

6 Views of third parties

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Introduction

6.1. We invited views from newspaper publishers, trade and consumer associations, trade unions, local and district councils, advertising agencies and major advertisers in PSN, Johnston, Newsquest and Newscom newspapers. In addition, notices were placed in the *Press Gazette* and local newspapers, inviting interested parties to submit evidence to the Commission. This chapter summarizes the views we received.

The bidders

6.2. Each of the three bidders was invited to comment on the other two transfers. Johnston and Newscom both sent comments.

Johnston

6.3. Johnston said that it had no particular concerns in relation to the applications by either Newscom or Newsquest. There were, however, issues which it suggested we might usefully explore.

6.4. Newsquest currently competed directly with PSN's West Sussex titles through the *Evening Argus*, the only daily regional newspaper in Sussex, and a number of successful weekly free publications. Similarly, there was potential competition with PSN in the North-East through its publications there which included *The Northern Echo*, a substantial daily regional newspaper.

6.5. Johnston suggested that Newscom might overlap with PSN in the South of England. Newscom published daily regional newspapers out of both Bournemouth and Southampton, including the *Evening Echo* and the *Southern Daily Echo*, and a number of titles in Hampshire.

6.6. Johnston said that it would expect us to investigate the nature and extent of any competition in order to assess whether the interests of readers and advertisers would be harmed by PSN titles coming under the same ownership as those of Newsquest or Newscom.

Newscom

6.7. Newscom said it did not believe that the proposed acquisition of PSN's newspaper titles and assets by either Johnston or Newsquest would be contrary to the public interest.

Publishers

Hampshire Chronicle Group

6.8. HCG said that recent changes and consolidation of regional newspaper ownership were not conducive to healthy competition in regional markets. Changes of ownership had led to an inevitable increase in monopoly situations in most of the larger towns and cities in the UK. The importance of free newspapers and their impact in any area in which they were published alongside a paid-for title, as part of a publishing strategy, had been overlooked. There had been, already, too much consolidation, and further grouping would make an unhealthy situation worse. It considered that the more dominant a regional press group became in a particular geographical area, the more potent was its ability to threaten and impose controls on advertisers.

6.9. Monopoly situations made it almost impossible for new companies to enter the market without soon being 'snuffed out'. Various tactics could be employed to ensure that competition was short-lived. It was equally difficult for small independent and established companies to increase their market share in new areas and in competition with major regional publishing groups. Advertisers, who wished to use a combination of publishers' titles, thereby taking advantage of a competitive market and better overall penetration of their target areas, had been forced to decline due to the threat of them being denied access to the larger neighbouring markets monopolized by the large groups. This was normally achieved by suggestions that future advertising would be refused, or higher advertising rates introduced, if a competitor's titles were used.

6.10. Unfair practices were difficult to substantiate because the evidence arose from conversations with employees of local advertisers who wished to remain anonymous and insisted on comments being kept off the record.

6.11. Small local businesses were being stifled in areas where there were regional press monopolies with artificially high advertising costs. Since, in these areas, there was a dearth of small-circulation local titles suitable for the promotion of small businesses, they were unable to promote themselves effectively. The cost of advertising in large-circulation free titles was prohibitively high and much of the distribution might be outside the advertiser's target area. The alternative was to use the monopolizing publisher's paid-for title, which would have much lower circulation, poorer penetration and, in terms of cost per 100 copies, much higher rates. Large national companies, such as retail chains, used a combination of free and paid-for titles. Due to economies of scale, the national advertiser could buy space at much lower rates than the small trader. Because of these disadvantages suffered by small businesses, there would be longer-term adverse effects on the UK economy, which depended on their growth, expansion and development.

6.12. Where competition existed, each publisher had to strive to produce titles which satisfied a range of small and large advertisers. Competition also helped to control the cost of advertising. HCG compared titles in Southampton, where Newscom was the only publisher, with the Winchester and Eastleigh area, where there was competition between Newscom and HCG and advertisers enjoyed both choice of publisher and price benefits. HCG said that Newscom represented virtually all of its regional press competition in surrounding towns and had monopoly situations in each of them. It produced competing publications in HCG's core circulating towns of Winchester, Romsey and Eastleigh.

6.13. Currently, three of HCG's four titles are printed, under contract, by PSN's Portsmouth site. A successful Newscom bid would give it access to sensitive information on print runs and possibly marketing strategies. There would exist a degree of control on one of HCG's greatest direct costs and on the sensitive timing of paid-for titles going on sale. There would be no incentive to maintain high standards of service, reproduction and punctuality. HCG felt that Newscom would take full advantage of its position as it had done on previous occasions.

