positions in media companies, coming mostly from Penta Investments and J&T, two key players in the Slovak news media. For example, Dospiva is more active in the Czech media market using his partner Jaroslav Hascak to handle Penta's media-related acquisitions in Slovakia.

A dynamic group of professionals, mostly in top media management positions, exert influence in media on their own, but are hardly able to dismantle the dominance of the few media owners. Slovakia has a vibrant civil society and some NGOs are actively involved in media policy and journalism debates. The Slovak press council, a self-regulatory body, often calls government worthies and politicians to account over undue influence in and attacks on media and journalism.

However, that is not sufficient to build a propitious environment for independent journalism. Building an independent journalism operation outside the established industry is a tortuous task as very few journalists who ventured into that have learned first-hand.

Local Influencers

Industry Players

The industry players with the biggest influence in the regulatory and policymaking process in Slovakia are the country's large broadcasters, advertising agencies (and through them the key advertisers) and publishers. Each of these groups have a professional organization lobbying for its interests.

The Association of Independent Radio and TV Stations (ANRTS), with 19 members including the largest radio and television stations in Slovakia, represents the interests of the private broadcasting industry.[44] Its president is Marcel Grega, the general director of the Joj TV.

The Club of Advertising Agencies in Slovakia (KRAS) is the main organization of advertising companies in the country. It has 12 members, mostly big advertising agencies.[45] By far the largest advertising company in the country is JandL, marketing a reklama with revenues of over €30.9m in 2017. The company is owned by local businessman Ladislav Zdut, who also owns the luxury fashion brand Nehera. The interest of the advertising community is to ensure that rules and regulations do

[44] For more information about this association, visit its website at <http://www.anrts.sk/wp/>

[45] For more information about this association, visit its website at <http://kras.sk>

not restrict in any way how they do marketing for their clients. They are in many ways supportive of the media as this is one of their main platforms for advertising. However, they are primarily driven by commercial goals and care less, if at all, about journalistic ideals.

At the same time, ad agencies are increasingly looking for new advertising formats such as native advertising and engagement with customers on social media that are made possible by digital platforms. That has led to the emergence of a new generation of creative talents, more focused on digital ads. Together, they act as the Association of Digital Marketing Agencies (ADMA), an organization of 21 members, most of which are small-size shops, either independent agencies or daughter companies of larger advertising groups.[46] For example, Performics is a digital ad agency controlled by B2B Group, company that belongs to the French advertising giant Publicis. Another digital ad company, ecake is jointly run by four Slovak entrepreneurs.

Slovak advertising universe

The largest advertising agencies in Slovakia, by sales revenues, 2015-2017

Ad agency	Revenues ('000 €)			Change, yoy (%) 17/16	Main clients	Membership KRAS
	2017	2016	2015			
JandL, marketing a reklama	30,942	27,728	29,393	11.60%	COOP Jednota, Volkswagen Slovakia, Mliecny fond, Wüstenrot	Yes
Roko	12,243	14,315	n/a	-14.50%	Allianz, TASR, Land Rover, RWE Group, Volvo, Jaguar	No
Wiktor Leo Burnett	6,724	5,174	5,458	30.00%	Fiat Group Automobile, Orange, Eurovea, HB Reavis, Heineken, J&T Banka, LIDL, Slovnaft, Postova Banka, 365.bank, Volkswagen	Yes
Made by Vaculik	4,160	5,135	6,514	-19.00%	AeroMobil, Heineken, IBM, Raiffeisen banka, Tatra banka, Tesco, Fio banka, T-Mobile CZ	Yes
Istropolitana Advertising*	4,153	3,899	3,457	6.50%	Citroen, Dr.Max, Groupama, Heineken Slovensko, Peugeot, Slovnaft, Svet Zdravia, Tesco, VUB banka	Yes
Effectivity	4,150	4,016	5,416	3.30%	WND	Yes
Promea Communication	3,902	4,721	n/a	-17.30%	Audi, Microsoft, Porsche, Eustream, Sberbank, Slovenska Sportelna, VUB Banka	No
MullenLowe GGK	3,737	3,450	3,307	8.30%	Audi, Baumit, Bramac, Seat, Skoda Auto, Volkswagen, VW Financne sluzby	Yes
MUW / Saatchi & Saatchi	3,390	3,811	4,187	-11.00%	Slovak Telekom, CSOB Group, J&T Real Estate, Aupark, Stredoslovenska energetika, Kooperativa poistovna, Terno Real Estate, IKEA CR, Zott	Yes
Zaraguza	3,019	2,387	1,860	26.50%	Dr.Oetker, Heineken, Profesia, Orange, Primalex, Slovenska sporitelna, SPP, Volkswagen	Yes

yoy: year-on-year; WND: would not disclose; n/a: not available
Istropolitana Ogilvy until 2017
Source: Trend, KRAS

Media buying agencies, in charge of buying ad space on behalf of ad agencies and their clients, are a major influencer in the Slovak media market. The largest agency in Slovakia is Unimedia, with over €56m in revenue in 2017, according to data from Trend. Ten media buyers have annual revenues of at least €10m.

[46] For more information about this association, visit its website at <http://adma.sk>

Advertising brokers

The largest media buying agencies in Slovakia, by sales revenues, 2014-2017

Agency	Revenues ('000 €)				Change, yoy (%) 17/16	Cooperation with ad agencies
	2017	2016	2015	2014		
Unimedia	56,474	50,258	52,373	50,977	12.40%	Havas Slovakia, Médea Slovakia and others
Wavemaker*	25,608	28,774	27,606	25,820	-11.00%	Creo Advertising
Universal McCann Bratislava	24,589	25,249	24,231	21,575	-2.60%	Mayer, McCann Erickson
ZenithOptimedia	19,408	21,677	27,226	26,772	-10.50%	MUW, Saatchi & Saatchi
MediaCom Bratislava	19,329	19,799	17,666	18,802	-2.40%	WND
Media and Digital Services	18,948	12,706	21	–	49.10%	Media Investments, Packy Advertising, Made by Vaculik
OMD Slovakia	16,615	17,225	17,774	16,905	-3.50%	Mark BBDO, DDB, TBWA
Starmedia Co.	14,213	15,753	16,708	13,817	-9.80%	2create, Miracle, Wiktor Leo Burnett
Dentsu Aegis Network Slovakia	13,775	11,200	14,255	12,481	23.00%	Adexpres.com, Community, Effectivity, Partners in communication, Progress promotion, Manifest 360, Triad
Mindshare Slovakia	13,460	11,442	5,765	6,373	17.60%	Ogilvy Czech, daren&curtis
Havas Media Slovakia**	8,668	6,334	6,680	6,753	36.80%	Ogilvy & Matter Morava, Mediaplus
PHD	6,631	2,468	6,023	6,822	168.70%	Mark BBDO, TBWA, DDB
Panmedia Western	5,324	5,768	4,578	4,917	-7.70%	MullenLOWE GGK
Branding	1,292	2,107	1,264	1,966	-38.70%	WND
METS Slovakia	1,005	1,100	1,714	2,399	-8.60%	WND
Ideamedia	504	1,022	2,074	2,914	-50.7	Apple pie, Istropolitana, Zaragoza

yoy: year-on-year; WND: would not disclose; n/a: not available

*known as MEC Slovakia until 2017;
operating as Médea Slovakia until 2017

Source: Trend

The publishing industry is promoting its interests through the Slovak Print and Digital Media Association (ATDM), an industry group formerly known as the Press Publishers Association, set up back in 1991. ATDM has 16 members, including all major publishers in Slovakia such as Ringier Axel Springer Slovakia, News & Media Holding (NMH), Petit Press, Mafra Slovakia and Perex.[47] Alexej Fulmek, CEO of Petit Press publishing house is the ATDM's president.

[47] For more information about the association, visit its website at <http://vydavatelja.sk>

Key influencers

The kingpins



Source: Wikipedia

Andrej Babis is a powerful businessman, now prime minister in the Czech Republic with a net worth of over US\$ 4bn in 2017, according to estimates from Bloomberg. Born in Slovakia, Babis has made his fortune through the conglomerate Agrofert. In the Czech Republic, he founded his own political party in 2011 and two years later purchased Mafra[48], a large newspaper publisher through which he controls the most popular business newspaper in Slovakia today, *Hospodarske noviny*. [49] Babis is known for his attempts to gag and intimidate journalists in both Czech Republic and Slovakia,

according to journalists interviewed for this report. He does made these pressures by either threatening media owners or directly attacking journalists. In 2018, Babis sued the daily newspaper *Novy Cas* in Slovakia for a story in which he was accused of collaborating with the former secret service of the communist Czechoslovakia, StB, known for its oppressive practices. The accusation was made by a former secret service employee. Babis sued the accusers and the newspaper, asking for compensation worth €1m. After nine months, he dropped the lawsuit, without any explanation.[50]



Source: forbes.com

Czech **Marek Dospiva**, one of the founders of the Penta Investments group, lives in Prague and deals mostly with Czech media acquired by Penta. However, through his partner Jaroslav Hascak, he influences the Slovak market a great deal. Dospiva has close connections with Russia and China where he did his studies. He was responsible of the Penta's entry on the Czech market and then of its expansion in Germany. In Slovakia, he has stakes in nearly 250 companies, many of them being Penta investees. They include the betting company Fortuna SK, private hospitals and pharmacy

chains. Dospiva's fortune is estimated at over €800m.[51]

Czech entrepreneur **Petr Kellner** operates in the Slovak market through the mobile operator O2, in which he has a participation. PPF, the financial group controlled by Kellner, bought O2 in Slovakia in 2013.[52] Kellner is considered the richest Czech with a net worth US\$ 12.8bn.[53] Kellner is reportedly in talks with a group of other financiers from Slovakia and Czech Republic to buy Markiza TV.[54] He wants to partner in this acquisition with J&T, Penta Investments and Energeticky a prumyslovy holding (EPH), a Czech energy utility. In July 2019, it was reported that he was close to a deal to buy the station.[55]



Source: forbes.com

[48] "Agrofert Andreje Babise koupil vydavatele MF DNES a Lidovych novin" (Andrej Babis' Agrofert bought the publisher of MF Dnes and Lidove Noviny), *iDnes.cz*, 26 Jun 2013, available online at https://ekonomika.idnes.cz/babis-koupil-vydavatelstvi-mafra-dqb-/ekonomika.aspx?c=A130626_160851_ekonomika_fih

[49] "Andrej Babis kUpil Hospodarske noviny" (Andrej Babis bought Hospodarske noviny), *finweb.sk*, 15 Apr 2013, available online at <https://finweb.hnonline.sk/ekonomika/565688-andrej-babis-kupil-hospodarske-noviny>

[50] Veronika Prusova, "Babiš stiahol žalobu na človeka z ŠtB, ktorý potvrdil jeho donášanie" (Babis withdrew the lawsuit against a man from StB who confirmed his collaboration), *DennikN*, 17 January 2019, available online at <https://dennikn.sk/1353257/babis-stiahol-zalobu-na-estebaka-ktory-potvrdil-jeho-donasanie-komunistickej-tajnej-sluzbe/?ref=tit> (accessed on 15 September 2019).

[51] "70 najbohatsichcechů 2017" (The 70 richest Czechs 2017), *Forbes.cz*, 6 Dec 2017, available online at <http://www.forbes.cz/miliardari/>

[52] "Potvrdené: Kellner kupuje O2" (Confirmed: Kellner buys O2), *Trend*, 6 Nov 2013, available online at <https://www.etrend.sk/trend-archiv/rok-2013/cislo-44/potvrdene-kellner-kupuje-o2.html>

[53] The 70 richest Czechs, cit.

[54] "Miliardovy biznis na spadnutie. Na predaj je TV Markiza" (A billion business to fall. TV Markiza is on sale), *Strategie*, 20 Sep 2017, available online at <https://strategie.hnonline.sk/media/1029753-miliardovy-biznis-na-spadnutie-na-predaj-je-tv-markiza>

Ivan Kmotrik is a businessman with interests in many industries. He was described as a “gangster” by several journalists surveyed for this report. Kmotrik owns Grafobal group, which also has investments abroad. His name was linked to a slew of privatization deals during the 1990s, which contributed much to his wealth. Today, he runs printing houses, healthcare facilities, agricultural companies, food retailers, media, energy and a football club. The control over the printing businesses gave Kmotrik significant influence among big publishers in Slovakia and Hungary.



Source: biztweet.eu

Through the companies Mediaprint-Kapa Pressegrasso, GG TABAK and Royal Invest Consulting, Kmotrik secured monopoly of the print media distribution market, which gave him immense leverage with publishers. He had a stake in TV Joj, which he then sold to J&T, and now controls the all-news TV station Ta3.[56] Friendship with politicians from the Smer-SD party secured Kmotrik a string of public contracts in recent years.



Source: Youtube

Peter Korbacka is one of the most powerful people in the Slovak media industry (and in Slovakia generally) mainly thanks to his affiliation with the financial group J&T. A partner in the real estate and media divisions of J&T, Korbacka is one of the wealthiest Slovaks, with some €250m in his bank account, according to industry estimates from 2013. Korbacka also has investments abroad. He has run a slew of real estate projects in Russia. Slovak media reported about his swank villa equipped with a private heliport, located somewhere close to Joj TV, the station he controls.[57]

Korbacka is also one of the most politically connected businessmen. His money opens doors to many high officials. With some of them he has close friendships. Korbacka has had influence in media regulation as well. One of the RVR’s members, Peter Joanidis, was Korbacka’s business partner in a company that is now defunct.[58] Rocked by a scandal, Joanidis, however, left the regulator in 2018. (See *Key Players under Decision-Making: Regulation and Policymaking in this report*)

The middlemen

Penta Investments

An investment manager at Penta Investments, **Peter Andits** is also part of the supervisory boards at Penta’s publishing houses NMH and Petit Press. Andits has an important say in decisions related to Penta’s media businesses. He has a participation in a dozen of other businesses, mainly companies controlled by Penta Investments.



Source: LinkedIn

[55] Jan Kovac, “Čím je miliardár Kellner ako adept na ovládnutie Markízya Novy nebezpečný” (What makes the billionaire Kellner dangerous as a suitor to take over Markiza and Nova), *DennikN*, 9 July 2019, available online at <https://e.dennikn.sk/1522189/cesky-miliardar-kellner-je-vo-finale-sutaze-o-ovladnutie-markizy/?ref=mpm> (accessed on 1 September 2019).

[56] Tomas Czwickovics, “JOJ a TA3 - J&T a Grafobal si vymenili televizie” (Joj and Ta3-J&T and Grafobal exchanged TV stations), *Medialne.sk* 16 Jan 2007, available online at <https://medialne.etrend.sk/televizia/joj-a-ta3-j-t-a-grafobal-si-vymenili-televizie.html>

[57] “Poslednej stvorke slovenskych milionarov vladne Ivan Chrenko” (The last tetrad of Slovak millionaires is led by Ivan Chrenko), *Plus7dni*, 3 Jun 2013, available online at <https://plus7dni.pluska.sk/Kauzy/Poslednej-stvorke-slovenskych-milionarov-vladne-Ivan-Chrenko>

[58] Data from CMDS investigations including interviews with Slovak journalists and experts (See *Methodology in Media Influence Matrix: Slovakia*)



Source: Trend/Mano Strauch

Igor Grosaft is a controversial businessman who has been used by Penta Investments as a straw man for a number of transactions that the group made in media and other industries. Grosaft was mentioned in the Gorilla file as close to Jaroslav Hascak of Penta Investments.[59] He reportedly carried out the takeover of the publisher Petit Press for Penta Investments. The sale prompted the departure of half of the journalists working for Sme, Petit Press' most influential and popular daily. Grosaft has intermediated the Petit Press deal using the news agency SITA, which he owned at the

time.[60] The Swiss Leaks, an investigation carried out by the International Consortium of Investigative Journalists (ICIJ), revealed in 2015 that Grosaft was among the Slovak businessmen who stashed their euros in an HSBC account in Switzerland, allegedly to save on taxes.[61] But in spite of all that, Grosaft does not exert real influence in the media sector and rather is used as a middlemen by his bosses.

Jaroslav Hascak is a key figure in Penta Investments with high influence in the company's investment decisions. Hascak co-founded Penta group with Dospiva, using cash they made in the early 1990s in China during their studies, according to the official version of the company's history. Local observers have long questioned the provenance of the cash that led to the creation of the Penta empire, doubting that imports of textiles from China to the former Czechoslovakia was such a lucrative business as Hascak and Dospiva claimed. Hascak has a participation in many of Penta's large



Source: Penta Investments

companies, including the insurer Dovera, the private hospital operator Svet Zdravia, Prima Banka and the lottery Fortuna SK. Hascak's name was mentioned in the infamous Gorilla case as the key link with senior politicians from the ruling coalition in talks about privatization deals and sale of state property. The Gorilla case was a political corruption scandal that rocked Slovakia in 2011 when leaks from a Slovak Secret Service wiretap file known as Gorilla, recorded in 2005-2006, were published online. The file revealed a web of kickbacks to politicians in return for procurement and privatization contracts mostly involving Penta Investments. The company denied any wrongdoing. [62] Hascak was listed by Forbes magazine as the second richest man in Slovakia in 2019, with a fortune worth some €960m.[63] In 2019, Hascak was questioned by the National Crime Agency (NAKA), a unit of the interior ministry in charge of investigating corruption and organized crime. The questioning was related to the killing of the journalist Jan Kuciak in 2018. Hascak reportedly spoke regularly with Marian Kocner, a Slovak entrepreneur suspected of involvement in organized crime who was arrested for having ordered the murder of Kuciak.[64]

[59] Marek Vagovic, "Média v krajine oligarchov" (Media in the country of oligarchs), *Tyzden*, 28 Sep 2014, available online at <https://www.tyzden.sk/casopis/16360/media-v-krajine-oligarchov/>

[60] Zuzana Petkova, "Muž, ktorý kupil Pente Sme" (The man who bought Sme for Penta), *Trend*, 22 Oct 2014, available online at <https://www.trend.sk/trend-archiv/rok-2014/cislo-42/muz-ktory-kupil-pente-sme.html>

[61] Monika Todova, "O Grosafta sa bude zaujímať aj tím vyšetrujúci Gorilu" (The team investigating Gorilla is going to be interested in Grosaft as well), *DennikN*, available online at <https://dennikn.sk/72457/o-grosafta-sa-bude-zaujimat-aj-tim-vysetrujuci-gorilu/>

[62] "The multi-million euro gorilla", *The Economist*, 27 January 2012, available online at <https://www.economist.com/blogs/easternapproaches/2012/01/scandal-slovakia> (subscription might be required).

[63] "32 najbohatších ľudí Slovenska 2019" (The 32 richest people in Slovakia 2019), *Forbes.sk*, available online at <https://forbes.sk/najbohatsi-slovaci-rebricek-2019/> (accessed on 1 October 2019).

[64] Jan Debnar, "Jaroslav Haščák z Penty vypovedal na NAKA" (Jaroslav Hascak from Penta testified at NAKA), *Aktuality.sk*, 19 September 2019, available online at <https://www.aktuality.sk/clanok/725014/jaroslav-hascak-z-penty-vypoveda-na-naka/> (accessed on 20 September 2019).

Agrofert



Source: ahaonline.cz

Alexej Bilek is an influential businessman close to Andrej Babis. He has a participation in Mafra Slovakia. Bilek is part of the privileged during the communist regime in the former Czechoslovakia. After the collapse of communism, he controlled the publishing house that published the communist daily Halo noviny in the Czech Republic. Lawyer by profession, Bilek is known as one of Babis' key lawyers who helped him amass the wealth he now possesses. Bilek is known as Babis's "faithful dog" and one of the few people in Babis's circle allowed to make fun of him. Bilek also has

links with the Russian government. Back in the 2000s, he was hired by the Russian government to handle registration of Russian-owned properties in the Czech Republic.[65]



Source: famyfakta.cz

Czech **Zbynek Prusa** is a close associate of the Czech prime minister Andrej Babis, owner of the Agrofert group where Prusa is a chairman of the board. A powerful businessman with experience in the chemical manufacturing industry, Prusa is also part of Mafra Slovakia, the publishing house controlled by Babis in Slovakia. However, due to his heavy duty at the helm of Agrofert, Prusa exerts less influence in the Slovak media industry than one would expect.

Petit Press

Vaclav Foglar, a board member at Petit Press, is a prominent player in the Slovak media industry, currently co-owner of Prva slovenska investicna skupina (PSIS). Foglar keeps a low profile, but has leverage with media funders. Before Penta Investments purchased Petit Press, he owned part of the publishing house through the investment holding Proxy-Finance. Foglar with Peter Vajda (who died in 2017) and Vladimir Rajcak co-founded in 1990 Prva slovenska investicna skupina, one of the pioneering investment funds in Slovakia.



Source: sme.sk



Source: sme.sk

Vladimir Rajcak, also a member of the Petit Press board, is an influential businessman in the Slovak media. He was one of the three founders of Prva slovenska investicna skupina. He is on the board of the leasing company VUB Leasing.

[65] Eliska Hradilkova Bartova, "Má důvěru Babiše i Rusů. Dvorní právník Agrofertu zastupoval Rusko při převodu majetku z dob SSSR" (He has the confidence of Babis and of the Russians. House lawyer Agrofert represented Russia in the transfer of assets from the times of the USSR), *HlidaciPes.org*, 16 October 2017, available online at <https://hlidacipes.org/ma-duveru-babise-i-rusu-dvorni-pravnik-agrofertu-zastupoval-rusko-pri-prevodu-majetku-dob-sssr/> (accessed on 15 September 2019).

The executants

Penta Investments

A former spokesperson for Penta Investments, **Martin Danko** started to work for Penta's media arm in 2015. He sits on the supervisory board of NMH, a publisher controlled by Penta Investments. Danko is in charge of chasing potential acquisitions for Penta in the media. He is known in the industry as a skilled dealmaker and negotiator with significant power in the media businesses that Penta Investments controls.



Source: Twitter



Source: NMH

Michal Teplica is the president of the publishing house NMH, a position he grabbed mostly thanks to his close connections with Penta Investments. Before that, he worked with the media agency Media and Digital Services (MDS), which is also a Penta investment. Many of the MDS clients were companies controlled by Penta Investments and J&T group.

Ringier Axel Springer

Milan Dubec, formerly the general director of Ringier Axel Springer Slovakia and of the leading online server Azet, is known as an expert in online products. In his position at Ringier, Dubec managed a range of online platforms controlled by Ringier Axel Springer in Slovakia including the news portals Aktuality.sk and Cas.sk, the sports website Sport.sk and the advertising servers Autobazar.sk, Bazar.sk, Nehnutelnosti.sk, Reality.sk, and Byty.sk, among many others. In July 2019, Dubec left the company after 22 years. However, he retained his stake in the company.[66] As Dubec is

likely to focus on a series of real estate investments that he made in recent years, his influence in the media is likely to fade in the coming years.



Source: Axel Springer

CME

Austrian **Matthias Settele** has served as TV Markiza's CEO since September 2013. Prior to that, he worked for Turner Nordic and Baltic and was an advisor to Austria's public television channel ORF. Settele is credited with turning Markiza TV from a loss-incurring enterprise into a profitable business. He has an impressively strong reputation in the Slovak media industry and is known for his heft in the country's regulation. In the past year, however, Settele is involved in a massive scandal related to links with an organized crime network that surrounds a former head of Markiza TV, Pavol Rusko. (*See more details in the Funding Journalism chapter*)



Source: cetv-net.com

[66] "Milan Dubec odchází z aktivního vedení Ringier AS SK" (Milan Dubec is leaving the current management of Ringier AS SK), *MediaGuru*, 14 June 2019, available online at <https://www.mediaguru.cz/clanky/2019/06/milan-dubec-odchazi-z-aktivniho-vedeni-ringier-as-sk/> (accessed on 20 August 2019).

Joj Media House



Source: jojmediahouse.sk

Richard Flimel is a lawyer and economist educated in Slovakia and the U.S. As board chair at Joj Media House, the group that operates Joj TV, he exerts considerable influence in the market. His name is also linked with the Slovak outdoor advertising industry thanks to his work for BigMedia, an outdoor ad company with over €17.6m in revenues in 2018. As of 2016, Flimel has been a partner in Sandberg Capital, an investment fund focused on small and mid-size companies operating in Central and Eastern Europe. The fund has links with the financial group J&T, some of its board

members also working for J&T-run enterprises. The fund was created by Martin Fedor, a former J&T partner.

Marcel Grega, the general director of TV Joj, has made a career in banking in the U.S. Before joining TV Joj in 2007 as financial director, he worked for the consultancy PricewaterhouseCoopers (PwC). Under Grega, TV Joj's news programs increased their audience. Joj Media group's TV stations, Joj TV, Plus and Wau, have boosted their combined audience share during his time. He has close connections with the financial group J&T where he worked on media investments.



Source: Facebook

Petit Press

Alexej Fulmek, the president of the Petit Press group, is a respected professional in the media business with substantial influence in the industry. He started his career in 1989 at the daily Smeňa and helped establish Sme in 1993, which is today the most popular serious newspaper in Slovakia. Fulmek is also a member of the board of directors at the Media Development Investment Fund (MDIF), a global provider of financial assistance to news media. Through the press publishers association, Fulmek exerts substantial influence in the Slovak news industry.



Source: mdif.org

Slovak Telekom



Source: LinkedIn

Miroslav Majoros is the chair of the board of directors at Slovak Telekom, the largest telecom operator by revenue in Slovakia, which is owned by Deutsche Telekom. In January 2016, he was also appointed CEO of Telekom Romania, another Deutsche Telekom company. Majoros has a solid reputation in the Slovak business thanks to his successful management positions at various major technology companies. Before Slovak Telekom, he worked at IBM Slovakia. Majoros is said to have significant influence among regulators and politicians in Slovakia. He was the first director of

the public TV in Slovakia after the split of Czechoslovakia in 1993.

Civil Society

Slovakia has a vibrant NGO community whose history harks back to the late 1990s when the most prominent civil society groups joined forces in a campaign, known as OK98, aimed to topple the isolationist, nationalist regime of Vladimir Meciar, prime minister at the time. The NGOs then called for free and fair elections.

The NGO community in Slovakia numbers over 18,000 entities, according to statistics from the Washington, D.C.-based Institute for Policy Studies.[67] Most of them are still funded by foreign donors, but funding from that source is dwindling; however, a 2% tax assignment for NGOs helps civil society groups diversify their funding sources. That tax also inspired many businesses to establish their own NGOs. Most of them are focused on education and health, and represent the interests of their founding companies.

The majority of NGOs in Slovakia are located in Bratislava in spite of efforts by some civil society groups to expand outside the capital city. The experience that Slovak NGOs have in raising civic education awareness and providing an impartial approach to policymaking made them a paragon for NGO development in Eastern Europe, according to analysis published by the Woodrow Wilson Center.[68]

But very few civil society groups are involved in media policy. The most prominent NGOs that devote some of their resources to media policy, chiefly think tanks and research groups, are the Institute for Public Affairs (*Institut pre verejne otázky*, IVO) that was founded in 1997 by Martin Butora, a well-known political dissident; Globsec, a global think tank located in Bratislava that carries out studies on various topics including media; Media Institute, a research institute focused on media studies. However, none of these organizations has much power in influencing media policy in Slovakia.

Thanks to its growing clout, Creative Industry Forum (*Forum Kreativneho Priemyslu*, CIF) has emerged as an important player in the Slovak media. The forum, whose members are independent producers, professional broadcasters associations and advertising associations, has been involved through its experts in drafting media legislation. CIF advocates for fair economic competition and protection of investments in the creative industry.

The Press Council of Slovakia or TRSR is described by journalists interviewed for this report as an effective professional association. A self-regulatory organization, TRSR is the executive arm of the Association for the Protection of Journalistic Ethics (*Asociacia na ochranu novinarskej etiky*, AONE). The TRSR mainly deals with complaints from the general public, be they individuals or companies. Most of TRSR's work is related to journalism ethics. In its more than 15 years of history, the TRSR has handled over 300 complaints.

