"We Must Act Now to Save Local News"

Word Count: 926

Since our establishment in [year], the [insert newspaper name]'s priority has been to bring the news to the [insert town/area] community. As members of this community ourselves, we love serving you and we are committed to bringing you the news that helps you stay informed and that has a positive impact on your lives. However, our future ability to continue doing this incredibly important work depends on being able to reinvest in the high-quality journalism that you want and need.

Last year, legislation nearly passed in Congress that would have allowed small and local news publishers to come together to negotiate for fair compensation from the Big Tech platforms for use of our content. Now, in the new Congress, that legislation has been given new life, and the need to pass it into law has never been more urgent.

The online advertising marketplace is dominated by Big Tech platforms who use our content on their platforms without compensating us while they collect massive amounts of advertising revenue. Because these platforms are so dominant, they are able to set the rules that everyone else must play by. As a result, they take up to 70 percent of every advertising dollar we earn, leaving us with literally pennies on the dollar to reinvest in the news. This is simply not enough to sustain quality journalism.

The Journalism Competition and Preservation Act (JCPA), which was reintroduced this Spring in the Senate by Chairwoman Amy Klobuchar (D-MN) and Senator John Neely Kennedy (R-LA), would finally hold tech giants, such as Google and Facebook, accountable and provide a necessary lifeline for providers of local news journalism, requiring the tech platforms to compensate us for the use of our content. The JCPA is designed exclusively to benefit news publishers like us, and would impose severe penalties on the tech platforms if they do not negotiate with us in good faith.

The tech giants have built their empires by profiting off the hard work of our journalists without fairly compensating us. And as local publications struggle to stay afloat, Big Tech has only doubled down on their anticompetitive practices, further consolidating their control over the flow of information.

The need for compensation has become more concerned in the last few months we have seen the rapid adoption of generative artificial intelligence (AI) technologies such as ChatGPT, used in Microsoft Bing's AI chatbot, Google's Bard, and Facebook's LLaMA. While we welcome these innovative technologies, the training of AI depends on crawling news publishers' content, but may not compensate the creator of the content or adequately attribute the source through a link or otherwise, essentially replacing the need for users to ever visit a news site and eliminating yet another opportunity for readers to form a relationship with local news publishers or support us through subscriptions. As the platforms rely on our content even more for their AI technology, it's undeniable the value that news publishers provide for the betterment of their products and, in turn, their bottom line.

The JCPA would ensure that we are fairly compensated for access to our content by the tech platforms to be used in countless ways – including for AI technology. In virtually every other business transaction, there is a fair exchange of value, and it is unacceptable that the tech platforms continue to get away with not compensating news publishers for the content that makes their sites more appealing and more profitable.

In Australia, the UK, the European Union, and soon, Canada, local news publishers like us are already being compensated by Big Tech, thanks to those countries' governments recognizing the need to correct the imbalance in the marketplace caused by the tech platforms. In Australia, the News Media Bargaining Code has allowed local news publishers there to thrive again.

Now, with Canada on the brink of passing <u>similar legislation</u>, the United States should not be content to fall behind the rest of the world and to continue letting our local news

outlets suffer and disappear from the landscape, when clearly there is a solution out there that is working.

According to <u>research</u> by Northwestern University's Medill Local News Initiative, since 2005, the U.S. has lost more than one-quarter of its newspapers (2,500), and we are on track to lose another third by 2025 if nothing is done to stop it. Not surprisingly, the number of remaining journalists also decreased by almost 60 percent in the same period.

The JCPA, through the establishment of a compensation framework, will allow us to hire more journalists to do the critical reporting that you come to us for every day.

A poll conducted in the spring of 2022 found that <u>70 percent</u> of Americans support the JCPA. In addition, the JCPA has strong support on both sides of the aisle, with both Democrat and Republican policymakers in both the House and Senate supporting it.

The tech platforms are not slowing down and they have no shame in continuing to take what is not theirs and use it to develop more and newer products that generate even more revenue for themselves. But without high-quality journalism provided by news publishers, they would be in a world of trouble as misinformation runs rampant.

We cannot afford to waste this second chance at a sustaining lifeline for local journalism. If Congress does not act soon, we risk allowing social media to become America's de facto local newspaper. With the bill reintroduced, Congress must pass the JCPA without delay to rein in Big Tech and restore fairness to local journalism before it's too late.