



How many titles will survive?

Photo: The Drum

## Titles and jobs vanish in local media shakeup

ACROSS the country the empty offices of local and regional newspapers highlight a desperate situation. This was brought into sharp relief when, saddled with debts of £220m, Johnston Press's desperate attempt to survive ended on Friday 16 November. The company filed for administration and the firm's assets were immediately bought by its lenders.

In the past decade, 300 titles and 6,000 journalists have been lost in local and regional journalism. Circulation and print advertising revenues for news publishers have dropped by more than half over the last decade from nearly £7bn to just over £3bn. The response by management has been to cut costs, and local

### 'Councillors and crooks must feel relaxed now'

papers have found it impossible to do what local papers should do: hold local power to account.

A former editor was spot on: "Councillors and crooks must feel relaxed now that so few weeklies have sufficient space or journalists to cover councils and courts. It may sound trite, but we really are missing out on big chunks of knowledge, and that's bad for a community."

The politicians woke up to the situation and in June this year set up the Cairncross Review, led by Dame Frances

Cairncross, which will examine how to "sustain the production and distribution of high-quality journalism." Let's hope she means it when she said: "This review is not about preserving the status quo."

What is clear is that the old business model which sustained newspapers for 160 years is broken. Advertising no longer provides enough resources for news gathering. Meanwhile the 150 BBC 'local democracy reporters' and the 80 community journalists Facebook is to fund will attempt to fill the gap. But both of these initiatives feel like putting sticking plaster over a gaping wound.

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### Editorial

## Serving the interests of the North

THIS first issue of *MediaNorth* is timely. There's good news and bad news for Northern media. C4 is opening an office in Leeds and that's welcome. But the news about Johnston Press going into administration and being taken over by a hedge fund is terrible.

*MediaNorth* will focus mainly on developments in the media across the North of England. It is the newsletter of CPBF(North) and these are our aims:

CPBF(North) covers the North West, Yorks & Humber and North East of England and campaigns for diverse, democratically accountable media.

CPBF(North) highlights threats to regional media such as the assaults on jobs and conditions in local and regional newspapers, and campaigns for strong regional voices in broadcasting. We also strongly support alternative media.

The CPBF nationally decided to close down in November 2018 but CPBF(North) has always had an active, independent presence. We will continue to fulfil that role in a number of ways.

Like the CPBF we want to maintain close links with the media unions and the wider trade union movement. We plan to hold public meetings and, in addition to *MediaNorth*, to publish books and pamphlets.

We welcome any comments, ideas and suggestions from you to guide our future work.

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# Channel 4 to set up in Leeds

200 staff poised to head north as government honours its election promise

FIFTEEN months after the government, fulfilling its 2017 General Election manifesto pledge, told C4 it must move out of London, the broadcaster announced Leeds as its preferred location. C4 opposed the plan to move out of London and had long discussions with the government. However it put a brave face on when it announced the choice of Leeds.

The news has obviously been welcomed – the city and organisations like Screen Yorkshire were energetic in promoting the merits of Leeds and the wider resources across West Yorkshire.

The broadcaster will move

200 of its 800 staff to Leeds and C4 News will open a new bureau.

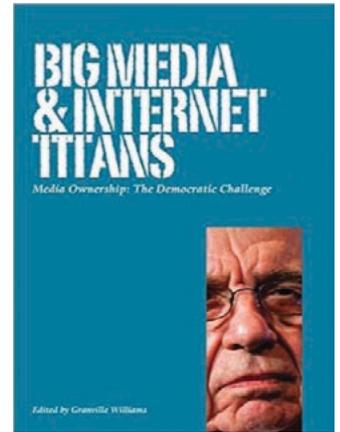
Two points are worth making. Leeds used to be the base for Yorkshire Television. Its demise was an object lesson in how government policy can disrupt broadcasting. The 1990 Broadcasting Act permitted crazy auctions for ITV franchises.

Central TV and Scottish TV bid £2,000 and won them. Both Yorkshire TV's (£37.7m) and Tyne Tees' (£15m) bids were unrealistic, and to cut costs they were allowed to merge in 1992. It was the start of a remorseless process which saw the disap-

pearance of the regional ITV franchises into a single ITV.

You can read how it all happened in the chapter 'Down Corporation Street; the fall of ITV' in *Big Media and Internet Titans*.

Comparisons with the move of the BBC to Salford are also misleading. 3,000 of the BBC's 18,000 staff went to Salford, where BBC Sport and Radio 5 Live are now based. But C4 is a 'publisher' broadcaster with no production capacity of its own. Relocating a section of C4 to Leeds is welcome but it will not have the same impact as the BBC's move to Salford did.



