



Brussels, 1 October 2008

Monsieur Nicolas SARKOZY  
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Monsieur le Président de la République française,  
President of the European Council,

On the occasion of the launching of the Etats Généraux de la Presse in France, as President of the European Newspaper Publishers' Association (ENPA), I take this opportunity to open up the dialogue about the situation of the press industry.

As you know, ENPA represents over 5,200 national, regional and local newspaper titles. These daily, weekly and Sunday titles are published in 27 European countries. The French national and local newspaper associations SPQN and SPQR are founding members of ENPA. Every day more than 140 million newspapers are sold and read by over 280 million Europeans.

In your capacity as President of the European Council, I wish to draw your attention to the ongoing profound structural and market changes in the newspaper industry, which are happening not just in your country, but in all European countries.

In light of the challenges created by structural changes, newspaper publishers in Europe are more than ever aware of the importance of media literacy, as well as related the issues of VAT, advertising, and content ownership, all currently being debated at European and national level.

### **Media literacy**

Democracy cannot exist without a free and independent press and vice versa. As we sadly learned in the 20<sup>th</sup> century, democracy is not simply a heritage. It is a conquest, a victory of consensus and respect over fear and egoism. It is for each generation a demanding apprenticeship.

Media literacy has been a key priority for newspaper publishers for a number of decades, many of whom have invested a lot of effort in establishing successful media literacy programmes.

The role that enhancing media literacy through the press plays in forming a sense of active citizenship in our information society should be recognised and entrenched in current and future policy formation. The European written press is heavily engaged in the area of media education because it is important for democracy that citizens learn to inform themselves in order to make good choices.

Media literacy as envisioned by the European Commission has been approved by the European Council of Ministers. It considers this as “an important factor in favour of an active citizenship in the framework of the information society” and underlines that it can contribute to the realisation of objectives outlined in the Lisbon agenda.

Our mission is thus to form citizens and to permit them to take part in the life of democracy. That is why many among us develop projects especially for the younger generations. A recent study in Finland demonstrated that young newspaper readers are more inclined to take an active part in civic life than others. That proves the strong influence newspapers have on young people just entering civic and social life.

We therefore ask you to ensure that newspapers and other written news media in Europe are not excluded from the opportunity to be involved in any future EU media literacy initiatives.

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In order to create a favourable environment for the development of media literacy one must recognise that fair rules for the game need to exist, in terms of economic base, freedom of the press and a free independent newspaper industry, notably in the form of respect for content ownership, low VAT rates, commercial speech and freedom of the press. This concerns national, regional and local newspapers.

### **Content ownership – importance of newspapers in the new technological environment**

I ask you to initiate cooperative efforts between the written press and search engines to establish fair rules of game. It seems incredible that, for example, search engines can commercially exploit the content of the press without any compensation. Newspapers are subjected to increasing competition with telecoms and search engines who do not own content.

### **VAT rates**

ENPA reminds you of the importance of zero-rate and super-reduced rate VAT on newspaper sales, set by those EU Member States who have decided to pursue such a policy. These rates represent a powerful cultural policy tool to encourage reading and improve knowledge.

Without favourable VAT rates more expensive newspapers would mean fewer readers, advertising losses to newspaper publishers and decreases in revenues of taxes for states. Moreover, it is important to ensure equal treatment between the different media (paper or electronic/other) within the newspaper industry since newspapers, as a fundamental good, should be as easily accessible as possible.

## **Commercial speech and freedom of the press**

Publishers are extremely sensitive to the fluctuations in their advertising volumes – after all, these often account for more than half of newspapers' revenues. However, it is also a question of principle. In this regard, ENPA insists on the need to preserve freedom of commercial expression and to guarantee the free movement of diverse forms of expression.

ENPA opposes the introduction of any advertising restrictions on legally available products. These could lead to a shift of financial resources from newspapers to direct marketing and below-the-line actions. It is therefore highly threatening to the advertising revenues of many newspapers across Europe. Without a free advertising market, the diversity of media and their independence could be endangered, thus weakening a fundamental pillar of our democratic societies.

The right of freedom of expression is one of the fundamental values of the European Union, which also applies to commercial communication and all new restrictions on this could endanger the pluralism and diversity of the media.

## **The importance of the written press**

During these turbulent economic and political times, people need print media in order to better understand events of the day. Newspapers encourage reflection. They allow events to be viewed objectively and extinguish rumours. They make it easier to move from heated emotion to serene and respectful debate, they lead the way to rationality and reason. By inviting people to look for the common ground instead of differences and opposition, they prevent collective emotion from being the sole guide for public life.

Overall, newspapers in Europe cover the major subjects in depth. Providing an orientation function between politics and the people is taken seriously by the publishers and journalists alike.

Over the past few years, the newspaper industry has undergone profound transformation in order to inform both through print and digitally. They apply the same professionalism to verify and judge the importance of each and every news item. This professionalism allows titles of the press to continue to serve as references while developing reliable sites in this abundant universe of information.

This profound transformation, orchestrated with an acute sense of newspapers' mission is crucial for our sector.

At our meeting at the reception of the Syndicat de la Presse Régionale last year, I underlined that the newspaper industry should not be considered like any other sector, but as one that defends European culture in all its historical diversity. We are proud of this European diversity.

Newspaper publishers count on authorities not to over regulate our profession but to create conditions that permit the democratic press to flourish in the 21<sup>st</sup> century. Just as in the past we worked for the emergence of a democratic public opinion, at this point in history we strive to help form a European public

opinion in the spirit of reaching toward the grand goals of peace and development and by refusing the temptations of isolation and populism.

I would be highly interested to personally have the opportunity to discuss the ENPA position in more detail with you in the coming weeks.

Yours sincerely,

A handwritten signature in black ink, appearing to read "V. Lehari Jr.", written in a cursive style.

Valdo Lehari Jr.

President of European Newspaper Publishers' Association (ENPA).

Publisher of Reutlinger General-Anzeiger, Germany.