In 2017, responding to the shifts in the media triggered by the internet, TRSR changed its name to the Press-Digital Council of Slovakia (*Tlacova-digitalna rada Slovenskej republiky*, TRSR). Furthermore, IAB Slovakia-Association for Internet Advertising also joined TRSR in 2017. IAB Slovakia has 39 members, including the largest publishers, media agencies and other players in the Slovak internet advertising market.[69] TRSR's governing structure is a council consisting of nine people, mostly

[67] John Feffer, "The New Wave of NGOs in Slovakia and East-Central Europe", *Foreign Policy in Focus*, 16 Jan 2014, available online at <http://fpif.org/new-wave-ngos-slovakia-east-central-europe/>

[68] Sabina Crisen, "A Closer Look at the Slovak NGO Community", 7 Jul 2011, Wilson Center

[69] For more information about TRSR, visit its website at <http://trsr.sk>

personalities from the public, culture and society who are not active journalists or publishers and do not belong to any political party. They themselves appoint the board's chair. In the past, the TRSR's members included painters, judges, psychologists, pedagogues and priests. All TRSR members have a six-year mandate.

TRSR board

- Alena Panikova (NGO activist, 2017-2023), chair
- Andrej Schwarz (lawyer, 2015-2021)
- Ivan Podstupka (former journalist, 2016-2022)
- Tomas Kamenec (lawyer, 2015-2021)
- Peter Kerecman (lawyer, 2016-2022)
- Ivana Potocnakova (former journalist, 2015-2021)
- Marek Ogurcak (lawyer, 2017-2023)
- Pavol Mudry (former journalist, 2017-2023)
- Valer Kot (digital business expert, 2017-2023)

TRSR is funded through a combination of membership fee and other financial contributions from members, grants, gifts from individual sponsors and cash from paid services, according to the organization. One major case handled by TRSR involved the government of the former prime minister Robert Fico and the newspapers Sme and DennikN. Government officials refused to answer questions from journalists working with these newspapers arguing that they constantly published incorrect articles about the government. TRSR discussed both cases (Sme and DennikN) in 2015 and found that the government breached provisions on free access to freedom of information. The case was brought before the European Court of Human Rights (ECHR).

Slovakia has an ombudsman office known officially as the Office for the Public Defender of Rights. In February 2017, Maria Patakyova was appointed by Parliament to head this office for a five-year mandate. An active barrister, Patakyova is a respected lawyer with expertise in European law. Upon her investiture, Patakyova said that she wanted to keep tabs on the executive power.[70] According to human rights activists, Patakyova is doing her job well in spite of obstructions posed by politicians. However, her power to influence the media regulatory process is limited.

The killing of the journalist Jan Kuciak in February 2018 led to an unprecedented mobilization of civil society in Slovakia. A group of students established an informal group known as *Za slusne Slovensko* (For a decent Slovakia) that has since organized anti-government protests across Slovakia. In September 2019, they called on Dusan Kovacic, the Slovak Special Prosecutor, who was allegedly the main link through which two men charged with Kuciak's murder, tried to influence criminal prosecutions. Zuzana Caputova, who was elected Slovakia's president in June 2019, supported the protest.[71]

[70] "Maria Patakyova Elected as New Ombudswoman", 7 Feb 2017, *TASR*, available online at <https://newsnow.tasr.sk/policy/maria-patakyova-elected-as-new-ombudswoman/>

[71] Denisa Hopkova, Rudolf Sivy, "Za slušné Slovensko na námestiach: Dušan Kováčik, odstúpil" (For a decent Slovakia in the public squares: Dusan Kovacic, go away), *Aktuality.sk*, 20 September 2019, available online at <https://www.aktuality.sk/clanok/725401/za-slusne-slovensko-dnes-pojde-do-ulic-hlas-ludu-moze-odvolat-celu-koaliciu/> (accessed on 10 September 2019).

External Influencers

International bodies and intergovernmental institutions have little leverage with the Slovak regulatory authorities that cover media. They rarely influence decisions or policies that affect the media industry and journalism in Slovakia. In the telecommunications sector though the European Commission has considerable influence. It often requests regulatory authorities and government bodies in Slovakia to remedy policies or intervene in the market when various developments are likely to jeopardize competition or consumers.

These requests are usually complied with as the Commission has legal mechanisms to intervene in cases where the Slovak government fails to remedy breaches of EU law. Most of the requests are either technical or competition-related and do not affect media or journalism. For example, in October 2017, the Commission launched an investigation into the proposal of the Slovak regulator RU to set a maximum price for wholesale voice call termination services that is likely to affect all telecoms on the market.[72] The Commission has the right to impose fines on telecom operators in Slovakia. Its work is coordinated with the Body of European Regulators for Electronic Communications (BEREC), the EU's regulator for the pan-European telecom market, based in Riga, Latvia.[73]

The Strasbourg-based European Court of Human Rights (ECHR) has some influence in the Slovak media as its decisions are legally binding. However, rarely this instance is used by Slovak media and journalists mainly because it is a complicated, time-consuming procedure, journalists say. In one case, Slovak journalist Arpad Soltesz won a case at ECHR ten years after the publication of a story under his byline got him in trouble. The court ordered compensations of €20,000. Soltesz lost a libel suit lodged against him by a local lawyer in Slovakia's courts before referring the case to the ECHR.[74]

In a separate case, in 2013 eight current and former judges sued Ringier Axel Springer, the publisher of the tabloid *Novy cas*. They were unhappy with a story *Novy cas* published in 2011 that featured photos of the judges with mock assault rifles and wearing blue ear protectors at a party. A few months before the party, seven people, some of them Roma, were killed by a gunman wearing blue ear protectors. The judges asked for compensation worth €1.8m. A Slovak court ordered *Novy cas* to publicly apologize to Daniel Hudak, a Supreme Court justice who was among the peeved judges arguing that the newspaper published his picture without Hudak's consent. Ringier Axel Springer appealed the decision. In January 2014, the ECHR awarded a total of €30,000 to Ringier Axel Springer and found that Slovak courts failed to protect the right of *Novy cas* to free expression.

The International Telecommunication Union (ITU), a UN agency setting standards globally in the information and communication technologies sector, exerts influence in Slovakia, but mostly on technical issues such as frequency management and technical standards. The three Slovak members in ITU are the transport ministry, the technical regulator RU and the telecom operator Slovak Telekom. The Slovak broadcast regulator RVR is a member of the European Platform of Regulatory Authorities (EPRA), a network of broadcast regulators. EPRA as such has no influence in the internal

[72] EC, "Commission opens a second phase investigation in Slovak wholesale mobile termination market", 25 Oct 2017, available online <https://ec.europa.eu/digital-single-market/en/news/commission-opens-second-phase-investigation-slovak-wholesale-mobile-termination-market>

[73] For more information about the work of BEREC, visit its website at <https://berec.europa.eu>

[74] "Journalist prosecuted for Facebook status", *The Slovak Spectator*, 13 Feb 2018, available online at <https://spectator.sme.sk/c/20760309/journalist-prosecuted-for-facebook-status.html>

broadcast regulation in Slovakia. It functions essentially as a forum for exchanges of information among European broadcast regulators.

The Organization for Security and Co-operation in Europe (OSCE) plays an important political role in Slovakia, particularly in monitoring elections. OSCE has a media representative office that is led by a highly reputable expert or politician. This office has the power to reach out to top officials in Slovakia, but its influence in the Slovak media is limited to political pressures and does not lead to any tangible change in media policy. For example, in early March 2018, the current OSCE media representative Harlem Desir, a French politician, met in Bratislava with the Slovak prime minister Robert Fico to ask the Slovak officials to investigate the assassination in February 2018 of Jan Kuciak, an investigative journalist from Slovakia. The Slovak officials ordered an investigation into the killing, but that came after a wave of pressures from international NGOs, networks of journalists and governments. In the end, it was a mass protest that forced the resignation of high officials in the Slovak government.[75]

When it comes to foreign countries, neighboring Czech Republic shares the most with Slovakia in terms of media regulation, funding and content. Much of that is due to the cultural history that the two countries are sharing thanks to close linguistic links and cultural affinities as well as rich business exchanges. The two countries were one, Czechoslovakia, for a good 75 years until 1993 when Slovakia and the Czech Republic split following a political agreement to break up. Because language permits, the Czech television stations for a long time have been watched by Slovak audiences (and vice-versa, although to a smaller extent). The media regulatory systems in the two countries are up to a point similar. The two countries look at each other when they regulate or initiate policies in the media. Moreover, the largest financial groups and many influencers in the Slovak media have operations in the Czech Republic (some of them are Czech investors).

[75] Tatiana Jancarikova, "Slovak protesters demand more resignations over corruption neglect", *Reuters*, 15 April 2018, available online at <https://www.reuters.com/article/us-slovakia-politics/slovak-protesters-demand-more-resignations-over-corruption-neglect-idUSKBN1HM00I>

Funding Journalism

MAIN TRENDS

The most influential players on the Slovak news media market measured by financial power (either spending in the media or revenues generated by media businesses) are the government (which controls the system of license fees for the public broadcaster and also gives subsidies and state advertising contracts to the media) and several private actors, mainly politicians and financial groups.

Financially, the government retains a leading position with over €120m of public money invested in the media in 2018, a significant jump, of more than €20m, from 2016. Most of the public funding goes to RTVS, the Slovak public broadcaster. With the exception of several private players, the amount of public funding dwarfs the turnover of most media companies in Slovakia.

In the past two years, the decrease of foreign ownership and further consolidation of the oligarchic power were the key trends that characterized the Slovak news media market. The most important event was the purchase by PPF Group, a powerful financial conglomerate controlled by the Czech oligarch Petr Kellner, of Markiza TV, Slovakia's most watched and most profitable media company. Another important deal was the sale by Ringier Axel Springer, a Swiss-German publisher, of Novy cas, Slovakia's most read newspaper, to Anton Siekel, an oligarch connected with Slovakia's powerful financial and investment groups.

Following these two deals, the participation of foreign companies in the Slovak news media market is practically reduced to a single player, Ringier, which decided to narrow its focus to a clutch of online media, including its most important asset, Aktuality.sk, which has become the most read news portal in Slovakia.

Two large financial groups, Penta Investments and J&T, have a strong influence in the Slovak

news media. Penta Investments controls, via two companies, a large portfolio of print titles and websites. The company repeatedly claimed that they view media purely as a business. They are said to be eyeing even more acquisitions. In 2018, the acquisition of Novy cas by Siekel was reportedly made for Penta Investments.

Penta Investments and J&T in the 1990s reaped spectacularly high profits from state companies. They have vested interests, doing business with the government, especially in regulated sectors such as healthcare and energy.

The largest technology player invested in Slovakia's media is Slovak Telekom, one of the top advertisers and largest companies in the country with revenues of some €604m and net earnings of €106m in 2018. They own the third largest portal by audience, Zoznam.sk.

Other prominent players in the Slovak news media sector are a small group of businessmen and politicians, including Andrej Babis, prime minister in the Czech Republic.

News is not highly profitable in Slovakia, with six of the ten largest companies in the market incurring losses in the period 2014-2018, but a lucrative subscription-based model is emerging, primarily in digital publishing. The most popular, non-tabloid, daily in Slovakia, Sme is moving towards that model as their print circulation steadily declines. Encouragingly for the news business, DennikN, a news outlet established in 2014 by a group of breakaway reporters from Sme, continued to boost its profitability in recent years thanks to a paywall model that helped them break even in only two years after launch. NPress, the publisher of DennikN, became in 2018 the fourth most lucrative news business in the country following large players such as Markiza and Petit Press and a radio station.

Who's who in Slovak media

The key influencers in the Slovak media

Direct & indirect influence	Operator	Prominent news media assets				Annual income 2018 (€ '000)
		TV	Radio	Print	Online	
Government	RTVS	Jednotka Dvojka	SRo1 SRo2 SRo4	-	-	119,669*
CME	Markiza-Slovakia	TV Markiza Doma Dajto	-	-	-	91,112
Penta Investments	NMH	-	-	Plus jeden den	Pluska.sk	51,489
	Petit Press**	-	-	Sme Uj Szo Korzar My	Sme.sk	
Ringier Axel Springer	Ringier Axel Springer	-	-	-	Aktuality.sk Azet.sk	12,710
J&T	Mac TV	TV Joj Plus Wau	-	-	-	24,100
Slovak Telekom	Slovak Telekom	-	-	-	Zoznam.sk Topky.sk	8,959***
Ivan Kmotrik	CEN	Ta3	-	-	-	8,410
Andrej Babis	Mafra Slovakia	-	-	Hospodarske noviny	HNonline.sk	8,299
Michal Voracek, Ivo Valenta	Perex	-	-	Pravda	Pravda.sk	6,614
Anton Siekel	FPD Media	-	-	Novy cas	Cas.sk	6,342

*including revenue generated on its own such as advertising sales;

**Penta Investments doesn't have a majority stake in Petit Press, which limits to a certain extent its influence in the publishing house;

***solely the revenue from its online content business.

Source: CMDS, 2019

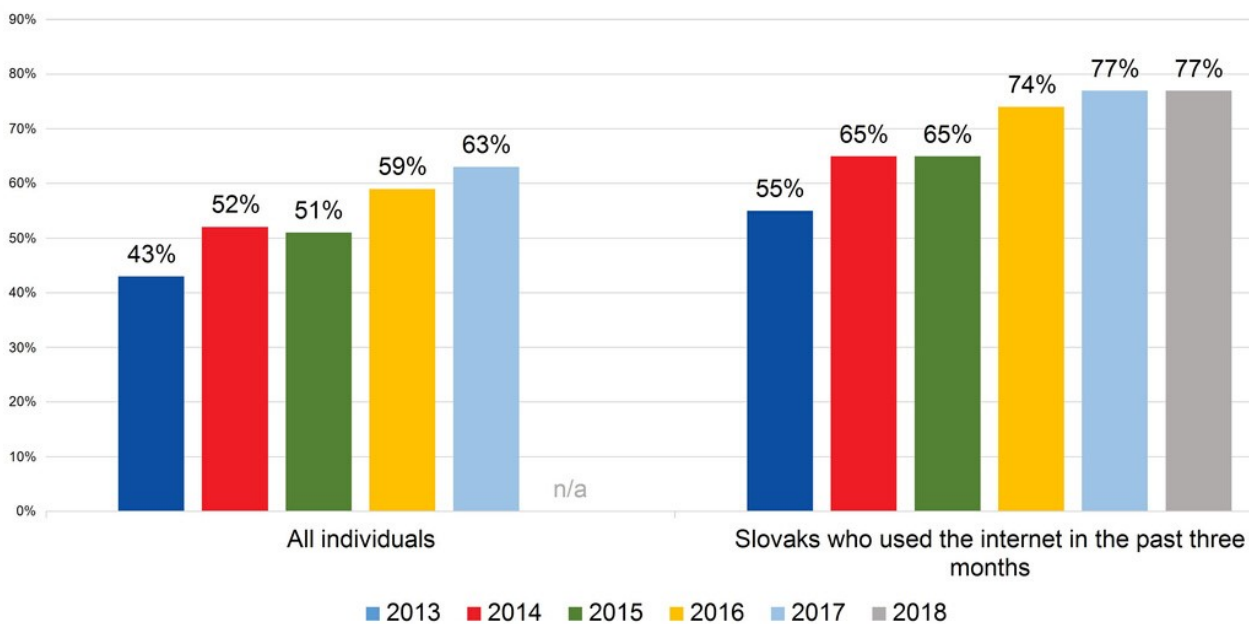
POPULAR NEWS MEDIA

Consumption Trends

News consumption in Slovakia is high compared to other countries in Europe, and growing. More than two-thirds of Slovaks read news portals, newspapers or news magazines in 2017, according to data from Eurostat, EU's official statistics agency. The figure is higher among internet users.

News reading

Share of individuals (%) reading online news sites, newspapers or news magazines in Slovakia, 2013-2018



n/a: not available
Source: Eurostat

Overall, television remains the most dominant news medium in Slovakia. Nearly every household in the country owns a television set, a proportion that has remained unchanged for decades, according to data from TNS BMRB, a market research agency.

Slovaks are avid consumers of television. In 2016, Slovaks on average watched television for three hours and 55 minutes a day, seven minutes more than in the previous year, according to Eurodata TV Worldwide. That makes Slovakia an average consumer of television in Europe. It lags behind big television consumers such as Romania and Bosnia & Herzegovina that sported more than five hours of television viewing time a day; but it surpasses low television consumption nations such as Iceland and the German Switzerland with roughly two hours of television viewing a day.

A total of 81% of Slovaks watch television every day or almost every day, according to 2016 data from the European Commission, which ranks Slovakia 12th among the 28 EU countries in terms of frequency of television watching.

Although less dominant than television, radio is also a popular medium in Slovakia. Some 87% of the Slovak population listened to radio in 2017, but less than two thirds (65.4%) said that they

listened to radio on a daily basis, according to data from Radioprojekt, a local radio listenership measurement initiative. In 2019, some 2.7 million Slovaks said that they listened to radio daily, which accounted for 61% of the population, according to Radioprojekt.

Among all media sectors, the print media industry has experienced the most dramatic decline in Slovakia. Between December 2013 and August 2019, the daily newspaper market lost nearly 97,000 sold copies, which is a decline of over 38%, according to data from the local press audit bureau ABC SR. In mid-2019, Slovak daily newspapers sold some 150,000 copies combined. Regional dailies suffered even steeper declines. The regional daily Korzar saw its paid circulation between 2013 and 2019 down by over 44% to some 6,300 copies.

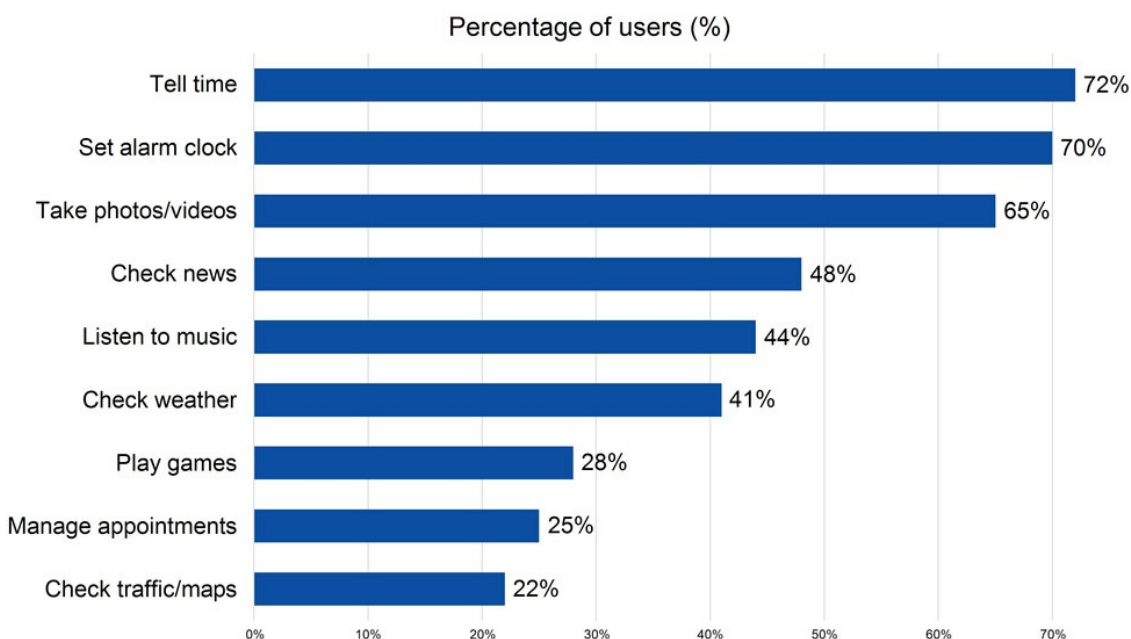
The weekly magazine market followed the trend, but its decline was less pronounced. The ten most read weeklies in Slovakia saw their combined circulation down by over 18% between 2013 and 2018. The weekly market in Slovakia is dominated by entertainment and hobby magazines.

Much of the decline of the print media has been triggered by the internet. Cheaper, easier ways to consume media online have prompted an increasing number of users to spend more time online. Some of the Slovak newspapers that moved fast to digital later began to reap the benefits of the online growth. Traffic on the ten most popular websites in Slovakia increased between 2013 and 2018 by more than 36% to an average of 1.83 million “real users,” according to AIMmonitor, an analytics company that defines “real user” as an actual living person visiting a site in a given monitoring period.

New technologies have further changed the media consumption patterns in Slovakia. Fast expansion of smartphones is a strong driver for news consumption. Checking news was the fourth most frequent activity on smartphones among Slovaks in 2015, according to a survey from TNS Infratest and Google. Still, smartphone penetration is yet to grow to its full potential. Some 44% of Slovaks in 2016 accessed the internet via computer and tablet more often than on smartphones.

Smart communications in Slovakia

For which activity is the smartphone primarily used?



Source: TNS Infratest, Google

Key Players

Television



The television market in Slovakia is dominated by three players, two privately owned companies, Markiza-Slovakia and MAC TV, and the government. Markiza-Slovakia runs three television channels in Slovakia, including the leading one, TV Markiza. The company has been controlled for most of its existence by the U.S. Central European Media Enterprises (CME). In October 2019, CME was purchased by PPF Group, a Czech financial behemoth owned by the businessman Petr Kellner. Part of the acquisition was the takeover of CME's stations also in Bulgaria, Romania and Slovenia.[1]

The audience share of TV Markiza has declined significantly in the past decade. Since 2013, the station lost over 4 percentage points of audience share, according to data from PMT/TNS. It had an audience share of some 16% in 2017, which slightly improved in 2018. The decline was triggered by the digital switchover, which allowed new competitors on the market. Markiza-Slovakia itself launched the women-focused Doma and the male-targeted Dajto channels. Together, Markiza-Slovakia's channels are leading with a combined audience share of nearly 23%, the highest in the country.

Markiza-Slovakia's closest competitor is MAC TV, the owner of the broadcast license for the TV stations TV Joj and TV Joj Plus. MAC TV is owned by the company Slovenska Produkna, which is part of JOJ Media House, a group formed in 2010 that consists mostly of media assets. MAC TV has ownership links with the financial group J&T. Richard Flimel, who leads JOJ Media House, worked for J&T in the past; J&T is also one of the investors in JOJ Media House. A total of 99.9% of JOJ Media House is owned by the Cyprus-registered TV JOJ L.P. The rest of 0.1% is owned by Flimel.

The government's biggest media asset is RTVS, a public service broadcaster with nine radio stations and two television channels. The broadcaster's first channel, Jednotka, produces a significant news programming output.

A smaller, yet prominent player, in the Slovak TV market is CEN, company that owns the broadcast license for the all-news TV station Ta3. CEN is fully controlled by the Grafobal group belonging to the local businessman Ivan Kmotrik.

TV Markiza's programs follow the station's strategy around family entertainment, with movies, series and popular shows dominating the schedules. Its news programs are the most watched in spite of a continuous decline in recent years. In 2017, TV Markiza's news output had an average audience of over 25%, ahead of JOJ Group with 22% and RTVS with some 14%. The media controlled by JOJ Group have a rather stable audience share. On the other hand, the audience share of RTVS' Jednotka channel has seen a notable increase for several years, mostly due to marked improvements in its programs, including its news and current affairs shows.

[1] "Czech billionaire takes control over private broadcaster TV Markiza," The Slovak Spectator, 28 October 2019, available online at <https://spectator.sme.sk/c/22246994/tv-markiza-changes-hands.html> (accessed on 29 October 2019).

The big TV boys in Slovakia

Most popular TV stations in Slovakia by 2018 audience share (%), 2013-2019

	2013	2014	2015	2016	2017	2018	2019*	Operating company	Owner
TV Markiza	20.8	21.2	19.6	17.3	16.1	17.4	15.8	Markiza-Slovakia	PPF
TV Joj	13.6	13.7	13.1	13.4	14.4	14.7	14.4	MAC TV	Slovenska produkčna
Jednotka	10.4	10.4	12.4	13	14	11.4	8.9	Public enterprise	Government
Doma	5.9	5.2	4.7	4.6	4.3	5	4.7	Markiza-Slovakia	PPF
Dvojka	3.5	2.5	3.1	3.2	3.3	3.9	2.3	Public enterprise	Government
Plus	4.6	4.6	3.8	3.4	3.6	3.5	2.9	MAC TV	Slovenska produkčna
Dajto	3.1	4.6	3.7	3.1	3.5	3.5	3.2	Markiza-Slovakia	PPF
Wau	0.9	1.1	1.7	1.9	3.1	2.4	3.1	MAC TV	Slovenska produkčna
Ta3	1.7	1.5	1.6	1.7	1.2	1.3	1.7	CEN	Grafobal
Nova International						0.4	0.8	Nova	PPF
Prima Plus						0.4	0.5	FTV Prima	Denemo Media

Note: data for December; *latest available data (August 2019)
Source: PMT/TNS, CMDS

Radio

The Slovak radio market is more diverse than television or print media. However, the government dominates in this segment thanks to its large portfolio of radio stations and their nationwide coverage. Especially in the news market, the public service Slovak Radio (*Slovenský Rozhlas*, SRo), part of RTVS, has a strong position. Together, its three most popular channels garner over a quarter of Slovakia's radio audience, according to data from Median SK.



Another major player is D.Expres, company fully owned by Germany's Bauer Media Group through Bauer Ausland, a daughter company. The Germans purchased D.Expres in 2013 from EMMIS International Holding, company registered in the Netherlands.[2] D.Expres runs the radio station Expres, which is the leader on the Slovak radio market. The station's programming consists mostly of music, but the station also offers short, yet frequent, news bulletins. The main player in the Slovak news radio market is the first channel of the public broadcaster, SRo1

[2] Tomas Czwitkovics, "Bauer dostal súhlas na kúpu Expresu" (Bauer received approval for the purchase of Expres), Trend.sk, 12 Feb 2013, available at <https://medialne.etrend.sk/radia/bauer-moze-dostat-suhlas-na-ovladnutie-expresu-buducityzden.html>

whose output consists mostly of news and current affairs programs accompanied by music (much of it from the 1980s). Another prominent channel in the news market is SRo2, also belonging to RTVS, which focuses on regional news.

All other radio stations air mainly music. Most of them offer short news bulletins throughout the day. Of all, only Radio Lumen is fully focused on religion.

Slovakia's loudest voices

Most popular radio stations in Slovakia by 2018 audience share, 2013-2019

	2013	2014	2015	2016	2017	2018	2019*	Operating company	Majority owner
Radio Expres	19	20.2	19.4	19.3	19.2	18.5	18.1	D.Expres	Bauer Auslas
Radio Slovensko (SRo 1)	16.3	18	17.4	17.4	17.2	16.5	16.3	Public enterprise	Government
Fun radio	12.2	11.6	11.4	11	10.9	10.6	10	Radio	Patriol
Radio Europa 2	7.3	7.5	7.3	7.2	7	7.3	7.1	Europa 2	Forward-Media
Jemne	8.2	8.3	7.6	7.3	7.2	7.1	6.8	Tam Art Productions	Michal Holik
Radio Vlna	4.1	n/a	2.8	5.6	5.5	6.6	6.6	Corporate Legal	P-D-R-V
Radio Regina (SRo 2)	6.2	7.2	6.7	6.7	6.2	6.1	6	Public enterprise	Government
Radio Antena Rock	1.7	1.6	2	2.5	3	3.2	3.2	GES Slovakia	Peter Korbacka
Radio Lumen	2.7	1.9	2.6	2.4	2.7	2.5	2.2	Radio Lumen	Catholic churches
Radio_FM (SRo 4)	2.8	3	2.9	2.8	2.6	2.4	2.9	Public enterprise	Government

Note: data for Q3-Q4 of the year; n/a: not available; *latest data available (H1 2019)
Source Median SK, MML-TGI

Print

Like television, the daily newspaper market in Slovakia is concentrated in the hands of a few players. The biggest publisher by reach used to be Ringier Axel Springer, company with Swiss and German capital, that published Slovakia's best-selling daily, the tabloid *Novy cas*. Its circulation is higher than the circulations of the next three largest daily newspapers combined.

However, like many of its competitors, *Novy cas* has seen its sales continuously dwindling since 2013. The newspaper lost nearly 37,000 paying readers between 2013 and 2018, which was almost half of its paid circulation in 2018, according to data from the press auditor ABC SR.

