

ANNUAL REVIEW 2008



INTRODUCING ENPA

The **European Newspaper Publishers' Association** (ENPA) is an international non-profit association, advocating the interests of the European newspaper publishing industry at different European and international organisations and institutions. Newspaper companies are linked to ENPA through its 27 member associations.

- ENPA represents over 5,200 national, regional and local newspaper titles.
- These daily, weekly and Sunday titles are published in 23 European Union Member States as well as in Norway and Switzerland.
- Every day more than 150 million national, regional and local newspapers are sold, and read by over 300 million Europeans.
- There are millions of unique daily visits to the websites of online newspapers.

ENPA has its headquarters in Brussels, Belgium and the Secretariat employed seven persons in 2008. Valtteri Niiranen, Sophie Scrive, Hannah McCausland, Simon Summers and Carolin Wehrhahn form the core team which is directly involved in all of ENPA's activities and operations.

Despite seismic changes in the media landscape, newspapers **continue to be an integral part of our daily lives**. They educate and influence; they entertain and delight; they provoke and inspire debate. They help us make informed decisions on how we should be governed and provide us with the fundamental information to shape the future of our society and our lives.

The ENPA Secretariat publishes and disseminates a **Monthly Review**, to which you are welcome to subscribe as well as regularly updating its new website at www.enpa.be.

RAISING NEWSPAPERS PROFILE AND ISSUES AMONGST POLICYMAKERS

ENPA follows and influences approximately fifty legislative and policy issues at the European level, each year. In 2008 proposed information requirements in advertising, public service broadcasters and state aid in the context of revision of the Broadcasting Communication 2001, the revision of existing company law rules, possible new European level rules on copyright, as well as sports rights issues required plenty of close attention. Pages 6 and 7 expand on these five key areas.

KEY ACHIEVEMENTS

STRENGTHENING OUR VISIBILITY, INFLUENCE AND WORKFORCE

In 2008 ENPA welcomed the UK Newspaper Publishers' Association as a full member. The decision of our German member association (BDZV) to employ a Legal Advisor at the ENPA offices to monitor European affairs, as well specific issues for all ENPA members, has enhanced our capacity to monitor topical policy issues in more depth. ENPA established a Media Literacy Working Group in May to tackle an ever more important issue for our members. Our move to new office, shared with FAEP, was finalised in December.



THE YEAR 2008 WAS INTERESTING, INTENSIVE AND IMPORTANT IN MANY RESPECTS INCLUDING SEVERAL IMPORTANT INTERNAL AND EXTERNAL MEETINGS WHICH I ATTENDED ON BEHALF OF ENPA. OUR CENTRAL ROLE IN LOBBY AND PUBLIC POLICY WORK ON BEHALF OF THE NEWSPAPER PUBLISHING INDUSTRY WAS EFFECTIVE BOTH AT EUROPEAN UNION AND NATIONAL LEVEL. ON THE OTHER HAND, THE INDUSTRY STARTED TO FEEL THE EFFECTS OF THE GLOBAL ECONOMIC TURMOIL WHICH WAS ALSO ECHOED IN SOME PUBLIC STATEMENTS OF POLICY MAKERS AND LEGISLATORS, CALLING FOR MORE REGULATION IN ALL INDUSTRIES INSTEAD OF RELYING ON INDUSTRY'S SELF-REGULATION.

PRESIDENT'S REVIEW



Our industry's basic income is derived from two main sources: subscriptions and/or single copy sales and advertising revenues. The former is directly influenced by the level of value-added tax (VAT) applied to printed newspapers sales/subscriptions. Therefore ENPA has been monitoring very closely the general VAT harmonisation efforts: some EU Member States have even increased the VAT rates of printed newspapers (Estonia, Latvia)! The issue of standard VAT rates applicable to online newspapers has not been examined at European level but has been contested in France by President Sarkozy in the scope of the Etats généraux de la presse écrite.

As far as advertising is concerned, ENPA has worked extremely hard to explain that any intensification of mandatory information in advertisements, restrictions on advertising of products or services or even complete bans of commercial communications would be detrimental for many European newspapers. We were content when the Commission, in particular Commissioner Dimas understood that newspapers are reporting on climate change issues through their content, and that additional information requirements are not needed in the context of car advertisements (Car Labelling Directive).

Another policy issue and area of practical action which is new territory for ENPA as the main advocate of European newspaper industry is 'sport rights'. ENPA's recent involvement included discussions and negotiations with UEFA. Our efforts lead to a deal with UEFA regarding EURO 2008 games. In addition, we followed developments with other sports' governing bodies together with an industry coalition. Furthermore the European Commission's White Paper on Sport required close attention throughout 2008.

