

My name is Shayne Currie and I am the managing editor of NZME, with ultimate responsibility for the editorial teams and journalism at the NZ Herald, nzherald.co.nz, Weekend Herald, Herald on Sunday, Newstalk ZB, newstalkzb.co.nz, Radio Sport, five regional daily newspapers, more than 20 community newspapers and associated websites.

I am providing this submission on the proposed NZME-Fairfax merger on my own terms; neither the CEO of NZME nor fellow executives have commissioned or approved my submission. The opinions and commentary expressed here are my own.

I would welcome the opportunity to speak to this submission at the commission's hearing in Wellington in early December.

By way of background, I have been a journalist for 27 years, across a range of titles and locations in New Zealand, plus a short period of time as a reporter in New York.

I started my reporting career at the Howick and Pakuranga Times community newspaper in 1989, before progressing to be a reporter – and ultimately chief reporter – at the Evening Post from late 1989 until 1998. During this period I spent six months as a reporter at the New York Post in Manhattan. From 1998-1999 I was sports editor of The Press in Christchurch, before moving to Auckland to be news editor and deputy editor of the Sunday Star-Times. All up, I spent 15 years at INL, the latter years of which the business was bought by, and became known as, Fairfax.

In mid-2004 I moved to APN (now NZME) to work on an exciting new project – the establishment of the Herald on Sunday newspaper. At that time, New Zealand was served by two Sunday newspapers, both Fairfax-owned: the Sunday Star-Times and Sunday News. I served as deputy editor of the Herald on Sunday for four months and became editor in February 2005, a role I held for five years.

In 2010 I transferred to the NZ Herald as deputy editor, a role I held before becoming editor in late 2011. In 2015 I was appointed managing editor and later that year also assumed overall responsibility for the editorial teams across NZME's network (print, digital, video and radio).

Earlier this year, I spent 10 weeks at Cambridge University, as the 2016 Wolfson Press Fellow, studying how quality journalism can survive in an era of "clickbait". My research delved into many of the external, global digital forces that are driving and forcing change at media businesses around the world.

I give you this background to illustrate some key points: I have been alongside editors and journalists and in the heart of newsrooms as we've witnessed the erosion of our traditional business model; I've experienced firsthand the impact of that disruption on newsrooms and frontline journalism - indeed, I have had to drive and lead much of the change; and I have observed the incredible, momentous shift in the way in which people are consuming journalism in the digital era.

Having read the commission's draft determination, and various submissions, I am concerned that the economic case for the merger has been hijacked in some quarters by a debate over the future of quality journalism, editorial independence and plurality of voice.

These are vitally important issues and they are at the forefront of editors' minds every day. We are a fiercely independent lot, fighting for what's right for our readers, listeners and viewers; holding the powerful to account; and being a lifeline for our local, regional and metropolitan communities.

However, I was genuinely surprised about the commission's concerns that, somehow, a merger of two of New Zealand's six major media firms – not counting many other media businesses in this country – could somehow reduce editorial independence or influence how an editor performs his/her duties.

Indeed, it is my firm belief that the merger will enhance New Zealand journalism, preserve local and regional editorial independence, and continue to showcase a diverse range of opinion and voices.

I am very keen, for the purposes of this submission, to highlight tangible examples to back this argument. Too much of the debate, in my view, has been centred on intangible concerns and from self-appointed watchdogs (mainly these ex-editors) who have little or no idea of what and how audiences and communities are now consuming journalism. I find many of their arguments somewhat arrogant – descriptions, for instance, of media businesses appealing to the “lowest common denominator”.

I'd like to firstly highlight the relentless change in the way in which our audiences are consuming journalism.

The heartening reality is more people than ever are reading, watching and listening. The birth of social media and ready, cheap mobile devices has helped make our journalism more accessible than ever.

Despite record audiences, we, like most media business around the world, are struggling to establish a future business model that will sustain New Zealand journalism.

When the 7.8 earthquake struck the South Island and Wellington at 12.02am on Monday, November 14, the editor of the NZ Herald made the very deliberate decision NOT to stop the presses that night. A few years ago, this decision would seem sacrilege to myself and many previous editors of the Herald, including the editor who made the call. But there was method to this seeming madness and it was driven completely by the needs of our audience.