That is the main reason why Ringier Axel Springer has been trying for several years to sell its print business in Slovakia[3] to focus instead on online portals, chiefly entertainment ones, but



[3] Adam Valcek, Michaela Stalmach Kusnirova, "Ringier predáva denník Nový Čas, kupuje ho milionár Siekel" (Ringier sells the daily *Novy Cas*, millionaire Siekel buys it), 6 Nov 2017, available online at <https://ekonomika.sme.sk/c/20690073/ringier-predava-dennik-novy-cas-kupuje-ho-milionar-siekel.html>

also several prominent news websites.[4] In summer 2018, the company finally sold the newspaper to a group controlled by Anton Siekel, an influential oligarch who is also the president of the Slovak Olympic Committee.[5] Siekel founded FPD, a conglomerate with investments in hotels, real estate, car dealerships and wine production. Siekel has links with the country's large financial groups and powerful oligarchs. To buy *Nový čas*, he took a loan from *Postova banka*, company controlled by J&T Finance Group. He has reportedly purchased the newspaper for Penta Investments, one of the biggest financial groups in Slovakia, with a growing media portfolio.

Another major player in the Slovak daily market is News and Media Holding (NMH), company controlled by the Cyprus-registered *Trahere Limited*. The investment in the company comes from the financial group Penta Investments, which purchased NMH in 2014. The following year, several publishers and online platform operators controlled by Penta Investments, including 7 Plus, *Centrum Holdings*, *Trend Holding* and *Trend Representative* merged into NMH.[6] Penta Investments has a slew of assets in various industries in Slovakia, including the insurer *Dovera*, the pharmacy chain *Dr. Max* and the betting agency *Fortuna*.

The publisher with the highest number of dailies on the market is *Petit Press*, owner of the dailies *Sme*, *Korzar* and *Uj Szo*, the latter in Hungarian. *Petit Press* announced in summer 2017 that it sold its Hungarian language media, *Uj Szo* and the weekly *Vasarnap* to the rival NMH.[7] *Petit Press* owns a string of serious news magazines targeting more affluent, educated audiences such as the business magazine *Profit* or the expat-focused English newspaper *The Slovak Spectator*. *Petit Press* also owns the chain of regional weeklies "My".

Some changes in *Petit Press*' shareholding structure took place in 2017. *Prva slovenska investicna skupina (PSIS)*, the original founder of the publisher, bought a 5% stake in *Petit Press* from the other shareholder, Penta Investments.[8] After the deal, PSIS and Penta Investments control 60% and 40%, respectively. Before 2014, *Petit Press* was 50% owned by the German publisher *Rheinisch-Bergische Verlagsgesellschaft (RBVG)* and the rest by PSIS. By increasing its stake in the company in 2017, PSIS has been trying to gradually push Penta Investments out of the publishing house, according to journalists and experts interviewed for this report.

Another notable player in the Slovak publishing industry is *Mafra Slovakia*, company controlled by the Czech owned firm *Mafra*, which belongs to the *Agrofert* group. *Agrofert* is a multi-billion conglomerate owned by the businessman and politician *Andrej Babis*, prime minister of the Czech Republic since 2017. In Slovakia, this publisher used to operate as *Ecopress* until 2015. *Babis* bought the company in 2013.[9] *Mafra* in Slovakia publishes the business daily

[4] "Ringier Axel Springer predáva časť slovenského portfólia – Aktuálny.sk ostávajú" (Ringier Axel Springer sells part of its Slovak portfolio-Aktuality.sk stays), *Aktuality.sk*, 6 Nov 2017, available online at

<https://www.aktuality.sk/clanok/536468/uplne-digitalne-nova-zostava-portfolia-ringier-axel-springer-na-slovensku/>

[5] "Ringier Axel Springer completes the sale of *Nový Čas*," *The Slovak Spectator*, 2 August 2018, available online at <https://spectator.sme.sk/c/20883473/ringier-axel-springer-completes-the-sale-of-novy-cas.html> (accessed on 25 October 2019).

[6] "Penta na Slovensku: Nákupem médií to nekončí" (Penta in Slovakia: Purchase of media doesn't stop), *Mediaguru.cz*, 15 Sep 2015, available online at <http://www2.mediaguru.cz/2015/09/penta-na-slovensku-nakupem-medii-to-nekonci/>

[7] "Penta predáva časť svojho podielu v *Petit Presse*. *Petit Press* predáva NMH maďarské tituly" (Penta sells part of its stake in *Petit Press*. *Petit Press* sells Hungarian titles to NMH), 21 Aug 2017, *Strategie.sk*, available online at <https://strategie.hnonline.sk/media/1013822-penta-predava-cast-svojho-podielu-vo-vydavatelstve-petit-press-phis-potvrduje-poziciu-majoritneho-akcionara>

[8] "Penta predáva časť podielu v *Petit Press*" (Penta sells part of the stake in *Petit Press*), 22 Aug 2017, *Hnonline.sk*, available online at <https://finweb.hnonline.sk/ekonomika/1014151-penta-predava-cast-podielu-v-petit-press>

[9] *Babišův Agrofert koupil slovenské vydavatelství Ecopress* (*Babišův Agrofert* bought the Slovak publishing house *Ecopress*), *Novinky.cz*, 12 Apr 2013, available online at <https://www.novinky.cz/ekonomika/298900-babisuv-agrofert-koupil-slovenske-vydavatelstvi-ecopress.html>

Hospodarske noviny and several magazines, primarily industry publications such as Horeca, targeted at the hotel and restaurant industry, and Strategie, which covers the media and advertising sectors.

One other prominent print media publisher in Slovakia is the company Perex, owned by Our Media SR. They bought Perex in March 2018 from its former owner, Karol Biermann.[10] Perex, which publishes the daily Pravda, used to be owned until 2010 by The Northcliffe International, a daughter company belonging to the British holding Daily Mail and General Trust (DMGT). Our Media is the owner of the site ParlamentneListy, a political news portal available both in Slovak and Czech. The company runs several media outlets in the neighboring Czech Republic. It is co-owned by Michal Voracek, a Czech magnate and businessman, and Ivo Valenta, a Czech politician and businessman.

Ringier Axel Springer and NMH have dominated for long the magazine market where most of the titles are focused on entertainment and leisure. There are very few weeklies devoted to serious topics and doing solid reporting. They include NMH's Trend, an economic weekly and .tyzden, a weekly published by W Press, a domestically owned company. With the exit of Ringier from print and the purchase by Mafra, in October 2018, of the magazine portfolio run by the German publisher Bauer SK[11], NMH and Mafra consolidated their positions in the magazine segment.

The monthly magazine market is dominated by entertainment publications. The leading one, with nearly 68,000 copies sold, is Novy cas krizovky, a crosswords and games magazine that is part of the Novy cas daily operation. It is followed by Zahradkar, a gardening publication and Evita, a monthly magazine targeting women.

The paper tigers in Slovakia

Most popular daily newspapers in Slovakia, by 2018 sold circulation, 2013-2018

	2013	2014	2015	2016	2017	2018	2019*	Operating company	Majority owner
Novy cas	106,542	96,748	95,283	87,266	78,594	74,291	69,402	FPD Media	Treenote Holding
Plus jeden den	48,001	42,140	39,791	40,978	46,401	40,732	35,078	News and Media Holding (NMH)	Trahere Limited
Pravda**	51,169	48,176	42,812	38,198	37,523	34,545	28,358	Perex	Our Media SR
Sme	44,775	35,965	31,056	28,002	25,791	23,799	21,834	Petit Press	PSIS
Uj Szo	19,883	18,656	18,190	17,245	16,225	15,666	14,264	Petit Press	PSIS
Hospodarske noviny	13,081	13,662	11,881	11,246	10,406	10,084	10,102	Mafra Slovakia	Mafra
Korzar	14,665	11,742	10,150	9,040	7,708	6,976	6,306	Petit Press	PSIS

Note: data for end of year; *latest data available (August 2019);

**Pravda is not part of the official circulation monitoring system run by ABC SR. They use an independent system to monitor their readership.

Source: ABC SR

[10] "Vydavatel Parlamentních listů koupil slovenský deník Pravda" (Publisher of ParlamentniListy bought Slovak daily Pravda), Mediahub.cz, 5 Mar 2018, available online at <https://mediahub.cz/media/1705373-ivo-valenta-koupil-slovensky-denik-pravda>

[11] "Mediální dům Mafra z Agrofertu kupuje Bauer Media v Česku a na Slovensku, získá tak tři desítky časopisů včetně Cosmopolitanu," (The media house Mafra of Agrofert buys Bauer Media in the Czech Republic and Slovakia, gains 30 magazines, including Cosmopolitan), Hospodarske Noviny, 9 October 2018, available online at <https://byznys.ihned.cz/cl-66281830-medialni-dum-mafra-z-agrofertu-kupuje-bauer-media-v-cesku-a-na-slovensku-ziska-tak-tri-desitky-casopisu-cenu-obchodu-nezverejnili> (accessed on 26 October 2019).

Weeklies: an entertainment business*Most popular weeklies in Slovakia, by 2018 sold circulation, 2013-2019*

	2013	2014	2015	2016	2017	2018	2019*	Operating company	Majority owner
Plus 7 dni	140,520	127,998	120,959	122,834	113,140	102,279	93,373	NMH	Trahere Limited
Eurotelevizia	115,476	118,587	112,602	101,865	97,352	100,223	63,798	Mafra Slovakia	Mafra
My*	-	-	-	-	81,064	75,912	68,877	Petit Press	PSIS
Zivot	88,919	88,149	86,227	84,225	75,742	70,990	60,525	Zivot Publishing	NMH
Novy cas pre zeny	131,164	115,702	105,863	110,462	101,543	70,062	54,423	Zivot Publishing	NMH
Katolicke noviny	78,493	74,858	72,286	67,543	65,463	63,177	54,759	Spolok Sv. Vojtecha	Spolok Sv. Vojtecha Trnava
Bajecna zena	98,033	88,919	88,540	72,715	68,289	50,127	46,754	NMH	Trahere Limited
Rytmus zivota	47,627	46,615	40,372	48,457	48,061	40,970	41,201	Mafra Slovakia	Mafra
Slovenka	43,246	42,998	42,494	40,014	39,266	35,960	31,030	Star Production	Maria Rehakova
Novy cas Nedela	42,130	39,927	42,165	36,735	32,847	31,742	28,026	FPD Media	Treenote Holding

Note: data for end of year; *latest data available (August 2019)
Source: ABC SR

Online News

The dominant press publishers have gained a foothold in the Slovak online market as well. Six of the 10 most visited portals in Slovakia includes are news portals run by press publishing houses. The most notable change in the online news market in Slovakia in the past two years was the rise of the news portal *Aktuality.sk*, which became the most read website in the country in 2018. Sadly, the audience of *Aktuality.sk* increased significantly after the murder of its journalist Jan Kuciak, in February 2018. The portal, however, was already growing thanks to the strategy of its owner, Ringier Axel Springer, to invest in digital and serious journalism. Already in 2014, *Aktuality.sk* moved its newsroom from Zilina to Bratislava, the capital city. Three months before Kuciak's death, the publisher announced that it boosted the portal's budget by 30%.^[12]

Ringier Axel Springer also owns *Azet.sk*, a search and aggregation portal that was the most visited site in the country for many years, fighting for eyeballs with *Zoznam.sk*, a pioneer of internet services in Slovakia, founded back in 1997. However, as Ringier's attention moved to *Aktuality.sk*, the audience of *Azet.sk* has declined. The rise of *Sme.sk*, the flagship news portal of Petit Press,

[12] "Ringier zainvestuje do Aktualít, chce z nich najsilnejší spravodajský web" (Ringier invests in *Aktuality.sk*, wants it to become the strongest news website), *Etrend.sk*, 29 November 2017, available online at <https://medialne.etrend.sk/internet/ringier-zainvestuje-do-aktualit-chce-z-nich-najsilnejši-spravodajsky-web.html> (accessed on 29 October 2019).

which for the first time in 2019 had a higher audience than Zoznam.sk, Slovakia's leading portal for decades. Zoznam.sk is run by Slovak Telekom, the largest telecom operator in Slovakia by revenues, controlled by Deutsche Telekom.

The big digital players

Most popular internet portals in Slovakia, by 2018 number of users, 2013-2019

	2013	2014	2015	2016	2017	2018	2019*	Operating company	Majority owner
Aktuality.sk	1.81	1.83	2.07	2.08	2.12	2.14	2.6	Ringier Axel Springer SK	Ringier Axel Springer
Sme.sk	1.99	2.04	2.11	2.29	2.26	2.31	2.45	Petit Press	PSIS
Zoznam.sk	2.16	2.32	2.35	2.47	2.44	2.54	2.25	Zoznam	Slovak Telekom
Pluska.sk	0.68	0.93	1.06	1.48	1.55	1.7	1.97	NMH	Trahere Limited
HNonline.sk	0.51	0.58	0.67	0.89	0.79	1.6	1.8	Mafra Slovakia	Mafra
Heureka.sk	1.17	1.34	1.36	1.65	1.81	2	1.78	Heureka Group	Heureka Group
Pravda.sk	1.25	1.36	1.38	1.6	1.49	1.55	1.75	Perex	Our Media SR
Cas.sk	1.38	1.81	1.83	1.99	1.84	1.66	1.7	FPD Media	Treenote Holding
Bazos.sk	-	-	-	1.17	1.6	1.69	1.7	Radim Smicka	Radim Smicka
Topky.sk	1.51	1.65	1.61	1.67	1.6	1.56	1.63	Slovak Telekom	Slovak Telekom

Note: data for end of year; *latest data available (August 2019)
Source: ABC SR

Funding Trends

The government plays a significant role in the Slovak media market. Thanks to government money, the public broadcaster RTVS is by far the biggest player in the country's media with income of €119.7m in 2018, the bulk of it coming from public funding, a combination of license fee and state subsidies, according to data from the broadcaster's annual reports. *(See more in Government Funding in this report)*

Among privately owned companies, by far the largest player in the market is Markiza-Slovakia. The company's revenues exceed the combined sales of the four next largest players. From a financial point of view, the Slovak media market is highly concentrated with only five privately held companies able to generate more than €10m a year in revenue.

The big boys in Slovak media

Top media companies in Slovakia, by 2018 revenue, 2016-2018

Company	Income (€ '000)			Sector
	2016	2017	2018	
RTVS	115,730	117,081	119,669	Radio/TV
Markiza-Slovakia	82,524	85,646	91,112	TV
NMH	28,189	27,352	27,219	Print/Online
Petit Press	24,630	24,800	24,270	Print/Online
Mac TV	21,057	22,371	24,100	TV
Ringier Axel Springer	37,553	32,151	12,710	Online
CEN	7,359	7,485	8,410	TV
Mafra Slovakia	7,567	7,447	8,299	Print/Online
Perex	7,260	6,980	6,614	Print/Online
FPD Media	-	-	6,342	Print/Online
D.Expres	5,213	5,544	5,560	Radio

Source: CMDS research

But profitability is a different story. The most lucrative company in the Slovak media market is Markiza-Slovakia with a profit dwarfing all other players in 2018. However, that result comes after many years of galloping losses. (*See financial data from Markiza-Slovakia under Television Funding in this study*)

Radio seems to be a lucrative niche for some. D.Expres boasted a high profit margin in 2018 when it netted over €4.3m on revenues of just €1.2m or so higher.

Most remarkably, the youngest player on the Slovak market, DennikN became in 2018 the fourth most profitable player in the Slovak media with net earnings of some €204,000. That illustrates how innovative DennikN is in its subscription-focused business approach. On the other hand, the most worrying trend in the Slovak media is the accelerated slide in profitability. In 2018, only six players were profitable, of which only two could boast a healthy profitability rate (Markiza-Slovakia and Petit Press). All other major media operators finished the year 2018 in the red, some of them incurring galloping losses. Of those, NMH stands out with five consecutive years in the red that led to accumulated losses of over €20m.

Top earners

The most profitable media companies in Slovakia, by 2018 net profit, 2016-2018

Company	Net profit (€ '000)			Sector
	2016	2017	2018	
Markiza-Slovakia	15,401	14,458	14,154	TV
D.Expres	3,757	4,103	4,345	Radio
Petit Press	413	829	3,361	Print/Online
N Press	-202	5	204	Online
Mafra Slovakia	200	-34	135	Print/Online
Radio	11	40	7	Radio
Tam Art Productions	0	6	0	Radio
CEN	-644	-58	-282	TV
Mac TV	-439	-265	-311	TV
Europa 2	-113	-56	-453	Radio
FPD Media	-	-	-534	Print/Online
Perex	-1,320	-1,562	-1,375	Print/Online
NMH	-4,281	-6,809	-2,900	Print/Online
Ringier Axel Springer	1,485	-6,833	-6,471	Online

Source: CMDS based on data from the Slovak Trade Registry, 2018

Media companies generally had a sparkling performance in 2017. However, that followed many years of massive decline as a result of worsening economic conditions coupled with major technological changes, to which some players responded poorly or belatedly.

Six of the ten largest companies in the market incurred losses during the period 2014-2016, according to data on combined net earnings in the period. Markiza-Slovakia lost a staggering €19m during the period. Markiza-Slovakia and NMH lost on average more than €3m a year during the same period. The most resilient seemed to be Ringier Axel Springer with hefty yearly earnings, D.Expres, which found a profitable formula in the radio niche, and Petit Press, with a much smaller profit, but still showing commendable resilience during a difficult economic time.

In the period 2014-2018, Markiza TV has improved its financial performance, becoming by far the most profitable player with nearly €40m in net profits during the period. On the other hand, NMH further sank in loss, with nearly €4m lost on average yearly during the period.

Winners and losers

The top loss-incurring and profit-making media companies in Slovakia, 2012-2016 and 2014-2018

Company	Combined net results (€ '000)		Yearly average net results (€ '000)		Sector
	2012-2016	2014-2018	2012-2016	2014-2018	
NMH	n/a	-19,629	-3,306*	-3,925	Print/online
Perex	-4,239	-6,516	-848	-1,303	Print/online
Ringier Axel Springer	18,641	-4,825	3,728	-965	Online
Mac TV	-1,223	-2,352	-245	-470	TV
CEN	-1,447	-1,761	-289	-352	TV
N Press	-	-712	-	-142	Online
Mafra Slovakia	-1,540	558	-308	112	Print/online
Petit Press	1,878	5,292	376	1,058	Print/Online
D.Expres	14,547	18,287	2,909	3,657	Print/Online
Markiza-Slovakia	-18,938	39,830	-3,788	7,966	TV

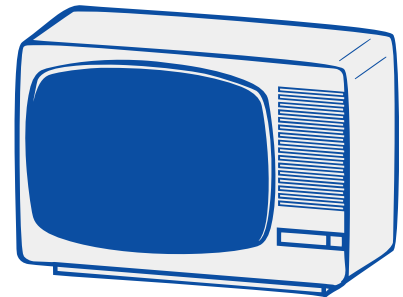
Note: Net combined profit/loss in the period 2012-2016 and 2014-2018;

*based on the data from the period 2014-2016

Source: CMDS

Television Funding

After it drowned for several years in red ink, the leader on the Slovak television market, Markiza-Slovakia, finally finished a year with profits in 2015 followed by two more years. A big driver behind the return to profitability was the increase in advertising. The amount of funding from carriage fees (on television distributors) has also contributed to growth.



Markiza: the source of money

Markiza-Slovakia, funding sources, US\$ m, 2014-2019

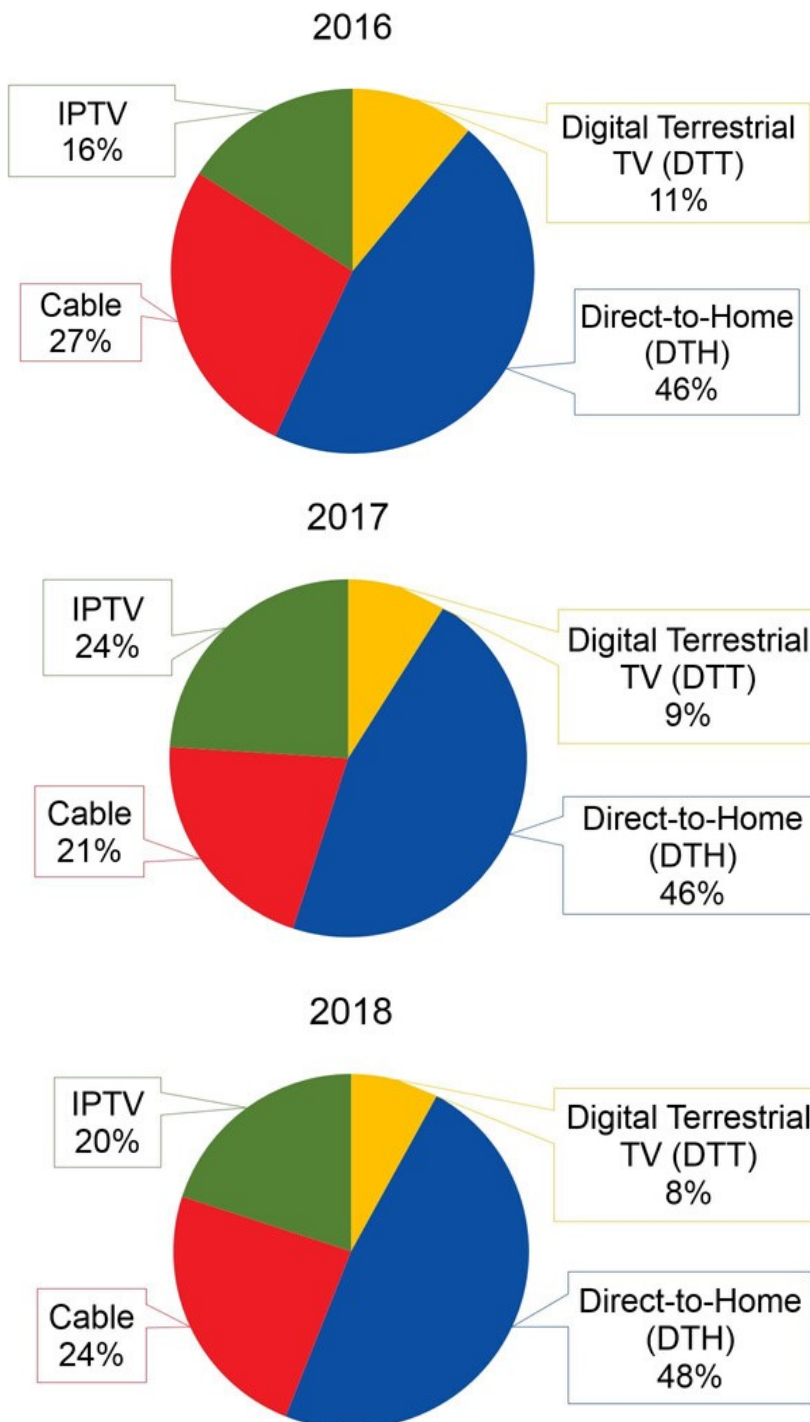
	2014	2015	2016	2017	2018	Q1-Q3 2019
Advertising revenues	85.4	79.1	84.8	85.7	94	60.6
Carriage fees and subscription revenue	1	1.3	2.1	7.6	8.6	6.7
Other	4.2	4	3.7	4.4	4.3	3.5

Source: CMDS research

More than 90% of Slovaks consume television through a non-terrestrial (non-free-to-air) platform, which is an opportunity for television operators to increase their revenues. However, mostly big players, able to bring a large audience to the television distributors, can benefit from that. As of January 2017, Markiza TV moved its channels exclusively to cable, satellite and IPTV platforms.

Ways to consume TV

TV consumption in Slovakia, by distribution platform, 2016-2018



Source: TNS, 2018

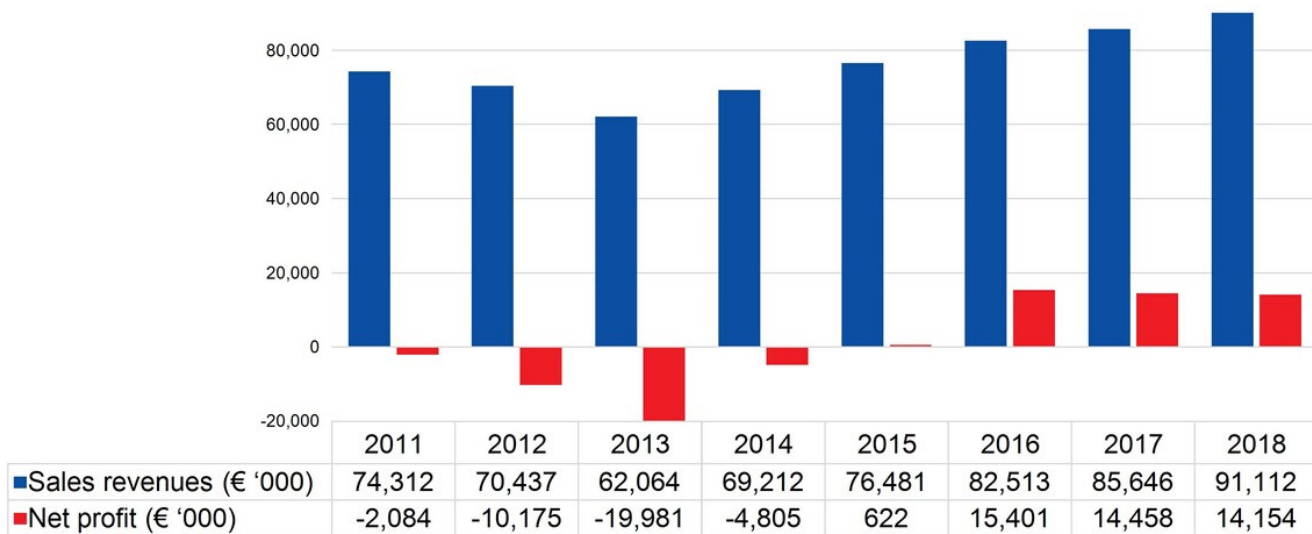
The bulk of revenues for most of the Slovak commercial TV stations remains advertising. At Markiza, it accounted for over 87% of its total revenues in both 2017 and 2018. Although carriage fees are constantly increasing, the dominant business model in television remains advertising. As Markiza controls some 60% of the television ad spend in the market, they are in a good position to remain profitable in the coming years.

However, advertising seems insufficient to accommodate other players on the market. Both MAC TV and CEN have incurred losses for six years in a row since 2013. Much of that is caused by Markiza's strong position on the market. The takeover of Markiza in October 2019 by the powerful financial group PPF is expected to further strengthen the station's dominance at the expense of other players. Markiza-Slovakia, the company running the station, had massive losses before 2015. They grew to €37m between 2011 and 2014. However, the station earned a high-record €15.4m in 2016, followed by two years with similar profits.

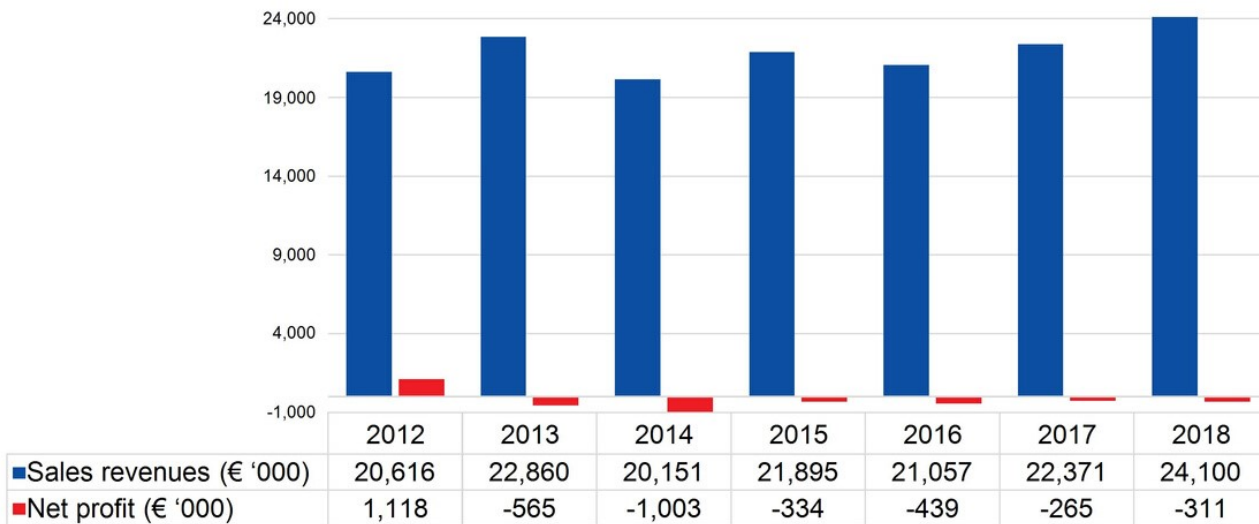
Thus, the perspectives for television are far from rosy. Television operators are likely to either sell or significantly shrink their operations. The third option is to have oligarchs take over these stations and use them as tools for political influence or to pursue other business interests. Markiza-Slovakia's owner, CME, took that road, selling to PPF Group.

