

NMA Response to Ofcom's Consultation on its proposed <u>Plan of Work</u> 2025/26

The News Media Association ("**NMA**") is the voice of UK national, regional and local news media in all their print and digital forms - a £4 billion sector read by more than 46.2 million adults every month. Our members publish around 900 news media titles - from The Times, The Guardian, The Daily Telegraph and the Daily Mirror to the Manchester Evening News, Kent Messenger and Monmouthshire Beacon. We are pleased to have the opportunity to provide feedback on Ofcom's proposed Plan of Work for 2025/26.

The Consultation paper highlights the fact that as people increasingly move to consume information online it is particularly important that they can find and access a plurality of trusted, accurate news. As part and parcel of this media providers must compete for audiences fairly and transparently, and there must be effective regulation of the online safety regime. It is axiomatic that freedom of expression must be safeguarded throughout this process.

We welcome the fact that Ofcom will continue its work into media plurality, and that the impact of online intermediaries will be at the forefront of the conversation.

At a national and local level, we need the right regulatory conditions in place to enable a plurality of media voices to be heard. In our <u>policy manifesto</u>, *A Sustainable Future for National, Regional and Local Media*, the NMA said that in order to achieve this the Government must support Ofcom in its efforts to bring media plurality rules up to date, and include other intermediaries within them, since the power of global tech platforms means they have immense influence over what information is actually seen by the public.

As newspaper publishers made clear in their individual responses to the Ofcom Consultation which took place in June 2021, the greatest threat to a healthy and plural media is the market dominance of online intermediaries and their role in determining the distribution and visibility of news media. The rapid expansion of Generative AI summaries and chatbots, displacing traditional search referral traffic and advertising revenue with it, is putting news publishers under ever greater existential threat, especially smaller regional and specialist publications. This can only increase the need for more consolidation in the sector to ensure that it remains sustainable in the long-term.

The Plan of Work highlights the fact that via the Digital Regulation Cooperation Forum ("**DRCF**") Ofcom will continue to work with its fellow regulators to understand the risks and opportunities of AI. Ofcom will "continue to consider the impact of AI on the media sector, particularly on the provision of accurate and trustworthy news" and will engage with the Government as it takes forward its AI Agenda. The NMA supports the Government's mission for long-term, secure growth in the creative and tech sectors. However, this can only be achieved with a robust copyright framework which preserves rightsholders' exclusive rights to control their works and

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The Newspaper Organisation Limited, trading as News Media Association, is a private company limited by guarantee registered in England and Wales. Registered office: Second Floor, 55 Ludgate Hill London EC4M 7JW Registered number: 08963259 thereby act as a safeguard against misuse. A dynamic content licensing market, underpinned by robust copyright protections, will drive growth and innovation in the Creative Industries and generate value for society and the UK economy at large. This is also essential for future growth in the generative AI sector, which is reliant upon a sustainable supply of high-quality, humanauthored copyright works, without which it risks collapse.

We note that Ofcom will be developing its proposals for implementing changes to the Public Service Broadcasters ("**PSB**") framework, in the wake of the Media Act 2024. Ofcom will conclude its next PSM review in 2025/26, *"focusing on opportunities to maintain and strengthen public service media and the availability of high quality and accurate news that audiences can trust*" [§2.15].

Ofcom must deploy its powers to place appropriate constraints on the scope of the BBC's news websites in order to ensure that public money is not used to improperly stifle a plural UK media ecosystem. This will help to strengthen the local media landscape and ensure the continued provision of high-quality news and information to local communities across the UK. The NMA will, of course, engage actively with Ofcom during the BBC Charter renewal process. However, we would like to emphasise here that public service media should not come at the expense of a plural media.

In its 2024 review of local media in the UK Ofcom acknowledged the vital role that local news media plays in the social fabric of this country, fostering local democracy and promoting democratic engagement. Ofcom also highlighted the industry's ongoing efforts to innovate and adapt to the evolving media landscape and recognised that Google and Facebook play a significant role in the news supply chain. However, we do not consider that Ofcom has fully recognised the scale of the impact of the BBC's online news offer, which directly competes with commercial publishers. Ofcom must go further in tackling the BBC's dominance in online news by encouraging the broadcaster to collaborate with the local media sector and by placing firm guardrails on the scope of their online news services. In this way they can establish a clear remit and ensure that any future plans do not further undermine the opportunity for commercial news publishers adequately to monetise journalism online. Harming local competitors is not conducive to a positive outcome for the UK taxpayer.

We look forward to seeing how the working arrangements set out in the MoU between Ofcom and the CMA in relation to the Digital Markets Competition Regime will operate in practice. Effective coordination between the two bodies is needed to enable the CMA to promote competition in digital markets and deal with unfair behaviour. The CMA's recent announcement that it has launched SMS investigations into Google and Apple's mobile ecosystems is a welcome next step in that vital work stream. This development underscores the potential of the new Digital Markets Unit to positively influence the terms of engagement between publishers and major tech platforms.

We trust that in the coming year Ofcom will continue its stakeholder engagement with the NMA and our members whenever the opportunity arises.

News Media Association 29 January 2025