I would like to take this opportunity to thank all ENPA members for their involvement in 2008. Meetings in Brussels, Amsterdam, London, Paris, Madrid, Prague, Warsaw and elsewhere have all demonstrated the importance of sharing experiences with colleagues, taking coordinated actions and speaking with one unified and strong voice for newspaper publishers from across Europe. I would also like to thank you personally for your continuous support and for re-electing me to serve as your President for another two years.

Valdo Lehari jr.
President

THE YEAR 2008 WAS THE LAST FULL CALENDAR YEAR FOR THE CURRENT EUROPEAN PARLIAMENT AND FOR THIS EUROPEAN COMMISSION. TOWARDS THE END OF THE YEAR, IN PARTICULAR, WE SAW OUR LOBBY WORK INCREASE IN SOME TECHNICAL AREAS WHILST AT THE SAME TIME SOME OF OUR POLITICAL LOBBY WORK WAS LESS INTENSIVE THAN AT TIMES DURING THE LAST COUPLE OF YEARS. AN INDICATION OF THE FIRST TREND WAS SEEN WHEN WE BECAME HEAVILY ENGAGED IN, FOR EXAMPLE, THE DETAILS OF THE EUROPEAN COMMISSION'S GREEN PAPER ON COPYRIGHT IN THE KNOWLEDGE ECONOMY. ON THE OTHER HAND, THERE WERE FEWER NEW MAJOR POLITICAL INITIATIVES DURING YEAR.

Our human resources were strengthened significantly when Ms Carolin Wehrhahn joined the ENPA Secretariat as Legal Advisor. Her funding comes from one of ENPA's German member association (BDZV) – a new type of arrangement in the history of ENPA but one that I believe has proved very successful. Ms Hannah McCausland returned from her one year study leave; she was replaced by Mr. Simon Summers who was also able to stay on with us here at ENPA. Overall I believe that the ENPA Secretariat has finally reached the right level in terms of manpower. ENPA staff was able to concentrate better on the details of draft legislation and EU policy issues whilst at the same time effectively communicating our issues to both our members and stakeholders.

The long planned move from the ENPA office of over ten years at Rue des Pierres finally came to fruition. The involvement and commitment of ENPA and FAEP Presidents was extremely important in order to get the final push for this move. Quite a significant amount of time was required for coordination between ENPA and FAEP in which I as the Director of ENPA was directly involved.

DIRECTOR'S REVIEW

A very important part of ENPA's lobby work is also being done at different Committees and Working Groups. Highly respected and long-serving Chairman of the Legal & Social Affairs Committee Henrik Marstrand Dahl (DDF, Denmark) stepped down from this position and was replaced by Gerald Grünberger (VÖZ, Austria). Reflecting the activities of the European Commission and other EU institutions in the field of media literacy, ENPA opted to establish a new internal forum: the Media Literacy Working Group, chaired by Danièle Fonck (ALEJ, Luxembourg).

In sum, year 2008 was eventful both in terms of the lobby work and managing ENPA as the main industry's representative. I wish to thank all of my colleagues, both at ENPA's member associations and at the ENPA Secretariat for their commitment and enthusiasm for our common cause.

Valtteri Niiranen
Executive Director



ENP A FOLLOWS AND INFLUENCE APPROXIMATELY FIFTY LEGISLATIVE AND POLICY ISSUES AT THE EUROPEAN LEVEL, EACH YEAR. IN 2008 PROPOSED INFORMATION REQUIREMENTS IN ADVERTISING, PUBLIC SERVICE BROADCASTERS AND STATE AID IN THE CONTEXT OF REVISION OF THE BROADCASTING COMMUNICATION 2001, THE REVISION OF EXISTING COMPANY LAW RULES, POSSIBLE NEW EUROPEAN LEVEL RULES ON COPYRIGHT, AS WELL AS SPORTS RIGHTS ISSUES REQUIRED PLENTY OF CLOSE ATTENTION.

ADVERTISING

ENPA successfully opposed the European Parliament's suggestion to increase mandatory information requirements in car advertising. ENPA were able to argue successfully that including tobacco box style warnings to car adverts would not be an effective and balanced solution to inform citizens on emissions information and fuel consumption. Our work effectively led to the European Commission postponing its proposal. Commissioner Dimas supported our position with numerous public statements after we successfully demonstrated the value of newspapers' editorial content in raising awareness on environmental issues, CO₂ emissions, consumption levels and climate change in general.