TV players: financial results

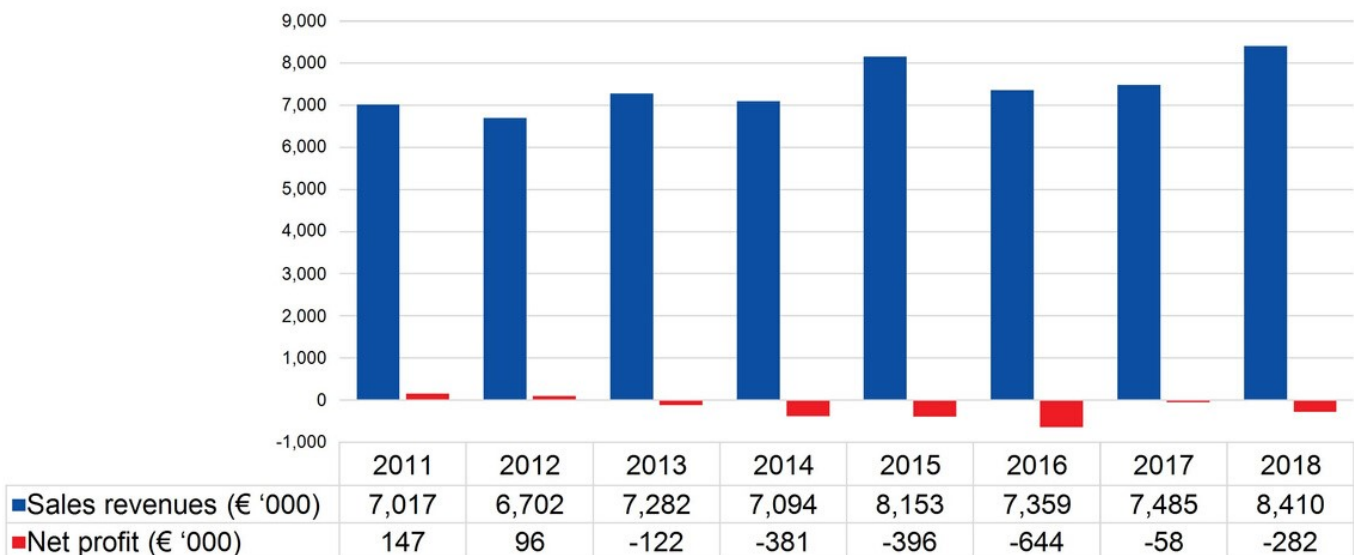
Markiza-Slovakia, 2011-2018



Source: CMDS based on data from Slovak Trade Registry

Mac TV, 2012-2018

Source: CMDS based on data from Slovak Trade Registry

CEN, 2011-2018

Source: CMDS based on data from Slovak Trade Registry

Print Media Funding

The print industry has been badly ravaged by both the economic crisis (with the subsequent decline in ad spending) and technological disruption. The number of companies active in the print industry dropped from 25 in 2009 to ten in 2015, according to data from the Slovak Statistical Office.

The sole solution for revival or survival is, according to media companies, in the revenues generated on digital platforms. In 2016, the advertising revenues of the biggest print media publisher, Ringier Axel Springer Slovakia declined in print by 4.8%, but increased online by 14.5%.

The rapid decline of print media circulation in Slovakia prompted Ringier Axel Springer to sell its entire portfolio of print magazines, including the best-selling daily *Nový čas*, and to focus on digital platforms. Much of its investment went into *Aktuality.sk*, the company's most popular news portal.

Another player likely to prosper is Petit Press. A major asset in Petit Press' portfolio is the daily *Sme* where digital transformation seems to be on the right path. Sales of digital subscriptions to *Sme* increased year-on-year by 27% in 2016. At the end of 2016, *Sme* had upwards of 18,400 digital subscribers and some 15,400 subscribers to both digital and print. A year later, their subscription base increased to over 38,000. Of those, 25,000 subscribed to the digital edition and 13,000 to both print and digital, according to data from Petit Press, *Sme*'s publisher.[13]

Sme charges €4 a month for access to its articles, following a jump in price by €1 in March 2017 and another slight increase (of 10 cents) in 2018. Access for the whole year costs €34.9. The company also offered its content through Piano, a pay-walled news services platform, but two years ago Piano Media exited Slovakia.[14] Between 2011 and 2016, Petit Press doubled the turnover from its online business to some €5m. Some 80% of that is accounted by *Sme.sk*.

The company is trying to also monetize on "My" (meaning "we" in Slovak), its network of local weeklies. These publications attract people thanks to their very low price. The *My Bardejov* weekly, in the town of Bardejov, consisting of 28 pages, is sold for €0.50. However, these publications are still slow money-makers. In fact, one of them, the *My Humenske* weekly folded in 2016. In March 2018, the "My" network had 30 weeklies with a combined readership of 110,000 and a staff of 70. In September 2019, the network was reduced to 26 titles. However, Petit Press continued to show interest in local news. In September 2019, it purchased *Pardon*, the third largest chain of mail publications (publications distributed free-of-charge in people's mail boxes). *Pardon* has been operational for 28 years. In September 2019, it had a print-run of 185,000 copies.[15]

The sales revenues of Mafra Slovakia were pushed up by advertising, particularly in its industry publications and on its websites. The business daily *Hospodárske noviny* continued its decline in revenue from both print copies and advertising. The company is trying to offset those losses by introducing a new subscription system.

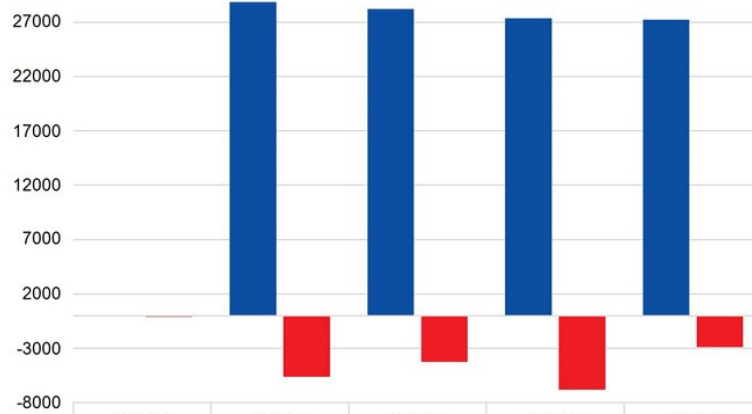
[13] Martin Polas, "Denník *Sme* vyšiel prvý raz pred 25 rokmi" (Daily *Sme* first published 25 years ago), *Etrend.sk*, 15 January 2018, available online at <https://medialne.etrend.sk/tlac/dennik-sme-vysiel-prvy-raz-pred-25-rokmi.html> (accessed on 28 October 2019).

[14] "Piano loses its sound in Slovakia," *The Slovak Spectator*, 27 October 2016, available online at <https://spectator.sme.sk/c/20361306/piano-loses-its-sound-in-slovakia.html> (accessed on 28 October 2019).

[15] "Vydavateľstvo Petit Press kupuje sieť schránkových novín *Pardon*" (The publisher Petit Press buys the mailbox newspapers *Pardon*), *Etrend.sk*, 13 September 2019, available online at <https://medialne.etrend.sk/tlac/vydavatelstvo-petit-press-kupuje-siet-schrankovych-novin-pardon.html> (accessed on 28 October 2019).

Print media operators: financial results

News and Media Holding (NMH), 2014-2018

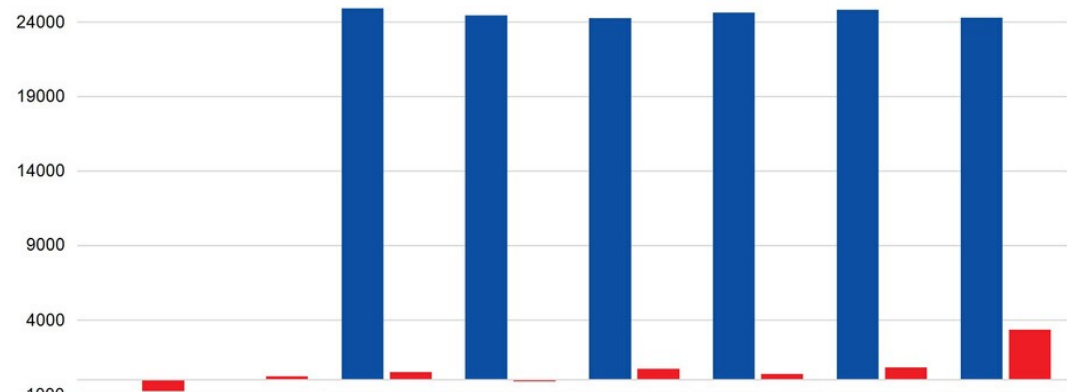


	2014	2015	2016	2017	2018
■ Sales revenues (€ '000)	0	28,860	28,189	27,352	27,219
■ Net profit (€ '000)	-28	-5,611	-4,281	-6,809	-2,900

0: data not available

Source: CMDS based on data from Slovak Trade Registry

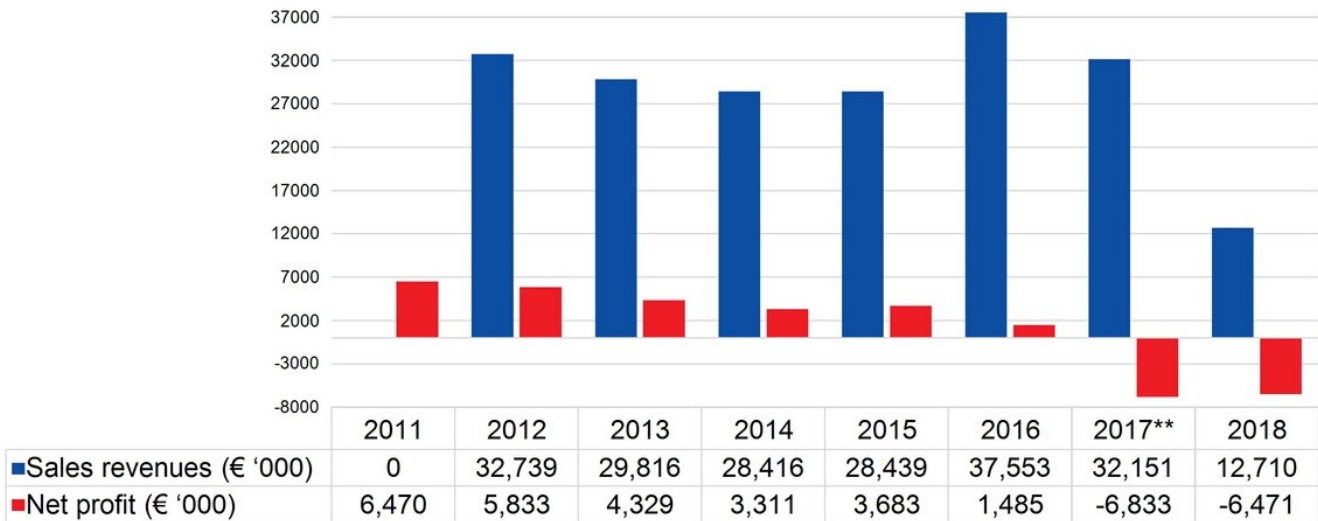
Petit Press, 2011-2018



	2011	2012	2013	2014	2015	2016	2017	2018
■ Sales revenues (€ '000)	0	0	24,917	24,435	24,263	24,630	24,800	24,270
■ Net profit (€ '000)	-746	254	522	-67	756	413	829	3,361

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Source: CMDS based on data from Slovak Trade Registry

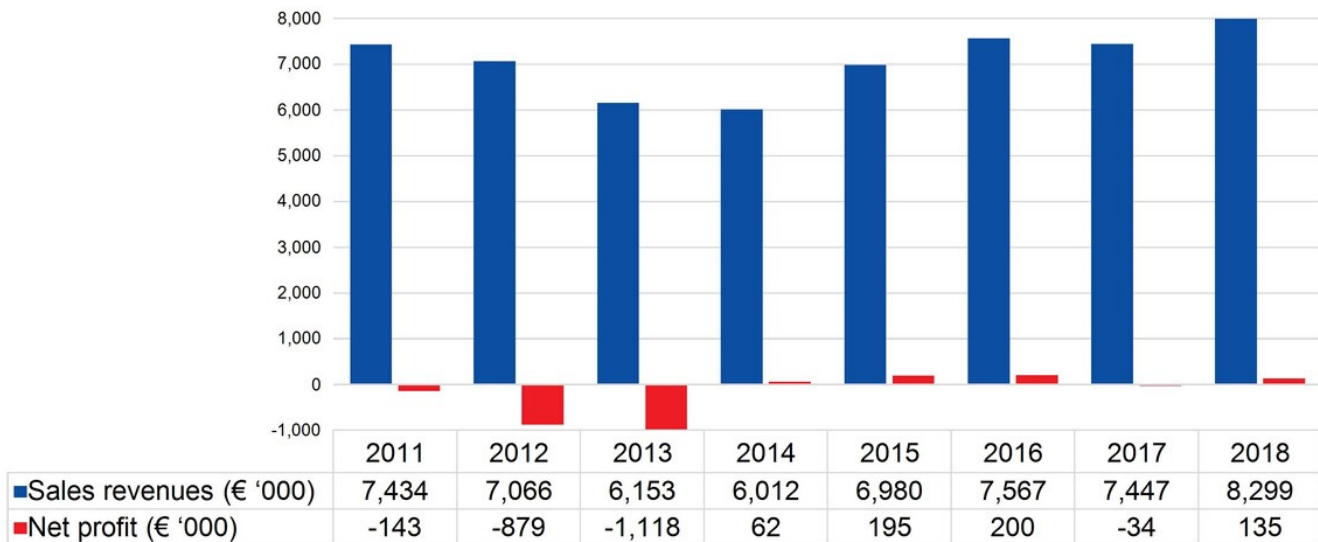
Ringier Axel Springer SK, 2011-2018*

*it operated as Ringier Axel Springer Slovakia until 2018;

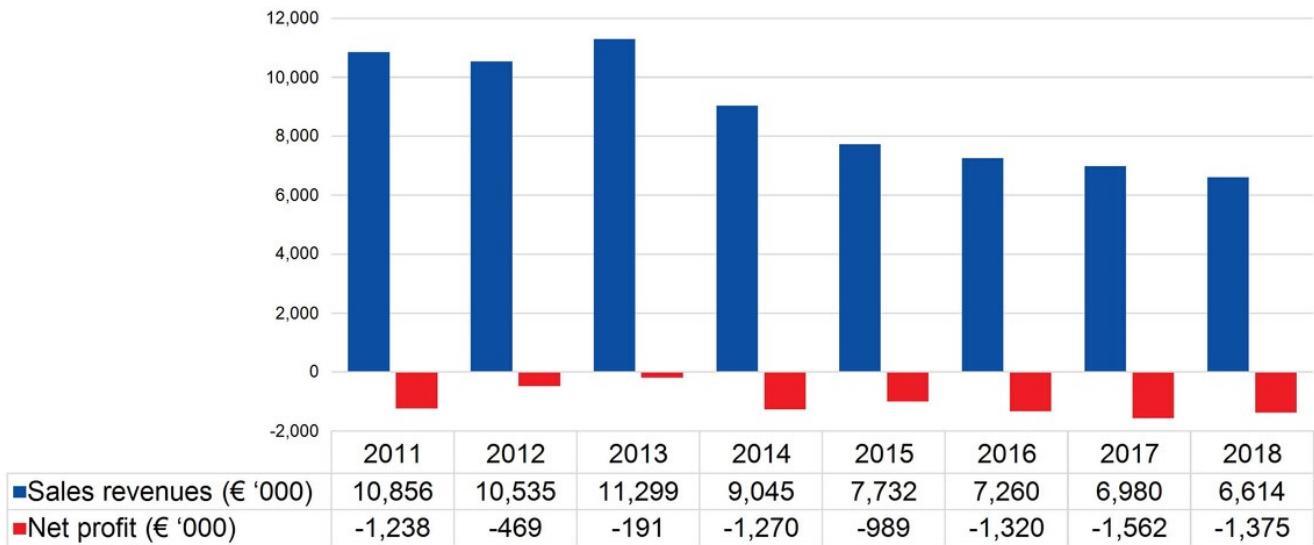
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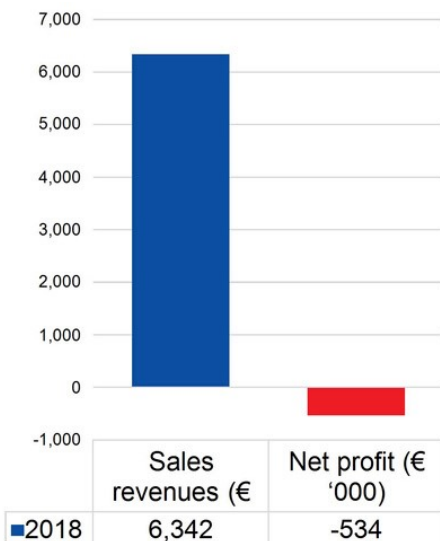
Source: CMDS based on data from Slovak Trade Registry

Mafra Slovakia, 2011-2018

Source: CMDS based on data from Slovak Trade Registry

Perex, 2011-2018

Source: CMDS based on data from Slovak Trade Registry

FPD Media, 2018

Source: CMDS based on data from Slovak Trade Registry

The subscription model seems to be embraced by most publishers in Slovakia. Many see in it the basis for the future digital journalism business model. So far, only tabloids such as the leading *Nový čas* and *Plus jeden den* have not embarked on a subscription-driven strategy, principally because their lowbrow content attracts plenty of eyeballs and ad cash. However, they are offering some forms of registration.

Yet, many publishers and media outlets struggle to strike the right balance between the value of news production and the price that readers are willing to pay for such content. Most of the publishers that have adopted the subscription model do not yet see that there is often a gap between the cost of their operation and the market offer. Simply put, they often fail to scale their operation according to how many people are committed to paying for news.

Nonetheless, some of the media outlets such as the daily Sme or the young website DennikN seem to be on the right track. For example, readers of the daily Sme were paying 15 Slovak crowns for a copy of the daily in 2008, the year before the introduction of the euro. That was roughly €0.50 at the current prices. For a loyal reader who would buy Sme every day, that would have cost roughly €10 a month back then. Today, Sme offers its readers access to all its articles online for a monthly €4. In the past, some 45% of the sales revenues from copies of Sme went to the press distribution company and up to 15% covered the cost of paper and ink. If we compare that with what Sme charges today (subtracting the digital subscription transaction fee), Sme has more or less the same margin in their digital sales as in the paper sales.

Naturally, most of the media outlets are still in a digital transition period, making money also from sales of hard copies. But as that source of revenue continues to fall, Slovak media is moving towards a fully digital model paid by a community of staunch readers, according to journalists interviewed for this report. “Those who fail to have this discussion will probably lose the digital challenge,” said a journalist interviewed for this report.

The news outlet leading the subscription revolution is DennikN (*dennik* means “daily paper” in Slovak and N stands for *nezavislost*, which means “independence” in Slovak). The entry of the financial group Penta Investments in the daily Sme in 2014 prompted a group of journalists to leave the newspaper and set up their own shop.[16] That is how DennikN was born. The rebellious journalists did not agree with Penta because of the company’s alleged involvement in a 2011 scandal[17] about corrupt links that the company allegedly had with the Slovak government, a charge the company denies. DennikN started with a private investment of €1m from the software company Eset. DennikN launched the website in January 2015. A print version followed shortly.

In 2017, DennikN had 23,000 paying subscribers and 110,000 registered users, a readership that helped the outlet’s publisher N Press to enter a positive cash flow as of July 2016, as their management claimed.[18] By 2018, that readership increased to 30,000 subscribers and over 120,000 users, according to the outlet’s own data.[19]

Eset is one of the most successful software manufacturers in the world. The company wants to invest some €100m into a research and development campus in Bratislava, which local observers say is likely to become the Slovak Silicon Valley. The company was established back in 1992 in Bratislava by a group of Slovak IT experts with expertise in antivirus programs. The company today has offices and distributors in 180 countries. In 2016, it declared sales revenues of nearly €404m and netted €73.7m in Slovakia, according to data from the company.

[16] “Do SME prichádza Penta. Vzniká nový nezávislý denník” (Penta arrives at Sme. A new independent daily appears), Omediach.com, 14 Oct 2014, available online at <https://www.omediach.com/tlac/item/5239-do-sme-prichadza-penta-vznika-novy-nezavisly-dennik>

[17] “Slovak politics rocked by ‘Gorilla’ corruption scandal”, 17 Jan 2012, Euractiv, available online at <https://www.euractiv.com/section/justice-home-affairs/news/slovak-politics-rocked-by-gorilla-corruption-scandal/>

[18] Rob Sharp, “These Slovak journalists quit their paper and built an independent rival with 23,000 digital subscribers”, NiemanLab, 12 May 2017, available online at <http://www.niemanlab.org/2017/05/these-slovak-journalists-quit-their-paper-and-built-an-independent-rival-with-23000-digital-subscribers/>

[19] Filip Struharik, “Independent news website Denník N in 2018 (infographic),” Medium, 8 January 2018, available online at https://medium.com/@filip_struharik/independent-news-website-denn%C3%ADk-n-in-2018-infographic-765fc72cf95 (accessed on 27 October 2019).

The DennikN experiment

Financial performance and audience data for N Press (DennikN publisher), 2014-2018

	2014	2015	2016	2017	2018
Sales revenues (€ '000)	9	1,063	1,434	1,665	2,140
Net profit (€ '000)	-69	-650	-202	5	204
Number of paying subscribers	-	15,000	21,500	22,500	30,000
Number of registered readers	-	22,000	90,000	140,000	220,000

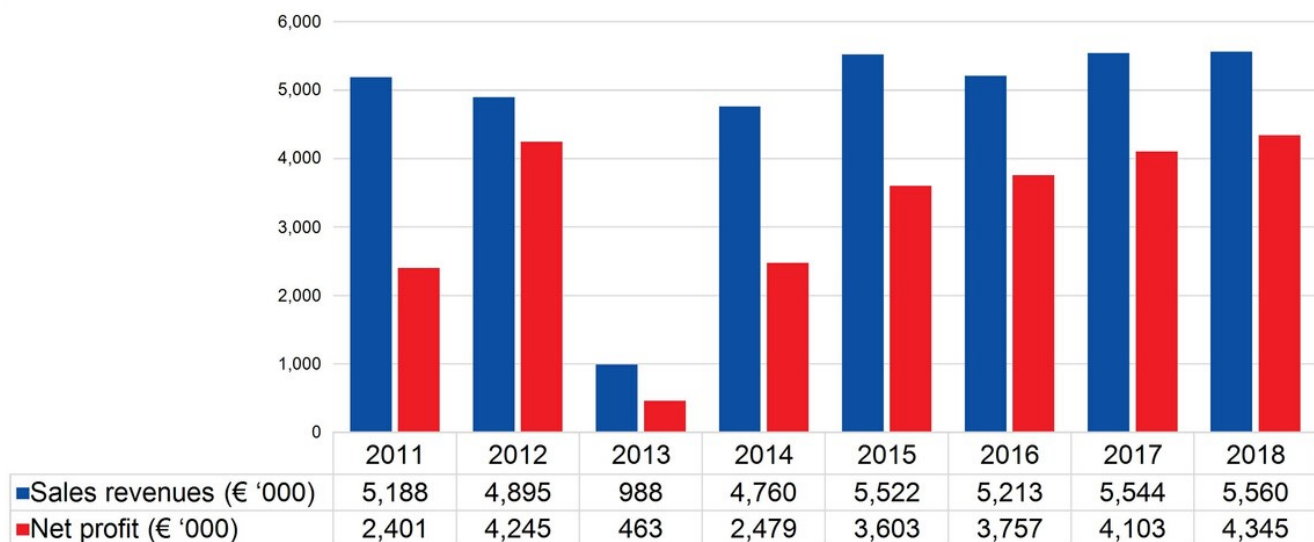
Source: CMDS based on data from Slovak Trade Registry and DennikN

Radio Funding

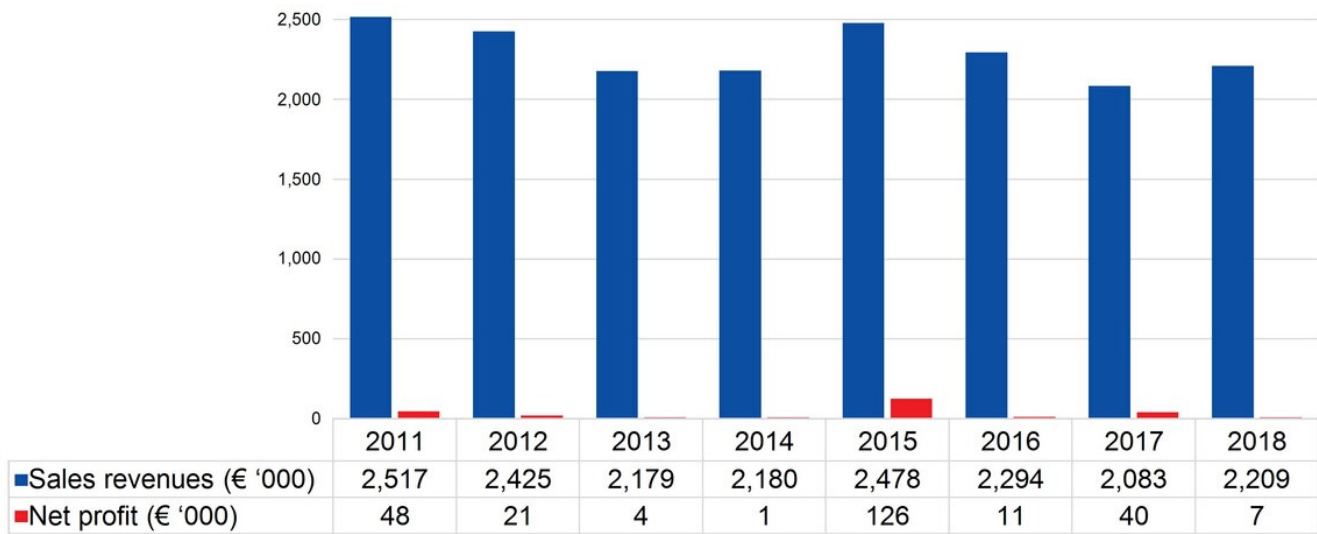
Radio is a much smaller market than all the others and less important when it comes to news consumption. However, unlike major players in other media sectors such as television or print, some of the largest companies operating radio stations turn a profit mainly because the costs involved in running these operations are much lower. D.Expres, the company that runs the Expres Radio, has a spectacularly high profit margin of over 72%, which is an exception among the other radio station operators.

