

# 6 Views of third parties

## Contents

	<i>Page</i>
Introduction .....	95
Newspaper groups .....	96
Johnston Press plc .....	96
Northcliffe Newspapers Group Ltd .....	96
Advertising agencies .....	96
Hunt Evans Advertising Limited .....	96
Associations, press agencies and trade unions .....	96
A press agency .....	96
The Chartered Institute of Journalists .....	97
Institute of Practitioners in Advertising .....	97
National Association of Press Agencies Ltd .....	97
National Union of Journalists .....	97
The Newspaper Society .....	99
Society of Editors .....	99
Regional and local government .....	99
The National Assembly for Wales .....	99
Blaenau Gwent County Borough Council .....	100
Dorset County Council .....	100
Newport County Borough Council .....	100
Northampton Borough Council .....	101
Southampton City Council .....	101
Politicians .....	101
Ian Bruce MP .....	101
Jocelyn Davies AM .....	101
Paul Flynn MP .....	102
John Griffiths AM .....	103
Win Griffiths MP .....	103
Alan Howarth CBE MP .....	103
Richard Livsey CBE MP .....	103
Elfyn Llwyd MP .....	103
Jenny Randerson AM .....	103
Others .....	104
A freelance journalist .....	104
Mr G Andrews .....	104
Mr M Holder .....	104
Mr G North .....	104

## Introduction

6.1. In this chapter we summarize the evidence put to us by third parties in submissions and at hearings we held with a number of them.

## **Newspaper groups**

### ***Johnston Press plc***

6.2. Johnston did not believe that the proposed acquisition of Newscom's newspaper titles and assets by either Newsquest or Trinity Mirror would be against the public interest.

### ***Northcliffe Newspapers Group Ltd***

6.3. Northcliffe said that mergers between companies such as AOL and Time Warner had brought technology and content specialists together, providing them with major financial resources. Similar mergers in the USA, Europe and the UK would lead to a limited number of strong companies in each of the media/technology sectors. This was already occurring in the UK with commercial television, cable television and local radio. Consumers and advertisers would be provided with a whole series of existing and new choices about how they accessed and used local, regional and national information. Their choice would depend on the content and competitive pricing of the products and services offered. Such product development would depend less on the potential abuse of a so-called monopoly position, be it in a product or media segment, and more on the creative, technical and marketing resources available to the individual businesses. Northcliffe thought that the regional press was consolidating to provide local media with the financial strength to compete with these challenges.

6.4. Northcliffe said that the unique role of the regional press was to provide a platform for the accurate presentation of news and free expression of opinion to its local community. There was no evidence of this role ever being abused. However, the regional press needed a strong commercial platform to continue this essential social purpose. The commercial issue was that local readers and advertisers had a wide range of choice, outside the regional press, when it came to obtaining news, information and local advertising services. The regional press had to be given the strength to compete externally; in Northcliffe's view, looking at competition within the regional press missed the point. All the applications under consideration were from professionally-managed companies which were committed to the provision of local information and the development of the local community. Northcliffe believed that they should be given the financial strength to succeed.

## **Advertising agencies**

### ***Hunt Evans Advertising Limited***

6.5. Hunt Evans Advertising Limited (Hunt Evans) was opposed to the acquisition of Newscom by Johnston. Writing on behalf of smaller advertisers, Hunt Evans said that local and regional advertisers along the central south coast would have no choice of media, and would suffer an escalation of advertising costs combined with a lower level of service, if Johnston were allowed to acquire Newscom. Over the years Newscom had gained control of all the media in the Southampton area, while Johnston owned and controlled all in the adjoining Portsmouth area. During that time acquisitions had given each group more power and increased dominance, which had resulted in higher prices for advertising and a much reduced standard of service. If the merger were allowed to proceed, then advertisers would have to deal with one media group for space and rates throughout the central south coast. The larger advertisers would be in a dominant position and this would lead to even greater pressure on smaller advertisers.

