

Views of other parties

6.1. Apart from the principal parties, we approached organisations representing newspaper proprietors, organisations representing their employees, the CBI and the Independent Broadcasting Authority. We also sought comments from local authorities and chambers of commerce in those areas in South Wales and Devon and Cornwall where Fleet's provincial paid-for newspapers circulate. We asked those whom we consulted for their views on the proposed transfer, with particular reference to the following:

- (a) the relevance of the proposed transfer to concentration of ownership of the press;
- (b) the likely effects of the transfer on competition efficiency, future expansion, closures and labour redundancy, and in particular on the accurate presentation of news and free expression of opinion; and
- (c) the future prospect of the newspapers.

6.2. The CBI told us that it did not wish to make any representations.

Views of organisations representing newspaper proprietors

6.3. The Newspaper Publishers Association did not wish to put forward a point of view.

6.4. The Newspaper Society did not wish to make any comments on the proposed transfer, though it said that in its view United was a most experienced group in newspaper management which, in giving a degree of independence to editors, helped to ensure the accurate presentation of news and opinions. In its opinion the proposed transfer would be unlikely to have any adverse effect on competition, efficiency, further expansion, closures or labour redundancy.

Views of the trade unions

6.5. We invited representations from the Printing Industries Committee of the TUC, the National Union of Journalists (NUJ), the Society of Graphical and Allied Trades (SOGAT 82), the National Graphical Association 1982 (NGA), the Amalgamated Union of Engineering Workers and the Electrical, Electronic, Telecommunications and Plumbing Union.

6.6. We received a submission from the NUJ who also came to a hearing. The Union was opposed to the transfer on four main grounds. First, in its view there was at present an undesirable concentration of ownership of the press which the proposed transfer would only make worse. Secondly, if one company owned a number of provincial newspapers and a number of national daily newspapers, it would be likely to give priority to the national newspap-

ers, raising the possibility that some provincial papers might discontinue publication and the choice for the public thus be restricted. The Union believed that one of the main causes of the decline in the number of provincial daily newspapers, particularly provincial morning newspapers, was competition from the national dailies. Thirdly, though in the opinion of the Union the editorial policies of United and Fleet did not differ markedly from each other, a consequence of the transfer would be the loss of the potential for two groups to express opposing opinions. Finally, the transfer would create the risk that if the provincial newspapers collapsed, the merger might bring down with them an important part of the national newspapers: if on the other hand the national newspapers collapsed, the merger might bring down with them one important publisher of provincial newspapers.

6.7. The NUJ also said that a merger could lead to less competition in certain areas of the magazine market. Morgan Grampian and United magazines would together represent over half the market for farming magazines. A merger of the two groups, bringing together *Daltons Weekly* and *Exchange and Mart*, together with chains of free newspapers circulating in North London, could eventually result in a monopoly of classified newspaper advertising throughout North London.

6.8. The NUJ was apprehensive about the effect of the merger on the future of Fleet's pension scheme which covered not only journalists on the *Daily Express* but also those on the *London Standard*. It thought that if the merger did go through there should be safeguards about possible loss of titles and loss of production centres in London and Manchester.

6.9. SOGAT '82 told us that it thought that there was already too much concentration of ownership in the press and that the proposed transfer would be but a further step along this path, and would serve to concentrate ownership in fewer hands. In the view of the Society the transfer would reduce competition and, to some extent, efficiency and in the long term would lead to closures and redundancies.

6.10. The NGA opposed the transfer. In its view a merger would lead to undesirable further concentration of ownership leading to reductions in the diversity of opinion expressed in the newspapers and poorer coverage of local views. It would reduce competition, and would probably lead to the merging of titles which were in competition, particularly in the provinces, and to labour redundancy. All this would, the Association believed, be detrimental to the accurate presentation of news and free expression of opinion. A merger would in the Association's view lead to a risk of neglect of either the national or the provincial titles. Alternatively, the new group could decide to consolidate its position in magazine publishing to the detriment and possible sale of either the national or provincial newspaper titles. It would appear, however, that the greatest danger could exist in respect of the national newspapers, which, having achieved the implementation of a modernisation programme in Manchester, together with the same sort of improvements applying in London, could make all the Express titles attractive again and place a question mark over the future of the papers in a number of directions.

6.11. If the merger went through, the Association was apprehensive about the future of the *London Standard*, bearing in mind that it now remains the only London evening newspaper serving the capital. There would be a danger that the publication of the newspaper would cease, or alternatively that it would be sold off separately. If this happened it would place in particular jeopardy the future of its employees in respect of their continuing employment, and the maintenance of their pensions. The Association was apprehensive that if the paper did close, the employees severance pay, redundancy and existing pensions would be lost.

Views of the professional and trade associations

6.12. The Institute of Journalists told us that, in its view, whether the transfer takes place or not is unlikely to have much effect on the future prospects of the newspapers of Fleet or United, or on competition, efficiency, expansion, closures or redundancy. The Institute believed, on the question of accurate reporting and freedom of expression, that Fleet's national newspapers took, as they were fully entitled to do, a clear and committed stance on a variety of important issues and, while this had little if any effect on accuracy, it certainly from time to time affected the selection of items and aspects of items in their published reports. United's newspapers, as is common in the provincial press, did not have such a clear stance. However, if the transfer took place, United might wish to maintain the established character of the national newspapers concerned.

