

# Media Policy Principles

## — of the dfv media group —

### Preamble

A free and democratic society needs politically and economically independent media. A diverse media landscape ensures that people have access to reliable information; this also includes high-quality specialist media which provide those responsible in business and industry with a basis for their decisions.

Private media, public broadcasters, and digital platform operators (intermediaries) enjoy the protection of freedom of opinion. At the same time, they are competitors for the attention of the audience as well as for the budgets of advertisers and media consumers. It is the task of the European Union and national legislators to guarantee freedom of communication and fair competition.

Media policy decisions should be guided by these principles. State regulation is not an end in itself, but ensures equal market access for providers where technical restrictions prevail or the dominance of individual market participants endangers competition. And it ensures that laws and regulations apply equally to all media, even in times of digitalisation and globalisation.

### Freedom of communication instead of advertising bans

Those who offer legal goods and services should also be allowed to advertise them. Advertising bans restrict professional freedom and freedom of expression. They are not a permissible means of achieving political goals, but can at best be justified in rare exceptional cases, such as the protection of children and young people. Freedom of advertising is the rule; advertising bans must remain an exception.

We expect the advertising industry to handle its right to unhindered communication responsibly. It supports consumers in making independent, appropriate decisions for their everyday lives. Self-regulation and self-obligations have priority over state restrictions in advertising communication.

### For a right that ensures fair competition

Progressive digitisation is permanently changing competition in the media industry. We see digitisation and the accompanying change as a great opportunity for traditional media companies as well. However, in order to be able to sustainably shape and advance this change, the requirements of antitrust law must keep pace with the changing market conditions.

Analogue and digital media, traditional publishers, and new providers are competing for advertisers' budgets as well as consumers' media budgets. We consider a small-scale parcelling of the media market, which restricts the entrepreneurial scope of publishing companies in particular, to be wrong.

The threshold values that determine whether a merger has to be notified to the Cartel Office have to be adapted to new realities. The so-called press multiplier, which regulates mergers in the media market in a particularly restrictive way, must not prevent publishing companies and other media companies from reaching economically necessary operating sizes.

State institutions such as ministries, administrations, and public enterprises themselves act as players in the media market. As contracting authorities, they must avoid any appearance of discrimination, especially against small, regional, or specialised media. Fair access to public advertising budgets must be guaranteed. As media providers, public authorities must exercise restraint.

Information offerings on the internet financed by public funds must not endanger the economic basis of private media companies. The dissemination of official print products, for example at the municipal level, must not compete with journalistic providers.

## **No discrimination by tech platforms**

A few international tech-based communication platforms dominate the digital world order. They have given people new access to information and opened up new opportunities for advertisers to reach their customers. Google, Facebook, and co. have become important components of our communication system.

To ensure that market-dominant platforms do not abuse their power, they must be subject to regulation. Competitors must not be discriminated against, neither in the distribution of content nor in the presentation of advertising formats or in the use of commercially relevant data. Media providers have a right to fair remuneration if the tech platforms use their content. A level playing field also requires that these companies make an appropriate contribution to the common good in the countries where they generate their value through tax payments.

Not only media but also tech platforms have a responsibility to ensure that people have access to reliable information and that the rules of civilised debate are respected even in controversial political and social debates. Fake news and hate speech must not be the basis of commercial success. Legal content, on the other hand, may not be deleted, even if it does not correspond to the view of the operator of the platform or the overwhelming view of the population.

## **Appropriate protection for authors and publishers**

The services of authors and publishers require appropriate protection and remuneration, especially with regard to the use of their content in the digital context. We expressly welcome the developments regarding ancillary copyright for press publishers.

However, the existence of this right is not sufficient. Rights holders must now be fairly remunerated for the use of their content and given non-discriminatory access to the major platforms. To ensure a balance of interests between content providers and platforms, a negotiated solution between the market partners is preferable to state regulation. Ultimately, the same conditions must apply to all content providers.

## **No subsidies; press subsidies only as an exception**

Journalistic and economic independence of media go hand in hand. One of the strengths of our media companies is that they self-confidently forego state subsidies. There is a direct path from financial support from the state to influence by politicians concerning content.

We therefore fundamentally reject state subsidies for the media. Exceptions are justified at most if, without this support, people's access to information would be restricted. Press subsidies that ensure the nationwide distribution of printed press products throughout the Federal Republic may be such an exception. In contrast, general assistance intended to make the digital transformation easier for media companies is not part of this, as we understand it.

However, the federal government – which, through the state-owned development bank KfW, is the largest shareholder in Deutsche Post, the publishers' most important distribution partner, with a stake of around 20.5 percent – has a special sociopolitical responsibility to ensure that magazines and other press products can be delivered to readers at reasonable cost.