

Submission from the Newspaper Society

13 May 2003

Archant/INM Inquiry

Thank you for your letter of 6th May.

The Newspaper Society represents the regional newspaper industry.

The ownership structure of the regional and local newspaper industry has changed radically in the last decade. Ownership consolidation has taken place. This has helped to ensure a vigorous, well-resourced and effective regional and local newspaper industry. It is dictated by the growing competition faced by the regional and local press from all media sectors, new and traditional, and by the need for the industry to evolve to meet the changing needs of its readers and advertisers.

The degree of local concentrations likely to result from the proposed transfers is consistent with the development that is necessary within the industry if regional and local newspapers are to develop their position within the UK's changing media landscape and to offer an alternative to other media- national and local.

Dedicated and focussed regional press companies help to ensure that the regional newspaper industry retains its vigour and maintains a central role in the changing communications industries. Such companies preserve the position of the regional press as against a growing number of media competitors at a national and local level including print, broadcast and electronic. These competitors include both commercial companies and the state subsidised BBC.

The generic characteristic of regional newspaper companies is that titles circulated in circumscribed geographic areas, providing editorial and commercial services for local communities. Each title operates independently from other titles owned by the company in different geographic areas. High local circulations and household penetrations are essential to the viability of regional and local newspapers.

Competition comes from a variety of sources- not just other regional and local newspapers, paid for and free, daily, weekly and Sunday, but also national newspapers, magazines, including dedicated advertising periodicals, directories, letterbox services, direct mail and a proliferation of broadcast and electronic media- national, regional and local radio, television (BBC and commercial), cable and new electronic media, including the Internet. This competition is likely to intensify with digital television and radio services, with related data services and other multimedia applications.

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Development of specialist regional newspaper companies within the industry ought to be fostered and encouraged. The regional newspaper industry remains diverse in comparison with the media sectors against which it competes. This is particularly the case given the

relatively small size of such companies in comparison with their media and telecom competitors. The Society considers that the expansion of dedicated, traditional regional newspaper companies has operated in favour of the public interest by ensuring the continuation and development of locally based publications. These companies' traditions of responsibility, expertise and independence are being maintained to the short and long term benefit of readers, advertisers and their local communities. The proposed acquisitions, which are the subject matter of the current references, fall within the pattern of development, which this letter has explained.

Regional newspapers face fierce competition from all media. The industry is less concentrated than other media sectors. The Newspaper Society maintains its view that there are no special grounds for concern about current consolidation trends on competition grounds. There are ever increasing sources of information and advertising media available.

The Newspaper Society is happy for this letter to be made available to interested parties and for the Newspaper Society's name to be listed on the Commission's website, with contact details as set out on the attached.

Yours sincerely

David Newell
Director