

## Protect Local News

# Support the "Journalism Competition and Preservation Act"

### The news media are struggling financially despite a record audience...

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%.

**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 provide must-have content for the platforms to capture viewers. Between 16% and 40% of Google search results are news content. Publishers deserve fair compensation for the value they offer.

**60%**

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

**90%**

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

For every dollar made in digital advertising, the platforms take as much as **70% of the revenue**, leaving publishers with a **scant 30%**. Meanwhile, publishers are paying 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 local newspapers have shuttered.

### The Commoditization and Suppression of News

Facebook and Google abuse their duopoly power over the digital marketplace, setting the rules for news publishers and determining how journalism is displayed, prioritized, and monetized. These rules have led to the commoditization of news and **the proliferation of dangerous misinformation** that undermines the fabric of our democracy.

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

News publishers have been suffering 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. They also incentivize people to take part in our political system, with local newspapers helping to increase voter turnout.

### What's the Solution?

We are asking for support of the **“Journalism Competition and Preservation Act” (JCPA)** which has been introduced in the House (**H.R. 1735**) by Rep. David Cicilline (D-RI) and Rep. Ken Buck (R-CO), and in the Senate (**S. 673**) by Sen. Amy Klobuchar (D-MN) and Sen. John Kennedy (R-LA).

### Why a Safe Harbor Bill?

- ✓ 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.
- ✓ Market-based legislation is the only appropriate way to correct the competitive imbalance that our existing antitrust laws are unable to address.
- ✓ The bill would help develop procompetitive, business-led solutions that would flow subscription and advertising dollars back to publishers and helping to protect quality news and encourage competition.
- ✓ The JCPA includes an oversight mechanism to ensure the platforms participate in good faith negotiations and that small and local news publishers are fairly compensated.

Quality journalism is key to **sustaining civic society**, and local news plays an important function in covering municipal governments. Meanwhile, opinion pages in local papers provide communities with an **invaluable marketplace of ideas**.