6.14. HCG also told us that, when it had been the agent for Hampshire County Council for the placement of public notices, Newscom refused to give it the standard agency/publisher discount and HCG eventually lost the contract because it was unable to tender competitively. All other publishers gave this discount to HCG and HCG continued to give Newscom the discount for advertisements placed by Newscom on behalf of advertisers in HCG publications. When HCG later asked Newscom to reconsider, the response was that Newscom would be putting profit into the pockets of a competitor and that was why HCG was not allowed a discount.

6.15. HCG told us that it opposed the acquisition of PSN by all three bidders. However, it felt that the effect on local markets, particularly in the South, would be least if Newsquest were to succeed.

Local Sunday Newspapers Ltd

6.16. LSN referred to its evidence to the Commission in respect of Johnston's proposed takeover of Home Counties Newspapers Holdings plc¹ in 1998 and, in particular, to the potential which it said Johnston had for predatory pricing in advertising. Whilst it had no competitive interest in the takeover of PSN, it was concerned that pledges by Johnston not to resume predatory prices in LSN's area had lasted less than five months.

Northcliffe Newspapers Group Limited

6.17. Northcliffe said that the pace of change in how the media was used had quickened substantially. Traditional media now offered more alternatives, and digital television, radio and the Internet were all poised to change fundamentally the way consumers received information.

6.18. Northcliffe said that the role of the regional newspaper industry was to provide local information, and expose the public to diverse views and opinions. Recent consolidation of ownership had not detrimentally impacted on this role. The industry had suffered commercially, however,

¹*Johnston Press plc and Home Counties Newspapers Holdings plc: a report on the proposed transfer to Johnston Press plc of the newspapers of Home Counties Newspapers Holdings plc*, The Stationery Office, Cm 3962, June 1998, paragraphs 6.10 to 6.26.

through a reduction in the number of regional titles sold and in its share of total advertising revenue. Local newspapers could not continue to discharge their editorial responsibilities without commercial strength, and the proposed mergers should be seen in this context.

6.19. Johnston, Newsquest and Newscom were all committed regional press publishers who understood the industry and its role in the local community. The long-term interests of readers, advertisers and the majority employed in the industry would be best served by a strong, creative and innovative regional press which also had the financial ability to invest in developing relevant products in an ever-changing and challenging environment.

6.20. Northcliffe said that consolidation in regional press was inevitable, as it had been in independent commercial television and independent local radio. It did not believe that a regional press company would or could abuse its position of trust with local readers or advertisers. If it did, its customers would go elsewhere, resulting in its commercial downfall. It was Northcliffe's view that acquisition of PSN by any of the three parties would be in the public interest.

A publisher

6.21. A publisher told us that it would be against the public interest if PSN were taken over by Newscom. There were two dominant newspaper groups in Hampshire, PSN and Newscom, with HCG providing a small third force in terms of competition. The county was, effectively, split between Newscom, which dominated west and central Hampshire, and PSN, which was the principal force in the east. Since HCG did not publish daily newspapers, in the event of a PSN takeover by Newscom there would be no competition whatsoever in the county's daily newspaper market.

6.22. The publisher said that there would be a loss also of cost-effective alternatives in aspects of advertising, for example in recruitment vacancies. HCG provided a source of competition in some parts of the county. However, where PSN provided the only large-circulation daily newspaper in an area its rates were very expensive.

6.23. The publisher told us that there was clear evidence that the 'free sheets' published by the two dominant companies did not make a profit. They provided no editorial comment of real value to the local communities and their sole reason for being was to prevent other companies starting up free newspapers in their territories. If this transfer were to proceed, the situation for HCG and other small media groups in the county would be untenable.

Advertisers' associations

Institute of Practitioners in Advertising

6.24. The Institute of Practitioners in Advertising said that it was not aware of any view among its membership that any or all of the transfers would be against the public interest.

Advertisers

Downen

6.25. Downen, estate agents, said that PSN already had a monopoly in the Sunderland, east Durham and Hartlepool areas through its subsidiary NP, which owned all the free and paid-for titles. It claimed that this position had been secured through the use of predatory advertising rates when competing with *Times Free Press* forcing the latter to withdraw. Any of the proposed transfers would, therefore, result in one monopoly being replaced by another.