In the radio business

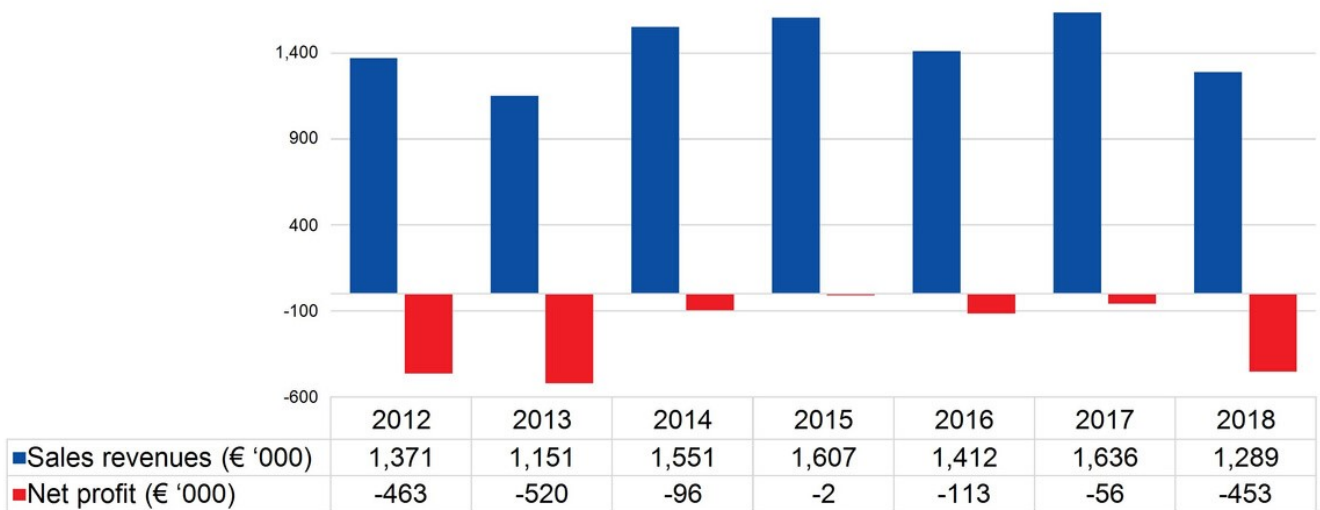
D.Expres, 2011-2018



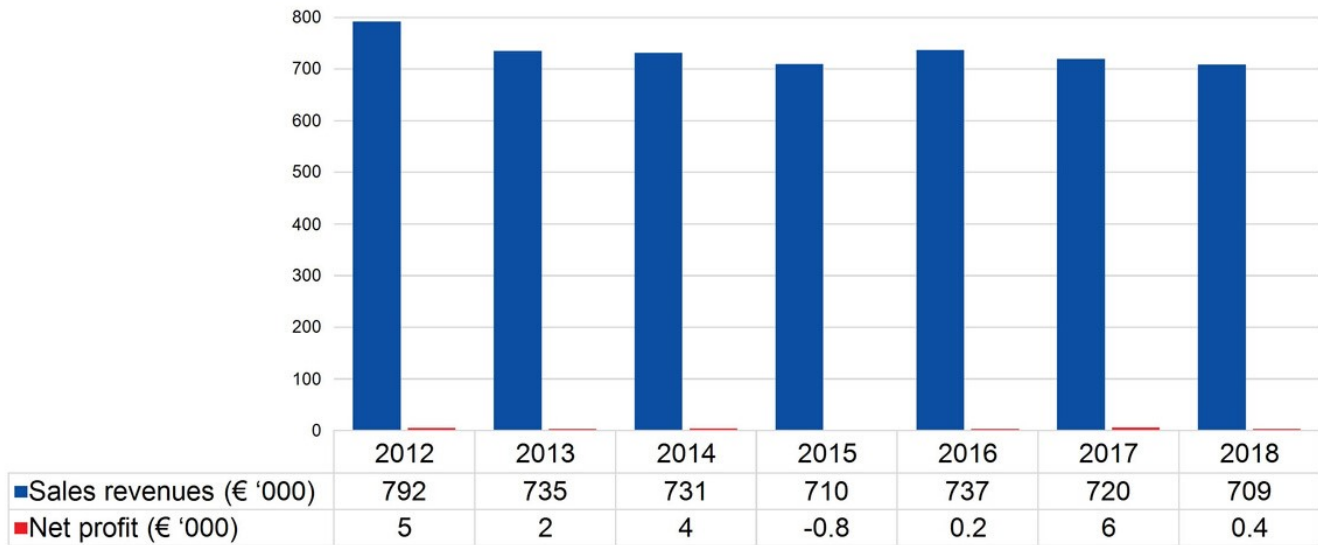
Source: CMDS based on data from Slovak Trade Registry

Radio a.s., 2011-2018

Source: CMDS based on data from Slovak Trade Registry

Europa 2, 2011-2018

Source: CMDS based on data from Slovak Trade Registry

Tam Art Productions, 2012-2018

Source: CMDS based on data from Slovak Trade Registry

INFLUENTIAL NEWS MEDIA

Markiza TV remains one of the most influential media outlets in the country, particularly among politicians, due to its popularity. Markiza TV's news programs command a large audience, which is of particular interest to politicians and political parties. The station's main newscast has a strong 26% audience share, the highest share for news in all the Eastern European countries where Markiza TV's owner, CME, operates. However, that share is rapidly declining.

Some of Markiza TV's viewers were lured away in the past five years or so by the public broadcaster. RTVS television channels attracted from Markiza TV and other smaller stations many young viewers, according to the RTVS annual report from 2016. RTVS is primarily influential among educated Slovaks. Less than 15% of the broadcaster's first channel Jednotka and 12.5% of its second channel Dvojka have just basic education. Dvojka, in fact, has the second highest share of viewers with higher education, 20.8%, among TV stations, after Ta3 that leads with 23.5%, according to data from PMT/TNS. A survey carried out in May-June 2019 found that the generation Y (people born between 1980 and 2000 known also as millennials) trust RTVS the most when it comes to news. Ta3 and Aktuality.sk come next. In the millennial group, the older (born between 1980 and 1990) tend to follow more RTVS and Aktuality.sk. The older ones (born between 1990 and 2000) follow more Markiza TV.[20]

The large non-tabloid media, print and online, are believed to be highly influential among Slovakia's politicians and state institutions, according to journalists in Slovakia interviewed for this report. The best-selling non-tabloid daily Sme, the business daily Hospodarske noviny, the

[20] "Prieskum: Generácia Y verí najviac RTVS, TA3 a portálu Aktuality.sk" (Survey: The Y generation trusts most RTVS, TA3 and the portal Aktuality.sk), TASR, 13 June 2019, available online at <https://www.teraz.sk/slovensko/prieskum-generacia-y-veri-najviac-rtv/401352-clanok.html> (accessed on 29 October 2019).

daily Pravda and the weekly Trend are closely followed by politicians and people in government. But influence is exerted both ways. Journalists and media outlets are proactively seeking the attention of the political class, often offering space in their media to politicians. Sme, Trend, Hospodarske noviny and DennikN habitually hosted blogs of Slovak politicians. Sme, for example, hosted Andrej Danko, the head of the Slovak National Party (*Slovenska Narodna Strana*, SNS), a nationalist party in the government formed after the 2016 elections. Hospodarske noviny hosted opinions of Jozef Mihal, an MP from the Freedom and Solidarity (*Sloboda a Solidarita*, SaS), a liberal party.

Sme also hosted views of Bela Bugar, leader of Most-Hid, an interethnic political party representing the Hungarian minority in Slovakia. Accounting for some 8.5% of Slovakia's population, Hungarians are targeted for their votes by all politicians. The two major publications targeting the Hungarian community in Slovakia are the daily Uj Szo and weekly Vasarnap. With a combined circulation of some 37,000, the two publications reach 25% of the Hungarian readers in Slovakia.

The news outlets specializing in serious journalism are closely followed by the business community. Besides the daily roundup of articles in the mainstream dailies, particularly the serious ones such as Sme and Pravda, the business community closely follows the economic daily Hospodarske noviny, the news platform DennikN and the magazines Trend and Forbes, according to data from publishers and journalists interviewed for this report.

A serious business

Sold circulation of Trend magazine, 2013-2019

Year	Sold copies	Year on year change*
2013	12,927	-833
2014	12,586	-341
2015	11,268	-1,481
2016	10,801	-304
2017	11,625	824
2018	10,778	-847
2019	9,550	1,032

Data for the end of year (except 2019 when the latest data, for August, are presented);

*Number of copies sold

Source: ABC SR

Sold circulation of Forbes magazine, 2013-2019

Year	Sold copies	Year-on-year change*
2013	13,473	565
2014	13,973	500
2015	11,819	-2,154
2016	11,511	-308
2017	12,573**	n/a
2018	12,201	-372
2019	12,436	-381

Data for the end of year (except 2019 when the latest data, for August, are presented);
*Number of copies sold;
**Data for October, comparison not possible;
n/a: not available
Source: ABC SR

KEY FUNDERS

Non-Governmental Funders

Advertising

The advertising market has constantly grown in the past five years. In 2018, the Slovak ad market was worth €332m, an increase of roughly 5% compared to the previous year, according to estimates made by CMDS based on data from ad agencies in Slovakia. In 2019, the advertising market in Slovakia is expected to grow by 3.5% year on year to some €371.2m, according to forecasts from Unimedia, an ad agency in Slovakia. The figure includes cinema and outdoor advertising spend.[21] When it comes only to spending in the media, the expected growth is slower, of some 2% year on year, to €339m.

Television continues to lead with the highest share of the total ad spend in Slovakia. In 2018, it accounted for about 48% of the total ad expenditures, a figure that has remained stable for five years or so. On the other hand, the internet has continued to record high rates of growth. Between 2013 and 2018, the volume of ad spend online has nearly doubled in Slovakia. In 2018, some €118m was spent on online advertising, an increase of more than 7% compared to the year

[21] Ivan Krasko, "Slovenský reklamní trh letos poroste, i když pomaleji" (The Slovak advertising market grows this year, albeit more slowly), MediaGuru.cz, 19 January 2019, available online at <https://www.mediaguru.cz/clanky/2019/01/slovensky-reklamni-trh-letos-poroste-i-kdyz-pomaleji/> (accessed on 29 October 2019).

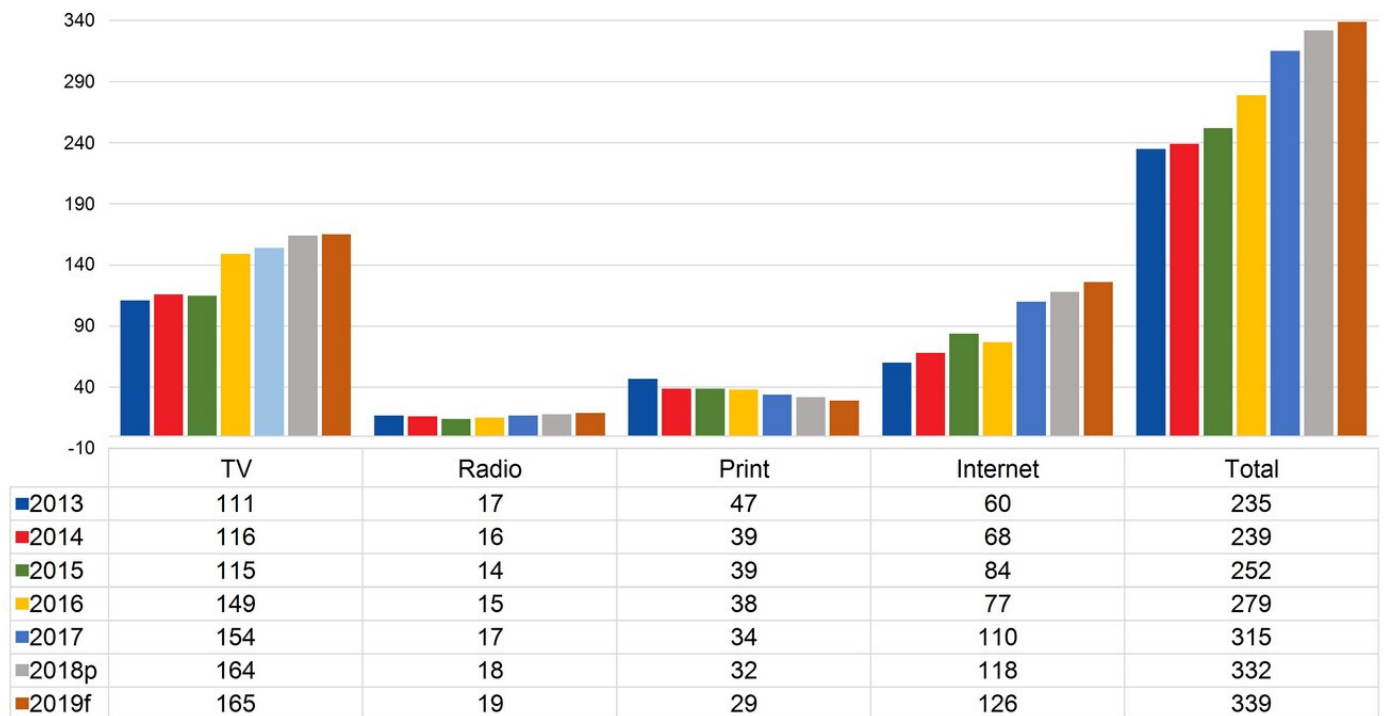
before. Some of the ad spend gained by the internet comes from print media. However, since 2015, the print sector has lost between €1m and €4 a year, which means that the growth of the internet ad spend was fueled to a big extent by a general increase in ad spend.

Only few players have access to the big advertising contracts. Markiza-Slovakia is, by and large, the biggest recipient of ad money, accounting more or less for 30% of the entire ad market. That shows the strong link between mass-market players such as big television stations and large advertisers. That is likely to change, according to advertising experts interviewed for this study. An increasing number of advertisers are planning to move their budgets to digital, and much of that to video campaigns online, which are gaining massive popularity. Mobile video spend is forecast by Carat, an advertising agency, to triple by 2020.

The share of mobile ads in the total digital ad spend has grown from 23.4% in 2016 to over 33% in 2018. The display (banners) ad spend, in contrast, is declining in Slovakia. In 2018, paid search and social media are forecast by Carat to jointly generate more ad revenue than banners do.

Ad spending spree

Advertising spend by medium in Slovakia, €m, 2013-2019



p: preliminary data;

f: forecast;

Source: CMDS based on estimates from advertising agencies in Slovakia

Desktop advertising continues to dominate the online ad market in Slovakia. However, its share in the total ad spend online continuously declines. In 2019, desktop ads accounted for some 58% of the total ad spend on the Slovak internet, 5 percentage points less than two years ago. In terms of formats, display advertising is the most popular for internet advertisers, attracting some 41% of the total ad spend online. However, its share of ad revenue is slowly, yet steadily declining. The formats that are attracting an increasing amount of investment are classifieds and native ads.

The digital ad revolution will not be televised

Advertising spending on the internet in Slovakia, 2017-2019

	2017	2018	H1 2019	Share (%) 2017	Share (%) 2018	Share (%) H1 2019
PLATFORM						
Desktop	74.7	78.2	36.9	63%	61%	58%
Mobile	43	50	26.6	37%	39%	42%
Total	117.8	128.2	63.6	100%	100%	100%
FORMAT						
Display	51.5	53.2	26.1	44%	42%	41%
Video	19.6	22.2	10.6	17%	17%	17%
Paid for search	26.8	29	14.6	23%	23%	23%
Classifieds and directories	13.2	16.1	9.1	11%	13%	14%
Text ads	1.9	1.3	-	2%	1%	-
Native	3	4.2	2.6	3%	3%	4%
Other	1.7	2.2	0.5	1%	2%	1%
Total	117.8	128.2	63.6	100%	100%	100%

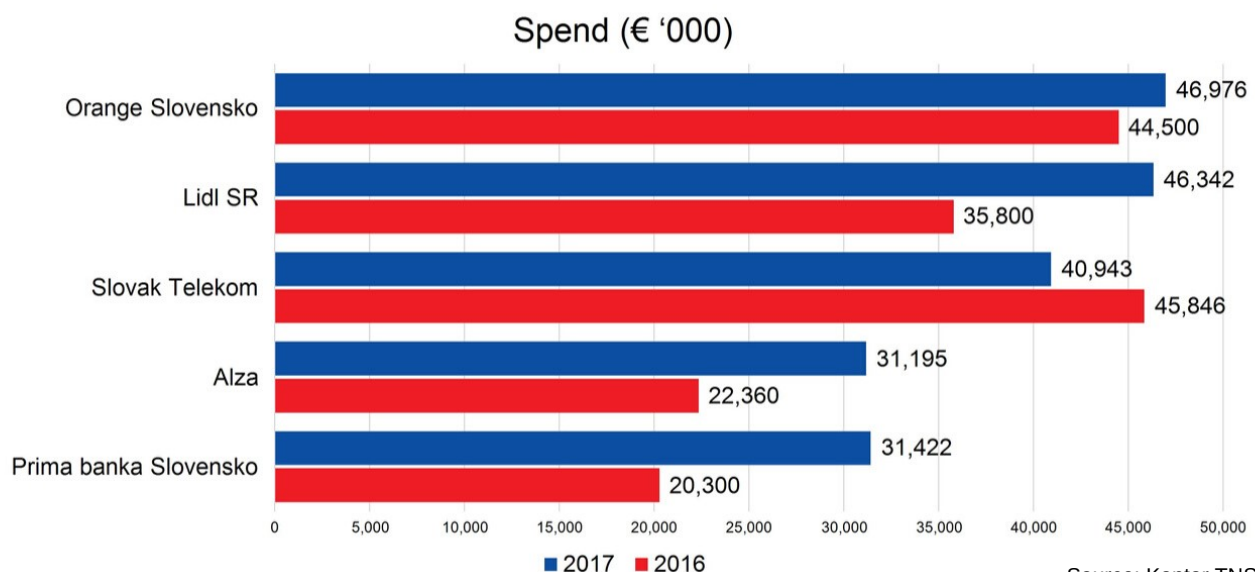
Note: The value of the total internet advertising in Slovakia given by IAB Slovakia differs from the figures collected from the ad industry because of different methodologies used in tracking gross and net spend.

Source: IAB Slovakia

Like elsewhere in Europe, the biggest ad spending sectors in Slovakia include the telecoms, automotive sector, retail industry, banking and food manufacturing. The two major telecom groups in the country, Slovak Telekom and Orange Slovensko are among the largest advertisers. They spent together over €86m on advertising in 2017, according to the latest data available from Kantar.

The deep advertising pockets

Largest advertising spenders in Slovakia, 2016



Source: Kantar TNS

Philanthropy

Media Development Investment Fund (MDIF), an affordable lender registered in New York, was active in Slovakia in the 1990s when an MDIF loan (the organization at the time was known as Media Development Loan Fund or MDLF) helped the daily Sme buy their own printing press, which saved them from crashing. Sme was created by a group of journalists who, following political pressures, broke away in the 1990s with the now-defunct, then state-owned Smena newspaper. Sme, which paid back the loan even before its maturity, was the very first client of the then MDLF.

Today, there is no foreign philanthropic funding invested in the Slovak news media. Since 2009, only 10 media donors came to Slovakia, giving a combined US\$ 1.8m, according to data collected by Media Impact Funders (MIF), a research outfit. That is a piddling amount compared to the total media spend in the country. The largest donor in Slovak media to date was EEA and Norway Grants, a government initiative set up by the states of Liechtenstein, Iceland and Norway.

Because of its limited size, foreign philanthropic money does not influence the power relations in the Slovak media market. However, some smaller investments into journalistic projects generate important results. For example, a project mapping media ownership in Slovakia with the participation of the Open Society Institute, a donor organization endowed by the philanthropist and investor George Soros, and the local office of Transparency International, a Berlin-headquartered NGO fighting corruption globally, led to the creation of a valuable media ownership registry that helps shed light on people and companies owning media in Slovakia.[22]

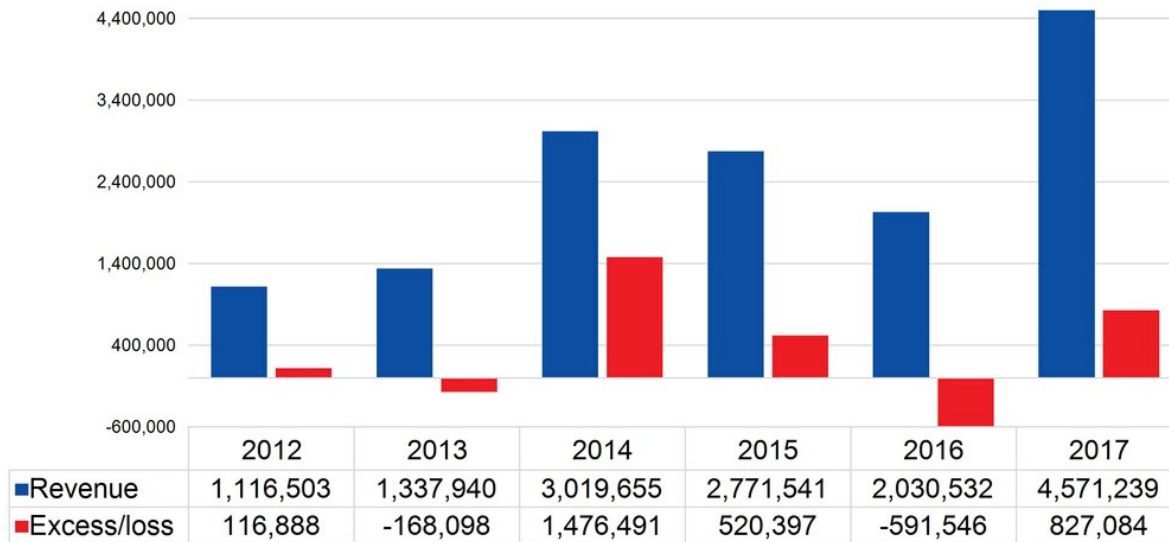
Also, funding coming to Slovakia through various global investigative journalism networks is important because it enables journalists to break major stories that otherwise would not be pursued. The killing of the Slovak investigative journalist Jan Kuciak in February 2018 attests to that. At the time of his death, Kuciak was working with the Organized Crime and Corruption Reporting Project (OCCRP) and his outlet, Aktuality.sk, on an in-depth investigation into the Slovak operations of the Italian criminal group 'Ndrangheta.[23] The OCCRP is an investigative reporting platform comprising 40 non-profit investigative centers as well as journalists and news organizations around the globe. It is funded by the American government and a raft of private donors including the Open Society Foundations (OSF), the Skoll Foundation, the Sigrid Rausing Trust and the Knight Foundation. OCCRP operated in 2017 with revenues of US\$ 4.57m, more than double compared to the year before. an increase of over 30% compared to the year before. Nearly two thirds of its 2016 budget came from the U.S. Government. The following year, that share went down to less than 50%, according to data from OCCRP.

[22] This database of owners can be consulted online at <https://medialne.etrend.sk/vlastnici-medii.html>

[23] Kuciak's last investigation was published by OCCRP at <https://www.occrp.org/en/amurderedjournalistslastinvestigation/>

Funding for investigations

OCCRP financial data, €, 2012-2017



Source: CMDS based on OCCRP Annual Reports, donor data

Government Funding

The government is a key player in the Slovak media market, competing neck to neck with private advertisers in funding media. In 2018, funding allocated by the government to the media (including the license fees) represented the equivalent of 48% of the advertising spending in the media (excluding cinema, outdoor and other non-media sectors), an increase of 8 percentage points compared to 2016, according to CMDS estimates.

Much of the public funding, administered by the government, goes to the public broadcaster RTVS. The broadcaster operates nine radio and two TV channels. RTVS is funded in a proportion of 93% from public financing sources. A big part of that is revenue raised through license fee, a tax of up to €5 a month that Slovak households are legally obliged to pay to RTVS. The station also gets a subsidy from the government, which includes money from EU sources. The remainder 7% of the RTVS' budget is generated from advertising and other sources such as sales of broadcast rights, rental of facilities or sale of property. RTVS sells ads worth €5m-€6m a year.

The public broadcaster's coffers

The budget of RTVS, in € '000, 2014-2018

Year	Source of revenue	Radio	Television	Total
2014	License fee	21,338	49,789	71,127
	State subsidy	5,714	23,149	28,864
	Advertising	1,732	3,346	5,078
	Other revenues	161	110	271
	Total	28,945	76,394	105,340
2015	License fee	22,554	52,628	75,183
	State subsidy*	4,816	24,831	29,648
	Advertising	1,833	4,372	6,206
	Other revenues	714	1,144	1,858
	Total	29,918	82,975	112,894
2016	License fee	23,482	54,792	78,275
	State subsidy*	4,141	24,794	28,935
	Advertising	1,450	4,052	5,502
	Other revenues	806	2,212	3,018
	Total	29,880	85,850	115,730
2017	License fee	24,294	56,687	80,982
	State subsidy*	4,153	24,180	28,333
	Advertising	1,443	4,146	5,590
	Other revenues	748	1,428	2,176
	Total	30,639	86,441	117,081
2018	License fee	24,771	57,799	82,570
	State subsidy*	4,172	24,586	28,758
	Advertising	1,316	5,175	6,492
	Other own generated revenues	613	1,236	1,849
	Total	30,873	88,796	119,669

*including EU funding

Source: CMDS compilation and calculations based on RTVS data and information from annual reports

A big part of the budget at RTVS goes into wages. In 2018, a total of some €33.4m, or approximately 40% of the RTVS' budget was spent on salaries and other employee benefits.

The public broadcaster's people

Staff and wages at RTVS, 2013-2018

Year	Number of employees	Average monthly salary (€)
2013	1,324	1,118
2014	1,317	1,181
2015	1,318	1,233
2016	1,404	1,293
2017	1,420	1,322
2018	1,467	1,392

Source: CMDS based on RTVS data and information from annual reports

RTVS has come under fierce criticism after the appointment of Jaroslav Reznik at the broadcaster's helm in summer 2017. Known to be close to right-win, nationalist parties that helped to appoint him in parliament, Reznik has made since his arrival a series of controversial decisions that affected the station's reputation, which had improved significantly before his appointment. In early 2018, he ordered the cancellation of *Reporteri* (Reporters), the sole investigative program on RTVS. He reportedly did that under pressures from organizations criticized on the program. The program was reintroduced to the schedules later in 2018.

Reznik is also close to politicians who want to scrap the license fee and allow instead RTVS to carry unlimited advertising. Such a decision is likely to financially clobber the station, making it even more reliant on the state budget as advertising is clearly not sufficient to keep RTVS afloat. Moreover, experts say, advertising will change the nature of the RTVS' programming, making it more commercial to suit the advertisers' tastes. The broadcaster has been slow in generating digital advertising. In 2016, its sales of ads online were a dismal €17,000.

Under the previous management of Vaclav Mika, RTVS dramatically improved its public image thanks to investments in quality programming and solid news reporting. RTVS' television channels gained recognition for airing more and better documentaries, newscasts and sports programs. The share of such programs on both the group's channels, Jednotka and Dvojka, is higher than on private television channels.

Another important form of state spending in the media is state advertising. Much of that comes from EU-funded projects. State advertising has traditionally gone to media supportive of the government. Changes in the government have led to changes in the priorities of spending state ad money.

There is no consolidated data or official statistics on state advertising in Slovakia. The state ad spend is much lower than the funds that the government directs to RTVS. Overall, we estimate that the government spent some €10m on adverts in the media in 2017, according to data from the Central Registry of Contracts (*Centralny Register Zmluv*, CRZ), a government body.

For many of the recipients, state advertising represents only a small part of their total income. For example, in 2017, Ringier Axel Springer signed ad contracts with state authorities and companies worth some €250,000 in total, which represents less than 1% of the group's overall revenues. In 2018, Ringier was awarded some €290,000 in state advertising. Markiza-Slovakia also received a hefty sum, over €2.3m, in 2017. For the size of a company like Markiza-Slovakia, that did not mean much either. However, contracts for purchasing media services on Markiza-Slovakia increased significantly. By October 2019, the station received more than €5m in state contracts from institutions such as Tipos, the local lottery, several ministries and Všeobecná zdravotná poisťovňa, Slovakia's dominant, state-controlled, health insurer.

Technology, Public Sphere and Journalism

Slovakia has been a fast adopter of new technologies. During the past decade, internet and mobile penetration in the country has exploded, significantly changing news consumption and access to information. The country has a mobile penetration of over 130%, one of the highest in Europe, as many Slovaks use more than one mobile SIM card.

Changing lifestyle and more affordable services allow Slovaks to boost their media diet on mobile devices. Unlike a decade or so ago, post-paid mobile subscriptions, allowing online surfing at leisure, at home or abroad, are now dominant. Nearly 83% of Slovaks are online via a mobile device. Internet services have also become one of the main drivers for growth on the Slovak electronic communications market accounting for nearly a fifth of this market in 2017, a jump from 10% five-six years before. However, the turnover in the electronic communications market is constantly declining, which is a sign of both saturation and dwindling prices due to increased competition. That is likely to affect first and foremost local telecoms and internet service providers, the key infrastructure operators and distributors of content and communication services.

On the internet content market, foreign players are dominant: Google is leader on the browsing and searching market and Facebook is by far the most popular social network, with nearly 68% of Slovaks using it. The most competitive local player in the internet market is Zoznam.sk, a search engine that offers aggregated content, email and many other services. Unlike Google, Zoznam.sk also produces news content (though a lot of it is tabloid fare), which gives them a big advantage in the news media market. Ringier Axel Springer, a Swiss-German publisher, is increasingly powerful in the digital news market. It moved its attention in recent years from Azet.sk, a search engine that was competing with Zoznam.sk, focusing instead

on the news portal Aktuality.sk, which has become the most visited website in Slovakia.

