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Evidence gathering on the current state of the Welsh newspaper Industry -

The Local and Regional Press; Organisational change, Editorial Independence and Political Reporting.

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The purpose of this brief paper is to analysis recent changes to the editorial and business organisation of local and regional newspapers in the UK, with a particular focus on newspapers in Wales. The paper also reviews the implications of such changes for journalistic autonomy and the range and quality of newspapers' political reporting.

Why are newspapers important?

Local and regional newspapers are crucially significant to the communities in which they circulate because they reflect, as well as shape, community identity and cohesion. Since the publication of the first local paper (*The Norwich Post* in 1701) they have fulfilled key political functions by informing the public sphere, articulating the public interest and 'holding the ring' in significant debates on issues vital to democracy. Writers as diverse as Edmund Burke and Richard Carlyle have claimed newspapers as a fourth estate of the realm, a vigilant watchdog holding the powerful to account on behalf of the public.

More prosaically, newspapers have also been the archivists and chroniclers of their local and regional communities, recording the various rites of passage (births, marriages and deaths) of members of those communities, as well as the activities of judicial and political elites and institutions, manifest in court reports and coverage of the proceedings of parish councils and Parliaments. Pre-empting Reith's dictum, newspapers have increasingly tried to entertain as well as inform their readers by reporting the social and cultural life of communities. These accounts published in the columns of the local and regional press constitute an important record and have been described by Ben Bradlee, distinguished Editor of the *Washington Post*, as the 'first draft of history'.

But newspapers are also businesses which employ journalists and other production and administrative workers. Their sales of news to readers and readers to advertisers, create considerable profits and enhance the wealth of communities. But they also serve as significant economic enablers to other businesses via their extensive advertisements for goods and services.

These crucial democratic, economic and socio-cultural functions of newspapers explain why the declining number of newspapers and their readerships is so significant.

Local and Regional Newspapers; the economic/democratic paradox

Local newspapers have been a striking business success until the financial and economic downturn of recent months which has been especially damaging for 'advertising reliant' industries. The proud boast of the Newspaper Society – a trade association to protect the interests of local news media – is that local media constitute "a £4 billion sector delivering trusted, relevant news and information to over 40 million people a week across its print, online and broadcast channels".

By contrast, academic research and scholarly literature has tended to focus on the democratic functions of newspapers and argued that while local regional papers have been a business success (defined by high profitability) they have increasingly been an editorial failure. Indeed, the argument has been that these two aspects of newspapers' performance are related – and closely! Greater economic success, the argument runs, has compromised editorial quality, integrity and independence.

To understand why this has happened, it is necessary to consider the economic organisation and rapid consolidation of the local press since the mid 1990s, along with the business strategy adopted by the new corporate owners.

Local and regional Newspapers; Monopoly organisation.

Ownership of the 1,269 local newspapers – 32 morning (22 paid and 10 free), 76 evening (71 paid and 5 free), 16 Sundays, 521 paid weeklies and 624 free weeklies) – is now dominated by 20 large newspaper groups which jointly own 88% of all titles in the UK and control 97% of audited circulation. The five largest groups (Trinity Mirror [186 titles and 12.5mn copies], Associated Newspapers [12 – 9.7mn], Johnston Press [295 – 9.4mn], Newsquest [210 – 9.1mn] and Northcliffe [130 – 8mn]) own 833 (64%) of all local newspapers titles with aggregate circulations of 48.7mn: the remaining 79 publishers own a mere 25 % of the market by circulation (14.8 mn); 36 of these companies own a single newspaper (**See Table 1**). The key consequence of this process of merger and takeover has been to reduce radically the number of Groups publishing local newspapers from 200 in 1992, to 137 by 1998 and 84 in 2008.

The rapid development of this highly concentrated pattern of local press ownership has been achieved across the last decade. In 1996, one third of all regional newspaper companies changed ownership with £7.4 billions spent on buying regional newspapers and newspaper groups across the subsequent decade. In the new millennium, Johnston Press has become the most acquisitive of the five largest newspaper groups. In July 2008, ABN AMRO Bank argued that a “Trinity/Johnston press combination” would “make sense” and would deliver “cost savings of around £40 m”.

Additionally, local newspaper markets are typically non-competitive because corporations make ‘tacit agreements’ with major rivals not to invade each others’ ‘territories’; i.e. geographically discreet markets (Reeves 2002). They also integrate their holdings vertically and horizontally to ensure that they are able to sustain supplies of key production materials but also develop economies of scale such as centralised printing and subbing (Franklin 2006; 1-15).