PUBLIC SERVICE BROADCASTING AND STATE AID

ENPA responded to a public consultation on the future of public service broadcasting in which we expressed our strong support for revision of the 2001 Broadcasting Communication and the clearer definition of broadcasters' remit – especially in the online environment where their offerings often directly challenge the services provided by newspapers. We did not call for harmonised media policy at the European level but merely for a fair and transparent playing field for all media industries operating at national level. Public service broadcasters' online operations should be subject to a public value test before they are launched since for example newspapers online are competing of the same readers, in some countries even for same advertisers but the latter without the support of the public purse.

COMPANY LAW

The changing the existing publication requirements in some EU Member States of certain information related to publicly traded companies was delayed due to our intense efforts. Many Member States have already removed mandatory publication requirements, but in some revenues from publicly traded and other companies' announcements are still quite significant. ENPA were able to present convincing arguments that newspapers are indispensable sources of information, for example for many private investors who are not accustomed to relying on information solely found on the internet.

COPYRIGHT

As a result of our successful work, a proposal for a partial revision of existing European legislation (draft Green Paper on Copyright in the Knowledge Economy) did not include such exceptions or restrictions which would undermine publishers' investments in copyrighted content. For example, some companies lobbied for the so called press review exception to be extended to their online operations; our arguments that for these types of companies there is neither editorial responsibility nor own content creation convinced the drafters of the Green Paper to drop the extension.

SPORT RIGHTS

ENPA were involved in direct successful discussions and negotiations with UEFA which obviously led to a successful EURO2008 tournament from the point of view of news media including newspapers. We negotiated with UEFA on editors' and journalists' accreditation terms and conditions (ATCs) on behalf of the whole media industry. Sport governing bodies' demands for special treatment in the eyes of European and national legislation was relatively unsuccessful, as we used counter-arguments that such special treatment is not in line with the European Union's *Acquis communautaire* principles. ENPA produced briefing documents in English, French and German for member organisations to distribute to their newspaper company members, clearly explaining the ATCs negotiated with UEFA.

RAISING NEWSPAPERS PROFILE AND ISSUES AMONGST POLICYMAKERS



IN 2008 ENPA WELCOMED THE UK NEWSPAPER PUBLISHERS' ASSOCIATION AS A FULL MEMBER. THE DECISION OF OUR GERMAN MEMBER ASSOCIATION (BDZV) TO EMPLOY A LEGAL ADVISOR AT THE ENPA OFFICES TO MONITOR EUROPEAN AFFAIRS, AS WELL SPECIFIC ISSUES FOR ALL ENPA MEMBERS, HAS ENHANCED OUR CAPACITY TO MONITOR TOPICAL POLICY ISSUES IN MORE DEPTH. ENPA ESTABLISHED A MEDIA LITERACY WORKING GROUP IN MAY TO TACKLE AN EVER MORE IMPORTANT ISSUE FOR OUR MEMBERS. OUR MOVE TO NEW OFFICE, SHARED WITH FAEP, WAS FINALISED IN DECEMBER.

STRENGTHENING OUR VISIBILITY, INFLUENCE AND RESOURCES



MEDIA LITERACY WORKING GROUP

At the ENPA General Assembly in May the decision was taken to respond to increasing activity of the EU institutions in media literacy policies by establishing a new Working Group on Media Literacy. Our more vibrant engagement in this field should demonstrate to European policy makers that newspapers and the written press are a core component of media literacy which cannot be ignored.

ENLARGEMENT

At the ENPA General Assembly in November the decision was taken to admit the Newspaper Publishers' Association (NPA, United Kingdom) as full member. The NPA is the trade association for British national newspapers and its role is to represent, protect and promote the national newspaper industry.

STRENGTHENING THE TEAM

Carolin Wehrhahn joined ENPA staff as a Legal Advisor under a special arrangement, funded by ENPA's member association BDZV (Germany). Deputy Director Sophie Scrive was on maternity leave for a few months during which we employed Ms Minna-Marie Rosti. Hannah McCausland return from a one year study leave and

Simon Summers was retained to monitor specific policy issues and enhance our communications. ENPA Office Manager Marie-Paule Orban is currently on long-term sick leave and Ms Andrea Schlabertz was drafted in to contribute to the running of the office in her absence.

ENHANCING COMMUNICATIONS AND AWARENESS

In 2008 ENPA began to overhaul its corporate image and both internal and external communication tools in advance of the June 2009 European elections. The very successful "Europeans Read Newspapers 2007" book was widely distributed to members and other interested parties including all national libraries in the EU and EFTA countries.

