



**Commercial  
Communications  
Council**

**Submission from the Commercial Communications Council  
to the Commerce Commission**

**Subject: News Publishers' Association of New Zealand Inc.  
Authorisation Application**

3<sup>rd</sup> February 2022

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## 1. Introduction

- 1.1 The Commercial Communications Council is the incorporated body representing the interests of members on issues that may impact the advertising industry and its agencies. There are approximately 100 member agencies, collectively representing 90% of agency billings in New Zealand, with a combined turnover well in excess of \$1 billion.
- 1.2 Our members interact daily with all media owners operating in New Zealand to book media on behalf of advertisers seeking to connect with New Zealand audiences. We appreciate the Commerce Commission alerting us to the NPA's application and providing the opportunity to provide this submission.
- 1.3 The NPA has requested authorisation to negotiate collectively with both Meta (formerly Facebook) and Google about the terms on which their news content appears on each platform. The basis of the application is to seek consent to negotiate collectively, and in pursuit of confirmation that this will not be interpreted as cartel conduct.
- 1.4 For transparency, we would like to state that our member agencies have commercial relationships with both the NPA member companies and Meta and Google.

## 2. Overview

- 2.1 The Commercial Communications Council supports the NPA application and believes that the ability to negotiate collectively is a pragmatic and efficient proposal for a market such as New Zealand that is both relatively small in size and fragmented in its news media provision.
- 2.2 Our primary concern is that long and protracted negotiations serve no party well, and have the potential to distract news media companies from their primary business. Collective negotiation provides the opportunity for efficiencies for smaller members of the NPA, the absence of which has potential to impact their ability to continue to connect New Zealand advertisers with their audiences.
- 2.3 We hold no fears that this would constitute cartel conduct. It is our view that no party will be adversely affected by such collective negotiation. Indeed, that to do so is a pragmatic solution that likely increases the chances of a speedy resolution for both parties in those negotiations.

- 2.4 We do not foresee a lessening of competition between NPA member parties as a consequence of such collective negotiations. If anything, it ensures ongoing competition by reducing the possibility of differentiated outcomes amongst NPA member companies that may impact their future sustainability.
- 2.5 A positive outcome from the negotiations would, in addition, further ensure ongoing competition between New Zealand news media outlets and Meta and Google which supports on-going fair pricing and consumer choice.
- 2.6 We would urge a swift approval of the application so that all involved parties may proceed with haste towards an amicable settlement that enables local news companies and Meta and Google to move on with clarity and partner to enable New Zealand audiences to enjoy news content in the channels that they prefer.
- 2.7 The Commercial Communications Council believes that a strong local media industry is essential to New Zealand, ensuring on-going provision of factual news content, holding power to account, and enriching public debate. We believe that supporting the NPA's application serves these goals.