**BIG MEDIA:** available from CPBF(North) Price £7.00 inc P&P



Left to right: Kate Flannery (Orgreave Truth and Justice Campaign), Granville Williams, Jean Spence and Nick Jones. The other speaker, Carol Stephenson, had to run to get her bus!

## NUJ supports meeting on women and miners' strike

OUR public meeting *Women, the Miners' Strike and the Media* at the Irish Centre in Newcastle on 22 November was very successful. Jean Spence and Carol Stephenson gave an extremely interesting, thought-provoking presentation and hopefully

some of this material will be in their chapter in the new edition of *Shafted*.

Kate Flannery spoke about the work of the Orgreave Truth and Justice Campaign, and Nick Jones, the former BBC Industrial Correspondent, dipped into his

archives to present an illustrated talk on the miners' strike and the 1993-94 round of pit closures.

A great atmosphere at the meeting was aided by a generous supply of Irish stew, courtesy Newcastle NUJ, co-sponsors of the meeting with CPBF(North).

## Orban tightens grip on media in Hungary

WHO owns the media matters. A diverse media allows a free flow of ideas and information but excessive media concentration, whether by media moguls or powerful politicians, can be toxic for politics and democracy.

We had the example of Silvio Berlusconi in Italy, but there are new threats emerging in Europe. The *New York Times* carried a report on Hungary's far-right prime minister, Viktor Orban. Since being elected in 2010 his government has starved independent outlets of state advertising and squeezed their owners' other business interests – encouraging most private media companies to either censor their coverage or sell to Orban allies.

Now over 400 news websites, newspapers, television channels and radio stations will be under a central holding company run by people close to Viktor Orban. The Hungarian media is now beginning to resemble state media because of the level of control and consolidation.



**ABANDONED.** The Yorkshire Post/Yorkshire Evening Post Newsroom before demolition.

Photo: Joe Stenson

# The end of Johnston Press

‘The directors are guilty of profiteering as the finances burned away’

**J**OHNSTON PRESS paid £160m to buy the Scotsman group of newspapers in 2005. As it desperately struggled to sell titles before going into administration this November, the same group of newspapers was valued at £4m and the Yorkshire Post group at £5.5m. It’s clear that the acquisition of the Scotsman group lumbered JP with a debt load which eventually sent it into liquidation. But it was only one of many acquisitions which finally toppled the publisher.

The management of JP blamed its financial woes on the loss of advertising to tech giants such as Google and Facebook but that is a red herring. From 1988 under CEO Tim Bowdler, as JP realised operating profits over 30%, his strategy of buying papers and increasing the company’s debt was lauded. Bowdler departed in 2009 as recession hit advertising revenue. Savage rounds of redundancies and cost-cutting followed. Two years later Ashley High-

field became CEO. He adopted a digital strategy but it failed. He stepped down in May this year ‘for family reasons’.

Quentin Gray, a retired sub-editor on the Yorkshire Post, commented, “The value of the company plunged from over a billion pounds a decade ago to about £3 million in early November.

“What is really galling are the hundreds of thousands of pounds taken out of the company by successive boards of directors in salary and pensions. All the directors are guilty of profiteering as the company’s finances burned away to nothing after overspending on titles to augment the group. There’s also the shame of seeing many great local newspapers wither away from lack of investment and staff on their watch.”

A hedge fund, GoldenTree Asset Management, is now the leading shareholder in JPI Media, part of a consortium with three other lenders – CarVal, Fidelity, and

Benefit Street Partners.

And what about the future? An NUJ activist working for Johnston Press said, “While many are simply relieved to still be in a job and no longer have the uncertainty of the refinancing review hanging over us, most feel there’s still plenty to be worried about.

“We may have a new owner and name, but the company’s usual narrative around tough market conditions and managing costs is still being trotted out whenever staff ask what hope there is for meaningful investment in editorial.

“The constant refrain from management is ‘business as usual’ but for a lot of us that just means staffing shortages, excessive workloads, creaking IT systems and below inflation pay rises.

“If our new owners are serious about turning the company around, then they need to get to grips with these basic issues first.”

The remaining few hundred employed members of the JP final salary pension fund will also be hit by a ten per cent drop in their future pensions as the JP pension fund joins the national ‘life boat’. But, as Quentin Gray points out, “All JP final salary pensioners will suffer as future earnings rises are now limited to CPI-only increases, losing the RPI increases that were paid previously under the fund’s rules.”

## The power of the local media

**ON 24 November, a few days day after JP was taken over by JPI, the editor of the Yorkshire Post, James Mitchinson, wrote a letter to readers appealing for continued support for the paper. He highlighted the way the paper campaigned on behalf of Yorkshire people.**

**One example, which surprised many people, was the way the YP came out very strongly in support of a public inquiry into the policing at Orgreave during the miners’ strike. The Crime Reporter, Rob Parsons, did excellent work covering this and the way both Orgreave and the Hillsborough disaster were policed.**

# BBC in consultation on over-75 licence fees

Government should pay rather than force cuts in services

IN 2018 the BBC began to take on part of the cost of the free BBC licence fee for over-75s, and by 2020/2021 the corporation will have to carry the full cost of £750m. After that, as people live longer, the projected figures are horrendous.

