Debunking the Myths: Neighbouring Rights

Myth

- "...a growing online readership cannot make up for income lost through declining print sales..."
- ⇒ According to Deloitte, in 2014 the total value of referral traffic from online services such as social media, news aggregators etc. to news publishers in France, Germany, Spain and the UK was €746 million.
- Axel Springer reported an 8.5% increase in profits in 2015, with 62% of its revenues generated from digital activities.
- Digital subscriptions sales of <u>The Economist</u> rose 47% in 2016, and circulation profits grew 30%.
- ⇒ Nearly three-quarters of the <u>Financial Time's</u> total paying readership is online.

Myth

- "...social media and the use of snippets discourage users from reading our articles..."
- ⇒ The majority of consumers access news sites/apps directly. 64% of Bild.de and 68% of Spiegel.de users access the content directly (Similarweb data).
- ⇒ Social media and news aggregators allow publishers to reach large audiences for free.
- The introduction of neighbouring rights in Spain caused the entire digital news market to shrink. Publishers lost as much as 14% of their web traffic, losing direct traffic from social media and from news aggregators. This is estimated to cost the Spanish news publishing industry €10 million a year.

Myth

- "...a new publishing right will increase the quality of Europe's journalism..."
- According to Reuters, European online news users access significantly more news brands than offline users and read more diverse sources.
- ⇒ Online services such as news aggregators allow less wellknown, alternative sources to be discovered and gain traffic.

Myth

- "...the online industry is the only voice against this right..."
- ⇒ Small publishers think that a neighbouring right could actually be harmful.
- ⇒ Close to 60 European academics have already condemned the idea of an EU publisher right on the record, with the most recent letter sent by a coalition of EU IP researchers in February 2017.
- ⇒ A coalition of over 60 European Startups highlighted their concerns in response to the European Commission's consultation.
- ⇒ **Journalists unions** in France, Germany and Austria are **increasingly opposed** to the creation of a new right for publishers, as are civil society organisations like Communia and C4C.