Local And regional Newspapers; the ‘minimax’ business strategy

Local newspaper groups have operated a minimax business strategy designed to deliver high profitability by maximising revenues and minimising costs. All companies try to achieve this balance, of course, but what distinguishes local press groups has been their ambition to deliver substantial and expansive profits to shareholders rather than to reinvest profits into ‘quality journalism’.

While local papers’ sales revenues have declined, reflecting reductions in newspaper titles (**See table 2**), circulations and readers (**See Table 3**), these financial losses have been offset by the rapid consolidation of the newspaper industry during the 1990s into a handful

of major corporations organised into regionally based monopolies which dominate the local newspaper market (detailed above). This monopoly organisation allows them to sustain and *maximise* advertising revenues (typically 80% of revenues and worth £2,834 millions in 2006 – 17% of all media advertising revenues across the UK) but also – as the monopoly employer of print journalists and other editorial workers within the region – to *minimise* costs by keeping salary levels low through a relentless reduction in journalism posts.

The fortunes of Media Wales (Western Mail and Echo Ltd before November 2007) illustrate some aspects of this policy. The company returned 38.2% profits in 2005 (**See Tables 4 and 5**) despite its flagship paper *The Western Mail* losing approximately one third of readership in just over a decade: the *South Wales Echo* and *Daily Post* also posted sharp falls in circulation (**See Table 6 and Chart 1**). But until 2007, advertising remained buoyant while jobs were constantly reduced from 974 in 2000 to 643 in 2005 (35%), including cuts to administrative, editorial and sales and distribution staffs (**See Table 7**). An ABN AMRO Bank report in July 2008 acknowledged “One saving grace for Trinity in recent years has been management’s ability to surprise on the cost base, with a strong discipline to go out and cut out the ‘fat’ and (some would say) even the muscle. We expect this trend to continue, as indicated by management yesterday, that there will be a £15-£20m restructuring charge taken in 2008 to pay for further cost cuts” - corporate speak for further redundancies.

Low salaries work in tandem with job reductions to deliver minimum costs. In 2006 the starting salary for a trainee journalist at the Western Mail and Echo Ltd was £11,113, the lowest listed by NUJ at that time and also considerably less than the average graduate salary of £20,300.

Local and Regional Newspapers; Changes to editorial quality

The minimax strategy outlined above means that local and regional newspapers are increasingly ‘journalist light’; those journalists that remain must adapt their professional practice to deliver sufficient news to fill their newspapers’ columns. The recent requirement for journalists to file copy across multiple platforms exacerbates further the time pressures on journalists. It has become commonplace to hear journalists complaint that journalism has become a desk job with few opportunities to leave the office to interview informants about stories, make contacts with local politicians and business people, or research stories; in brief to initiate an original news story.

Journalist Nick Davies’ *Flat Earth News* analysed these changes and was probably the most widely read book – certainly the most controversial - about news and journalism published in 2008. Much of the research informing the book’s central argument was conducted in the Cardiff School of Journalism, Media and Cultural Studies. Davis argued that because of newspaper groups’ increasing requirements for news (increased pagination, the expansion/explosion of supplements and the requirements for online working), the reduced corpus of journalists was increasingly relying on ‘pre packaged’ sources of news from public relations sources and news agencies such as the Press Association. In Nick Davies’ words, these have become the “the two conveyer belts” which feed “the assembly line in the news factory” from which journalists “construct ...news stories” (Davies 2008: 74). Consequently, journalists’ have become *processors* rather than *originators* of news. Lack of time and other resources require journalists too frequently to rewrite a news release from a PR source or to place their byline on agency copy, rather

than initiate an original journalistic inquiry; to cite Davies again, journalism has been replaced by 'churnalism'.

As part of a study commissioned by NUJ, a questionnaire survey was circulated to journalists working at the Western Mail asking about changes to their working practices as a result of job cuts and time shortages. 92% of responding journalists claimed their use of PR had increased across the last decade; only 2% suggested a reduction. Similarly, respondents claimed an increase in their use of wire copy (80%), with 4% implying any decreased use (Williams and Franklin 2007; 39).

In subsequent interviews journalists were aware of the impact of these revised newsgathering and reporting practices on their editorial independence and the quality of their journalism. "If we are getting more copy for free from PR agencies - and we are - this raises lots of questions about journalistic independence and journalistic integrity". It also raises questions about the extent to which local newspapers are able to meet the democratic functions which readers as citizens expect of them. Newspapers' coverage of political events has certainly changes across the last two decades.

Newspapers' Political Coverage – Two case studies

Before considering the case studies of changes to local and regional newspapers' political reporting, it is important to note two key research findings.