## **Associations, press agencies and trade unions**

### ***A press agency***

6.6. A press agency objected to the proposed acquisition of Newscom by Trinity Mirror as it would end any semblance of competition between newspapers over a wide swathe of England and Wales from mid-Cheshire to South Wales. The merger would give Trinity Mirror a complete monopoly of news, as not only did it own almost all the daily newspapers in Wales, but also the *Daily Post* and *Liverpool Echo* (which covered a wide area of Merseyside and Cheshire) as well as most of the weekly newspapers

within the region. The choice of advertising outlets available to commercial organizations would be restricted and there was no doubt that advertisers would face increased prices where there was no competition. Trinity Mirror had already exploited its dominant position in Merseyside by refusing to increase payments to contributors over the past ten years and was now demanding complete control of copyright in any news items submitted to its newspapers.

### ***The Chartered Institute of Journalists***

6.7. The Chartered Institute of Journalists (CIJ) said that it was both unhealthy and undesirable for newspapers to fall into too few hands. Democracy required a wide spread of ownership and the prospect of smaller groups being acquired by the industry's giants was not a welcome one. The CIJ had, however, to balance its reservations with its concerns for the employment of journalists, including its own members who worked in the industry. Accordingly, it had no objection to any of the proposed acquisitions.

### ***Institute of Practitioners in Advertising***

6.8. The IPA did not, in principle, object to any of the proposed acquisitions of Newscom's titles and assets. However, it noted that should the proposed bid by Trinity Mirror be successful it would place that company, with a 25.2 per cent market share, on the border line with regard to the 25 per cent share which it believed was the maximum conducive to a healthy competitive market place. In addition, an acquisition by Trinity Mirror would give it market dominance among the paid-for dailies and weeklies in Wales, which could represent a potential concern for local and regional advertisers. If the acquisition were to proceed, the IPA intended to monitor sales practices in Wales and register any concerns that arose.

### ***National Association of Press Agencies Ltd***

6.9. The National Association of Press Agencies Ltd (NAPA) is a trade association with its members drawn from firms operating in the field of freelance journalism. It told us that it was formed over 15 years ago and was regarded within the industry as the most effective body representing the views of such professionals.

6.10. NAPA strongly held the view that the public interest and a free press was best served through diversity of ownership and competition among newspaper publishers and titles. It believed that it was important to guard against any individual or company gaining a monopoly, or preponderance of the market, either nationally or in any geographical area.

6.11. NAPA was greatly concerned at the possibility of a takeover of Newscom by Trinity Mirror. Trinity Mirror already owned the *Daily Post*, the provincial daily newspaper of North Wales, and *The Western Mail*, its one-time rival based in South Wales. If it were allowed to acquire Newscom it would own the *South Wales Argus*, giving it an extremely dominant position in the newspaper market in Wales. This would be unhealthy both for competition and the continuing freedom of the press. NAPA said it had evidence that the current position was anti-competitive and believed that Trinity Mirror was already prepared to abuse its dominance of the Welsh provincial press.

6.12. NAPA expressed concern about Trinity Mirror's abuse of its monopoly position with regard to employment. It believed it was unsatisfactory that mass-market national newspapers and unchallenged provincial newspapers should come under the same ownership. This not only restricted freedom of speech, but also opportunities for employment. NAPA was concerned that a transfer of Newscom's titles to Trinity Mirror would further extend its dominant position within the Welsh press and other areas of the UK, and it could have unwelcome implications for the terms on which freelance journalists were able to sell stories and photographs.

### ***National Union of Journalists***

6.13. The NUJ was concerned that a further concentration of media ownership would, in general, be against the public interest. The rapid consolidation of the regional press in the hands of a few companies

in recent years had been anti-competitive and operated against a diverse media. From a public point of view such a move reduced the choice available and served to create a more uniform press. With three or four major groups now dominating the regional and local newspaper market, there was all too often a regional monopoly which created a lack of local independence. The NUJ said that the special procedures in the Act had been ineffective in controlling this process, largely because of the repeated use of ministerial discretion to waive reference to the Commission.

6.14. The NUJ said that newspapers were increasingly seen simply as a means of generating profits for their owners, rather than concentrating on their traditional service role. The capacity to generate huge profits had clearly increased, and had resulted in companies which were not previously newspaper owners becoming involved in the industry.