The Annual Review 2007 and our Internal Policy Issues File 2008 were presented to ENPA members at the Paris General Assembly meeting in May. In addition, updates on the most important issues and topics were distributed to the members at the Prague General Assembly in November.

MOVING OFFICES

The long planned move from the ENPA office of over ten years at Rue des Pierres finally came into fruition at the end of 2008, as the Secretariat moved into a office space shared with the Federation of European Magazine Publishers (FAEP) in the heart of the European quarter. The increased efficiency and synergies derived from this new arrangement are expected to increase the profile of European publishers in Brussels.

ENPA's flexible structure allows the establishment and operation of various working groups to address topical issues with experts from our different member associations. In addition to the Executive Committee meetings (which set the political orientation), Directors Round Table and Legal and Social Affairs Committee, in 2008 the ENPA Secretariat organised various working group meetings around Europe.

Here follows a summary of our internal meetings:

Executive Committee

- March in London including a meeting with NPA Chairman and Newspaper Society Board
- May in Paris at the time of the Spring General Assembly
- October in Madrid in partnership with ENPA's member association AEDE
- November in Prague at the time of the Autumn General Assembly

Directors' Round Table

- February in Amsterdam in partnership with ENPA's member association NUV
- September in Warsaw in partnership with ENPA's member association Izba Wydawcow Prasy

PARTICIPATING AND SHARING INFORMATION

Legal and Social Affairs Committee

- February in Amsterdam in partnership with ENPA's member association NUV
- September in Warsaw in partnership with ENPA's member association Izba Wydawcow Prasy

Copyright Working Group

- Three times in 2008 in Brussels

Markets Information Network Committee (Joint Committee together with WAN)

- Twice in 2008 at WAN's offices in Paris

Newsprint and Environment Working Group

- April in Berlin at publishing house Axel Springer
- October in Copenhagen in partnership with ENPA's member association DDF

Media Literacy Working Group

- Officially established in May in Paris during the time of the spring General Assembly Meeting
- June in Göteborg in the sidelines of the WAN Congress
- September in Brussels



Participants at the ENPA Newsprint and Environment Working Group Dinner at Axel Springer, Berlin

PARIS, FRANCE: 16-17 MAY 2008

The Board and the General Assembly confirmed the accounts from 2007, were presented the Annual Review 2007 and decided to formally establish a Media Literacy Working Group. On 16 May a special seminar was organised at Le Figaro at which topical issues related to current trends in media literacy were discussed with notable speakers and panellists from government and industry.

PRAGUE, CZECH REPUBLIC: 6-7 NOVEMBER 2008

The Board and the General Assembly agreed on the Action Plan and Budget for 2009 as well as other administrative affairs. On 6 November a special seminar was organised by ENPA's Czech member, the Czech Publishers' Association, which focused on the history of freedom of speech and particularly press freedom in the Czech Republic, examining its role in the demise of communism in Central Europe.

GENERAL ASSEMBLIES



PARIS DECLARATION

Media Literacy and Newspapers

Newspapers have an important role as providers of invaluable news, information and services to Europeans citizens on daily basis, which should be regarded as an essential component for a functioning democracy, as well as being a cultural industry, which contributes to the development of European cultural diversity. This was recognised in the European Commission's communication entitled "A European approach to media literacy in the digital environment" presented in December 2007. Printed newspapers are widely used at national level in Newspapers in Education programmes and other similar initiatives, however the Commission failed to clearly acknowledge this is its communication.

ENPA therefore urges both European policymakers and national decision-makers to remember that media literacy is one of the required skills of today's media consumption and that printed and online newspapers play a significant role in this field. Newspapers' role in media literacy and education should be reflected in national and EU policies and whenever possible and feasible, also in the funding of these extremely important programmes.

Freedom of Commercial Speech and Advertising in Newspapers

In light of the developments in the European institutions, notably the adoption of a European Parliament Resolution in October 2007 calling on the Commission to present a legislative proposal imposing restrictions on car advertising, and the revision of the Labelling Directive by the European Commission in 2008, ENPA and its members reiterate their strong opposition to legislative bans or restrictions on advertising, especially in the absence of a full impact assessment and lend their full support for advertising self-regulation.

The freedom of commercial speech, which is guaranteed under Article 11 of the Charter of Fundamental Rights of the European Union on the freedom of expression and information, is undermined by the placing of mandatory restrictions on advertising. European Institutions, national policy makers and legislators are urged to bear this in mind when drafting any future legislation. The cumulative effect of existing and potential advertising bans and restrictions is a significant and threatening factor to our industry; this should not be forgotten.