Although the remit of regulators does not cover companies like Google and Facebook, the position of international technology companies in Slovakia is highly endangered. Authorities have been adopting laws that will force them pay taxes on all revenue generated in Slovakia. They also want Facebook and other foreign technology companies to open a local office in Slovakia (as Google has done already) if they want to invoice Slovak customers.

A younger generation of Slovak professionals, coming from the IT and digital services sector, is emerging and changing the industry. New associations of creative industry people and outspoken technology entrepreneurs are gaining more clout in society and even politics. Several IT professionals and entrepreneurs, including the head of Google Slovakia, Rasto Kulich, support Progressive Slovakia (Progresívne Slovensko), a progressive political party launched in late 2017. The party scored a major success when its candidate Zuzana Caputova won the election in March 2019 to become Slovakia's president. She is the first woman to hold Slovakia's presidency and, at 45 years old, the youngest president in the history of Slovakia.

Generally, in spite of usual lobbying practices for commercial gains, the technology sector in Slovakia is apolitical. With the exception of O2 Slovakia, which has ownership connections with PPF, a powerful financial group operating that has links with politicians across Central and Eastern Europe, none of the tech players has ownership links with politicians and political parties.

Although news media have a relatively low outreach on social networks, all of them rely on social media, particularly on Facebook, to

distribute content. However, an experiment run by Facebook in 2017, consisting of removal from its main feed of posts generated by professional media clobbered news media in Slovakia. Some of them experienced day-to-day declines of 60% in their user interaction (Facebook's definition of likes, shares or comments).

Of all foreign technology companies, only Google got involved directly in supporting Slovak journalism. Through its grant-making project Digital News Initiative (DNI), it has given some €1.2m to locals to develop journalism projects in Slovakia. Although Google's funding helped a couple of Slovak projects get off the ground, it hardly influenced the balance of power in the Slovak news market.

TECHNOLOGY OVERVIEW

New technologies are rapidly spreading in Slovakia while old, analog forms of communications are abandoned. Slovaks have become increasingly mobile during the past decade. The number of fixed telephone lines continued their slump: between 2011 and 2017, Slovakia lost nearly 240,000 fixed telephone lines. In parallel, the Voice over Internet Protocol (VoIP) has become a more popular form of communication. The number of VoIP subscriptions nearly trebled between 2010 and 2018. In 2018, over 52% of all fixed lines in Slovakia were VoIP subscriptions, according to data from the Slovak transport and construction ministry.

Slovak voice business, old-school

Fixed-line telephony in Slovakia, 2011-2018

Indicator	2011	2012	2013	2014	2015	2016	2017	2018
Total number of fixed telephone lines (FTLs), including VoIP	948,801	875,048	880,554	841,809	797,417	762,045	709,885	684,681
of which residential	724,776	684,424	646,324	625,315	600,512	595,501	560,895	538,824
FTLs per 100 inhabitants (%)	17.6	16.2	16.3	15.5	14.7	14.0	13.0	12.6
Percent of households with FTLs (%)	38.1	36.9	34.9	33.7	32.4	32.2	30.3	29.1
Number of VoIP subscriptions	127,878	145,566	175,633	225,338	274,778	335,874	338,616	360,661
of which residential	99,700	117,046	144,023	183,569	222,012	274,151	282,218	296,997

Source: Ministry of Transports and Construction Slovakia

Slovaks have fully embraced mobile communications in the past two decades. The mobile penetration was a stonking 133% in mid-2017, which meant that many Slovaks have more than one mobile subscription. As mobile services have become more affordable, Slovaks increasingly take up post-paid mobile subscriptions, which allow them to browse or make calls at leisure, giving them also more freedom to consume content on the internet. In 2017, nearly 71% of Slovakia's mobile market consisted of post-paid subscriptions. Friendlier roaming rates have also boosted the number of mobile subscriptions that allow people to use their phones abroad. That led to an increase in the use of mobile phones and growing consumption of online content on mobile devices.

A mobile nation

Mobile telephony in Slovakia, 2011-2018

Indicator	2011	2012	2013	2014	2015	2016	2017	2018
Mobile subscriptions*	5,983,059	6,094,466	6,208,412	6,378,095	6,675,553	6,989,902	7,117,753	7,241,702
Mobile subscriptions per 100 inhabitants (%)	110.7	112.6	114.6	117.6	123.1	128.6	130.8	132.9
Mobile subscriptions: prepaid	1,929,921	1,859,802	1,831,444	1,823,330	1,889,334	2,041,848	2,195,428	2,104,043
Mobile business subscriptions	1,358,446	1,430,854	1,493,329	1,570,100	1,643,902	1,708,612	1,753,427	1,824,429
Mobile cellular subscriptions: post-paid	4,053,138	4,234,664	4,376,968	4,554,765	4,786,219	4,948,054	4,922,325	5,137,659
Mobile cellular subscriptions with roaming	4,993,690	5,390,107	5,168,697	5,236,507	5,443,698	5,699,034	5,820,210	6,024,659
Mobile cellular subscriptions with M2M**	-	-	-	421,411	512,508	591,504	648,363	797,755

*Total (including post-paid + prepaid);

**M2M stands for Machine-to-Machine equipped SIM cards allowing devices and sensors to communicate with each other and with other Internet-enabled devices.

Source: Ministry of Transport and Construction Slovakia

Access to internet has also increased significantly in the past decade. The internet market in Slovakia is dominated by mobile. At the end of 2018, mobile internet had a penetration of over 86%. The number of mobile broadband subscriptions more than trebled since 2010. Fixed broadband internet has also seen steady growth, but at a much slower speed than mobile broadband.

Slovak internet universe

Number of internet subscriptions in Slovakia, 2011-2018

Indicator	2011	2012	2013	2014	2015	2016	2017	2018
Fixed broadband Internet subscriptions	953,098	1,045,490	1,109,060	1,191,216	1,273,812	1,336,541	1,404,973	1,507,998
Fixed broadband Internet subscriptions per 100 inhabitants (%)	17.6	19.3	20.4	21.9	23.4	24.6	25.8	27.7
Total numbers of mobile broadband Internet subscriptions	1,746,406	1,915,242	2,729,679	3,331,968	3,685,683	4,300,524	4,501,833	4,688,623
Mobile broadband Internet subscriptions per 100 inhabitants (%)	32.3	35.4	50.4	61.5	67.7	79.1	82.7	86.0

Note: data for end of year

Source: Ministry of Transport and Construction Slovakia

The electronic communications market has been declining for more than five years. Between 2011 and 2016, the revenue generated by electronic communications services plummeted by nearly 15% to €1.68bn. The share of the country's electronic communications market in the national GDP has also dipped during the period to 2.1%.

Revenue in both fixed telephone services and mobile communications declined, but mobile communications clearly dominates the market with a turnover of over €1bn, which represented more than 60% of the total electronic communications market in 2017. Internet plays a major role in revenue generation. Income from sales of internet services accounted for less than a fifth of the total communications market in 2017, but the segment has been growing steadily. In the mobile market, the post-paid services are the largest revenue generator, but their share has been steadily decreasing since 2011.

Monetizing technology

Revenue in the Slovak electronic communications market, in € '000, 2011-2017*

Indicator	2011	2012	2013	2014	2015	2016	2017
Revenue from all electronic communication services	1,949,183	1,870,295	1,771,582	1,688,879	1,659,472	1,653,521	1,683,643
Share of electronic comm. revenue in GDP (%)**	2.8	2.6	2.4	2.2	2.1	2.0	1.9
Revenue from fixed telephone services including VoIP, of which:	198,889	168,479	150,208	136,871	125,681	115,976	85,586
Revenue from residential subscribers	77,589	69,022	61,805	54,380	49,990	45,954	42,966
Revenue from telephone calls, in that:	11,985	9,703	7,569	5,391	3,677	2,617	1,996
local calls	8,321	6,782	5,288	3,736	2,529	1,785	1,308
national long distance calls	3,657	2,921	2,278	1,655	1,148	833	688
Revenue from subscription charges	102,870	93,557	85,284	78,215	72,821	68,665	64,630
Revenue from connection charges	580	372	356	301	288	503	400
Revenue from outgoing calls - national	24,571	20,645	18,219	15,345	12,113	10,438	8,363
Revenue from incoming calls - national	8,836	5,948	4,018	1,939	1,950	1,803	1,672
Revenue from outgoing calls - international	11,816	9,167	8,163	5,980	3,839	3,131	2,518
Revenue from incoming calls - international	5,867	6,885	8,819	9,609	8,657	6,985	3,435
Revenue from mobile communications, of which:	1,271,021	1,211,388	1,105,936	1,026,499	1,017,929	975,622	1,024,725
Revenue from connection charges	7,556	2,287	1,733	1,376	1,325	1,272	1,994
Revenue from prepaid services	145,200	146,335	129,535	117,218	109,092	107,930	116,581
Revenue from post-paid services	1,059,352	1,021,044	936,330	878,634	865,973	866,420	855,660
Revenue from outgoing calls - international	44,584	37,059	39,017	35,702	29,320	27,967	29,758
Revenue from incoming calls - international	19,978	21,812	21,262	13,966	9,911	7,230	9,249
Text and multimedia services	115,756	109,119	100,906	102,539	102,655	100,074	97,714

Table continues on next page

Indicator	2011	2012	2013	2014	2015	2016	2017
Other							
Revenue from Internet	212,189	217,344	224,477	235,124	267,943	295,756	307,920
Revenue from leased lines	35,950	38,061	41,145	37,757	28,749	49,903	45,242
Revenue from data transmission	71,027	69,420	77,455	81,012	65,901	68,416	66,378
Revenue from CATV services	47,044	47,752	46,694	45,947	37,816	43,405	44,224
Revenue from satellite services	37,625	46,116	45,508	44,952	45,265	44,331	46,653
Revenue from audiotex	7,949	7,404	9,069	14,694	10,121	6,321	5,329
Revenue from any other electronic comm. services	56,522	54,159	62,532	59,214	60,067	53,791	57,587

*VAT not included;

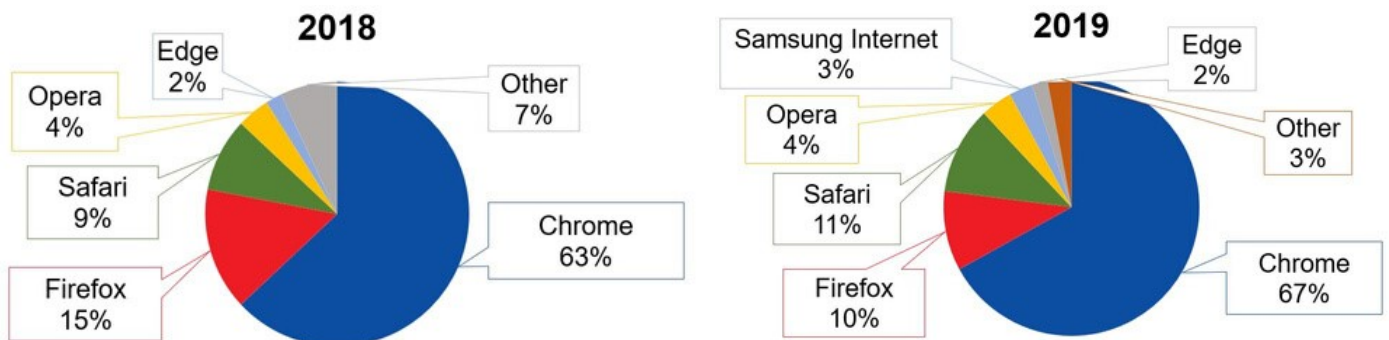
**in current prices

Source: Ministry of Transports and Construction Slovakia

Google dominates the Slovak online browsing and search market. The market share of Google's browser Chrome has been growing in recent years in Slovakia reaching 67% in 2019, according to data from StatCounter. In the search market, Google has an even stronger position, accounting for some 98% of the online searches carried out in Slovakia in 2019.

Where are Slovaks browsing?

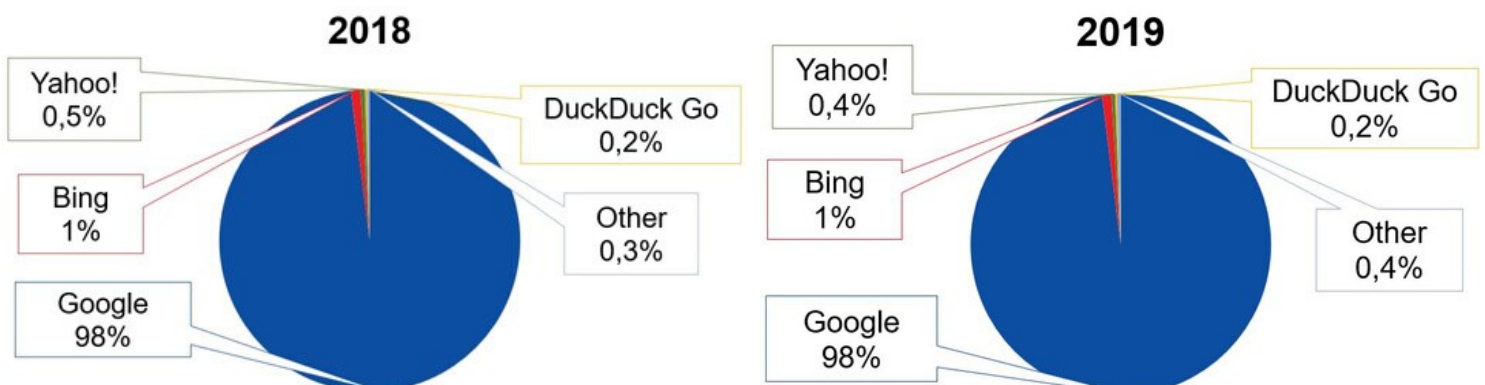
Browser market share (%) in Slovakia, 2018-2019



Source: StatCounter

How are Slovaks searching online?

Search engine market share (%) in Slovakia, 2018-2019

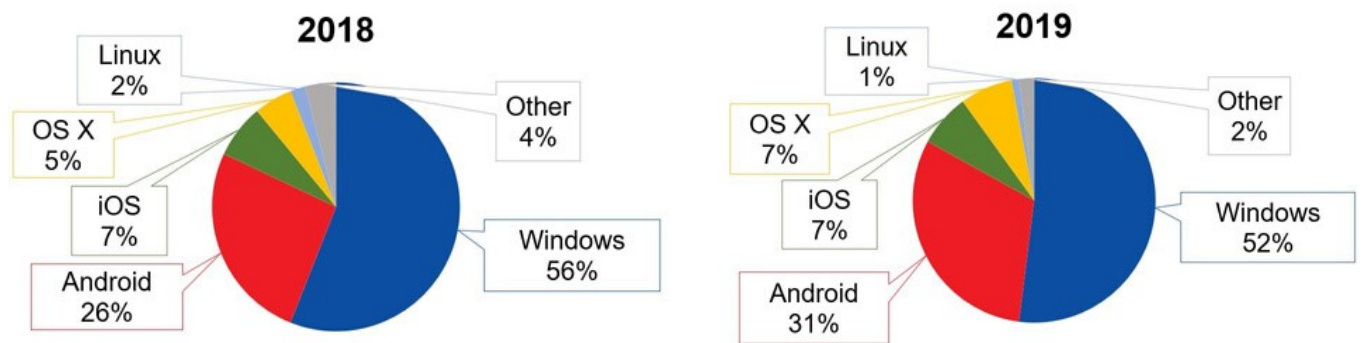


Source: StatCounter

Slovaks largely use Windows on their devices. Microsoft has a share of roughly 52% of the operating system market in Slovakia. It is followed by Android with some 31%, and growing. Samsung is estimated to control some 28% of the mobile phone handset market in Slovakia. However, Chinese-made gadgets have become increasingly popular in recent years, with Huawei very close to dethroning Samsung as the top selling mobile company in Slovakia.

Where are Slovaks browsing?

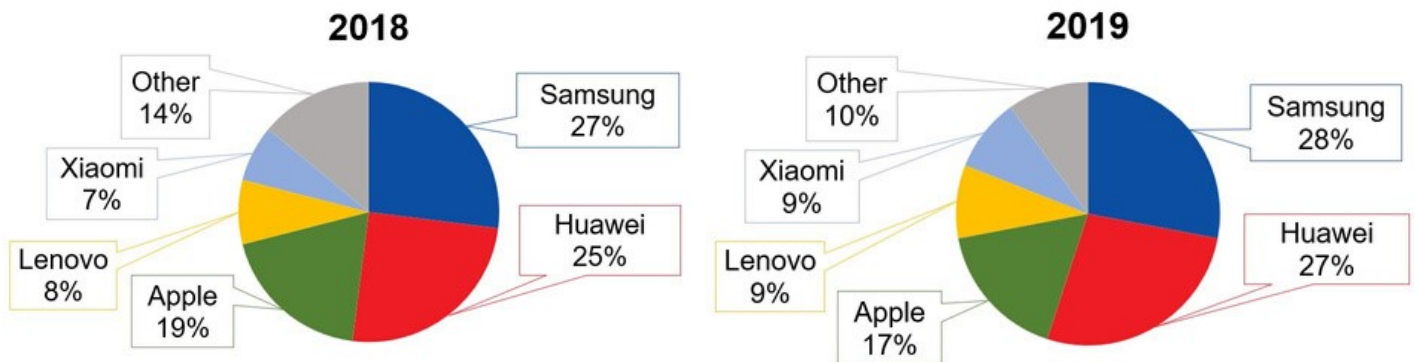
Browser market share (%) in Slovakia, 2018-2019



Source: StatCounter

Slovaks and their gadgets

Mobile vendor market in Slovakia, share (%), 2018-2019



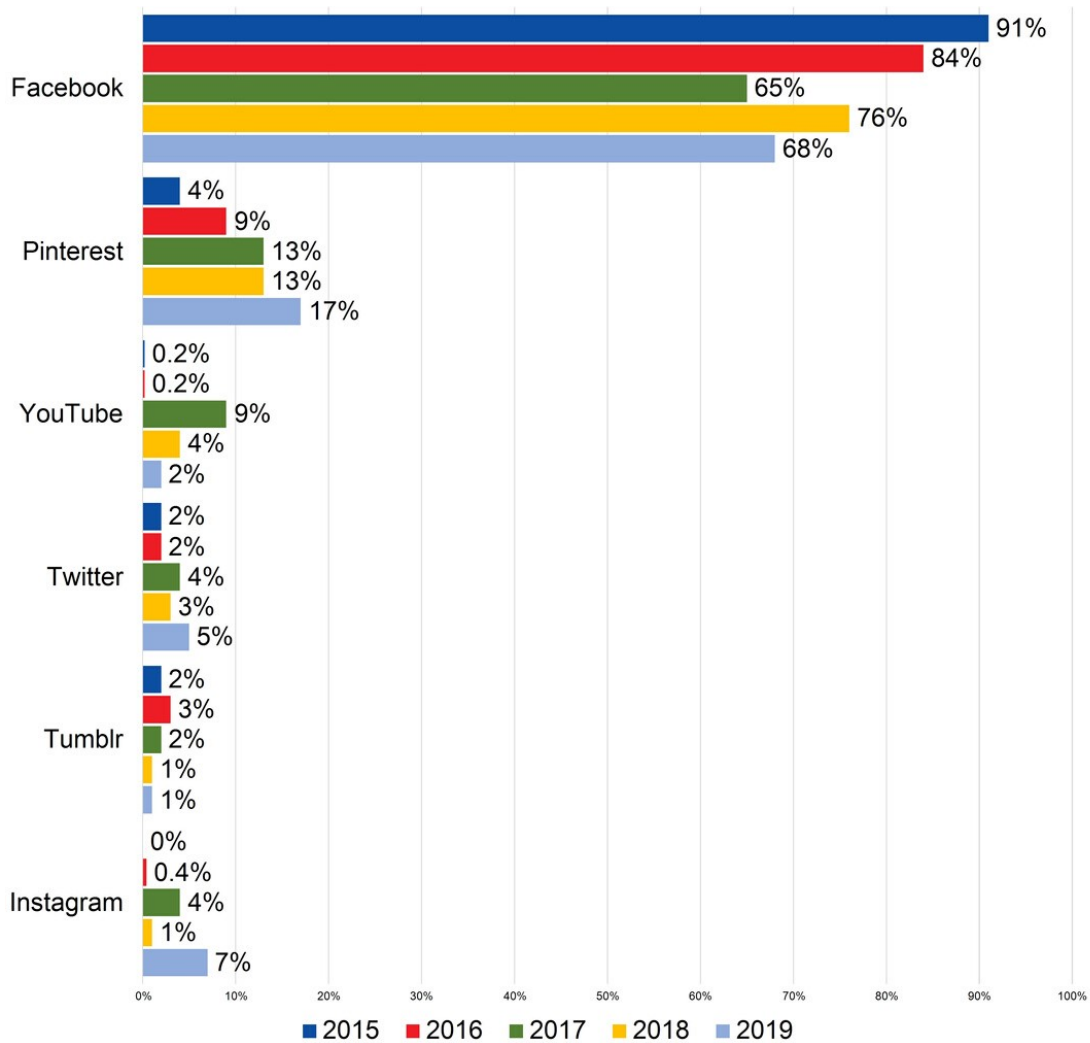
Source: StatCounter

Facebook is by far the most popular social media in Slovakia with a market share of nearly 68% in 2019, according to data from StatCounter. However, its popularity has rapidly declined in the past few years. Some five years ago, it was preferred by over 90% of the Slovaks and faced some weak competition from Pinterest, Tumblr and Twitter. While Twitter and Tumblr have grown only sluggishly in the past two-three years, Instagram has significantly boosted its share of the Slovak social media market. YouTube also had a period of rapid growth in 2016-2017, but it then lost its appeal.

Some 2.6 million Slovaks were on Facebook in 2019, according to data from a source at Facebook in Dublin who would not want to be named in the report. That is nearly half of the Slovak population.

Where are Slovaks socializing?

Social media use in Slovakia, market share (%)*, 2015-2018



*data for end of year

Note: Those accounting for the missing percentage to 100% include reddit, StumbleUpon, Google+, VKontakte and LinkedIn

Source: StatCounter

ROLE OF TECHNOLOGY IN MEDIA AND JOURNALISM

Overview of Key Players

Internet and mobile

The main internet and mobile ecosystems companies present in Slovakia are mostly international players. Google dominates the search market locally, Samsung and Apple are the largest players in the mobile ecosystems market and Facebook is the largest player in social media. They, however, are facing stiff competition from local players, namely Zoznam.sk, one of the largest internet portals in Slovakia. Of all those players, Microsoft, Apple and Samsung are not involved directly in production and distribution of news media content in Slovakia.

The big players in internet and mobile

Key players in the Slovak internet and mobile market, breakdown by services

Company	Email service	Messaging and VoIP	Mobile ecosystems	Search	Social network & blog	Video & photo
Apple	✓	✓	✓			
Azet	✓			✓		
Facebook		✓			✓	✓
Google	✓		✓	✓		✓
Microsoft	✓	✓		✓		
Samsung			✓			
Twitter					✓	✓
Zoznam	✓			✓		

Source: CMDS

Azet



The internet portal Azet.sk was operated by an eponymous Zilina-based company until 2016 when the Swiss-German publisher Ringier Axel Springer purchased the portal. According to the latest available data published by the company, Azet.sk pulled in sales revenues of over €14m in 2015, according to data from the Slovak Trade Registry. The company had a constant growth in revenue during the past decade, which was the key reason why Ringier Axel Springer bought the company. In 2016, the company operating

Azet was merged with Ringier Axel Springer SK. However, in recent years, Ringier shifted its focus on Aktuality.sk, its main news outlet, which has recently become the most visited website in Slovakia. Azet, a generalist portal, in Slovak, equipped with a search engine and offering news aggregated from all Slovak media, an email service, and pages with information in a broad range of topics and categories, has thus lost much of its visitorship, completely dropping out of the top most visited sites in the country.

Facebook



Facebook does not have a physical presence in Slovakia and its name is not registered as such in the local trade registry. Some tasks related to content in Slovak are handled from Facebook's Warsaw office that covers Central and Eastern Europe, which was launched in 2016. Robert Bednarski is the office's first director. Bednarski worked for Ringier Axel Springer Polska, the Polish subsidiary of Ringier Axel Springer. Until 2015, when he took over the job at Facebook, he was the CEO of Grupa Onet.pl, the most popular portal in the country, owned by Ringier Axel Springer.

One of the Facebook's employees in charge of Slovakia, among other countries and topics, was Andy Krasny. He said in 2016 that Facebook did not plan to open a local operation in Slovakia, preferring to run its Slovak business from Poland.

In an interview in 2016 with Biznisklub, a business network in Slovakia, Krasny would not say whether the queries received by Facebook from Slovak users were handled by robots or humans. "If you report something, it is not guaranteed that the content will be removed because it may not violate our policies," Krasny said. "Our content reviewers may ask you why you think [a respective] post violates the policy." [1]

He added that Slovakia was a "key market" for Facebook in the region. Before the opening of the Warsaw office, many of the tasks related to Central and Eastern European countries were handled from the Facebook office in Dublin. Some of the Slovakia-related services in Facebook are still handled from Ireland.

Google



Fully owned by Google International, Google Slovakia has an office in Bratislava. The two executive managers of the Google Slovak subsidiary are Kenneth Hohee Yi, a lawyer working for Google in America, and Paul Terence Manicle, a Dublin-based Google employee, according to data extracted by CMDS from corporate documents.

The Google office in Slovakia is led by Rasto Kulich, a Harvard-educated Slovak, who helped co-found the company locally. Along with other businessmen and IT professionals, Kulich has been supporting Progressive Slovakia (Progresivne Slovensko), a social-liberal, progressive and pro-

[1] "Rozhovor s Andym Krasnym: Čo pripravuje Facebook na Slovensku a ako funguje?" (Interview with Andy Krasny: What is Facebook planning for Slovakia and how does it work?), 20 Dec 2016, available online at <https://biznisklub.sk/rozhovor-s-andym-krasnym-co-pripravuje-facebook-na-slovensku-a-ako-funguje>

European political party launched in late 2017.[2] Most of the leaders driving the growth of Progressive Slovakia are young businessmen, innovators and IT professionals. For example, Ivan Stefunko, the party's president, is a technology entrepreneur who studied political science in Banska Bystrica and Paris. Zora Jaurova, one of the party's vice-presidents, is an expert in creative industries and cultural policies. She manages the Creative Industry Forum, Slovakia's creative industry professional association.

Google Slovakia constantly increased its revenues in the past five years to nearly €1.5m in 2017, according to data from the trade registry in Slovakia. Slovak tax authorities claim that Google does not disclose all the income it generates in Slovakia as a way to reduce its tax payments. The company has finished in the black every year between 2011 and 2017. Google Slovakia has a staff of four.

The global behemoth

Google Slovakia: key financial data (€), 2011-2018

	2011	2012	2013	2014	2015	2016	2017	2018
Sales revenues (€)	706,000	1,739,000	2,103,125	1,862,441	1,501,659	1,271,166	1,299,101	1,498,154
Net profit (€)	42,000	59,200	89,389	74,399	48,255	49,062	48,401	64,940
Tax on income (€)	9,824	68,958	67,627	65,826	62,977	46,809	47,833	52,088

Source: CMDS based on data from the Slovak Trade Registry

Twitter



There is no information about Twitter in Slovakia. According to journalists consulted for this report, the company has not established any physical presence in the country to date.

Zoznam



Zoznam.sk is the true pioneer of Slovak internet. It launched in 1997 as the first Slovak search engine. Its founders were Ivan Debnar and Ivo Lukacovic (who also founded the sister site Seznam.cz in the Czech Republic). The site Zoznam.sk was purchased in 2005 by Slovak Telekom.[3] The financial group Penta Investments is said to have interest in buying the portal, but the firm's representatives would not comment on that.[4]

[2] Dusan Mikusovic, "Progresívne Slovensko môže mať prvého poslanca, do hnutia smeruje Martin Poliacik" (Progressive Slovakia can have its first MP, Martin Poliacik is heading the movement), DennikN, 5 Dec 2017, available online at <https://dennikn.sk/963197/progresivne-slovensko-bude-mat-prveho-poslanca-do-hnutia-vstupuje-martin-poliacik/?ref=list>

[3] "Slovak Telecom kúpi portál Zoznam.sk" (Slovak Telekom buys the portal Zoznam.sk), Lupa.cz, 21 Jul 2005, available online at <https://www.lupa.cz/clanky/slovak-telecom-koupi-portal-zoznam-sk/>

[4] "Penta má zájem o druhý slovenský server Zoznam.sk" (Penta has interest in the second largest Slovak server Zoznam.sk), Mediaguru.cz, 20 Nov 2014, available online at <https://www.mediaguru.cz/clanky/2014/11/penta-ma-zajem-o-druhy-slovensky-server-zoznam-sk/>

Similar to Azet.sk in terms of content, aggregation methods and services, Zoznam.sk lost its leading position to Azet.sk in 2008. In the past two years, however, as Azet's owner, Ringier, has focused on another of its websites, Zoznam.sk became again larger than Azet. However, it's not anymore the leading portal in Slovakia as Aktuality.sk, owned by Ringier, gets now the highest visitorship.