6.15. The NUJ did not believe that the Internet provided a new source of competition in the market place, since many of the new news and advertising sites were being established by the same companies which owned the newspapers. Journalists who worked on the Internet tended to be the same journalists who produced copy for printed newspapers.

6.16. In the NUJ's view, there were a number of consequences that arose from concentration of ownership and the creation of regional monopolies. These were: a reduction of diversity of the press; cost-cutting and lowering of journalistic and production standards owing to lack of direct competition; distant control of newspapers serving local communities; elimination of choice for both readers and advertisers; predatory pricing against newly-established titles; and sharply-reduced employment opportunities. All of these effects were seriously detrimental to the public interest, and there were no balancing advantages.

6.17. The proposed transfer of Newscom was a major further step in this process regardless of which of the three bidders was successful. The NUJ believed that 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 comprising many individual transfers, both large and small. Before this trend was allowed to go further, there should be a public investigation into all aspects of the industry, and a 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.

6.18. Johnston, Newsquest and Trinity Mirror between them already owned over 440 regional titles and occupied three out of the top four positions by circulation in the UK regional press publishers table. A further concentration would be against the public interest. A merger would give Johnston a virtual monopoly in newspaper sales between Worthing and Dorchester, including Southampton, Portsmouth and Bournemouth. It would also give Trinity Mirror a virtual monopoly in large parts of South Wales and a significant stake throughout Wales as a whole. Newsquest would have a virtual monopoly in most of Wiltshire.

6.19. The NUJ was also concerned that if the acquisition of Newscom were allowed to proceed without conditions attached it could lead to further redundancies among newspaper journalists, particularly in areas where circulation overlapped. Such areas included Newscom's *Southern Daily Echo*, the circulation of which overlapped with Johnston's *Portsmouth News*; Newscom's *South Wales Argus* which overlapped with Trinity Mirror's *The Western Mail* and *South Wales Echo*; and Newscom's Wiltshire weeklies which overlapped with Newsquest (Wiltshire) Limited's titles. The NUJ believed, therefore, that the Commission should reject the attempts by all three companies to acquire Newscom. However, should a transfer be allowed to proceed, the acquirer should be required to undertake to maintain existing titles, to assure editorial independence and to impose no compulsory redundancies.

6.20. The NUJ added that over the past ten years it had had significant industrial relations problems, including de-recognition, with all the groups involved in this inquiry. In the light of the ERA, the beginnings of a change to that policy of marginalization of the NUJ had begun to take place. It believed that, if the acquisition of Newscom were to proceed, then the parties to the merger should be strongly encouraged to enter into voluntary recognition agreements with the relevant unions, and it should be made a condition that they would not seek to obstruct in any way the implementation of the ERA.

## ***The Newspaper Society***

6.21. The Newspaper Society said that the ownership structure of regional and local newspapers had changed radically in the last decade. Ownership consolidation had taken place. This had helped ensure a vigorous, well-resourced and effective regional and local newspaper industry. It was 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 was consistent with the development necessary if regional and local newspapers were to develop their position within the UK's changing media landscape and offer an alternative editorial voice to other national and local media. Dedicated and focused regional press companies helped to ensure that the regional newspaper industry retained its vigour and played a central role in the changing communications industry. Such companies preserved the position of the regional press against the growing number of competitors at both national and local level, in print, broadcasting and electronic media. These competitors included commercial companies and the state-subsidized BBC. Regional press companies helped support regional and local newspapers' enormous investment in journalism, which provided an essential dimension to local news and editorial coverage.

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

6.23. Development of specialist regional newspaper companies within the industry, which itself remained diverse in comparison with the media sectors against which it competed, should be fostered, particularly in view of the relatively small size of such companies in comparison with their media and telecommunications competitors. The Society 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. The proposed acquisitions fell within the pattern of development that the Society had outlined.

6.24. Regional newspapers faced fierce competition from all media. The industry was less concentrated than other media sectors which were not subject to controls such as the Broadcasting Acts and the newspaper transfer provisions of the Fair Trading Act.