6.26. Downen gave examples of different property advertising rates in the region, stating that, as a result of competition in Newsquest's distribution areas, its charges were less than those of NP. It was critical of the quality of some NP titles, suggesting that publications were maintained only to deter competitors and bolster advertising rates in paid-for titles. If a transfer was permitted, one solution

would be to break up NP, with one bidder taking control of paid-for titles and another the free titles, in this way providing choice for advertisers and competition, which would result ultimately in advertising rates in line with those of Newsquest.

HHC Lewis

6.27. HHC Lewis said that a takeover of PSN titles by Newscom would, in its view, be a worst case scenario. Both parties had been guilty of raising advertising rates far in excess of inflation, especially for recruitment advertising. It feared that such a merger would increase the monopolistic attitude of Newscom especially, and lead to more excessive increases in advertising rates.

6.28. HHC Lewis had no problem with the transfer proposals by either Johnston or Newsquest.

Kayvex Home Improvements

6.29. Kayvex said that the bid from Johnston, which owned publications in Worthing, Littlehampton and Shoreham, would create a monopoly situation that would not be in the public interest.

Randell Recruitment

6.30. Randell Recruitment was strongly opposed to either Newsquest or Johnston acquiring further newspapers in Sussex. It was concerned about the potential for near-monopoly situations and further escalation of recruitment advertising costs.

An advertiser

6.31. One advertiser said that, for a neighbourhood family business, local newspaper advertising was the only appropriate medium. PSN now had a virtual monopoly of local newspaper advertising from the Tees to the Tyne, resulting in a take-it-or-leave-it attitude, high advertising rates both for business and the public, and no advertising alternative. Small employers were put off, particularly by high situations vacant rates, to their own detriment and that of the unemployed. It was his view that the current, albeit small, monopoly worked against both business and public interest. A larger monopoly should not be allowed.

An advertising agency

6.32. An advertising agency said that it provided recruitment and public notice advertising services to a broad range of clients, its niche expertise being in the public and voluntary sectors. It incurred substantial expenditure nationally in local press advertising, which was the most effective medium for its purposes.

6.33. The use of local radio, directories and other media was negligible. The Internet was an expanding market which, whilst not posing an immediate threat to the local market, would probably, in the long term, have a negative effect on local press advertising revenue.

6.34. National and trade press was widely used for senior and professional posts; only on rare occasions were posts advertised both nationally and locally.

6.35. The agency said that, for recruitment purposes, local press was judged by circulation, effectiveness of response, strength in the recruitment market place and overall cost-effectiveness. Value for money was also a critical factor. Advertisers were usually content to pay more even if, for example, regional newspapers had higher rates than national ones in circumstances where regional

publications generated better responses. In deciding where to advertise, consideration would be given also to any financial benefits arising from using a group of titles under the same ownership.

6.36. The agency considered that, in circumstances where competition was perceived to be ineffective, advertising providers might impose higher than necessary charges, reduce agency commissions or be less willing to offer retrospective volume discounts. It had direct experience of the benefits of competition when one newspaper had matched a significantly lower advertising rate in order to retain its custom.

Trade unions

National Union of Journalists

6.37. The NUJ, which told us that its membership included a large proportion of the journalists working for Johnston, Newsquest, Newscom and PSN, considered that the proposed transfers raised a number of public interest concerns.

6.38. It pointed out that the proposed transfer of PSN was the latest in a series of large changes of ownership in the local and regional newspaper industry in the past few years. Such a wholesale transfer of ownership in such a short term was unmatched in any industry other than the railways. Yet unlike the railways, it had not been subject to public debate and had largely escaped public scrutiny. The majority of transfers had been allowed without reference to the Commission. Of those that had been referred, all had been approved, with insignificant conditions attached in one case. This had come on top of more than 20 years of transfers, which had seen local and regional newspapers concentrated in ever fewer and larger chains, and the development of large regional monopolies, such as those of Northcliffe in the East Midlands and Devon, Regional Independent Media in Yorkshire and Lancashire, and Trinity in Merseyside.

6.39. The NUJ considered that the special procedures in the Act relating to newspaper mergers had been ineffective in controlling this process, largely due to the repeated use of ministerial discretion to waive reference to the Commission.