The Slovak internet pioneer

Zoznam.sk: key financial data (€), 2011-2018

	2011	2012	2013	2014	2015	2016	2017	2018
Sales revenues (€)	5,539,049	5,904,369	6,519,879	6,823,440	7,797,012	9,219,975	9,254,309	8,959,262
Net profit (€)	122,874	342,575	79,594	20,836	123,035	159,795	263,425	342,430
Tax on income (€)	44,748	-15,085	36,574	28,499	65,580	84,160	99,631	126,871

Source: CMDS based on data from the Slovak Trade Registry

Telecoms

The Slovak telecom and internet market is dominated by three players, Slovak Telekom, Orange Slovensko and O2 Slovakia, the only telcos in Slovakia with annual sales in excess of €100m. Their combined sales exceed €1.2bn.

By far the largest player in the market is Slovak Telekom, the former state-owned telecom monopoly, which is controlled by Deutsche Telekom. Most of the big players on the telecommunications market are in foreign hands. The biggest Slovak-owned player is Swan-Benestra. The two companies completed their merger in early 2019. Together they formed the largest domestically owned alternative operator in Slovakia.[5]

[5] "Slovakia will have a new telecoms operator", The Slovak Spectator, 3 April 2018, available online at <https://spectator.sme.sk/c/20795267/slovakia-will-have-a-new-telecoms-operator.html>

The sales battle

Sales revenues of prominent telecommunication operators and internet service providers in Slovakia, ranked by 2018 sales, 2013-2018

Company	Ownership	Country of ownership	Sales revenue (€ '000)					
			2013	2014	2015	2016	2017	2018
Slovak Telekom	Deutsche Telekom Europe (100%)	Germany	782,510	700,106	707,056	668,786	650,756	604,983
Orange Slovensko	Atlas Services Belgium (100%)	Belgium	n/a	580,156	560,623	427,419	415,571	375,146
O2 Slovakia	O2 Czech Republic (100%)	Czech Republic	197,751	198,984	205,668	208,889	220,421	229,739
Swan*	DanubiaTel (100%)	Slovakia	n/a	n/a	4,440	48,430	48,775	55,764
UPC Broadband Slovakia	UPC Slovakia Holding I and II (50% each)	Netherlands	45,682	45,124	44,249	44,825	45,047	47,530
Towercom	ST Networks Holdings (100%)	Luxembourg	52,697	54,056	55,395	55,845	49,687	47,223
Slovanet	SNET Group (100%)	Slovakia	3,648	42,931	34,252	42,408	37,531	39,931
Benestra*	Carduelis (100%)	Netherlands	45,913	45,137	46,274	45,145	41,491	39,606
Digi Slovakia**	Slovak Telekom (100%)	Germany	28,043	29,553	33,437	35,283	36,024	38,109
Swan Mobile	DanubiaTel (100%)	Slovakia	62,340	72,901	54,975	7,127	14,758	21,881
Antik Telecom	Igor Kolla (70%), Miroslav Antal (30%)	Slovakia	9,056	9,505	10,239	11,213	13,032	13,837
Energotel	Four local power providers	Slovakia	12,718	13,269	13,735	13,188	12,035	11,656
Marlink	Marlink (100%)	Norway	5,202	5,277	6,014	5,541	6,199	5,961
RadioLAN	Filip Krizko (51%), Juraj Hajtas (20%), Juraj Petrula (29%)	Slovakia	1,332	1,842	2,924	3,495	4,409	5,364
VNET	Locally owned	Slovakia	2,672	3,044	3,325	3,653	4,472	5,001
DSi Data	Jaroslav Dravecky (50%), Rastislav Dravecky (50%)	Slovakia	2,527	2,685	2,856	3,058	3,535	4,266
Satro	Frantisek Kaduch (25%), Frantisek Kaduch (50%), Marek Michalik (12%), Iveta Michalikova (12%)	Slovakia	4,435	4,252	4,108	3,960	3,795	3,718

*in 2019, Swan merged with Benestra, the new company operating as Swan;

**Sales of Digi Slovakia are included also in Slovak Telekom's financial report

Source: CMDS based on company data and data from Slovak Trade Registry

Orange Slovensko has been for years the most profitable company in the Slovak telecommunications market. However, thanks to an increase of over 66% in its net profits, Slovak Telekom became the most lucrative telco in the country in 2018, with net earnings of more than €106m.

Smaller players have been faced with financial difficulties in recent years, which were reflected in their bottom line. Since 2015, an increasing number of operators, particularly smaller ones, have seen deepening losses. Swan, for example, during the period 2016-2018 accumulated losses of over €21m. Benestra finished in the red for six years in a row between 2013 and 2018, accumulating losses of over €18m during the period.

Of telecoms and profits

Net profit of prominent telecommunication operators and internet service providers in Slovakia, ranked by 2018 earnings, 2013-2018

Company	Net profit (€ '000)					
	2013	2014	2015	2016	2017	2018
Slovak Telekom	47,686	40,682	68,744	61,232	66,637	106,302
Orange Slovensko	114,516	103,062	88,249	81,700	92,221	74,297
O2 Slovakia	34,971	32,624	43,308	41,705	47,186	50,775
Digi Slovakia	-3,247	4,110	4,693	5,824	5,023	5,446
Energotel	996	1,728	2,348	1,562	1,293	1,410
Antik Telecom	1,142	1,153	438	-393	1,278	1,159
Marlink	170	224	208	325	423	465
VNET	29	44	12	118	121	325
Satro	225	30	-153	-177	-180	87
RadioLAN	27	-120	2	27	36	35
DSi Data	200	74	26	48	9	25
Slovanet	162	1,070	502	-312	246	-360
Benestra	-3,810	-4,463	-3,669	-2,177	-2,014	-2,032
UPC Broadband Slovakia	-2,693	2,712	-1,118	-938	-7,415	-6,648
Towercom	11,193	6,525	-2,560	-1,604	-5,486	-7,908
Swan	n/a	n/a	-600	-6,581	-7,613	-8,204
Swan Mobile	467	940	42,671	-18,686	-18,235	-16,848

Source: CMDS based on company data and data from Slovak Trade Registry

Technology Companies & Government

The technology sector remains a politics-free industry. Technology companies, especially telecoms, invest significant time and money in lobbying regulators, but there are no ownership links between large players and politicians. Large financial groups such as J&T or Penta Investments have not expanded into technology yet. The sole exception is PPF Group, controlled by Czech magnate Petr Kellner, which controls the telecom operator O2 Slovakia via O2's mother company located in the Czech Republic.

There is no specific regulatory regime for online content in Slovakia. The Council for Broadcasting and Retransmission (RVR), Slovakia's broadcast watchdog, started to regulate online content, but its remit is limited to audiovisual products posted online. The RVR does not regulate social media, but is gradually expanding its regulatory remit to include technology companies. In its latest reports, the list of entities regulated by RVR included telecom operators such as Orange Slovensko and Slovak Telekom. (*See Internet regulators in the Government, Politics and Regulation chapter of this report*)

But in spite of this regulatory vacuum, state authorities are increasingly targeting technology companies, especially foreign ones. Finance minister Peter Kazimir from Smer-SD party said that the government was planning to tax IT giants like Google and Facebook.[6] Mr Kazimir claims that the two companies generate together as much as €80m in ad revenue in Slovakia, but fail to pay due taxes on that amount. According to Juraj Valis, a tax expert interviewed by Hospodarske Noviny,[7] Google and Facebook pay taxes on local expenses instead of locally generated income. But without international cooperation (mainly help from tax offices in other countries), it will be hard for the Slovak tax watchdog to assess how much these companies should pay, Valis said.

According to a report from the European Commission, Google paid in 2018 a tax of roughly 0.82% of its revenue in the European Union (EU).[8] The Commission announced in 2018 plans to start taxing IT companies. Much support for it comes from France and its president Emmanuel Macron.[9]

A new law on income tax that took effect in Slovakia in 2018 introduced obligations on digital platforms that offer services in Slovakia to register as a local taxpayer. The law affected immediately the transport platform Uber and the accommodation portals Air B&B and Booking.com.[10] If platforms do not register, then the government is going to tax the locals who offer services of digital platforms: Uber drivers and home owners who rent their places. The companies reacted by registering, but they argued that most of the income generated through their business goes to the locals, staying in Slovakia. That is a reason, digital platforms argue, for not taxing the platforms.

[6] Olivia Lacenova, Kristina Votrubova, "Kazimír proti gigantom. Zdaní Google a Facebook" (Kazimir against giants. He wants to tax Google and Facebook), HN Online, 8 Jan 2018, available online at

<https://finweb.hnonline.sk/ekonomika/1671238-kazimir-zdani-google-a-facebook>

[7] "Slovakia may tax Google and Facebook", The Slovak Spectator, 9 Jan 2018, available online at

<https://spectator.sme.sk/c/20734333/slovakia-may-tax-google-and-facebook.html>

[8] Alicia Gonzalez, "Europe's tax war with the tech giants", El Pais, 2 Mar 2018, available online at

https://elpais.com/elpais/2018/03/01/inenglish/1519908569_345579.html

[9] Bjarke Smith-Meyer, "Commission eyes €5 billion annual windfall with new digital tax", Politico, 21 Mar 2018, available online at <https://www.politico.eu/article/commission-eyes-e5-billion-annual-windfall-with-new-digital-tax/>

[10] Lucia Yar, "Slovensko už zdaňuje digitálne platformy, chystá sa na internetových gigantov aj kryptomeny" (Slovakia already taxes digital platforms, prepares for internet giants and crypto-currencies), EurActiv, 16 January 2018, available online at <https://euractiv.sk/section/digitalizacia/news/slovensko-uz-zdanuje-digitalne-platformy-chysta-sa-na-internetovych-gigantov-aj-kryptomeny/> (accessed on 20 September 2019).

The Slovak government announced that the new fiscal legislation will target Facebook and Google next. Google is registered in Slovakia. Its local subsidiary, Google Slovakia paid a total tax of nearly €52,000 on revenues of some €1.5m in 2018, according to data from the local trade registry. Facebook is processing its taxes on income generated in Slovakia through its Ireland-registered office. According to Dave Wehner, a financial director with Facebook, the company is planning to pay more taxes in the country where the revenue is generated. However, that is likely to happen first in only the 30 countries where Facebook has a local office, including Germany, France, Italy, Poland and Sweden.[11]

In a separate legal development, Slovak authorities approved provisions, which took effect in May 2018, forbidding Facebook to accept registrations on its network from teenagers under 16 years of age without their parents' consent. The provisions are part of the law on protection of personal data, which was approved by the Slovak Parliament in November 2017.[12] Internet companies are legally obliged to verify that parents' consent was given to teenagers who want to register on Facebook. It is not yet clear how they are supposed to do that.

Technology Companies & Media

Local Telecoms

Among local telecoms, Slovak Telekom is the key player involved in both production and distribution of news content online. Slovak Telekom controls the largest search engine in Slovakia, Zoznam.sk, and Topky.sk, a tabloid portal funded mostly through advertising. Topky.sk covers a broad range of topics, including domestic affairs, international news, sports, economy and culture. Topky.sk ranks among the most visited sites in Slovakia with 1.63 million users in 2018. Zoznam.sk, which is a much bigger platform, publishes news content primarily from Topky.sk, helping thus beef up Topky's traffic.

Internet Companies

Facebook

Social media play an important role in news distribution in Slovakia. The biggest social media by number of users is Facebook. It is widely used by Slovak news media outlets to share content and increase exposure.

However, in terms of popularity, news media on Facebook is nowhere close to celebrities, human interest and practical advice websites. The top position belongs to Miroslav Stoch, a Slovak footballer, with 1.37 million fans, according to statistics from Socialbakers, a web analytics firm.

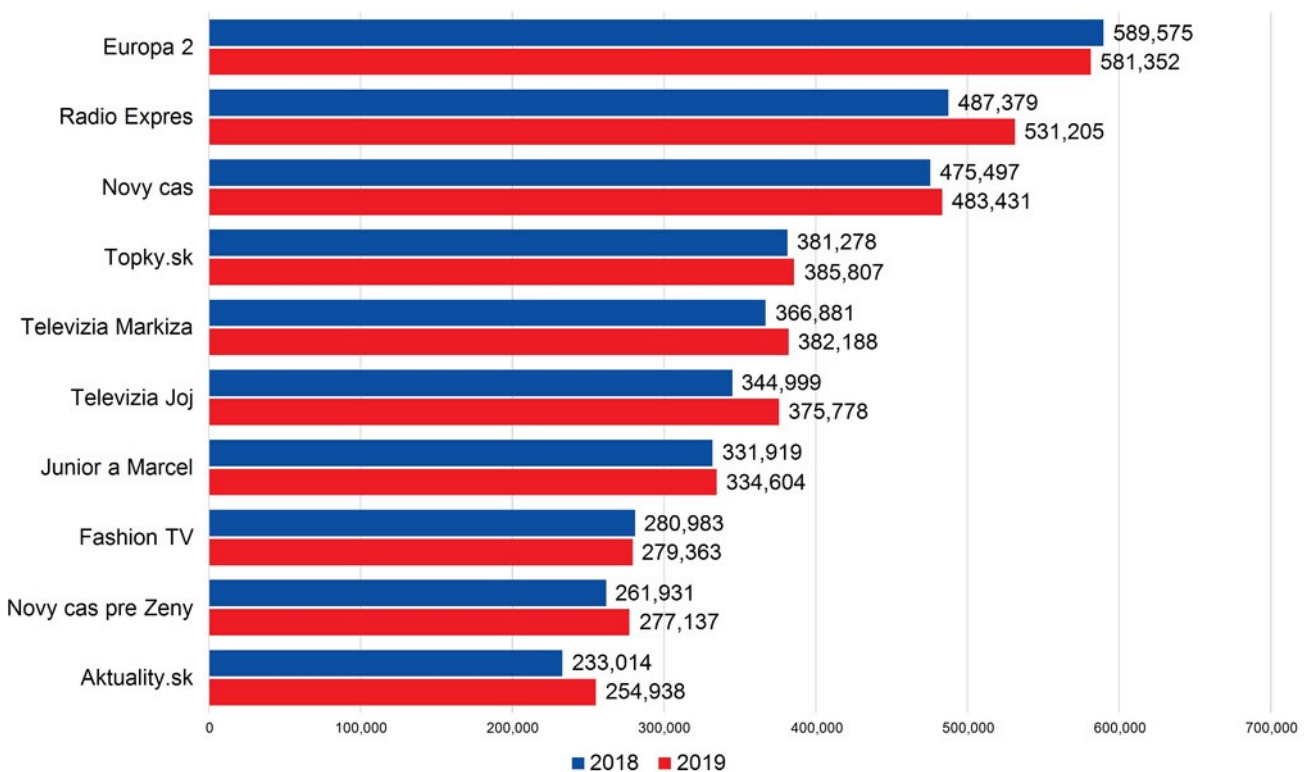
[11] Mark Scott, "Facebook to overhaul how it pays tax worldwide", Politico, 18 Dec 2017, available online at <https://www.politico.eu/article/facebook-tax-digital-europe-revenue-sales-corporate-ireland-david-wehner/>
[12] "Parlament rozhodol: Na facebook do 16 rokov len so súhlasom rodičov" (Parliament decided: on 16-year old on Facebook only with the consent of the parents), Noviny.sk, 30 Nov 2017, available online at <https://www.noviny.sk/slovensko/283348-parlament-rozhodol-na-facebook-do-16-rokov-len-so-suhlasom-rodicov>

It is followed by *Dobre rady a napady* (meaning “good advice and ideas” in Slovak), a site publishing practical advice on health and beauty, home decoration and other family life-related topics. *Dobre rady a napady* is published by the company iSITA, which operates a slew of human interest and practical advice websites, but also three local news websites, which cover Bratislava, Nitra and Zilina. iSITA has boosted its revenue from a couple of thousands of euros in 2014 to over €520,000 in 2017.

When it comes to media, two radio stations, Europa 2 and Radio Expres, dominate on Facebook with roughly 580,000 and 531,000 followers, respectively. They are followed by two tabloid titles and two television stations.

Most liked

Ranking of the most popular media on Facebook in Slovakia, 2018-2019



Source: Socialbakers

The reach of Slovak news media on Facebook is low. Only two of the most popular media in Slovakia reach more than 20 in 100 Facebook users. Both of them are radio stations that attract people thanks primarily to their music-dominated output. The most popular serious news outlet on Facebook, *Aktuality.sk* reaches an average of 10 in 100 Facebook users.

Journalists interviewed for this report say that the reach of Slovak news media on Facebook is higher than the number of “likes” because news content is widely shared through networks of friends. Moreover, many users, even staunch readers of a specific news outlet, do not bother to click the “like” button, which is not as fashionable as it used to be some years ago.

Nevertheless, the traffic generated by Facebook is extremely important for the eyeballs-hungry news media in Slovakia, according to journalists interviewed for this report. No wonder then that Slovak journalists blew a gasket when Facebook, in a 2017 experiment that was run in six countries including Slovakia, removed professional media from Facebook’s main news feed, limiting content on that feed to personal posts and paid ads.

The experiment badly hit the media in the six countries. Data from CrowdTangle, a Facebook-owned analytics site, showed that “interactions” on most of the Slovak media pages on Facebook tumbled by 60% overnight.[13] Facebook defines “interactions” as engagements such as likes, shares or comments. Small media outlets and NGOs in particular were hit hard by the experiment as they cannot afford to buy ads. Slovak outlets survived, but in other countries where the test was run, like Guatemala, news media could hardly recover after this test.

That was a strong indicator of the power that Facebook exerts in local news markets. Filip Struharik, a journalist working for DennikN, who studied the impact of the 2017 Facebook experiment, says that the test should prompt news media to think differently about Facebook and change their strategy. Struharik explains that in spite of the decline in the Facebook reach, the traffic on the main news sites remained almost unchanged during the experiment. He says that the Facebook Pages are not as important as journalists thought. “What’s important are influencers and people who share your stories.”[14]

Google

Google has a major influence in the Slovak news media through its own video-sharing platform YouTube, which some two years ago was the second most popular social network in Slovakia. However, its popularity has declined since 2018. The reach among Slovak media remains low. Only two media houses in Slovakia, TV Joj and Televizia Markiza, have more than 100,000 YouTube subscribers. The two boosted significantly the number of their subscribers in the past year to over 754,000 and 566,000, respectively. Third came at a distance RadioExpres with some 84,400 subscribers in 2019.

Most watched on YouTube

Ranking of the most popular media on YouTube in Slovakia, by number of subscribers, 2018-2019

Outlet	Number of subscribers		Total views of uploaded videos	
	2018	2019	2018	2019
Televizia Joj	209,412	754,000	414,000,094	1,057,333,454
Televizia Markiza	89,797	566,000	74,830,833	659,580,176
RadioExpres	55,178	84,400	45,363,456	71,762,450
HBO CZ SK	36,487	45,200	54,814,809	72,413,948
TopSpeed.sk	28,640	56,400	18,233,047	30,898,231
Fun Radio	33,647	44,900	26,084,835	34,672,970
Dennik N	12,694	20,800	12,011,283	17,376,298
Radio Europa 2	6,116	11,500	5,746,883	7,611,913
Google Cesko a Slovensko	n/a	n/a	8,370	4,062,166

n/a: not available; Source: Socialbakers

[13] Alex Hern, “Downright Orwellian’: journalists decry Facebook experiment’s impact on democracy”, The Guardian, 25 Oct 2017, available online at <https://www.theguardian.com/technology/2017/oct/25/facebook-orwellian-journalists-democracy-guatemala-slovakia>

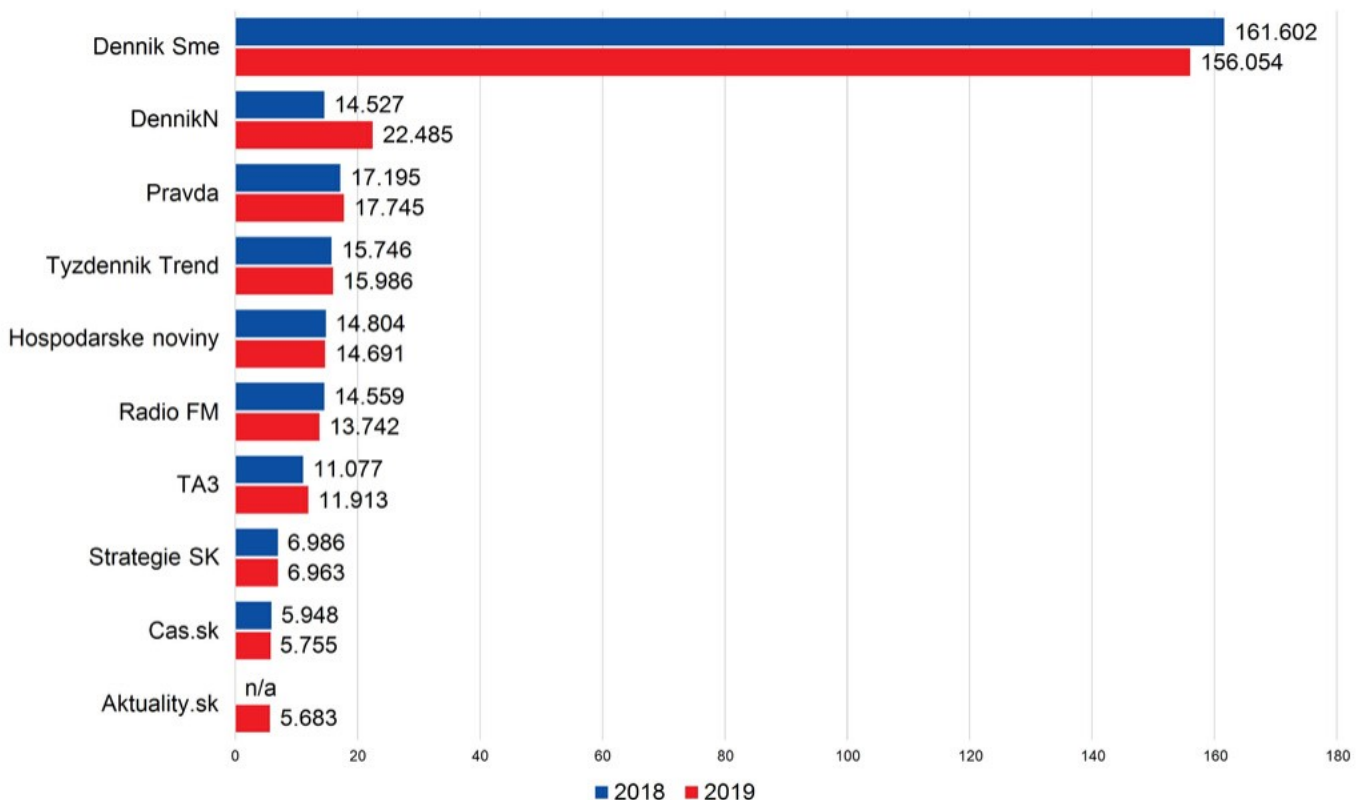
[14] Filip Struharik, “Facebook has hurt mainstream media more than fake news sites”, Medium, 17 Dec 2017, available online at <https://medium.com/estadodelasredessociales2017/facebook-has-hurt-mainstream-media-more-than-fake-news-sites-113277bada8>

Twitter

In spite of its low reach compared to Facebook, Twitter is broadly used in the Slovak journalistic community. The most popular Slovak accounts on Twitter belong mostly to celebrities such as Peter Sagan, a Slovak bicycle racer, Marian Gaborik, an ice-hockey player, or Dominika Cibulkova, a tennis player. The most popular Slovak media outlet on Twitter is the daily Sme, which is the seventh most followed account in the country with over 156,000 followers, a decline some 5,000 followers between 2018 and 2019. By far the fastest growing player on Twitter is DennikN, which in a single year gained almost 8,000 new followers, jumping from nowhere to the second most followed media account in Slovakia on Twitter.

The loudest tweets

Ranking of the most popular media on Twitter in Slovakia, 2018-2019



n/a: not available; Source: Socialbakers

The Fake News Market

Generally, the impact of Facebook on Slovak media and journalism is very negative, according to journalists interviewed for this report. Instead of supporting quality journalism, the network promotes extremist, lowbrow content able to generate clicks and shares. DennikN's Struharik found that the average number of interactions on the 50 largest Slovak media on Facebook fell by 52% and the average number of interactions on serious news pages declined by 39%. In contrast, the average number of interactions on disinformation sites and pages that promote hate speech declined by only 27%.^[15]

[15] Filip Struharik, cit.

That is a worrying trend especially in a country where disinformation is apparently thriving. The number of bogus websites has dramatically increased in Slovakia in the past five years. Most of them are flogging a nationalistic, pro-Russian, anti-EU/NATO/USA and anti-immigration worldview.

Some of these fake news websites are going to bat for right-wing, nationalist parties. For example, Hlavne Spravy (which means “Headline News” in Slovak), is known for supporting the far-right People’s Party-Our Slovakia (LSNS). The site writes stories based largely on fabricated data and misinformation. In 2017, Hlavne Spravy published a poll showing that Marian Kotleba, LSNS’ head, was going to win in the regional elections that took place in autumn 2017. It turned out that the company that carried out the poll, Visit BB, did not even exist. Kotleba lost in the 2017 elections, but recent polls showed that his party is the third-most popular in the country. More worryingly, it is the most popular party among Slovak youth.[16]

A high number of Slovaks, particularly young people, believe what these bogus websites write, according to Tomas Cizik, a researcher at the Bratislava-based Center for European and North Atlantic Affairs, who studies bogus sites in Slovakia. Cizik, who teaches high-school students how to spot fake news, says that young people “are not aware that they’re reading fake stories and conspiracy theories.”[17]

One of the most problematic aspects of online disinformation in Slovakia is the tacit support of politicians. Journalist Andrej Matisak of DennikN says that the country’s former prime minister, Robert Fico encouraged disinformation by not saying anything that would irk Russia and its leadership. “From the annexation of Crimea and the war on Eastern Ukraine, Prime Minister Fico never, ever said something like, ‘Russian soldiers are fighting against Ukraine’.”[18]

The popularity of bogus websites has led to the emergence of a lucrative fake news market that feeds an increasing number of people and companies. “Snake Oil Spills Onto the Web,” a 2019 report on Slovakia in the CMDS’ Business of Misinformation series found a competitive fake news market that generates healthy profits. Some 57% of the websites analyzed in the report were created between 2013 and 2016.[19] “The Slovak misinformation and disinformation website scene appears to be run by multiple independent entities using various business models to sustain operation,” Jozef Michal Mintal, the report’s author, wrote.

The report identified four key sources of revenue that keep these platforms afloat: tax designations (money contributed by Slovak citizens from their tax liability, as allowed by law), sales of goods and services (including books, dietary supplements and mugs, among many things), crowdfunding and advertising. Of all, advertising and e-commerce seem to sustain most of the country’s disinformation sites. Some 77% of the 49 websites analyzed in the study either display ads or sell goods and services.

[16] “Mladí najviac veria Kotlebovi. Takto by dopadli volby, ak by volili ľudia do 40 rokov” (Youth mostly trust Kotleba. That is how the elections would look like if people up to 40 years of age voted), *Hospodarske noviny*, 8 Dec 2016, available online at <https://slovensko.hnonline.sk/873190-mladi-slovaci-do-40-rokov-podporuju-najviac-kotlebovcov-ukazala-studia>

[17] Michael Colborne, “How Fake News Helped Slovak Extremists Become Reality”, *Codastory.com*, 25 Oct 2017, available online at <https://codastory.com/disinformation-crisis/information-war/how-fake-news-helped-slovak-extremists-become-reality>

[18] Emily Tamkin, “Fake News’ Fights Back”, *Foreign Policy*, 20 Dec 2017, available online at <http://foreignpolicy.com/2017/12/20/fake-news-fights-back/>

[19] Jozef Michal Mintal, “The Business of Misinformation: Slovakia. Snake Oil Spills Onto the Web”, *CMDS*, 2019, available online at <https://cmds.ceu.edu/sites/cmcs.ceu.hu/files/attachment/basicpage/1662/businessofmisinformationslovakia.pdf> (accessed on 1 September 2019).