6.13. The Guild of British Newspaper Editors told us that any transfer of Fleet Newspapers to United would not in its view adversely affect the accurate presentation of views and free expression of opinion. In the Guild's view United had over the years maintained a firm policy on this matter, and was noted for the independence it gave to its editors and for the high editorial standards which its newspapers maintained.

6.14. The National Federation of Retail Newsagents did not wish to make any comment on the proposed merger, nor did the Periodical Publishers' Association Ltd.

6.15. The Association of Free Newspapers (AFN) made representations to us and amplified its views at a hearing. It told us that there were probably about 730 free newspaper publications, about half of which were owned by publishers of paid-for newspapers. The AFN had in its membership owners of some 330 free newspaper titles plus owners of some 44 free magazines. The AFN told us that one of its services was to ensure that among its members the circulation figures claimed for free newspapers were properly certified and their delivery systems were effective. In its view free newspapers were now filling the gap left by the slow decline of weekly paid-for newspapers.

Views of national and provincial newspaper proprietors

6.16. We invited views from a number of owners of national and provincial newspapers. The Newspaper Publishers Association invited on our behalf

members of its Council to make direct to us their own individual submissions if they wished. The Council included the Chairman of Associated Newspapers Group PLC, the Mirror Group Newspapers Ltd, The News Group Newspapers Ltd, the Daily Telegraph Limited, Evening Standard Co Limited, The Observer Limited, The Financial Times Limited and the Guardian and Manchester News PLC. The Financial Times said it held an entirely neutral view; none of the others replied.

6.17. All the owners of provincial newspapers whom we consulted gave us their views. The Westminster Press Limited told us that in its view the transfer of Fleet's regional titles did not appear to increase United's concentration of ownership, and it had no doubt that United would be able to maintain the existing levels of its newspapers, and would maintain a good standard of news presentation and free expression. On balance it believed that United might be in a stronger position to effect necessary improvements to the efficiency of the national newspapers involved, but in view of the risks it would not expect these improvements to be carried out rapidly.

6.18. Reed Publishing Ltd told us that it was not aware of any factors which would act against the public interest arising from the proposed transfer.

6.19. Thomson Regional Newspapers Ltd told us that, though the proposed transfer would clearly add to the size of United's newspaper interests, it would not in its judgment do so in a manner which would adversely affect considerations of public interest from the standpoint of concentration of ownership. It could not comment on any plans or proposals which United might have in mind to change the operation of Fleet's newspapers, but had no reason to believe that any such changes would affect the accurate presentation of news, the free expression of opinion or the future prospects of the newspapers.

6.20. We invited comments from six provincial newspaper proprietors whose newspapers circulated in areas of Cornwall and Devon where Fleet's provincial newspapers circulated, but none replied.

6.21. We also invited comments from six provincial newspaper proprietors whose newspapers circulated in areas in South Wales where Fleet's newspapers circulated. *The Western Mail and South Wales Echo* expressed the same views as Thomson Regional Newspapers. Bristol United Press said that the proposed transfer, if implemented, would lead to a concentration of ownership of the press in that two existing large groups would become an even larger single group, but it had not formed any opinion on whether this concentration would be detrimental. The other four newspaper proprietors did not reply.

Views of the Press Council

6.22. The Press Council told us that it has generally taken the view that further concentration of ownership of newspapers was undesirable, and was likely to be justified only on the grounds that the alternative was likely to be a

diminution in their numbers. These considerations did not apply in this case. So far as concerned Fleet's provincial newspapers the choice lay between two ownerships, neither of which had close links with the communities they served.

6.23. The transfer would clearly increase the overall concentration of ownership of the national and provincial press taken together, but would not affect the concentration of ownership of national newspapers taken alone. Nor in the Press Council's view would its effect on concentration in the regional and local field be very significant. As far as the Council knew there was no geographical overlap between the provincial newspaper holdings of Fleet (which were rather specialised) and United (which were concentrated in the North of England). The Council had no reason to believe that the common ownership would have an adverse effect on competition, efficiency, closure or labour redundancy. The Council said that United had an excellent record as a publisher for accurate presentation of news and the free expression of opinion in its newspapers. The Press Council therefore concluded that, while no compelling reason for the transfer of ownership from Fleet had been put forward, there was no reason to believe that a transfer to United would be against the public interest.

The Independent Broadcasting Authority

6.24. The Independent Broadcasting Authority did not wish to express an opinion on the merger since it did not believe it affected the Authority's duties and responsibilities in respect of due impartiality under the Broadcasting Act 1981.

Views of local authorities

6.25. Thirteen local authorities from South Wales and Devon and Cornwall expressed their views to us; of these four had no comment. Among the rest some – especially in Cornwall – expressed concern about the reduction in the number of local titles and the coverage of local news. Two local authorities were particularly concerned about possible loss of jobs in Wales, and one suggested that assurances should be given about the future publication of the *South Wales Argus* and the *News and Weekly Argus*. One authority was opposed to the transfer if it would lead to redundancies and loss of job opportunities in Wales or if the transfer would affect in any way the accurate presentation of news and free expression of opinion. On the other hand, one authority saw no adverse effects arising from the merger, and pointed out that beside the *South Wales Argus* there were several other provincial newspapers circulating in Gwent, and the transfer was unlikely to have any adverse effect in the county.

Chambers of commerce

6.26. We invited views from 18 chambers of commerce in South Wales and Cornwall. None replied.