6.40. The consequences of concentration of ownership and the creation of regional monopolies were, in the NUJ's view: reduction of diversity in the press; cost cutting and lowering of journalistic and production standards due to lack of direct competition; remoteness of control from the local communities served by the newspaper; elimination of choice for readers and advertisers; predatory pricing to drive out competition from newly-established titles; and sharply reduced employment opportunities. The NUJ considered that all these effects were seriously detrimental to the public interest, and brought no counterbalancing advantages to the public interest.

6.41. The NUJ argued that the proposed transfer of PSN was a major further step in the process outlined above, regardless of which of the three bidders was successful. A wide-ranging examination of the ownership and control of the local and regional press was long overdue. There was a clear and, in the NUJ's view, damaging trend made up of many individual transfers, big and small. Before this process went any further there should be a public investigation of all aspects of the industry and debate leading to settled guidelines that could be applied to this and future transfers, instead of the piecemeal process that had continued for so long.

6.42. The most problematic region in respect of the proposed transfers was the North-East of England. In that area Newsquest already owned the daily morning title *The Northern Echo* covering North Yorkshire, Cleveland, County Durham, and Tyne & Wear, plus weekly paid-for and weekly free titles in County Durham and Tyne & Wear. PSN's subsidiary company, NP, published the daily evening newspapers *The Sunderland Echo*, circulating in County Durham and Tyne & Wear, the *Hartlepool Mail*, circulating in Cleveland, and the *Shields Gazette*, circulating in South Shields, Jarrow and Boldon in south Tyneside. It also published the weekly free *Star* series distributed in Cleveland, County Durham, and Tyne & Wear. In the NUJ's view, if Newsquest were allowed to acquire PSN, it would have a monopoly of daily and weekly titles throughout the North-East. The NUJ therefore suggested that if Newsquest were to acquire PSN, it should give an assurance that it

would not seek to gain control over competing media in or on the fringes of the circulation areas, even when such transfers would be possible without reference to the Commission under discretionary exemptions in the Act.

6.43. The NUJ foresaw no problem if Johnston acquired PSN because there would still be healthy competition with the current Newsquest titles in the North-East area.

6.44. The NUJ was concerned about the possible monopoly effect if Newscom were allowed to acquire PSN because both companies operated in direct competition in the area around Fareham; diversity of the media could be adversely affected.

6.45. In the NUJ's view it was extremely important that the commercial and journalistic independence of the transferred titles should be preserved.

6.46. The NUJ suggested that whoever was allowed to acquire PSN should be required to give an undertaking that the existing titles would be maintained and editorial independence assured. It was vital that the local and regional titles remained under local control to ensure that the local content was not diluted.

6.47. Serious objections to the management style of Newsquest were expressed by the NUJ, which told us that the company was notorious for its anti-union stance. Newsquest had de-recognized unions at the Westminster Press sites it acquired, despite an NUJ majority on most editorial floors. The NUJ said that journalists on Newsquest titles had come to dread working for Newsquest and that it was no secret that journalists left Newsquest titles so frequently that it could not keep up with filling vacancies.

6.48. A survey¹ carried out by the NUJ showed that wages had fallen and long hours were the norm. The NUJ drew to our attention one salary rate which it said was particularly low. Attempts to raise these issues through the discredited staff council system were dismissed as irrelevant. The NUJ said that it had relied on those of its members who were willing to distribute the survey and that it would have preferred to receive between 700 and 800 responses. Of those who did respond, the overwhelming majority were NUJ members. The survey also showed that most journalists wanted to quit Newsquest.

6.49. The NUJ drew attention to an Employment Tribunal case, which it was in the process of bringing against Newsquest on behalf of an NUJ Father of the Chapel. The NUJ was confident that the claim would prove that he was victimized for trade union activities.

6.50. Newscom's record on employment relations was also a matter of concern to the NUJ. It told us that a number of contractual problems and other issues had arisen since Newscom acquired newspapers in the South-West of England. In contrast, the NUJ said that Johnston had an exemplary record on industrial relations.

6.51. The NUJ stated that where non-press media were owned or partly owned by those who owned the regional press, there was less pressure on them to compete for news stories.

6.52. The NUJ believed that the regional newspaper industry tended towards short termism: to drive down costs, force up profits and then sell on to somebody else when profits were maximized. This strategy was being pursued to the detriment of the quality of the newspapers.

6.53. The NUJ believed that Newsquest and Newscom should be required to give an undertaking that they would not seek to obstruct the implementation of the new employment legislation. The companies should also give an assurance that they would begin immediate consultations with those NUJ chapels which represented the majority of journalists at a workplace with a view to reaching a voluntary agreement on full trade union recognition, as provided for by the forthcoming legislation.

