

# What press publishers need to better serve consumers in a digital age

*CEPS seminar – 5 October 2016*  
*Consumer behaviour online – implications*  
*for copyright and the DSM*

## Overview of presentation:

1. Press publications and the importance of their sustainability for citizens and our democratic society
2. Changing consumption patterns of press publications
3. How press publishers are working to meet consumer expectations?
4. EU copyright reform: better legal certainty for publishers to the benefit of consumers
5. How the DSM strategy can help further in safeguarding a free and vibrant press sector while benefiting consumers
6. Conclusion

## 1. Press publications and the importance of their sustainability for citizens and our democratic society

- Press publications etc “are essential in a democratic society, as they play an **important role in citizens’ access to knowledge and good quality information, including on issues related to democracy and democratic decision making** [...] if the investments and contribution of publishers increase the value of publications but are not backed by appropriate revenues, the sustainability of publishing industries in the EU may be at stake, with the risk of **negative consequences on media pluralism, democratic debate, quality of information and cultural diversity** in the European society.”

European Commission, Impact Assessment, accompanying the proposal for a Directive on copyright in the Digital Single Market

## 2. Changing consumption patterns of press publications

- Today, newspapers and magazines' **websites and apps are the main services used to access news for 42% of users** in the EU. (Eurobarometer, March 2016)
- Main way to read news is via social media, news aggregators and search engines (57%, according to Eurobarometer). But **almost half consumers do not click through to the publisher's website** (eroding advertising revenues)
- Problem: despite growing success online, **increase in revenues does not make up for decline in print**: 2010-2014 print revenues decreased by €13.45 bn, with digital revenues up € 3.98 bn (loss = 9.47 bn)

### 3. How publishers are working to meet consumer expectations

- **“It’s all about the consumer.** They are in control. Consumers are in the driving seat. Technology is their tool. They choose when, where and how to communicate with organisations.”
- **Huge investment in a wide variety of innovative digital initiatives,** to reach new audiences and generate new revenues.
- Publishers make a lot of content freely available online, and **actively encourage consumers to share.**
- **Services distributing digital press publishers’ content to consumers** based on licensing agreements are being developed e.g., Blendle (like iTunes), but getting third parties to agree to licences has been challenging...

## 4. EU copyright reform: better legal certainty for publishers to the benefit of consumers

- Under current EU © rules, unlike other content producers, press publishers are not listed as rightholders, despite their comparable role.
- Related right for press publishers will clarify that they are rightholders, making enforcement more efficient + increased bargaining power / licensing opportunities.
- “By **fostering the production of high quality press content**” the related right is “expected to have a **positive impact on consumers**” e.g., “development of **more innovative offers** for the digital distribution of press content, with larger catalogues and more choice”. (*EC impact assessment*)

## **5. How the DSM strategy can help further in safeguarding a free and vibrant press sector while benefiting consumers**

- Copyright reform alone will not guarantee a sustainable future for press publishers, although it is a very important factor.
- There are other areas of importance of the DSM for publishers (and consumers), where a balanced approach is important.
- E.g., VAT reform, AVMS, net neutrality, data protection

## 6. Conclusion

- Copyright reform will not solve all press publishers' problems, but a related right for press publishers – coupled with other DSM measures - is an important step in ensuring a sustainable future for a free, independent and pluralistic press in Europe, which is an essential part of our democratic society.

*“The measures proposed to “achieving a well-functioning market place for copyright (section 5) are likely to have in the medium term a positive impact on the production and availability of culturally diverse content and on media pluralism, **for the benefit of consumers**”.*

Commission Impact Assessment, accompanying the proposal for a Directive on copyright in the Digital Single Market



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