First, the audience reach of local newspapers is remarkably high. A study in Leicester, revealed that while less than a quarter of the residents of a council estate read even a high selling tabloid like the *Sun*, more than 80% read the local *Leicester Mercury*. This provides local papers with unrivalled opportunities for agenda setting; a fact acknowledged by Alastair Campbell in January 2002 when he identified local newspapers, women's magazines and ethnic minority newspapers as primary targets for government news management activities.

Second, local and regional newspapers retain the trust of their readerships more extensively than national newspapers; local readers are more likely to believe what they read in the local press. A YouGov poll in 2003 confirmed that 16% of respondents trusted journalists on tabloids like the *Sun* and *Mirror*, 36% trusted mid market papers like the *Mail* but 60% trusted local journalists.

This greater trust and market reach which local newspapers enjoy has long since been recognised by government press officers; Conservative as well as Labour. Following the 1992 General Election, a Number 10 Press officer working with John Major acknowledged the significance of local newspapers to the election campaign he had been assigned to work on in Batley and Spen. "The *Batley News*" he argued, "is frankly more important in Batley and Spen than *The Times*, the *Financial Times* or dare I say it, *The Telegraph* or the mass tabloid papers like the *Mirror*. That paper will be lying around for a week, people will be constantly picking it up and reading it and there is this belief that the local paper must be right... It is obvious to me that these local papers have much more influence than the national papers" (cited in Franklin 1998, p211).

Press Coverage of Local Councils and Local Government

Local and regional newspapers no longer provide that staple of political reporting, namely coverage of the local Council and its key Committees. Attendance at Council meetings has

long since been replaced by cutting and pasting - 'at the click of a mouse' – press releases sourced from the Local authority public relations website.

An early study of local government public relations influence on local newspapers in the County of Northumberland, across a sample period of two months, concluded that 96% of press releases issued by the local authority generated stories in the local press. Significantly, most releases triggered stories in 3 or 4 newspapers; one story was published in 11 newspapers as the local press recycled the same news between newspapers in the same regional newspaper group.

Editing of the press releases, or the inclusion of any additional information beyond that contained within the release, was rare and, when there was evidence of 'original' journalism, it was minimal (Franklin, 1986, pp25-33). The great majority of these news releases were swallowed wholesale by a news hungry local press. In a subsequent national study of local government public relations, 82% of responding press officers confirmed that "more than three-quarters of press releases" generated stories in the local press (Franklin 1988, p. 81). This very high 'strike rate' was less noticeable in a comparative study of similar state public relations practices in Louisiana (Franklin and VanSlyke Turk 1988, pp29-42). Newspapers' willingness to publish press releases reflected directly the size of the newspaper and the number of journalists it employed. In this way, local authority PR activity constitutes a direct 'subsidy' to the local newspaper.

The value of the information subsidy which PR offers to local newspapers is substantial. One press officer calculated an illustrative exemplar. "I estimate at Westminster" he suggested, that "we spend at least 30% of our time, equivalent to one and a half press officers costing £50,000 on servicing the local media... Many of the requests from local papers are... pleas for letters and press releases to fill the gaps in pages. In this sense media officers are simply filling the gaps in the newsroom staff" (Cited in Harrison 2006, p. 188). The PRO at Northumberland claimed, "I am now writing the front page in the local newspaper every week... That shouldn't be my job, but increasingly it is" (Franklin 1986). A key democratic function of local press reporting is no longer being fulfilled with sufficient rigour and editorial independence.

Reporting the Constituency Campaign in General Elections 1987-2005

With financial support from the Nuffield Foundation, a series of studies of press reporting of the constituency battle during the General Election Campaigns between 1987 and 2005, have analysed 7,219 items of election coverage in 35 local and regional newspapers along with interviews with journalists and editors in local newspapers, as well as politicians and press officers. The studies have highlighted considerable changes in the extent and character of press reporting of elections, patterns of media ownership (especially the shift to corporate ownership) and relationships between politicians and journalists. Again, the summary conclusion of these studies is that the independence and critical autonomy of newspaper journalism is not as evident now as two decades ago.

In 1987, journalists expressed great enthusiasm for election coverage; the campaign was greeted with excitement. When the possibility of election coverage 'overkill' was raised during interviews, such suggestions were dismissed. "It doesn't matter whether readers are interested or not" one journalist argued. "The election is the most important story we cover every five years. That's why it will get lots of coverage". Public service commitments were evidently informing reporting.

By 1992 editorial enthusiasm was markedly less keen, but the 1997 election marked a turning point. The *Rotherham Advertiser's* page one declaration of an "Election Free Zone" for the duration of the campaign was symbolic and significant. "With six weeks to go before polling day" the Editor claimed, "our readers are fed up to the back teeth with electioneering, spin doctors, point scoring and soundbites" (*Rotherham Advertiser* 21 March 1997, p1).