¹In late 1997 NUJ representatives distributed questionnaires to Newsquest journalists working on a number of titles. Of the 250 questionnaires that were handed out, 70 were returned. Newsquest said that, in 1997, it employed some 1,450 journalists.

Local authorities

Arun District Council

6.54. Arun District Council said that it took its community leadership role very seriously and would always be prepared to work with local newspapers and encourage a constructive focus on local and community issues. In order to be successful, local newspapers, no matter who owned them, had to focus on local issues and provide readers with the service they needed. The Council considered that local newspapers would continue to have a particular role to play as an advertising medium, though this might depend on the extent to which they continued to focus on local community issues. It said that there was no one market leader for advertising in the area and that the Council took into account coverage in deciding which medium to use. It expressed some concern that there could be increased advertising costs as a result of a merger.

West Sussex County Council

6.55. West Sussex County Council was concerned that a successful acquisition of PSN by Johnston would impact on the ability of its local press to support and encourage local democracy. There were some 20 newspapers circulating in West Sussex, most of which took an active interest in local government, including the work of the County Council. It pointed to a recent MORI survey, which had established that 80 per cent of the population in the county found out about the County Council's work from local newspapers. The County Council argued that, if the Johnston bid for PSN were to succeed, 12 local newspapers, which between them covered a very large proportion of West Sussex, would be in the hands of a single owner. The enlarged company would include three quality broadsheets with county-wide circulation and extensive coverage of local government affairs.

6.56. The County Council said that the outcome could also be anti-competitive in, for example, the southern part of the Horsham district in which there was currently competition between the South Downs edition of the *West Sussex County Times* and the *West Sussex Gazette*. It was particularly concerned about the impact that the proposed acquisition of PPP by Johnston might have on the future of the *West Sussex Gazette*. It feared that this long-established newspaper, which represented and reported on the interests of the county community, might disappear.

Trade associations

Guild of Editors

6.57. The Guild of Editors said that it had no specific comments to make to the inquiry. All the companies concerned were established publishers of regional newspapers who had to compete against a backdrop of an increasingly diverse media. There was value in companies having a special focus on the publishing of regional newspapers. The Guild remained concerned that publishers should display a clear commitment to the communities their newspapers served and to upholding editorial standards and training, freedom of the media and free expression generally.

National Federation of Retail Newsagents

6.58. The NFRN said that the proposed mergers had been referred to its respective affected Federation Districts. The Southern District had expressed some concerns at the potential lack of customer choice arising from any acquisition.

The Newspaper Publishers Association Ltd

6.59. The Newspaper Publishers Association Ltd had consulted its members who were content with the proposed acquisitions or had no objection or made no comment.

The Newspaper Society

6.60. The Newspaper Society said that the need to ensure a vigorous, well-resourced and effective regional and local newspaper industry, equipped to compete against an increasing variety of media sources, had necessitated change to one of greater ownership consolidation. Change had to be greater, and growing, in view of the consolidation which existed among its media competitors. The degree of local concentrations, likely to result from the proposed transfers, was consistent with developments within the industry. These developments were necessary for regional and local newspapers both to retain their position within the UK's changing media landscape and to offer an alternative editorial voice to national newspapers and other media, including the BBC at national and local level. Dedicated and focused regional press companies ensured the central role which the regional newspaper industry held in the changing communications industries and preserved the position of regional press against the growing number of print, broadcast and electronic media competitors at local and national level. Regional newspaper titles each operated independently from other titles owned by the same company, and were circulated in circumscribed geographical areas, providing their own individual editorial and commercial services for local communities. High local circulation and household penetration were essential to their viability.

6.61. The Newspaper Society supported the development of specialist regional newspaper companies within the industry, particularly given their relatively small size in comparison with their media and telecommunications competitors. It considered that the expansion of dedicated, traditional regional newspaper companies had operated in favour of the public interest by ensuring the continuation and development of locally-based editorially focused publications. Traditions of responsibility, expertise and editorial independence were being maintained, to the short- and long-term benefit of readers, advertisers and local communities. The Newspaper Society saw no identifiable grounds for concern about the current trend of consolidation. It said that, given the ever-increasing sources of information available to the individual, it seemed unlikely that editorial plurality considerations should require the trend to be stopped. General competition controls would operate if newspaper companies' commercial activities threatened to operate in a way contrary to the public interest.