6.25. The Society said that it saw no special grounds for concern about the current trend for consolidation. Given the ever-increasing sources of information available to any individual, it seemed unlikely that editorial plurality considerations should require a halt to consolidation. General competition provisions and controls should, and did, prevent newspaper companies' commercial activities operating in any way contrary to the public interest.

## ***Society of Editors***

6.26. The Society of Editors had no specific comments to make on the proposed acquisitions. It said that the companies concerned were established publishers and they had to compete against a backdrop of an increasingly diverse media. The Society was always concerned that publishers should display a clear commitment to the communities that their newspapers served and to the Society's common objectives in upholding editorial standards and training, the freedom of the press and free expression generally. The companies concerned continued to support the Society's work in these areas.

## **Regional and local government**

### ***The National Assembly for Wales***

6.27. The National Assembly for Wales (Economic Policy Division) commented that the transfer of the *South Wales Argus* to Trinity Mirror would mean that the company would control an even larger number of the main newspapers covering Wales, including: *The Western Mail*, the *South Wales Echo*,

*Wales on Sunday*, the *Welsh Mirror*, the *Daily Post* and the *South Wales Argus*. Of the daily newspapers published in Wales, only the *South Wales Evening Post* and the *Wrexham Evening Leader* would not come under the same ownership.

6.28. The Assembly said there was no evidence to suggest that the way in which Trinity Mirror was currently run would impact on the editorial independence of the acquired titles; indeed, the recent evidence was encouragingly competitive. The Assembly assumed that the competition rules would not be breached and, therefore, it did not feel that safeguards would be justified in this case. However, the acquisition by Trinity Mirror of the *South Wales Argus* was of a different character, in that it was a local evening newspaper and was in the adjoining circulation area to the *South Wales Echo*—only 12 miles away. There was a case, therefore, for looking at certain safeguards of continuing competitive behaviour, especially as new printing facilities were being mentioned and could, in theory, have an effect on competition in the longer term.

### ***Blaenau Gwent County Borough Council***

6.29. Blaenau Gwent County Borough Council was concerned that any proposed merger should not adversely impact on the independence of the titles which served the Greater Gwent area, namely the *South Wales Argus*, *News and Weekly Argus*, *Campaign* and the *Free Press* series. The coverage of news, features and sport which these titles provided was valued by the community and had been for over a century, and the Council would not wish to see any further diminution of newspapers serving the area. The Commission should seriously consider all the implications of a proposed transfer and act in the interests of preserving the diversity of newspapers in Wales, based in their various locations. It would be unhealthy if any newspaper group were to dominate the print media through a concentration of titles within its ownership. The political independence of these newspapers was also valued and the Council would oppose any merger which could potentially compromise this independence, especially any involving a possible change of location for the businesses. The *South Wales Argus* was the voice for Greater Gwent; it was based in the area, investing in staff, a central production centre and district offices, and without it the area would be poorer intellectually, socially and economically.

### ***Dorset County Council***

6.30. Dorset County Council said that the local press played an important part in the life of the Dorset community and helped to facilitate the process of democratic accountability. The Council placed great reliance upon local newspapers as a means of communicating with local people and encouraging community debate on local issues. It would be concerned if any acquisition of Newscom were to result in any diminution in the activities of the local press, or its interest in public and community affairs.

### ***Newport County Borough Council***

6.31. Newport County Borough Council said that it had an interest from a public perspective in the continued provision of newspaper coverage within its area. The area was currently served by two daily newspapers, the *South Wales Argus*, owned by Newscom, and *The Western Mail*, owned by Trinity Mirror. The *South Wales Argus* was produced in Newport and covered the former area of Gwent. It provided a number of localized editions although it was predominantly seen as a Newport newspaper and carried a large volume of news relevant to Newport and the surrounding area. *The Western Mail*, sometimes called the national newspaper of Wales, was a morning title based in Cardiff. Coverage specific to Newport and the wider Gwent area was limited on average to two or three items a day. Much of the newspaper was of general interest across Wales, particularly arising from the devolved government of the National Assembly.