In 1997, market driven journalism trumped journalists' public service commitments as 'hard' election news was replaced with human interest stories; it coincided with the incorporation of many small family owned newspapers into large corporate groups during the previous two years. The editor of a local paper was explicit. "The pressures of circulation are on us" he explained. "We would obviously love to have human interest stories day after day because we worry about becoming too boring for the public. They're very much keener about what they will buy. Reporting about schools, councils, that sort of thing, you might have got away with that in the past, but now you have to look for good stories. So for a couple of years now I think there has been a bigger pressure on us to report these tabloid stories": the paper had been bought by Johnston Press two years earlier.

By 2005, journalists' default assumption was that the election would prove boring to readers; a number of papers now offered 'election free zones. The *Halifax Courier* mentioned a local hotel offering "Escape the Election Breaks" (20 April 2005) while the Leeds *Metro* recommended the Lake District for people who wanted to vote but "shouldn't have to put up with the election every minute of the day" (12 April 2005).

In 2005, a number of broad trends were evident. **First, there was a sharp decline in local weekly and daily newspaper's election coverage.** The nine free papers in the study, for example, published only four articles and two letters across the entire campaign, despite claiming aggregate distributions of 328, 731 copies each week! Only three of the 15 paid weeklies (*The Dewsbury Reporter*, *The Mirfield Reporter* and the *Todmorden News*) sustained their output of election articles, while other weekly papers effectively halved their coverage; the daily *Halifax Courier* reduced its election coverage from 337 items in 2001 to 201 in 2005.

Market considerations were responsible for this reduced coverage. One journalist recalled a meeting "to discuss how ... to cover the election... The central question was 'will it actually assist in maintaining sales?'... Unfortunately in these heavily commercialised days ... You've got to balance your public service obligations and tailor that to what best suits your readership". A related factor was the dwindling size of newsrooms and journalists. An experienced political reporter claimed, "We could have done more. In the past we allocated a reporter to each candidate which meant six or seven journalists, but this time there was just two of us covering the whole thing with other people brought in as necessary to cover days off and when events clashed".

Second, there was a steep decline in election coverage focused on local rather than national concerns. In 2001, 61% of election stories in local daily papers emphasised local rather than national concerns, but by 2005 this figure had virtually halved (32.8%). The larger regional papers also became more nationally focused with only 12.8% of election reports in the *Yorkshire Post* being locally focused compared to 24.6% in 2005. The reduced focus on local electoral issues in weekly paid papers was less marked shifting from 80% to 71% in 2005.

Local journalists identified party media strategies focused on visiting national ‘celebrities’ rather than local political concerns as the culprit. “It is very sad,” a senior news editor recalled, “but you could probably count on the fingers of one hand press releases which took up a local issue. We had some concern about our hospital services, but very, very few. This time it was more ‘Oh we’re flying someone in for a visit. It’s a photo opportunity of a minister, come and do it’”. The journalists’ expectation that the election agenda would be led by parties rather than initiated by journalists is highly significant.

This leads to the third broad feature of election coverage, namely a continued emphasis on trivial and entertaining coverage rather than any sustained discussion of policy concerns.

Two kinds of coverage emerged here. First there was an emphasis on ‘candidate portraits’ which discussed family, jobs, career and jobs rather than candidates’ commitment to policy issues; in brief a de-politicised focus on candidates as local celebrities. Real celebrities also featured in election coverage including TV actor Tony Robinson as well as ‘celebrity’ politicians and senior Ministers. 49% of all published items featured well known politicians, while the inclusion of celebrities in election stories was greater for the *Yorkshire Post* (62%), the *Metro* (62%) and the *Halifax Courier* (54%).

Second, Journalists responded to readers’ perceived electoral apathy by trivialising or ‘dumbing down’ election reports. Typically this involved publishing amusing stories which retain an electoral content (The ‘Election Free Zone’ stories are typical of the genre). In this tradition, the *Yorkshire Post* carried a piece about an art Gallery which doubled as a polling station (“At The Art of the Election” 6 May) as well as a story about a voter who showed his support for Blair by kissing the politician’s photograph for eight hours; “Self-Publicist Plants 100,000 Big Xs on Blair Photograph” (6 May).

