

The advertising standards board of finance raises the funds for the self-regulation of all non-broadcast advertising. It's a small levy which makes a big difference.

3rd September 2012

Content, International and Regulatory Development Group Ofcom Riverside House 2a Southwark Bridge Road London SE1 9HA

<u>Review of the designation for the regulation of advertising in demand programming</u>

I write in response to your letter of 27th July 2012 to Lord Smith of the ASA, concerning Ofcom's formal review of the designation of the ASA as the appropriate regulatory authority for the regulation of advertising in notifiable on-demand programme services.

I confirm that ASBOF will continue to make adequate funds available to the ASA to perform the designated functions. The exact amount of money that ASBOF provides to the ASA varies from year to year, taking into account the amount of money collected by ASBOF through the levy on advertising expenditure and scope of the regulatory activities to be undertaken by the ASA. We will continue to take the cost of regulating video-on-demand advertising in accordance with the designation into account when allocating funds to the ASA.

Yours sincerely

Chairman