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Panel Discussion Notes Angela Mills Wade

Next May, Europeans will go to the polls to elect a new European Parliament that will remain in place until mid 2019. The current *Barroso II Commission* will be replaced by a new College of Commissioners nominated by national governments by the end of 2014 and they will drive Europe's economic and regulatory programme during the same period. In this *context of change*, the European Publishers Council is mid-way through an important review of members' values, developments, challenges and business priorities so we position ourselves in the best and most convincing way with our new regulators.

We have asked our members what it means to be a private media company today, what is the nature of journalism today, what are the values of our journalists and organisations and how do we act upon these. Furthermore we have asked about business priorities and what regulatory challenges our members face both nationally and at European level that could impact on their competitiveness.

This exercise takes place at a time when the publishing, news media and overall media landscape have experienced a decade of enormous change and development. As we just heard, reader and consumer behaviour has changed forever - with people now using a multitude of devices and platforms that simply did not exist 10 years ago, whilst continuing to support the trusted brands of established media companies.

EPC Members demonstrate optimism about their place in society and their role in continuing to innovate, to provide authoritative, challenging and entertaining reporting,

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and to deliver content according to readers' and consumers' preferences, including the integration of readers comments, images and user tools for the encouragement of sharing.

But there are significant challenges in delivering professional, quality content when new players, such as Google and Apple, Amazon and Facebook, have entered the arena challenging the nature of journalism as well as changing the market structure for ever. In spite of an enduring passion for quality journalism a startling point unites all EPC members: and that is *their concern that quality journalism is under threat*.

Most powerfully of all, this fundamental concern emerges from a *compelling story of a unique business sector* where the values of a free and independent press still come through clearly as the drivers for media business-leaders today. So it is this story – the uniqueness of the sector that the EPC must portray convincingly to our regulators to ensure the right regulatory environment for our future with independence at its core.

There are a number of regulatory issues that continue to challenge EPC members: will we succeed in getting reduced VAT rates on our digital subscriptions? What will happen to copyright, will data privacy thwart our ambitions with big data? What about advertising, fair search, net neutrality, media pluralism, and convergence, to name but a few.

So our “regulatory” challenge is to get the message across that quality journalism is under threat, not just from changes in the competitive landscape of modern media and communications but from a lack of understanding by the regulators and politicians of what is *really* at stake when it comes to upholding a free and independent press – mainly arising from a clash of objectives.

We see the European Commission driving policy to : Improve the effectiveness and cohesion of the European Single Market. There is a comprehensive “*Digital Agenda*” : to drive broadband for all, to deliver creative content for all – anywhere, anytime, on any device. Understandably, economic growth for Europe and Europe’s consumers are behind many of the legislative proposals. But when it comes to media this misses the point: Regulation that only serves better outcomes for big business and multinational conglomerates in pursuit of an overriding objective for the European Union to be globally competitive in digital media, may sometimes be undermining the very essence of our media in Europe, whether we’re talking about news reporting, documentaries, or entertainment, sport or educational material.

Traditional media provide journalism from the most local to the international; from the smallest, most niche readership or viewership to a global reach. What unites the many

different players in the media is a fundamental value set: universal values of integrity, authority and responsibility, values which are unique to professional journalism as paid for, and produced, by the traditional media, qualities that cannot be guaranteed by user-generated and amateur content, as important as it is, but which European policies seem to promote over and above established media content simply to bring scale to European-wide networks.

This is a unique sector that provides so much more to its governments than profitability; so when politicians in the search for greater European economic integration discuss copyright, or data privacy or a one-size-fits all content regulation, we must persuade them to balance not only the interests of commerce and consumers, but understand why independent media companies need the freedom to collect data about our readers, why we need clear rules about copyright and support in managing our rights and why a homogenised set of rules on “content” – whether audiovisual, text, music or a mix of all, denies, or even harms what makes the media market rich and diverse.

While our *values* are as important to us as our profits, we will always be at a disadvantage compared to the big, American players, if scale across the 28 EU Member States is the arbiter of success, and especially when that scale has been acquired through disregard for fair competition and intellectual property rights.

Realistically, no many publishers can compete at a global scale. There is no level playing field because diversity is *our* strength which comes at a cost. The internet economy is a low cost economy where there are virtually no barriers to entry, whereas quality journalism is a high cost business which is why our media companies are diversifying to eCommerce and other services to make money to fund the journalism! Quality content is expensive, and in the face of globalisation, the cultural, media and creative sectors give real value to society as a whole. Professional journalists need to be paid, trained, resourced and legally protected by their publishers. Regulators can help protect a free press by *taking our important differences into account* when legislating and making sure our pursuit of the provision of reliable information, analysis and entertainment is promoted, not hindered.

We need clear rules *for all*:

- A level playing field - to be able to licence and sell our content - whether to other companies who currently benefit from our investments for free, or direct to consumers through subscriptions. For, in order to survive, our established media need to be financially viable – it’s as simple as that!

As things stand today, the digital press cannot make enough money from advertising online or in the mobile market to pay for quality journalism: so a move to paid-for business models seems to be essential.

But three things work against us selling our content online:

- Firstly, we have to compete with so much for free. Often this is *our content* which has been scraped by search engines or content aggregators without permission or payment;
- Secondly, we have to compete with publicly funded media online, as public service TV broadcasters morph into publicly funded newspapers online
- And thirdly we continue to face serious threats to undermine the copyright legal framework; either from the introduction of more legal exceptions to copyright- which could only exacerbate and legitimise the business models based on “free-riding”; or the removal of opportunities to license content, as free-riding based on exceptions will kill a burgeoning market for pay-walls, subscriptions and pay-per-view services.

Yet the debate in the “Brussels bubble”, about the future of copyright has unfortunately become rather polemical and fundamentalist, leaving little room for discussion about change based on practical solutions to widen access to content. The EPC invested heavily in a project to improve the effectiveness and efficiency of managing our digital assets called the Linked Content Coalition, going with the grain of technology online to add automation to licensing, and greater discoverability and access to our content. Publishers encourage readers to share our content widely, to post on blogs and social networks or to comment within our own sites; but we do not accept that systematic free riding by large corporations who commercialise our content without permission or payment should be part of a legal and sustainable business framework. Now inextricably linked to the debates about fundamental rights, about openness and freedom of expression, some of those who seek to undermine copyright protection have created a *battle of copyright against internet freedoms*. This poses broader questions about what kind of internet society we want: a transparent and law abiding internet? Or one which is without the normal social mores and legal framework that business and society conform to in the “real” world.

As we approach the elections for a new European Parliament in May 2014, as well as a new European Commission in next November, the EPC will be preparing for the next phase of policy making by putting the interests of a free press at the heart their policy agenda. The future of copyright will be a major issue, but not the only one.

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