PRAGUE DECLARATION

Freedom of Expression and Information

Newspaper publishers have always strongly supported the fundamental rights of freedom of expression and access to information on which our industry is based. ENPA and its members oppose any initiatives that threaten press freedom or may infringe upon editorial independence. ENPA expresses its concern at attempts at the national level to limit freedom of the press or journalists' activities that are put forward in connection to the amendments of particular laws, such as the new penal code here in the Czech Republic. Newspaper publishers are opposed to mechanisms that facilitates the surveillance, filtering and cutting of internet access; the inherent danger being that this is done so effectively or ineffectively, that an end-users access to legal material, such as online newspapers, is blocked. Governments should avoid adopting measures conflicting with fundamental rights and with the principles of proportionality, effectiveness and dissuasiveness.

Copyright

In the scope of discussions on the Green Paper on Copyright in the Knowledge Economy, ENPA urges the Commission to recognise the importance of newspaper publishers' investments in production and dissemination of content in their digital and paper versions, to avoid any new exceptions in the EU copyright directives and to fight efficiently against any companies activities which do not respect EU copyright legislation, thereby endangering publishers' investments.

Advertising in Newspapers

Advertising revenues represent an important source of income for newspapers, thereby guaranteeing that the free press can continue to provide a forum for democratic discussion on important issues. Policymakers are urged to bear in mind, when drafting legislation, that advertising bans and restrictions are a significant threat to the viability of our industry, as well as contravening the freedom of commercial speech. In the context of the revision of the Labelling Directive, the Commission should not propose any further mandatory restrictions on car advertising, which even if brought forward in the name of a good cause such as climate change, would severely impact the financing of a free press.

VAT rates applicable to newspapers

In the context of the current EU review of reduced-VAT rates, ENPA would like to reiterate its support for zero-VAT rate applied to newspapers. Newspapers should not be taxed in a democratic society; they are products unlike any other. Zero-VAT rate helps to keep the price of newspapers down, thereby boosting circulation and with it, the development of informed citizens, better able to play a functioning role in democratic societies.



ENPA MEMBERS



Verband Österreichischer
Zeitungen (VÖZ)
Austria - www.voetz.at



Association des Journaux
Francophones Belges (JFB)
Belgium - www.jfb.be



Vlaamse Dagbladpers
(VDP)
Belgium - www.dagbladpers.org



Union of Publishers in Bulgaria
(SIB)
Bulgaria - www.sib.bg



Cyprus Newspaper & Magazine
Publishers Association
Cyprus



Czech Publishers Association
(UVDT)
Czech Republic - www.uvdt.cz



Danske Dagblades Forening
(DDF)
Denmark - www.pressenshus.dk



Eesti Ajalehete Liit
(EALL)
Estonia - www.eall.ee



Sanomalehtien Liitto
Finland
www.sanomalehdet.fi



Syndicat de la Presse
Quotidienne Nationale (SPQN)
France - www.spqn.fr



Syndicat de la Presse
Quotidienne Régionale (SPQR)
France - www.spqr.fr



Bundesverband Deutscher
Zeitungsverleger (BDZV)
Germany - www.bdzv.de



Athens Daily Newspaper
Publishers Association
Greece - www.eihe.gr



Magyar Lapkiadók Egyesülete
(MLE)
Hungary - www.mle.org.hu



Federazione Italiana Editori
Giornali (FIEG)
Italy - www.fieg.it



Association Luxembourgeoise
des Éditeurs de Journaux (ALEJ)
Luxembourg



Vereniging De Nederlandse
Dagbladpers (NUV)
Netherlands - www.nuv.nl



Norwegian Media Businesses
Association
Norway - www.mediebedriftene.no



Izba Wydawców Prasy (Polish
Chamber of Press Publishers)
Poland - www.izbaprasyl.pl



Associação Portuguesa
de Imprensa
Portugal - www.apimprensa.pt



Asociația Patronală a Editorilor
Locali din România (APEL)
Romania - www.apel.ro



Tidnings Utgivarna
(TU)
Sweden - www.tu.se



Schweizer Presse
Switzerland
www.schweizerpresse.ch



The Newspaper Society (NS)
United Kingdom
www.newspapersoc.org.uk



The Newspaper Publishers
Association (NPA)
United Kingdom

ASSOCIATED MEMBERS



Compagnie Française des
Papiers de Presse (CFPP-SPPP)
France - www.cfpp-sppp.com

Distripres (NS)
Switzerland - www.distripres.net



European Newspaper Publishers' Association

Square du Bastion 1A - 1050 Brussels - Belgium
Phone: +32 2 551 0190 - Fax: +32 2 551 0199
www.enpa.be - enpa@enpa.be