There were a handful of people left in the newsroom that night and we could conceivably have reconstructed at least three pages of the NZ Herald and slip the quake into the 30,000 or so newspapers that were left to print. These would all have been delivered to Auckland city areas – none of whom felt the earthquake, or perhaps felt it only lightly. (If any of us were editing the DomPost, we'd have all been stopping the presses immediately).

So we made a bold call: our audiences, across New Zealand and particularly those in the Wellington and upper South Island regions, needed real-time information – here and now. It was better to devote all of our editorial resources (people were rushing back to the newsroom) to set up and feed a live blog on nzherald.co.nz (a blog that would last all week); taking calls from desperate and worried residents live on NewstalkZB; detailing practical advice and warning residents about the tsunami/non-tsunami; fronting live bulletins on Facebook; and breaking into normal radio programming.

By the time the paper would be delivered, the printed news would be out-of-date and irrelevant, and besides, most people would have already read it courtesy of their mobile phones sitting on the bedside table.

The point being, we no longer live in a one-dimensional print world.

The commission's belief that, somehow, one business owning 90% of New Zealand's newspapers is a major competitive advantage is misleading and wrong. We love our newspapers; I've been known as a newspaper guy for much of my career. I will fight to the death for every last reader of a newspaper, and we will continue to strive to make them as successful, crusading, captivating and enriching as possible.

In particular, at a local and regional level, our newspapers and their associated websites are sometimes the only source of local news and information for our readers.

But the business model is dying, and we're hunting new ones. Some newspapers are already sustaining losses. Our audiences' habits are changing rapidly. We need to have the foundation and strength to build the new model that reflects these habits – and helps sustain our business.

The 11 former editors who recently supported the commission's draft anti-merger decision were all in charge of newspapers when "rivers of gold" flowed freely – the columns and columns of classifieds that brought in millions of dollars and helped fund our newsrooms and journalism. But then disruptive digital businesses moved in, the traditional publishers sat back, and the rivers of gold not only slowed but, in some cases, dried up completely. We were left marooned.

Unfortunately, these editors were also all in charge when they set up websites and decided, in their wisdom alongside other executives, to give away all of the journalism on those sites for free. It is now galling to have some of them oppose a business model that will help us back to our feet and ease or stop the relentless cost-cutting of journalists and newsrooms.

By giving away our journalism for free for more than 15 years, there's also another terrible outcome. People are unwilling, and now always will be, to pay for everyday, commodity news. For that reason, I believe a paywall on any mass-market New Zealand website – be it nzherald.co.nz, stuff.co.nz, newshub.co.nz and others – will not work, no matter who owns them. People have had a good thing for free for too long.

But that doesn't necessarily pertain to a website offering specialist journalism, commentary, or other quality content. And, in my personal view, therein lies one potential benefit of this merger: the ability for the new company to explore with confidence a new business model that showcases and highlights quality journalism that people are willing to pay for, while maintaining mass-market audiences for an advertiser-driven digital model.

I liken the way that the NZ Herald, Newstalk ZB, TVNZ, Radio NZ, Stuff, Newshub, and others pursue news to the way that 5-year-olds chase a football around a sports field. We hunt in a pack. A recent police press conference for the discovery of a baby's body in an Auckland park would have attracted reporters from all of those organisations. They were all reporting the same news to crossover audiences.

We simply can't sustain this: New Zealand's population is too small. The merger affords us the opportunity to sort our journalistic priorities, without lessening competition or impacting on the news that audiences receive.

Rather than, say, six or seven journalists at the press conference, a NZME-Fairfax media business could instead have one or two of reporters freed up to focus on unique, exclusive and new public-importance journalism that would otherwise go uncovered. That's what this media marriage offers: Better journalism.

One of my biggest mentors and first editors once said that two of the most critical roles in a media business were that of reporter and advertising sales rep. One brought in the stories, the other brought in the money. Despite all of the changes in the industry over the years, this still holds true (while also recognising many other crucial newsroom roles – and the fact our audiences have more power and choice at their fingertips than ever before).

Over many years of consistent cost-cuts, I have fought hard to retain frontline journalists: the reporters out and about in communities, building contacts, gathering news and disseminating it for our readers and audiences. Like all journalists, they are passionate and relentless in hunting the truth.