This massive assault on BBC revenue was stitched up in 2015 by the then Culture Secretary John Whittingdale and Chancellor George Osborne. It was a punishment for the 'liberal' BBC. When Whittingdale conveyed the news the BBC Director General Tony Hall told him it would

be like 'dropping an atomic bomb on the corporation'.

When the concession for over-75s was introduced in 2001/02 the cost was met entirely by the government, with a grant made from the Department for Work and Pensions (DWP) to the BBC reimbursing the cost of each concessionary licence issued. In the first year it was £365 million.

The BBC has woken up to the massive threat to its licence-fee and is now consulting on what to do after 2021: <https://www.bbc.com/youfsay>

CPBF(North) is a critical friend of the BBC. The Tories have 'top sliced' the licence fee to finance the roll-out of broadband and £80m to pay for 'local democracy reporters' to provide public interest stories to local newspapers, but the imposition of the costs for the over-75s was plain vindictiveness and a step too far.

The government should once again shoulder the cost of the scheme, and not force the BBC into a savage round of cuts to programmes and people to fund the concession.

# Hacked Off's Leveson bid fails

FOUR supporters of Hacked Off have failed in their bid to force the government to hold the second part of the Leveson Inquiry. The High Court ruling found that the government had met its narrow legal obligations in how it cancelled the Inquiry.

The second part of the Inquiry was delayed pending the outcome of criminal trials. In March the then Culture secretary Matt Hancock said it would be cancelled as justice had been served through the trials.

One of the applicants, Jacqui Hames, said, "Extensive criminal activity occurred at some of the country's most powerful newspapers, yet not a single executive has been held accountable".

Hacked Off said former Prime Minister David Cameron made a 'clear and unambiguous commitment' that the second part of the Inquiry would go ahead. But the judge condemned the covert recording of the Cameron meeting as 'unacceptable'.

# Shafted readies for second edition

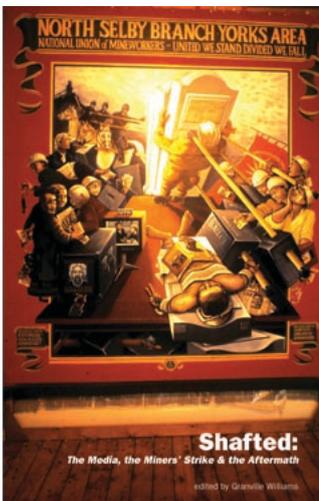
WE are producing a second edition of *Shafted: The Media, The Miners' Strike and the Aftermath* for the 35th anniversary of the miners' strike.

We produced the first edition for the 25th anniversary and it sold out a long time ago. The new edition will be virtually a new book.

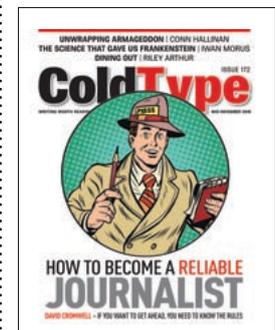
So much has happened since *Shafted* was published: cabinet papers on the strike; the establishment of the Orgrave Truth and Justice Cam-

paign; publications on the pit camps set up in the wake of the October 1992 announcement of 31 pits closing with the loss of 31,000 jobs; a flood of creative work and a recognition that there is a direct link between the Tory attacks on the miners and other trade unions and the precarious world of low-paid, zero-hours work today.

We are planning to hold book launches in Newcastle, Leeds and London.



Front cover of *Shafted: The Media, the Miners' Strike and the Aftermath*. A new edition will be published next year



## A big thank-you

SINCERE thanks to Tony Sutton of *ColdType* for designing the brilliant masthead for *MediaNorth* and for all the help and advice he has given to get this first issue off the stocks.

If you don't know about the free online magazine *ColdType* which Tony edits you can find it at [www.coldtype.net](http://www.coldtype.net)

## Please keep in touch with MediaNorth

IF you like this first issue of *MediaNorth* there are two things you can do. We will produce a small print-run of the newsletter and an online version. Our resources are limited, so we would prefer people to contact us to go on to our email list so that we can send you the online version. We're at [cpbfnorth@outlook.com](mailto:cpbfnorth@outlook.com)

We plan to produce the newsletter quarterly and welcome any comments or suggestions for articles or topics for public meetings.

We're also on Facebook, where you can become a friend at: **Campaign for Press and Broadcasting Freedom (North)**.