6.32. The Council said that it had no grounds for suggesting that the Newscom titles and assets should not be acquired by either Newsquest or Johnston. However, it had reservations about an acquisition by Trinity Mirror as this might lead to the absorption of the Newport-based operation into the Cardiff-based facilities. This would have an impact not only on the local economy but also on the coverage of local news which was good for the community's well-being and identity.

## ***Northampton Borough Council***

6.33. Northampton Borough Council said that the principal concern it had relating to the transfer of titles was the continued independence of newspapers, and in particular that the local press (almost exclusively the way in which local government news was publicized in Northampton) continued to have the vigour and objectivity which were healthy for open debate and adequate reporting. The Council believed that all its members would recognize the realities of ownership and mergers of newspapers, but would wish to concentrate less on the ownership than on the outcome in terms of equality and variety in what was published. These attributes would be even more critical as newspapers competed against other media, especially given the capacity of the Internet to provide up-to-date editorial material and advertising outreach.

## ***Southampton City Council***

6.34. Southampton City Council said that Southampton was a major regional centre and the hub of a successful, developing and varied region along the central south coast. The region was socially diverse and attracted substantial government funding for programmes designed to address deprivation. The regional and local media had a crucial role to play in promoting further success and development through the quality of their products and the messages they communicated about the region both locally and beyond.

6.35. The Council said that the media were key partners in the development of specific initiatives designed to promote enterprise and innovation in the area. The city and the Regional Development Agency were currently exploring the feasibility of developing the existing cluster of media-related activities already located in Southampton. The Council's key areas of concern were whether the new owner of Newscom would have the ambition and capability to deliver the quality of product required in a regional city, with significant aspirations and a diverse community; whether the local editorial team would have the independence and resources to respond to the distinctive interests of the city and the region; and whether the new owner would be able to contribute positively and effectively to the evolution of a cluster of leading edge media-related activities in the city and region, and maintain Newscom's current level of investment in the city.

## **Politicians**

### ***Ian Bruce MP***

6.36. Ian Bruce, MP for Dorset South, said that he had no concerns about who the shareholders were of the newspapers serving his constituency but was keen to ensure that efforts were made to obtain assurances from whichever company acquired Newscom that the titles concerned would continue to have their own independent editorial staff and that the maximum amount of editorial would be generated locally.

6.37. Mr Bruce said that the tendency in some newspaper groups had been to centralize news production and features, with very small local content. The *Dorset Echo* in Weymouth and Portland and the *Swanage & Wareham Advertiser* both had extremely strong reputations as locally-based newspapers, fully in tune with the local community and very active in campaigning on behalf of local people. This was reflected in the readership figures and he believed that it was in the best commercial interests of the newspapers to continue in this way. However, Mr Bruce felt that a very remote board would be unaware of this fact until it was too late.

6.38. Mr Bruce thought that there was no commercial necessity for Newscom to be taken over. It appeared to be a profitable and forward-looking company with no threat of titles closing under the present management.

### ***Jocelyn Davies AM***

6.39. Jocelyn Davies AM, writing on behalf of Plaid Cymru's South Wales members of the National Assembly for Wales, said that it would be against the public interest should any of the proposed

acquisitions distance control and accountability of the Welsh titles currently owned by Newscom from the regions and communities which they served. A possible safeguard would be to ensure that any acquisition would not represent a damaging step towards ‘monopolization by stealth’ within the regional press in Wales—a market in which the *South Wales Argus* had established itself as one of the fastest-growing regional dailies in the UK.

6.40. Ms Davies and her colleagues were also concerned about the gradual drift of jobs and printing resources away from local areas, and the potentially damaging effect of an acquisition on the advertising market, which might come to focus less on the needs of the local economy. Local and regional newspapers made a vast contribution to communities and were an irreplaceable source of information which could not be measured in purely economic terms.