I will continue to fight hard for the frontline reporters and other journalists. The merger will undoubtedly lead to savings and unfortunately some job cuts, including possibly my own. But in reality, that is where savings will come - “backroom” replicated support roles.

Without the merger though, we're facing a colder, harsher reality. I believe job and cost cuts will be even worse – with key newsroom roles under threat and the undermining, ultimately, of our journalism. And with it, cuts in other areas.

### **Plurality of voice/editorial independence**

The commission has raised concerns about the loss of media plurality and editorial independence in the proposed merger, but I believe these concerns are unfounded.

NZME's editorial brands – including the NZ Herald, nzherald.co.nz, the Weekend Herald, and Newstalk ZB – contain broad opinion and perspectives from across the news, business, political, sport, entertainment and lifestyle spectrums.

It would be counter-intuitive to promote or focus on just one side of any debate. In a country the size of New Zealand, we do not have the luxury, as say in the UK, of a press that might be considered “left-leaning” or “right leaning”. Again, our population base is too small, and the majority of our mass-market media ensure all sides of issues and debates are covered. We foster and encourage healthy comment from across the spectrum.

The NZ Herald is often accused of being “too far right” or “too far left”. In reality, the newspaper takes an editorial stance on an issue-by-issue basis – and after thoughtful consideration and debate among senior editors. We have, for example, in recent weeks, supported Helen Clark's bid for the United Nations top role and the Unitary plan for Auckland (with tweaks); criticised the Reserve Bank's monetary policy; supported more liberal liquor laws and light-rail to Auckland Airport; and we have been critical of the Government's “piecemeal” approach to housing, refugees and the care of the mentally ill.

We also ensure that we have diverse voices – many of whom would take an opposing view to that of the newspaper/site. In any one week in the NZ Herald, our readers can indulge in the opinions of Toby Manhire, Raybon Kan, Alan Duff, Lizzie Marvely, Deborah Hill Cone, Audrey Young, Barry

Soper, John Roughan, Fran O'Sullivan, Megan Nicol Reed and many, many others. We publish cutting cartoons from the likes of Rod Emmerson, Guy Body and Peter Bromhead.

We encourage our columnists to be thought leaders – and provocative. There are no sacred cows. They will choose their own topics for commentary – editors will only be involved in a selection of topics if requested, but this is extremely rare. Editors will never dictate how a columnist should present their views. While we will read, with interest, the views of columnists in opposing media, this does not affect the way in which our own columnists do their job. If we believe a columnist from an opposition media company has presented a newsworthy view, we will sometimes pick this up as a news story and try to expand on it.

The success or otherwise of a columnist's work comes down to audience numbers, engagement and feedback. This is measured by our internal analytics systems, and through the response to their views and opinions. We continually review our stable of columnists to ensure we have a rich, diverse mix of talent and topics.

Unfortunately, in recent years, we have had to cull some columnists as a result of cost-cuts. This year alone, I was asked to take thousands of dollars out of our contributor and contractor budget. We have strived hard to ensure this does not impact on the diversity of views, or on our ability to attract new columnists (Rachel Stewart, for instance, is a recent addition to the NZ Herald stable).

We have also asked our syndicated agencies to sharpen their own pencils. But there is only so much room to manoeuvre in this area before cost-cuts do start impacting on the number of voices.

I see the merger as the opportunity to stop this downward spiral – and to potentially broadcast and publish wide-ranging views to even bigger audiences.

In terms of building audience, and creating stronger alliances in different communities, there have been several recent examples of our strategy in this area. Our JV with the Chinese Herald, to create a new Chinese NZ Herald website, is an unashamed attempt to build our audience in the Chinese community. A similar alliance is planned with e-tangata.co.nz, to build audiences in the Maori and Pasifika communities.