Such an approach to election news perhaps makes it more accessible, to a readership which journalists assume to be hostile to ‘straight’ election coverage, but the contribution of such stories to increasing political information or evaluating party policy is clearly minimal. To describe this coverage as ‘infotainment’ risks overvaluing its contribution to political debate

Many journalists are critical of this move away from the reporting of more significant electoral issues. “There’s a lot of trivialisation, there’s a lot of ‘get a story quickly’ rather than spending a long time on a different kind of story. Quantity rather than quality, - which is terribly sad. But what depresses me most is the fact that most days the main story comes from the calls. It’s a fire, it’s a road accident, it’s a court case, it’s something that’s not politics and it’s seldom anything the Council is doing.”

The Ways Forward?

Newspapers in Wales, like their sister papers throughout the UK, form part of large corporate monopolies and deploy a business strategy intended to maximise profit, too frequently at the cost of insufficient investment in a well resourced and suitably experienced/skilled editorial staff. Job cuts and low salaries have resulted in journalists’ increasing reliance on ‘pre-packaged news subsidies’ emanating from public relations sources and news agencies such as the Press Association and Reuters. In short newspapers in Wales are not meeting citizen and politician expectations concerning their democratic roles; namely fulsome and serious reporting of political affairs to ensure that citizen choice is an informed choice; a critical posture towards government, political

institutions and the powerful and, finally; providing a public debating chamber for significant policy debates and articulating the public interest in all those debates. In Wales, however, the fact that majority of readers buy newspapers produced in the UK means the impact of this democratic deficit is exacerbated since English papers tend to ignore Welsh concerns or report them inaccurately; this enhanced democratic deficit involves sins of commission as much as those of omission.

(1) Since the reduced editorial independence of the local and regional press, especially in its political coverage is attributed here, at least in part, to the rapid consolidation of the industry since the mid 1990s, any attempts to the revise the current restriction on competition regulation exercised by the OFT risk exacerbating current difficulties and should be contested.

(2) Subsidies to sustain press plurality have a considerable legacy especially in Scandinavia (See Picard and Gronlund 2003). But politician's involvement in the media has historically rooted connotations of control and censorship. The 19th Century 'taxes on knowledge' are an obvious example here; journalists, editors and proprietors are rightfully sceptical about such a policy. Moreover, since 80% of newspapers' revenues derive from advertising and given the scale of public sector/government advertising, this might be construed as subsidy. Worse public subsidies for failing newspapers, given the high profits achieved until recently, would presumably be politically unacceptable.

(a) But France has recently (January 2009) piloted an interesting scheme, which is a form of subsidy, which offers all French teenagers (the largest group of newspaper refuseniks!) a free year's subscription to a newspaper of their choice – the publisher provides the newspaper and the government covers delivery costs.

(b) Similarly, in 2004, the Flemish Government joined with publishers and educationalists to establish the Newspapers in Education (NIE) project backed with 1.2mn euros which distributes newspapers (for free) among 16-18 year olds and 'children at risk. Tested in 2007, respondents displayed strikingly positive improvements in their attitudes to reading newspapers.

(3) A much discussed idea most recently aired by *Guardian* editor Alan Rusbridger in the first Hugo Young Memorial lecture (2004) favours 'scrutiny' above 'legislation or regulation' as a potentially more effective response to the question of "What to do about the press". But scrutiny does not imply finger wagging opprobrium so much as "the kind of examination and review that engages those within and without the industry. Or let's call it helping journalists to think through the challenges they face" (Rusbridger 2005). He rejects the BBC, Channel 4, and Parliament in favour of 'the Academy' as the organisation to 'take the lead' on this.

What particular tasks/roles might such a Media Forum undertake?

- (i) Authoritative, timely and relevant research agreed with the industry and all stakeholders;
- (ii) provide a meeting place and forum for discussion of significant topics encouraging the involvement of journalists, production workers, owners and readers;
- (iii) Publish occasional papers to stimulate discussion, controversy, argument and debate;
- (iv) develop an online forum for involving the widest possible participate in those debates;
- (v) Host conferences about particular issues of current concern;
- (vi) raise funding for research and pamphlet publication;

- (vii) produce quarterly reports on media coverage
- (viii) establish online data sets concerning the media in Wales similar to the Newspaper Society site for the UK local and regional press;
- (ix) administer a system of national press awards for Wales to celebrate the very best in Welsh journalism.

Amid this continuity of concerns the Forum would address particular and shifting concerns of relevance and topicality. What might be some of the key issues such a forum would address? Rusbridger offers his own 'wish list'.

How are we to resolve the continuing breakdown in trust between politicians and the media?

What is the role of news media in the increasing problem of civic disengagement?

How are we to regulate the press to balance the right to know with the right to privacy?

How might we assess quality journalism beyond the quantitative measures of audited circulation?

How well do our newspapers report issues relating to child protection and children at risk?