### ***Paul Flynn MP***

6.41. Paul Flynn, MP for Newport West, said that a transfer of Newscom’s titles to Trinity Mirror should be rejected. Already the largest regional newspaper group in the UK and the second largest national newspaper chain, Trinity Mirror had an especially dominant position in the local newspaper market in Wales. It owned *The Western Mail*, the *Daily Post*, the *South Wales Echo* and *Wales on Sunday*, plus a string of weekly newspapers in South and North Wales. The group also had major interests in business publications, consumer magazines and contract publishing in Wales. If Trinity Mirror were allowed to acquire Newscom it would have a further 13 newspaper titles in addition to the 20 it already owned. Most of Newscom’s present newspaper holdings were in South Wales, including the Newport area daily, the *South Wales Argus*. If Trinity Mirror absorbed Newscom it would have an overwhelmingly dominant position in the local newspaper market stretching along the South Wales coast from Barry, through Cardiff to Newport and inland to embrace the South Wales Valleys.

6.42. Mr Flynn said that when Trinity and Mirror Group merged in 1999 concern was expressed not only about the implications of that deal for the then ‘political economy’ of the press in Wales, but also for the possible future acquisitions the new group might try to make. By making this bid for Newscom, Trinity Mirror had signalled that it intended to use its financial clout for local media acquisitions in Wales. In Mr Flynn’s opinion, these should be resisted. A further narrowing of the structure of press ownership and control in Wales would not be welcomed. He feared that the merger would increase the potential for the particular political positions adopted by the *Welsh Mirror* being extended into other Welsh titles, though he accepted that this had not happened with the local newspapers that Trinity Mirror already owned.

6.43. Mr Flynn said that the proposed acquisitions of Newscom by Newsquest and Johnston raised a different set of issues. While both companies were major regional press publishers, ranked third and fourth respectively in the UK, neither currently had any newspaper holdings in Wales. A takeover of Newscom by either group would not, therefore, dramatically change the ecology of the local newspaper world in Wales. However, he was concerned that if one of these acquisitions were allowed, it would mean another powerful regional press group moving into the Welsh market.

6.44. At present there were 15 local press owners in Wales. Of these, only six were Welsh-owned and based in Wales. With the exception of North Wales Newspapers, with ten titles, none of the others had more than four titles. The smallest operators could face the prospect of predatory bids from either Trinity Mirror, Newsquest or Johnston which would further diminish the plurality of press ownership in Wales. Since North Wales Newspapers did not have the financial muscle of the large regional publishers, its future as an independent, Welsh-owned and -based newspaper chain would be in some doubt.

6.45. What was extraordinary about the local press in Wales was the extent to which ownership of it lay outside Wales. With the exception of North Wales Newspapers all other significant owners (Trinity Mirror, Newscom, Tindle, and Northcliffe) were based in England. This was in sharp contrast to the ownership of the local press in Scotland. Those best placed to add to their stable of titles in Wales would make this concentration of ‘foreign’ ownership even more pronounced.

6.46. Mr Flynn thought that the proposed Trinity Mirror acquisition should be rejected for the reasons set out above. If acquisition by either Newsquest or Johnston were to be allowed then conditions should be attached which guaranteed the editorial independence of the titles acquired, together with a commitment to investment in product improvement and the protection of existing jobs.

### ***John Griffiths AM***

6.47. John Griffiths, Assembly Member for Newport East, was opposed to Trinity Mirror acquiring Newscom, and felt that such a takeover would lead to an unhealthy domination of the newspaper industry in Wales. This would be particularly pertinent in South Wales where Trinity Mirror would own 33 titles covering an area from Newport to Barry, including the South Wales Valleys. Of the 15 owners of newspapers currently circulating in Wales, only six were based there. The smaller ones of these could well face the prospect of predatory bids, thereby further reducing the number of owners.

6.48. Mr Griffiths said that should either Newsquest or Johnston be allowed to acquire Newscom, then stringent conditions should be attached to guarantee the editorial independence of the titles acquired and protect existing jobs.

### ***Win Griffiths MP***

6.49. Win Griffiths, MP for Bridgend, wrote to say that he supported the views expressed by Paul Flynn MP, who had made some very relevant and cogent points with regard to the inquiry (see paragraphs 6.41 to 6.46).

