



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Nineteenth Congress
First Regular Session



HOUSE RESOLUTION NO. 281

Introduced by REPRESENTATIVE DAVID "JAY-JAY" C. SUAREZ

RESOLUTION

DIRECTING THE COMMITTEE ON LEGISLATIVE FRANCHISES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED FRANCHISE VIOLATION BY ABC DEVELOPMENT CORPORATION, PRESENTLY KNOWN AS "TV5 NETWORK, INC." DUE TO ITS BLOCK TIME AGREEMENT WITH ABS-CBN CORPORATION

WHEREAS, TV5 Network, Inc. is a franchise grantee under Republic Act No. 11320, entitled "*An Act Renewing for Another Twenty-Five (25 years) the Franchise Granted to ABC Development Corporation, presently known as TV5 Network, Inc., under Republic Act No. 7831, Entitled 'An Act Granting ABC Development Corporation, under Business Name 'Associated Broadcasting Company,' a Franchise to Construct, Install, Operate and Maintain Radio and Television Broadcasting Stations in the Philippines;*"

WHEREAS, with the expiration its franchise and the subsequent denial its renewal or extension, the ABS-CBN Corporation is unable to broadcast its programs and contents on free television but is operating through cable television and online and digital platforms;

WHEREAS, ABS-CBN entered a block time agreement with TV5 Network Inc. and other franchise grantees, and is now again able to deliver its programs and contents such as *ASAP Natin Ito*, *It's Showtime*, *FPJ's Ang Probinsyano*, *Mars Ravelo's Darna* and more, through free television broadcast;

WHEREAS, on June 23, 2022, the National Telecommunications Commission (NTC) issued Memorandum Order No. 004-06-2022 directing radio and television broadcast stations to submit block time agreements for its approval and providing for guidelines which limits the airtime of block timers to fifty percent (50%) of the daily airtime broadcast of the station, with the intent to regulate block timing;

WHEREAS, with the recent partnership formed between TV5 Network, Inc. and ABS-CBN Corporation, where it was disclosed that ABS-CBN Corporation will acquire 34.99% of the total voting and outstanding capital stock of TV5 Network, Inc., there are reports alleging that additional ABS-CBN programs and contents will be aired in TV5 Network, thus, increasing further the block time of ABS-CBN Corporation;

WHEREAS, Section 10 of RA 11320 prohibits the grantee, TV5 Network, Inc., among others, to grant the usufruct of its rights and privileges to any person, firm, company, corporation or any commercial or legal entity without the prior approval of the Congress of the Philippines;

WHEREAS, without enabling legislation regulating block time agreements, radio and television networks with expired legislative franchise and whose applications for the renewal or grant of new franchise were denied, may indirectly continue broadcasting their programs and contents on free television through networks with valid legislative franchise which would be a clear circumvention of the law;

WHEREAS, mass media companies are engaged in business affecting public interest and must therefore conduct themselves within the limits of the legislative franchise, which has been established by laws and jurisprudence as a privilege and not a right, and may be revoked any time if the terms and conditions of the franchise are violated and proven after due process: Now, therefore, be it

RESOLVED BY THE HOUSE OF REPRESENTATIVES, To direct the House Committee on Legislative Franchises to conduct an inquiry, in aid of legislation, on the alleged franchise violation by ABC Development Corporation, presently known as TV5 Network, Inc. due to its block time agreement with ABS-CBN Corporation.

Adopted,



DAVID "JAY-JAY" C. SUAREZ