What are the early lessons from the implementation of Freedom of Information?

How is the issue of press regulation to be addressed and what – if anything - is the role of readers' editors?

Are news media dumbing down political coverage and, if so, in what ways and why?

There are many practical issues to be resolved here including funding and mechanisms for engaging key stakeholders/interested parties

(4) Finally, if research studies of the success of public relations sources and news agencies in influencing and shaping news coverage in the print and broadcast media are correct, - Nick Davis, for example, found that only 8% of news items were without any PR or agency content while almost 60% of stories were 'wholly' or 'mainly' derived from these sources (**see table 8**) – then one evident way to increase (and maybe improve) reporting of particular topics is to engage more strategically and extensively in public relations or to establish an online news agency for Welsh affairs. This might at least correct the many errors arising from English journalists' lack of awareness of changing patterns of powers and responsibilities in post devolution Wales. Research evidence suggests that such an agency would be very successful in promoting stories about Wales in the national prints of the UK as well as newspaper within Wales.

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Appendix

Table 1: Top 20 Regional Newspaper Publishers

	Group name	Total		Dailies, paid and free			Sundays Paid and Free			Weekly Paid		Weekly Free	
		Titles	Weekly circ.	Titles P	F	Weekly Circ.	Titles P	F	Weekly Circ.	Titles	Wkly Circ	Titles	Wkly Circ
1	Trinity Mirror*	186	12,494,145	14	9	7,602,958	4		689,977	52	625,254	107	3,575,956
2	Associated newspapers	12	9,709,115	1	11	9,709,115							
3	Johnston Press Plc*	295	9,406,659	19	1	4,067,544	1	2	159,835	147	1,569,835	125	3,609,443
4	Newsquest media Group	210	9,172,723	18		3,630,641	1		53,082	68	892,521	123	4,596,479
5	Northcliffe Media Ltd*	130	8,021,009	18	2	4,647,524				37	540,303	73	2,833,182
6	Guardian Media Group*	44	3,005,492	2	1	1,720,185				15	196,651	26	1,088,656
7	ARCHANT**	63	2,477,705	4		876,318				26	431,626	33	1,169,761
8	The Midland News Association	18	1,965,099	2		1,304,238				4	43,820	12	617,041
9	D.C. Thomson and Co Ltd	6	1,884,392	4		1,392,465	1		415,413			1	76,514
10	Tindle Newspapers**	66	1,400,028				2		26,263	27	239,892	37	1,133,873
11	Iliffe News and Media**	35	1,154,365	3		287,958		5	213,833	7	92,358	20	560,216
12	Kent Messenger Ltd	21	778,072							9	145,453	12	632,619
13	Independent News and Media	6	710,521	1		502,008	1		74,886			4	133,627
14	Observer Standard Newspapers	10	486,637									10	486,637
15	CN Group Ltd	10	449,809	2		257,094				5	89,036	3	103,679
16	NWN Media Ltd	12	407,619	1		112,320				3	36,934	8	258,365
17	Dunfermline Press Group**	16	389,969							10	94,332	6	295,637
18	Irish News Ltd	1	291,678	1		291,678							
19	Clyde & Forth Press Ltd	14	280,579	1		107,748				10	85,614	3	87,217
20	Guiton Group	5	224,412	2		224,412				2		1	
	TOTAL TOP 20 PUBLISHERS	1,151	61,744,833	93	15	33,769,011	10	7	1,633,291	422	5,083,629	604	21,258,902
	TOTAL OTHER PUBLISHERS	141	1,817,583	1		109,800		1	1,805	100	639,154	39	1,066,824
	TOTAL ALL PUBLISHERS (84)	1,292	63,562,416	94	15	33,878,811	10	8	1,635,096	522	5,722,783	643	22,325,726

Source: Newspaper Society Intelligence Unit 1 January 2008 based on ABC/VFD figures

Includes London *Evening Standard*, *Daily Record*, *Sunday Post*, *Sunday Mail* and all regional daily Free titles

*Metros are included under both the publisher responsible for distribution and local advertising sales AND Associated Newspapers – but are only counted once for total figures

Excludes publishers which only produce daily free newspapers: e.g. *LondonPaper* 2,458,730 weekly circulation and *CityAM* weekly circulation 471,940

Table 2: Local Newspapers: Declining titles 1985-2009

Newspaper Type	1985	1995	2005	2009
Morning (paid)	18	17	19	22
(free)	-	-	8	10
Evening (paid)	73	72	75	71
(free)	-	-		5
Weekly Paid	749	473	526	521
Weekly Free	843	713	637	624
Sunday (paid)	4	9	12	10
(free)	-	-	9	6
Total	1687	1284	1,286	1269