### ***Alan Howarth CBE MP***

6.50. Alan Howarth MP wrote to say that he had seen the submission by Paul Flynn MP and he fully endorsed the points made (see paragraphs 6.41 to 6.46).

### ***Richard Livsey CBE MP***

6.51. Richard Livsey, MP for Brecon & Radnorshire, was concerned about the impact a transfer of Newscom's titles would have on local newspapers, for example those in his constituency. He said that it was important to have a diversity of newspaper ownership in Wales, and that as many Welsh newspapers as possible were owned and managed from within Wales.

### ***Elfyn Llwyd MP***

6.52. Elfyn Llwyd, MP for Meirionnydd Nant Conwy, believed that the proposed transfer of Newscom's titles could have serious consequences for the ownership of newspapers in Wales. For example, if Trinity Mirror were allowed to acquire Newscom it would give it an overwhelmingly dominant position in the local newspaper market along the South Wales coast covering Barry, Cardiff and Newport, and inland to embrace the Valleys. Mr Llwyd was concerned that while newspaper companies had at present a policy of allowing editorial independence, it was uncertain what the position might be in five or ten years' time.

### ***Jenny Randerson AM***

6.53. Jenny Randerson, Assembly Member for Cardiff Central, said that as neither Newsquest nor Johnston currently owned any Welsh newspaper titles she had no objection to either company acquiring Newscom.

6.54. However, Ms Randerson was opposed to Trinity Mirror's acquisition of Newscom. Trinity Mirror currently owned three Welsh daily titles, namely *The Western Mail*, the *South Wales Echo* and the *Welsh Mirror* (the Welsh edition of *The Mirror*); if it were to acquire control of the *South Wales Argus*, all but one of the Welsh daily newspapers would be under the ownership of the same company. Trinity Mirror and Newscom additionally owned a number of local weekly titles throughout Wales. If the proposed acquisition were allowed to proceed then there would be a significantly greater number of areas

where all the local and Welsh newspapers were under the ownership of one company. This was undesirable.

## **Others**

### ***A freelance journalist***

6.55. A freelance journalist said that Trinity Mirror already had a near monopoly in Wales. If it were to acquire the *South Wales Argus* it would own four regional dailies circulating in Wales (in addition to *The Mirror*), and a dominant string of weekly newspapers in North Wales and Cheshire. Its dominance was becoming unhealthy. Trinity Mirror was able to follow its own agenda and the public was faced with little choice. For example, during the Welsh devolution debate both the *Daily Post* and *The Western Mail* had been broadly in favour of devolution. Such influence could easily have helped to produce the wafer slim majority of 6,000; there was no independent contrary voice.

6.56. The dominance of Trinity Mirror also placed journalists in a weak position. For example, a young journalist wishing to further his career in the Principality who offended Trinity Mirror was left with few other prospects of employment. The journalist understood that in North Wales a system was being established whereby weeklies and regionals would share news and news assignments, which meant that all news could come from the same source.

### ***Mr G Andrews***

6.57. Mr G Andrews of Chandlers Ford, Hampshire, was opposed to a transfer of Newscom's titles to any of the prospective buyers. It seemed to him that to allow a transfer would further the trend of decreasing numbers of publishers in the UK—a trend which could lead to a monopoly in the publication of local and national newspapers, or their ownership, because of the lack of real competition.

### ***Mr M Holder***

6.58. Mr M Holder of Headington, Oxford, considered that the proposed transfers would operate against the public interest. He was concerned that small publishers were being acquired by the larger groups, and thought that the acquired titles might lose the individual interest of local readers. Moreover, these newspapers might become more political as their new owners only appointed editors who would reflect their political stance, and a free press would be less available to readers of smaller titles.

### ***Mr G North***

6.59. Mr G North of Trethomas, South Wales, said that the acquisition of Newscom by Trinity Mirror would give the merged company total domination of newspaper publishing in South Wales and thus create a monopoly that would be against the public interest.

P G CORBETT (*Chairman*)

G L HOLBROOK

R LYONS

P MACKAY

P A BOYS (*Secretary*)

8 March 2000