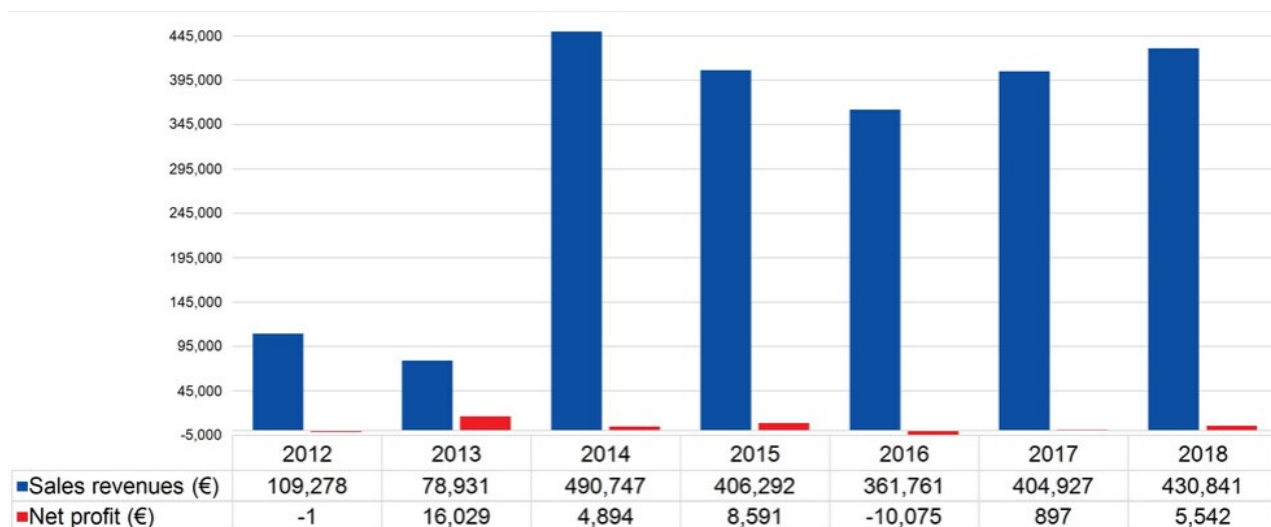
One of the most profitable fake news websites in Slovakia is Zem a Vek, published by Tibor Eliot Rostas, a musician and visual artist who worked for the TV station Markiza in the 1990s.[20] In 2012, he founded the company Sofian, which is the publisher of Zem a Vek. Married with two children, Rostas turned the website into a profitable business to feed his family. Its turnover quadrupled from 2012 to more than €430,000 in 2018.

The website Hlavne Spravy is edited by Robert Sopko who runs the website through the company Heureka Evolution. Sopko runs this site from his flat in a block of flats in Kosice. His stories attract hundreds of thousands of readers. The MP Boris Kollar, founder of the party Sme Rodina (translated as “we are family”) in 2015, often cites the website. Sme Rodina won 11 seats in parliament in the 2016 elections.[21] Hlavne Spravy started as a one-man show led by Sopko, but in recent years it has increased its pool of contributors. Writers are paid €5 per article and an extra €1 when their article gets any 1,000 views over 5,000 views, according to an insider who worked for the website.[22]

Some of the bogus websites targeting the Slovak public generate revenues through advertising, but there are many such websites that are financing themselves through crowdfunding. Zvedavec.org, one of the oldest bogus portals in the region, established in 1999 by Vladimir Stwora, a Czechoslovak émigré residing in Canada, generates funding mainly through donations from readers. Stwora was sentenced in 2011 by a Prague court to six months in prison for publishing on its website an article that questioned the Holocaust.[23] Slobodny Vysielac, a news-focused website, is the most successful when it comes to crowdfunding, generating roughly €100,000 a year from people’s donations, according to the Mintal’s report.

Real cash for fake news

Sofian: key financial indicators, 2012-2018



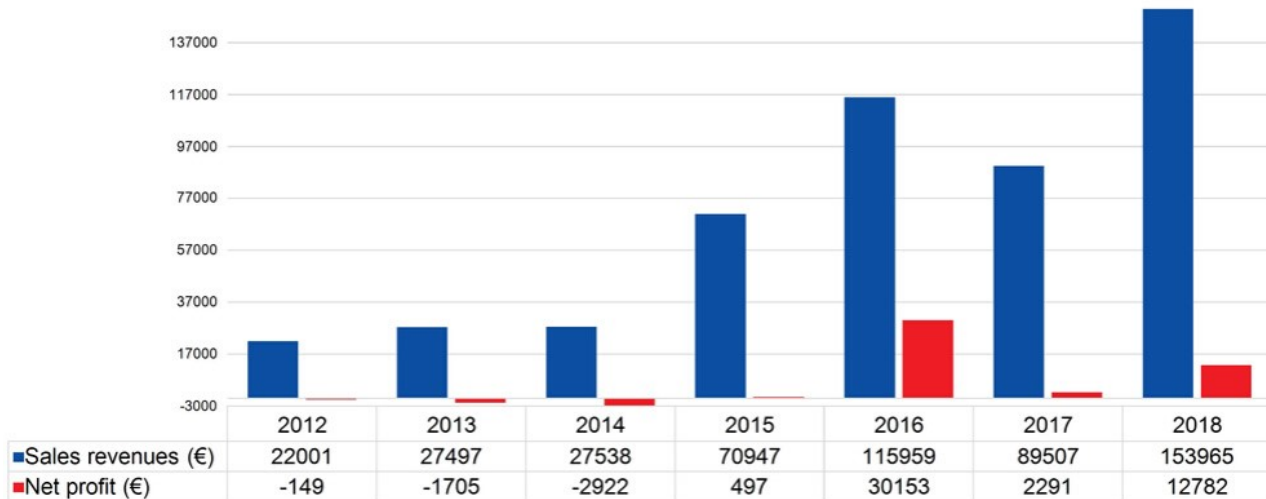
Source: CMDS based on data from the Slovak Trade Registry

[20] Jan Bencik, “Falošný lesk a morálna bieda Tibora Rostása” (The fake luster and moral misery of Tibor Rostas), DennikN, 28 Dec 2014, available online at <https://dennikn.sk/blog/9518/falosny-lesk-a-moralna-bieda-tibora-rostasa/>

[21] Vladimir Snidl, “Kto riadi proruský web Hlavné správy? Muž, ktorý neodmieta ani eurofondy” (Who leads the pro-Russian website Hlavne Spravy? The man who does not refuse EU funds either), DennikN, 2 Aug 2016, available online at <https://dennikn.sk/521950/kto-riadi-prorusky-web-hlavne-spravy-muz-ktory-neodmieta-ani-eurofondy-2/>

[22] Ria Gehrero, “Undercover at a Slovak fake news website”, NewsMavens, 15 Jan 2018, available online at <https://newsmavens.com/news/aha-moments/1041/undercover-at-a-slovak-fake-news-website>

[23] “Soud pravomocně potrestal Čechokanadana za zpochybnování holokaustu” (Court definitively sentenced a Czech-Canadian man for questioning the Holocaust), 29 Sep 2011, available online at https://zpravy.idnes.cz/cechokanadan-vladimir-stwora-dostal-za-text-zpochybnujici-holokaust-definitivne-podminen-y-trest-ia9-/krimi.aspx?c=A110929_161338_krimi_zep

Heureka Evolution: key financial indicators, 2012-2018

Source: CMDS based on data from the Slovak Trade Registry

Some politicians now and then speak about fake news, but they have not taken any concrete steps to combat misinformation. Slovak President Andrej Kiska told the European Parliament in 2017 that EU should be more active in fighting the Russian propaganda.[24] Journalists interviewed for this report are in agreement that, in fact, the government should not try to regulate fake news because that will give authorities carte blanche to meddle in content regulation, which is going to have a negative effect on independent reporting.

A strong response to misinformation though came from the digital advertising industry. The digital marketing agency Net Success in cooperation with Seesame, a competitor, established in 2016 the website *Konspiratori.sk* (meaning “conspirators” in Slovak) that keeps tabs on fake news websites targeting the Slovak market. A total of 40 organizations, mostly marketing and PR agencies, but also technology firms, support the project. The initiative is aimed at convincing advertisers, particularly large ones, to scotch their ads on dubious websites where content is “far from representing ethical and balanced news.”[25]

Konspiratori.sk has a board that reviews on a regular basis websites reported via an online form by any concerned reader. The decision to include a website on the *Konspiratori*’s black list is made according to a set of rules that takes into account the score (from 1 to 10 where 10 indicates high likelihood that a website is a disinformation portal) that each board member gives to a site. In 2019, a list of 162 websites were featured on *Konspiratori.sk* as fake news sites, an increase by 42 websites compared to 2018.

The composition of the review board is diverse, consisting of people coming from a range of fields including political science, journalism, medicine and history. Publishers are also supportive of the

[24] “Slovak President Kiska tells MEPs: EU needs strong leaders with passion for the cause”, European Parliament News, 15 Nov 2017, available online at <http://www.europarl.europa.eu/news/en/press-room/20171110IPR87823/slovak-president-kiska-eu-needs-strong-leaders-with-passion-for-the-cause>

[25] “Začal sa boj proti konšpirátorským webom. Značky im odstrihnú inzerciu” (The fight against conspiracy websites started. Brands to cut their advertising), *Medialne.sk*, 18 Apr 2016, available online at <https://medialne.etrend.sk/marketing/zacal-sa-boj-proti-konspiratorskym-webom-znacky-im-odstrihnu-inzerciu.html>. See more about the initiative also at <https://www.konspiratori.sk/en/why-this-initiative.php>

initiative. Alexej Fulmek of the Slovak publishers association is an honorary member of the review board. According to the founders of Konspiratori.sk, the impact of the site has been constantly growing. An increasing number of people are responding to their invitation to report fake news websites. Their readership is also growing thanks to a series of campaigns online aimed at dissuading advertisers from putting their money on fake news sites. In its first year, Konspiratori.sk ran a total of 17,000 online campaigns.[26] More importantly, the number of big advertisers joining the initiative has been rapidly growing. They include the oil refinery Slovnaft, carmaker Hyundai and the fashion retailer Alain Delon.[27]

Financial Support

Other than their potential as a distribution platform, foreign internet companies do not have any other form of direct cooperation with Slovak news media. An exception is Google, which through its Digital News Initiative (DNI) project, has given funding to develop journalism projects in Slovakia. DNI spent a total of €115m over the course of three years on supporting creativity in digital journalism and business models development in 30 European countries.

Launched in 2015, DNI awarded three grants in Slovakia by April 2018. Two were won by N Press, the publisher of DennikN, to develop an open-source tool for subscription business, and one went to vot.sk, a project aimed at creating a website and an app that would give readers context for news they are faced with every day. In total, Google awarded as part of this project some €1.2m to Slovak media. Most of it, nearly 96% of that, was given to N Press.

[26] “Konšpirátori.sk uviedli „Bullshit Detector“. Upozorní na pochybné weby” (Konspiratori.sk launched Bullshit Detector. It warns about dubious sites), Medialne.sk, 4 May 2017, available online at <https://medialne.etrend.sk/internet/konspiratori-sk-uviedli-bullshit-detector-upozorni-na-pochybne-weby.html>

[27] “Konšpirátori.sk pridali ďalšie pochybné weby, tipy však prišli aj na Sme či Denník N” (Konspiratori.sk added more dubious sites, but reports about Sme or DennikN also came in), Medialne.sk, 12 Jul 2016, available online at <https://medialne.etrend.sk/internet/konspiratori-sk-pridali-dalsie-pochybne-weby-tipy-vsak-prisli-aj-na-sme-ci-dennik-n.html>

Methodology

This report is part of the [Media Influence Matrix](#) project initiated by the Center for Media, Data and Society (CMDS) and run as part of the [Media & Power Research Consortium](#).

The country reports in the Media Influence Matrix series aim to research the changing landscape of:

- **government and policy space**, with a focus on the changes in the policy and regulatory environment;
- **funding**, with a focus on the key funding sources of journalism and the impact on editorial coverage;
- **technology in the public sphere**, with a focus on how technology companies, through activities such as automation and algorithm-based content distribution, impact news media and journalism.

The project emphasizes news media in particular, including newly emerged players. The study is neither aimed at exhaustively mapping the entire media industry nor is it intended to target specific media sectors. Instead, it maps the most popular and most influential news media on a country-by-country basis and analyze their changing relations with politics, government and technology companies.

DATA AND INFORMATION COLLECTION

The report is based on:

- Data and information collected in the period January-March 2018 and updated in October-December 2019, following a common set of research guidelines (*See Research Guidelines in Appendix below*)
- Monitoring of 25 news media outlets in Slovakia going back to 2010 (or as much as the search engine of the respective news outlet permitted), referred to as “Media Monitoring Slovakia 2018-2019” in the list of sources below)
- We conducted for this project interviews with 18 journalists and media experts based in Slovakia. The interviews were conducted via phone and email between November 2017 and August 2019. (Referred to in the list of sources below as “Media Influence Matrix Slovakia: Journalists Survey”)

DETAILED SOURCES OF INFORMATION USED FOR THE SLOVAKIA REPORT:

GOVERNMENT, POLITICS AND REGULATION

LEGAL OVERVIEW

Legal analysis of key laws affecting news media and journalism

REGULATORY AUTHORITIES

Analysis of the regulatory environment in Slovakia focused on the following research questions:

- What have been the key changes in regulation of news content in the past 5-10 years?
- Who are the key influencers and most powerful institutions in regulation of news content?
- How transparent is the regulatory process when it comes to news media?
- What impact do these influencers have on news media and journalism?

Operational Aspects

Broadcast Media and Frequency Spectrum

Remit and Tasks

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR) and the Regulatory Authority for Electronic Communications and Postal Services (*Urad pre regulaciu elektronickych komunikacii a postovych sluzieb*, RU)

Board Composition

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR) and the Regulatory Authority for Electronic Communications and Postal Services (*Urad pre regulaciu elektronickych komunikacii a postovych sluzieb*, RU)

Funding

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR) and the Regulatory Authority for Electronic Communications and Postal Services (*Urad pre regulaciu elektronickych komunikacii a postovych sluzieb*, RU)
- Reports of international think tanks
- Government budget records

Internet Regulators

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR)
- Analysis from Slovak think tanks
- Data from industry associations

Data Protection Regulators

- Documents and reports from the Office for Personal Data Protection (*Uradu na ochranu osobnych udajov Slovenskej republiky*, UOOU SR)
- Government budget records

Other Institutions with Regulatory Powers

- Documents and reports from the Ministry of Culture, Slovak Trade Inspection (*Slovenska obchodna inspekcia*, SOI), the Antimonopoly Office of the Slovak Republic (*Protimonopolny urad Slovenskej republiky*, PMU)
- Records from corporate documents
- Media Influence Matrix Slovakia: Journalists Survey

Decision-Making Process

Key Decision-Makers in Regulation and Policy-Making^[1]

- Media Monitoring Slovakia 2018
- Media Influence Matrix Slovakia: Journalists Survey

Transparency of Decision-Making in Media Regulation

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR)
- Media Monitoring Slovakia 2018-2019

Impact of Regulators on News Media and Journalism

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu*, RVR), the Antimonopoly Office of the Slovak Republic (*Protimonopolny urad Slovenskej republiky*, PMU)

[1] The content in this part of the report is based mostly on interviews with Slovak journalists and experts carried out for this report (See *Methodology in Media Influence Matrix: Slovakia*).

INFLUENCERS

Analysis of the key influencers in the Slovak news media regulation.

Local Influencers

Industry Players

- Documents and reports from the Association of Independent Radio and TV Stations (ANRTS), Club of Advertising Agencies in Slovakia (KRAS), Association of Digital Marketing Agencies (ADMA), Slovak Press Publishers Association (AVT)
- Financial data extracted from the Slovak Trade Registry
- Financial data from corporate rankings carried out by the magazine Trend
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey
- Records from corporate documents

Civil Society

- Analytical papers from international think tanks
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey
- Analysis from local NGOs
- Documents and reports from the Press-Digital Council of Slovakia (*Tlacova-digitalna rada Slovenskej republiky*, TRSR), IAB Slovakia-Association for Internet Advertising

External Influencers

- Documents and reports from the European Court of Human Rights (ECHR), International Telecommunication Union (ITU), European Platform of Regulatory Authorities (EPRA), the Organization for Security and Co-operation in Europe (OSCE)
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

FUNDING JOURNALISM

SOURCES OF FUNDING

Analysis of the key trends in funding journalism focused on the following research questions:

- a). What were the main changes in funding news media and journalism in the past 5-10 years?
- b). Who are the key funders and owners of news media and journalism?
- c). How big is the role of government in funding news media?
- d). How are sources of funding affecting independent reporting?
- e). Are there any policy implications for funding in news media?

Popular News Media

- Industry reports and statistics: Eurostat, Eurodata TV Worldwide, Radioprojekt, ABC SR, AIMmonitor, TNS Infratest, PMT/TNS, Median SK, MML-TGI, Gemius
- Data extracted from the Slovak Trade Registry
- Corporate reports
- Documents and reports from RTVS
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

Influential News Media

- Industry reports and statistics: PMT/TNS
- Corporate reports
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

Key Funders

Non-Governmental Funders

- Industry reports and statistics: Carat, Kantar TNS
- Documents and reports from Media Development Investment Fund (MDIF), Media Impact Funders, OCCRP

Government Funding

- Government budget records
- RTVS Annual Reports and other documents
- Data from Central Registry of Contracts (Centralny Register Zmluv, CRZ)
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

TECHNOLOGY, PUBLIC SPHERE AND JOURNALISM

Analysis of the key trends in technology and journalism focused on the following research questions:

- a). What are the main changes in news content consumption driven by new technologies
- b). Who are the largest, most influential technology companies?
- c). How are the power relations between technology companies and government?
- d). How do technology companies influence news media and journalistic content?

TECHNOLOGY OVERVIEW

- Data and statistics from the Ministry of Transports and Construction in Slovakia
- Web data and statistics from StatCounter, Gemius
- Data and information from sources at Facebook, Twitter and Google

ROLE OF TECHNOLOGY IN MEDIA AND JOURNALISM

Overview and Profiles of Key Players

Operational Aspects

Methodology note: In the categorization of technology companies in this section we have used the methodology of the [Ranking Digital Rights project](#), which divides companies in two groups. The first group, internet and mobile, includes the so-called “mobile ecosystems,” companies that create mobile devices and products. In the second category, telecommunications companies, we include service operators that offer connection and access services such as voice, data or cable connections.

- Data extracted from the Slovak Trade Registry
- Corporate reports
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

Technology Companies & Government

- Documents and reports from Council for Broadcasting and Retransmission (*Rada pre vysielanie a retransmisiu, RVR*)
- Data extracted from the Slovak Trade Registry
- Media Monitoring Slovakia 2018-2019
- Media Influence Matrix Slovakia: Journalists Survey

Technology Companies & Media

- Data and statistics: Socialbakers, Crowdtangle
- Data extracted from the Slovak Trade Registry
- Data and information from sources at Facebook, Twitter and Google
- Media Monitoring Slovakia 2018
- Media Influence Matrix Slovakia: Journalists Survey

APPENDIX

Media Influence Matrix: Methodology and Research Guidelines

GOVERNMENT, POLITICS AND REGULATION

LEGAL OVERVIEW

Based on desk research focused on legal reports, analysis of statutes and legal acts, collect information to describe the main laws that affect news media and journalism, identifying the positive and negative impact of these laws on independent media.

REGULATORY AUTHORITIES

Operational Aspects

Broadcast Media and Frequency Spectrum

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of the regulators involved in broadcasting.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, as well as articles in news media, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Print Media Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most relevant tasks of the regulators covering print media operations.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Internet Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of internet regulators, focusing on rules on distribution of online content.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

If such regulators do not exist, describe what other institutions carry out similar tasks. If there are not such examples, do desk research focused on articles in the media and reports from meetings with experts and interviews with experts, to summarize the key arguments in favor or against regulation of internet content and any describe any plans to do so in the near future.

Data Protection Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of the data protection regulators.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Other Regulators with Powers in News Media

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, but also articles in the media and industry reports, collect information to describe other regulators that have competences in the news media segment. They could be antitrust regulators, retail industry watchdogs, advertising self-regulating bodies, etc.

Key sources of information recommended:

For Remit/tasks and Board composition

Statutes and legal acts

Legal studies

Annual reports

For Funding

Government budget documents

Articles in the media

Decision-Making

Key Decision-Makers

Based on desk research that will include articles in the media, and reports by think tanks and policy institutes, as well as interviews with independent media experts and journalists, write short profiles of the key decision-makers in the media policy field, focusing on decision-makers working with the regulatory authorities described under the section Regulatory authorities. Focus on fact-based evidence of the power they exert in the policymaking area.

Transparency in Decision-Making

Based on desk research that will include articles in the media, reports by think tanks and policy institutes, and academic articles and studies, as well as interviews with independent media experts and journalists, describe the main mechanisms in place to ensure transparency of the decision-making process and how they function in practice.

Impact

Based on desk research that will include articles in the media, academic articles and studies, and existing surveys, as well as interviews with representatives of media companies, present case studies of regulatory decisions that directly or indirectly had an impact, both negative and positive, on media and journalism.

Key sources of information recommended:

For Decision-making and Transparency

Articles in the media, academic studies, reports by think tanks and policy institutes
Interviews with local experts and journalists

For Impact

Articles in the media, academic studies, surveys
interviews with representatives of media companies

INFLUENCERS

Internal

Based on desk research that will include articles in the media and investigative reports as well as interviews with independent media experts and journalists, describe the main influencers in the media policy field, focusing on the following categories (others can be included if relevant in the country), explaining also the key motivations for their interest in the regulatory process:

Industry Players

Companies (news media operators and media-related companies such as advertising and PR agencies and companies totally unrelated to media that exert influence on media regulators)

Civil Society

Civil society groups, including NGOs, professional associations, academic institutions and think tanks, religious groups, community media that influence the regulatory process

Personalities

Journalists, bloggers, artists or other celebrities that have an influence in the media policy and regulation

External

Based on desk research that will include articles in the media, academic articles and studies, reports by think tanks and policy institutes and research conducted by International bodies, describe international bodies, including intergovernmental organizations that can influence the media policy in the country and present cases where they concretely used this influence.

Key sources of information recommended:**For Internal***Articles in the media, investigative reports**Interviews with independent media and political experts, and journalists***For External***Articles in the media, academic studies and articles, reports by think tanks and policy institutes, reports by international bodies*

FUNDING JOURNALISM

SHIFTS IN JOURNALISM FUNDING

Consumption Trends

Based on data from reports and statistics issued by trade and professional bodies, describe the forms of media most used to consume news content (focusing on the shifts between television, radio, print and online consumption). Use data for the past five years or as far back in time as possible. The information collected here is used to find causal links between the shifts in consumption patterns and shifts in funding.

Popular News Media

In the first part of the chapter, based on data from reports and statistics issued by trade and professional bodies, articles in the media, and content analysis studies, a). **present** the media outlets in a table with audience data for the past five years (or as far back in time as possible) starting with the most popular form of media identified under Consumption trends; b). **analyze** the main shifts in audience share; and c). **describe** the main media channels in the country, focusing on their ownership and type of content, and highlighting any relevant biases, particularly ideological.

In the second part of the chapter, present the turnover and profit of the main media groups under each category (television, radio, print and online) for the past five years (or as far back in time as possible). You can collect these data from:

- Local trade registry or other economic databases in the country
- Annual reports of each company
- Direct requests made to the media companies
- Interviews with company representatives.

If data can't be found through any of these methods, researchers should look for other financial data (such as tax returns) that could help calculate the turnover and profit information.

Based on the financial data, and using more information from corporate annual reports and articles in the media, **analyze** the financial performance of the media companies focusing on their profitability, focusing on changes in the share of various funding sources (i.e. advertising, subscriptions, grants, donations, etc.) in the total budget.

Influential News Media

Based on data from reports and statistics issued by trade and professional bodies, articles in the media, and content analysis studies, a). **identify** news media that exert influence among specific groups of people, professions and communities (policymakers, business elites, community leaders, religious communities and any other relevant community in the country); and b). **present** and **analyze** them following the same guidance as in Popular news media.

KEY FUNDERS

Non-Governmental

Using data from advertising agency reports, surveys by industry bodies and professional associations, annual reports of philanthropic organizations and political parties, and articles in the media, present the total amount of funding spent in the media in the past five years (or as far back in time as possible) by non-governmental sources, including advertising (overall spend and largest advertisers), philanthropy (overall spend and largest contributions), donations (by political parties or other organizations), and other sources relevant in the country.

Government

Using data from state budget documents and analyses, reports by the national audit authorities, annual reports of public or state media, present the total amount of state expenditure in the media in the past five years (or as far back in time as possible), describing a). **the forms** in which the funding was allocated (i.e. license fees, allocations for public service media, state advertising or state subsidies); b). the institutions and people in charge of **deciding** whom to fund and the criteria used in selecting the recipients of public funding; c). **the main recipients** of the funding, with a focus on their editorial strategy.

Key sources of information recommended:

For Consumption patterns, Popular news media and Influential news media

*Reports by trade and professional bodies, company annual reports, articles in the media
Interviews with media experts and representatives of media companies*

For Key funders

State budget documents and analyses, reports by the national audit authorities, annual reports of public or state media, advertising agency reports, surveys by industry bodies and professional associations, annual reports of philanthropic organizations and political parties, articles in the media

TECHNOLOGY, PUBLIC SPHERE AND JOURNALISM

TECHNOLOGY OVERVIEW

Using local statistical offices and international organizations collecting such information, a). **present** data for the past five years (or as far back in time as possible) on telephone and internet penetration, and use of computer platforms, mobile phones, operating systems, browsers and social media, and b). **analyze** the main shifts in the use of technologies for media and communication.

PROFILES OF KEY PLAYERS

Based on data from technology companies, technology market reports, trade registry data and articles in the media,

a). present the main communication tech companies in two categories as following:

Internet and mobile (marking the services they offer according as in the following table)

Company	Email service	Messaging and VoIP	Mobile ecosystems	Search	Social network & blog	Video & photo
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Telecommunications (companies offering telecommunications services such as mobile telephony and internet connection services)

b). **profile** these companies under each category focusing on their: **audience** (number of users, products offered, etc.); **ownership** and **funding** (including data on turnover and profit for the past five years); and **local operations** (key staff, history of operations, etc.).

TECH AND GOVERNMENT

Based on policy reports and analysis from think tanks and policy institutes, legal studies, articles in the media as well as interviews with social media and government representatives, describe the relation of the key tech companies (identified under *Profiles of key players*) with the government, referring to issues such as (but not limited to): a). **compliance** with local legislation and regulations; b). cooperation with government over **data handling**; c). **ownership** links between officials and government bodies and tech companies, and assess the impact of these interactions on news media and journalism.

TECH AND JOURNALISM

Based on academic studies, market reports, heuristic analysis of social media data as well as interviews with social media representatives and journalists, **describe** the relation of the key tech companies (identified under *Profiles of key players*) with media and journalists, referring to issues such as (but not limited to): a). mutual support or other forms of cooperation with media outlets; b). automation methods including algorithms used in distribution of media content (with a main

focus on disinformation); c). **financing** of media outlets by tech companies; d). **ownership** links between media outlets and tech companies; e). tech companies **policies** and **practices** related to access to content such as zero-rating, f). **content distribution**, with a focus on the most followed media outlets on key social platforms used in the country, and **assess** the impact of these issues on news media and journalism.

Key sources of information recommended:

For Technology Overview

Data from local statistical offices or international organizations (ITU, World Bank).

For Profiles of key players

Data from global social media, local technology market reports, trade registry data, articles in the media

For Tech and government

Policy reports and analysis from think tanks and policy institutes, legal studies, articles in the media

Interviews with representatives of social media and government

For Tech and journalism

Academic studies, market reports, heuristic analysis of social media data

Interviews with social media representatives and journalists



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