

## Protect Local News

# Support the "Journalism Competition and Preservation Act"

### The news media have record high audiences and yet are struggling financially...

The audience for news has expanded rapidly, with news organizations reaching approximately 136 million U.S. adults each week. At the same time, since 2005, revenue produced by U.S. news publications has dropped by 58%. Local journalism – which is necessary for maintaining an informed and active citizenry – is under threat.

**39%**

Traffic to the top 50 news sites is up 39% since 2014

**48%**

Newspaper circulation is down 48% since 2002

### ...but Why?

News publishers deserve fair compensation for the value they bring, both to consumers and to Big Tech. These publishers provide must-have content for the platforms to capture viewers. Between 16% and 40% of Google search results are news content. By not paying them fairly for their content, Big Tech has driven many local outlets out of business. Big Tech companies have too much economic and political power in society, especially over the news industry.

**60%**

Amount of U.S. digital ad revenue captured by Google and Facebook at their peak.

**90%**

Amount of digital ad revenue growth captured by Google and Facebook at their peak.

For every dollar made in digital advertising, Big Tech platforms take as much as **70% of the revenue**, leaving publishers with a **scant 30%**. Additionally, publishers pay an additional “ad tech tax” to the platforms, **leaving even less for publishers**. As a result of diminished revenues, thousands of journalists have been laid off, and thousands of local newspapers have shuttered.

### The Introduction of Artificial Intelligence

**Artificial Intelligence or “AI”** offerings trained by quality journalism must compensate those who create the content. Big Tech platforms are using news publishers' content to train their new generative AI applications **without properly compensating publishers**, while also not adequately attributing to news sites that serve as sources. The JCPA would correct this by including compensation for news publishers for platforms' use of their content for AI technology.

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## A free and diverse press is the backbone of a healthy and vibrant democracy.

The public needs credible news more than ever, but news publishers face an existential crisis because of lost revenue. Today, nearly half of the counties in the country have only one newspaper, while almost 200 counties have no local newspaper at all (The Expanding News Desert, UNC Hussman School of Media and Journalism, 2018).



People trust their local news publishers

**73%**

U.S. adults who have confidence in their local newspaper

Lower-income communities are disproportionately affected by the closure of local newspapers, which serve as a check on the local, state, and federal governments. Local newspapers also increase voter turnout and encourage people to participate in our political system.

### What's the Solution?

Please support the **“Journalism Competition and Preservation Act” (JCPA)**, which has been introduced in the Senate by Sen. Amy Klobuchar (D-MN) and Sen. John Kennedy (R-LA).

### Why the JCPA?

- ✓ The bill will ensure reinvestment in journalism to provide local news coverage in communities across America.
- ✓ A safe harbor— limited in time and scope— would allow news publishers to collectively negotiate with Facebook and Google for fair compensation for the use of their content.
- ✓ The bill has been revised to focus on small and local news outlets as the beneficiaries of the JCPA, with a cap that excludes the large national publications and broadcasters.
- ✓ Market-based legislation is the only appropriate way to correct the competitive imbalance that our existing antitrust laws are unable to address.
- ✓ The JCPA includes an arbitration mechanism to ensure the platforms participate in good faith negotiations and that small and local news publishers are fairly compensated.
- ✓ Emerging Artificial Intelligence technologies provide a new environmental challenge for news publishers to adapt to and overcome.

**We must pass the JCPA to ensure that publishers – especially small and local ones – are **compensated more fairly**. These publishers work tirelessly to report news and write content, yet Big Tech companies are the ones who profit most from their work. This is fundamentally unjust, and the JCPA will bring about much-needed change.**