Source: Newspaper Society database 1985, 1995 and 2008 (Accessed 23 February 2009)

Table 3: Circulation of selected Evening and morning titles 1995-2008

Newspaper Title (Evening)	Circulation			
	1995	2000	2005	2008
<i>Manchester Evening News</i>	193,063	176,051 (-8.8%)	144,201 (-18.1%)	86,923 (-55.8%)
<i>Liverpool Echo</i>	168,748	155,848 (-7.6%)	130,145 (-16.5%)	109,756 (-35.0%)
<i>Belfast Telegraph</i>	136,714	114,961 (-15.9%)	96,299 (-16.2%)	83,688 (-38.8)
<i>Birmingham Evening Mail</i>	201,476	136,743 (-32.1%)	93,339 (-31.7%)	71,255 (-65.0%)
<i>Glasgow Evening Times</i>	138,987	106,839 (-23.1%)	92,088 (-13.8%)	79,155 (-43.1%)
<i>Newcastle Evening Chronicle</i>	120,604	107,346 (-11%)	91,703 (-14.6%)	76,462 (-36.6%)
<i>Leicester Mercury</i>	118,594	111,652 (-5.9%)	82,232 (-26.3%)	73,343 (-38.2%)
<i>Yorkshire Evening Post</i>	106,794	100,794 (-5.6%)	68,767 (-31.8%)	61,332 (-42.6%)
<i>Sheffield Star</i>	100,971	84,327 (-16.3%)	62,850 (-25.5%)	53,791 (-46.7%)
Newspaper Title (Morning)				
Aberdeen Press and Journal	108,963	101,642 (-6.7%)	86,942 (-14.5%)	81,872 (-24.9%)
<i>Norwich Eastern Daily Press</i>	79,596	76,579 (-3.8%)	68,599 (-10.4)	66,632 (-16.3%)
<i>The Northern Echo</i>	77,425	66,032 (-14.7%)	55,979 (-15.2%)	51,188 (-33.9%)
<i>Yorkshire Post</i>	79,094	76,424 (-3.4%)	50,541 (-33.9%)	53,881 (-31.9%)
Western Daily Press	62,692	52,373 (-14.8%)	45,115 (-13.9%)	42,900 (-31.6%)
<i>Western Mail</i>	64,602	55,273 (-14.4%)	42,981 (-22.2%)	38,977 (-39.7%)
<i>Newcastle Journal</i>	57,677	50,295 (-12.8%)	38,187 (-24.1%)	36,856 (-36.1%)
<i>Ulster Newsletter</i>	33,233	33,435 (+0.6%)	26,270 (-21.4%)	26,803 (-19.3%)
<i>Birmingham Post</i>	28,054	20,922 (-25.4%)	14,256 (-31.9%)	12,685 (-54.8%)

Source: ABC and VFD data from the Newspaper Society website.

(Figures in brackets in the 2000 column represent circulation decline between 1995 and 2000 expressed as a percentage. Bracketed figures in the column 2005 represent percentage circulation declines for the period 2000 to 2005. **NB This means that in almost every case the rate of decline of circulation is accelerating and is greater for the second five year period than the first.** In the 2008 column, the bracketed figure represents the aggregate percentage circulation decline between 1995 and 2008).

Table 4: Profits at The Western Mail and Echo 1995-2005

Year	Pre-tax Profits (000s)	Turnover (000s)	Profit Margin (%)
2005	20,999	54,956	38.2
2004	19,624	55,356	35.5
2003	16,241	54,307	29.9
2002	15,707	51,998	30.2
2001	13,296	49,966	26.9
2000	6,374	45,991	13.9
1999	9,475	44,508	21.3
1998	7,819	40,983	19.1
1997	6,834	38,997	17.5
1996	3,916	36,681	10.7
1995	9,379	36,641	25.6

Source: Williams and Franklin 2007

Compare these profit returns to the much lower figures for the national press in Table 5.