Others

Cable & Wireless Communications plc

6.62. CWC said that concentrations of ownership in the media sector would always raise broad public interest concerns. It also stressed the importance of customers being able to access information from a wide variety of sources as this enabled alternative viewpoints and interpretations to be presented. According to CWC, a broad range of sources of information helped to reflect the cultural diversity in the UK.

Strike Lucky Games Ltd

6.63. Strike Lucky Games Ltd (SLGL) said that, Camelot apart, it was one of the largest promoters of scratch cards in the UK. In 1998 it had distributed 28 million game cards largely through the free newspaper network, which had proved to be its best method of regionally targeting its product.

6.64. SLGL said that, about 18 months ago, Newsquest made a policy decision not to carry scratch cards. Whilst, for a time, SLGL was able to make use of alternative regional press distribution arrangements, the takeover of Westminster Press by Newsquest had worsened the situation. Its new owners had stopped Westminster Press from carrying all game cards. As a result, SLGL was now unable to cover large areas of the UK, with a consequential adverse effect on its business. SLGL said that its interests would be seriously harmed if PSN were to be taken over by Newsquest, but almost unaffected if taken over by another company.

Mr Desmond Swayne MP

6.65. Mr Desmond Swayne MP expressed concern about the concentration of market power which a merger between Newscom and PSN would represent. He was particularly concerned about

Newscom's policy of reducing margins that were available to newsagents. He said that it had been an aggressive policy recently and he feared that the potentially larger group would be in an even more powerful position to dictate terms to the smaller retailers.

A newsagent

6.66. Mr Mike Stanford, of Stanford's Newsagency in east Dorset, told us that Newscom had changed its terms to retail newsagents in April 1999, resulting in an average loss of profit to most newsagents of £595 a year. This represented a reduction of 9 per cent in their margin down to 22 per cent compared with the average margin on national dailies of 23 per cent. Mr Stanford was concerned that if Newscom were to acquire PSN's newspaper business, it would likewise reduce the terms for the PSN titles resulting in a further loss of income to newsagents.

Members of the public

6.67. We received views from four members of the public in PSN's South of England area. Mr Phillip Taylor, a freelance designer in West Sussex, opposed the transfer proposals by Johnston, which had a strong presence in Sussex through its subsidiaries T R Beckett Ltd and West Sussex Newspapers. As a result, there was no effective competition in the provision of advertising, prices were high and the service provided for local firms had deteriorated due to rationalization in companies which Johnston had taken over. Mr Taylor expressed concern that profits from Johnston's enterprises in the region were not being returned to the region. He said that lack of competition and a need to maximize profits for shareholders gave no incentive to nurture local businesses and consumers. He would not like to see the same problems occur in Hampshire; adequate competition to Johnston should be maintained.

6.68. Mr G Andrews was concerned about the potential domination of local titles, published in a monopoly situation, by an ever-growing organization (Newscom). Newscom's local free newspapers (*The Extra* and *Southampton Advertiser*) contained less local news than *South Hants Weekly News* published by HCG, which covered local news and readers' views in an excellent manner. HCG titles were printed by PSN and it seemed that ownership of PSN by Newscom could endanger HCG publications and eventually create an absolute monopoly in the area. He recognized that Newscom had served the area well through their local (paid-for) *Echos*, but expensive intentions should not prevent smaller publishers or owners from continuing in business. If an acquisition took place, its terms should ensure that HCG, or any publishers in the same position, were not pressurized by the enlarged company's refusal to print their titles or by imposing price increases beyond inflation. Mr Andrews said that his concern extended beyond the immediate area to the widespread erosion of independent ownership of local daily and weekly newspapers by acquisitions made by Newscom.

6.69. Mrs Jean M Taylor expressed dismay at the merger proposals. She said that her local area was currently adequately served by PSN titles. Mr Mike Church feared that the acquisition of PSN titles by either Johnston or Newsquest would severely limit the sources of news available in West Sussex. Johnston already owned the former Beckett group, which published newspapers all along the Sussex South Coast of the Downs and had in recent years bought nearly every local newspaper published in the county north of the Downs. Newsquest owned the only evening newspaper published in Sussex and published many free newspapers all over the county.

P G CORBETT (*Chairman*)

J C HANRATTY

R KERNOHAN

M R PROSSER

P A BOYS (*Secretary*)

12 May 1999