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REMEDY THE ADVERSE EFFECT ON COMPETITION

Response to statement to evaluate the impact of sections 3.4.1 to 3.4.5 of the quality and consumer choice of South African news media. Looking into the impact of these sections on news media companies that are SME's.

I am writing in response to the report on the Competition Act's media and digital platforms market inquiry. As the owner of an independently owned online newspaper in South Africa, I would like to express my concerns regarding the imbalances in bargaining power and the impact it has on the competitive outcomes of the news media industry.

As a small media company, we struggle to gain traction in the market due to large corporations dominating the media landscape in South Africa. Tenders, legal notices, and bids are all advertised with companies like Netwerk 24 and Independent Newspapers, which have free print media, leaving us with no option but to struggle to find our own footing.

The bargaining power of their combined publications seems to be much larger than a smaller publication of an entrepreneur who is trying to make a living, create jobs, and train young journalists. As a result, we feel that small media companies should be empowered to bargain with agencies and quote for companies such as Checkers, Shoprite, De Beers, Discovery, and others.

We also publish in Afrikaans, which is one of South Africa's official languages. However, we are excluded from Google newsfeeds and Facebook articles because these platforms do not recognize Afrikaans as a language. This exclusion severely limits our reach and our ability to compete with larger media companies.

The report's finding that the commercial relationship between news media businesses and relevant digital platforms is characterized by imbalances in bargaining power is accurate. Digital platforms are critical channels through which news businesses reach consumers and provide them with vital referral traffic. Loss of advertising revenue for publishers means that they cannot make the necessary investments, which in turn may potentially reduce the quality and diversity of news content that is available to consumers.

As a small media company, we feel that we are at a significant disadvantage compared to larger corporations. We need a fairer playing field, one in which we can compete on equal terms.

We urge policymakers to take the necessary steps to address the imbalances in bargaining power and the exclusion of Afrikaans content from digital platforms, and ensure that the media industry remains vibrant and competitive.