Table 5: Average profits for UK national newspaper companies

Year	Average pre-tax profits	Average turnover	Average Profit Margin (%)
2004	30,354,333	324,175,784	9.4
2003	6,210,778	364,772,778	1.7
2002	48,654,778	351,829,222	13.8
2001	30,193,222	362,395,333	8.3
2000	44,350,444	363,101,000	12.2
1999	37,619,778	337,068,444	11.2
1998	33,568,555	316,363,778	10.6
1997	25,363,778	298,219,111	8.5
1996	18,659,000	285,003,555	6.5
1995	15,517,555	211,296,111	7.3
1994	29,893,444	254,677,444	11.7
1993	29,309,555	240,584,555	12.2
1992	14,041,555	176,147,500	8
1991	-19,452,333	203,821,778	-9.6
1990	28,470,874	229,523,625	12.4
1989	30,091,624	227,910,624	13.3
1988	32,284,125	207,783,375	15.5
1987	10,873,500	180,347,749	6
1986	363,571	214,310,142	0.2
1985	10,564,714	184,184,142	5.7

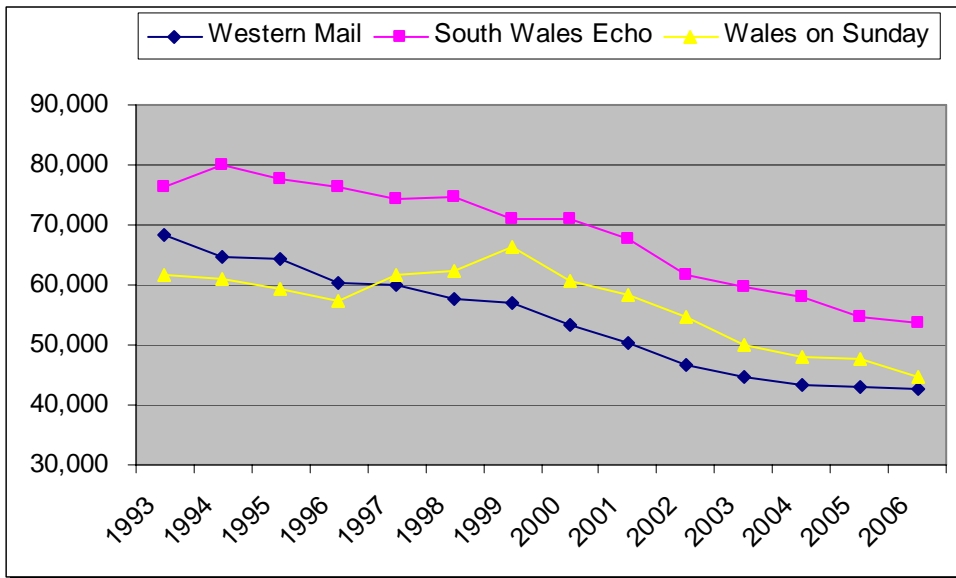
Source: These data are based on the average number of employees and also average editorial staff at the following companies: Express Newspapers Ltd (the *Daily Express*, the *Sunday Express*, the *Daily Star*, the *Daily Star Sunday*), The Financial Times Ltd (the *Financial Times*), MGN Ltd (*Daily Mirror* and *Sunday Mirror*), News Group Newspapers Ltd (the *Sun* and the *News of the World*), the Telegraph Group Ltd (the *Daily Telegraph*, the *Sunday Telegraph*, the *Weekly Telegraph*), Guardian Newspapers Ltd (*Guardian* and the *Observer*), Independent News and Media Ltd (*Independent* and the *Independent on Sunday*), Times Newspapers Ltd (*The Times* and the *Sunday Times*, *TLS*, *THES*, *TES*) and Associated Newspapers Ltd (the *Daily Mail*, the *Mail on Sunday*, the *Evening Standard*, the *Ireland on Sunday*, and *Metro*).

Table 6: Circulation decline at Welsh Daily Titles 1979-2009

Title	1979	1997	2006	2009
<i>Western Mail</i>	94,000	61,541	42,578	37,152
<i>Daily Post</i>	50,000	52,000	39,651	35,838
<i>South Wales Echo</i>	120,000	74,246	53,780	44,624

Source: Williams and Franklin 2007 and Newspaper Society 2009

Chart 1: Falling circulation at Western Mail and Echo Ltd. flagship titles, 1993-2006



Source: Williams and Franklin 2007

Table 7: Job Reductions at Western Mail and Echo Ltd 1995-2005

Year	Total Employees	Editorial and Production	Sales and Distribution	Administrative
2005	643	481	87	75
2004	751	556	92	103
2003	826	599	103	124
2002	796	573	88	135
2001	821	594	91	136
2000	974	688	114	172
1999	990	692	127	171
1998	974	687	135	152
1997	920	657	114	149
1996	862	647	130	85
1995	799	612	82	105

Source: Western Mail and Echo Ltd annual accounts

Table 8: Newspaper Stories with content deriving from PR, news agencies/other media

	Press	Broadcast
All from PR, agencies/other media	38%	21%
Mainly from PR, agencies/other media	22%	13%
Mix of PR, agencies/other media with other information	13%	25%
Mainly other information	7%	20%
All other information	12%	18%
Unclear	8%	3%