We encourage, and publish, feedback to our columns – whether it's letters to the editor, oped submissions or online commentary through our digital and social channels (provided these are carefully moderated). Every week, the NZ Herald contains opinion and columns from readers. Alan Duff, for example, receives negative and positive feedback. We are not afraid to publish the voices of opposition to Duff, as highlighted by these recent examples from Rawiri Taonui [http://www.nzherald.co.nz/nz/news/article.cfm?c\\_id=1&objectid=11704771](http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11704771) and Dame Anne Salmond: [http://www.nzherald.co.nz/nz/news/article.cfm?c\\_id=1&objectid=11644786](http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11644786)

We also regularly encourage people to have their say: *Dialogue Contributions are welcome and should be 500-700 words. Send your submission to [dialogue@nzherald.co.nz](mailto:dialogue@nzherald.co.nz). Text may be edited and used in digital formats as well as on paper*

In the radio space, our news and sport broadcasters are encouraged to give their views on issues of the day – they are broadcasters, not journalists, an important distinction in the way that they perform their duties. It is not uncommon, for example, for Rachel Smalley to voice an opinion in the hour between 5am and 6am, while Mike Hosking might have a counter view between 6am and 7am. Leighton Smith, Kerre Woodham, Marcus Lush and others might have completely different viewpoints again through the day. Newstalk ZB's mission statement: Great conversations start here.

None of this affects the way in which the newsroom does its job. Our news reporters specialise in topics and issues of public interest and importance – for example, politics, business, education, health, social issues, diversity, consumer affairs and transport. The editorial stance of the newspaper, or the opinion of a columnist or broadcaster, on any particular topic in no way affects the way in which our journalists identify and report the news. We are bound by NZME's own code of ethics, and the Press Council's guiding principles, to be fair, balanced and accurate in the reporting of news stories and current events.

Stories and articles are vetted by editors before publication to ensure they meet the requirement to be fair, balanced and accurate. Complaint procedures are carefully laid out and published each day. We fix errors as quickly as possible.

This is not to say the NZ Herald and our other publications and brands do not campaign on behalf of its readers – we do so, loudly and proudly, on many occasions. For example, in raising funds for the Starship children's hospital, or fighting to stop the Ports of Auckland from further expansion into Waitemata Harbour, or to raise funds for Syrian refugees. On these occasions, our campaigns and goals are well labelled.

One other key point. The editors of our NZME newspapers are each responsible for the editorial stance of their mastheads. They are strongly independent and have the freedom and responsibility to campaign and fight on behalf of their readers and communities, without any influence from me.

Often editors and their mastheads will take opposing views – for example, the Herald on Sunday (which has a separate editor) has taken editorial stances at odds with the NZ Herald. This editorial freedom and independence that already exists within NZME and Fairfax would continue to do so in a merged business.

We take our role and responsibilities seriously, as a free and independent press. It is our duty to hold the powerful to account. For us to comfort the afflicted and afflict the comfortable. This will never change.

## **Conclusion**

Finally, I'd like to emphasize there is no 'bogeyman' publisher or owner in New Zealand journalism – either in the past, present or future. I've worked for publishers from the likes of Rupert Murdoch to Tony O'Reilly to small community owners. I've worked in media businesses with a range of investment shareholders.

None of them or their appointed CEOs and executives has ever tried to influence our journalism, the way we cover stories or, indeed, prevented articles or issues from being published. The real threat, instead, comes from global powerhouses.

As I and 32 other editors said in a separate submission, we found surprising your determination that Facebook and Google are not competitors: *"Every day we battle for the attention of New Zealanders against these multinational platforms. Every day we battle for advertising against these behemoths from Menlo Park and Mountain View, California. And we do it by paying for local journalists. And technicians. And salespeople. New Zealand media hire people to inform, educate and delight every day. The overseas giants do not. Yet we have to compete for digital advertising from local ads in Cambridge, Taihape and Balclutha to national advertising by New Zealand-wide companies."*

The traditional media business model in New Zealand is broken, and this merger would lay the foundation for two of New Zealand's media companies to have a shot at the future.

One new business does not mean a lessening of competition – either externally or internally. Newsrooms are highly competitive, combative, arenas. Journalists within the same company compete against one another every day for the best stories, the lead position on a radio bulletin, website or newspaper. We want to create the best video.

Our readers and audiences have been big winners in this digital age but we now must find that business model to ensure our journalism survives and thrives.

Our editors are principled, strong and independent and will always fight in the interests of our readers and audiences. We are on the frontline and in the heat of the action. We stand up for what's right – just like many of us doing now.

I urge the commission to rethink its draft determination and to give two of New Zealand's own media businesses the chance to build that model.

Thank you,  
Shayne Currie  
**Managing editor**  
**NZME**