

From: John Spring [<mailto:john.spring@whakatanebeacon.co.nz>]
Sent: Tuesday, 28 June 2016 12:18 p.m.
To: Commerce Commission Enquiries
Subject: Submission on Proposed merger of NZME and Fairfax

To the Commerce Commission,

We are a small independent media company, owned 20% by NZME.

We are against the merger as it will be anti competitive.

Currently NZME and Fairfax are the 2 biggest media groups in NZ and compete against one another for advertising and readers.

A merger will remove this competition.

The new entity will dominate the media market.

The new entity will dominate the advertising market. Inevitably the dominant player in this market will use their position to dictate pricing and trading terms to suit. This in turn will force smaller operators to follow suit or lose advertising clients. This is a somewhat unique in the media market as many of our clients are the very same clients targeted by NZME and Fairfax. Removing one of these players by merging them will result in a single entity directly influencing our business.

Secondly, the new entity will dominate the editorial content of newspapers in NZ. It would become the one editorial voice in the media market, dominating print, radio and digital comment. The groups have a tendency to replicate the stories and content across all their dailies. This would resulting in the same content being published throughout NZ.

We need competing businesses in the media industry to keep the players honest, provide some variation in content, and avoid a dominant editorial voice and advertising provider.

Regards, John Spring.



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