

US lawmakers reintroduce bill to help news publishers fight Big Tech

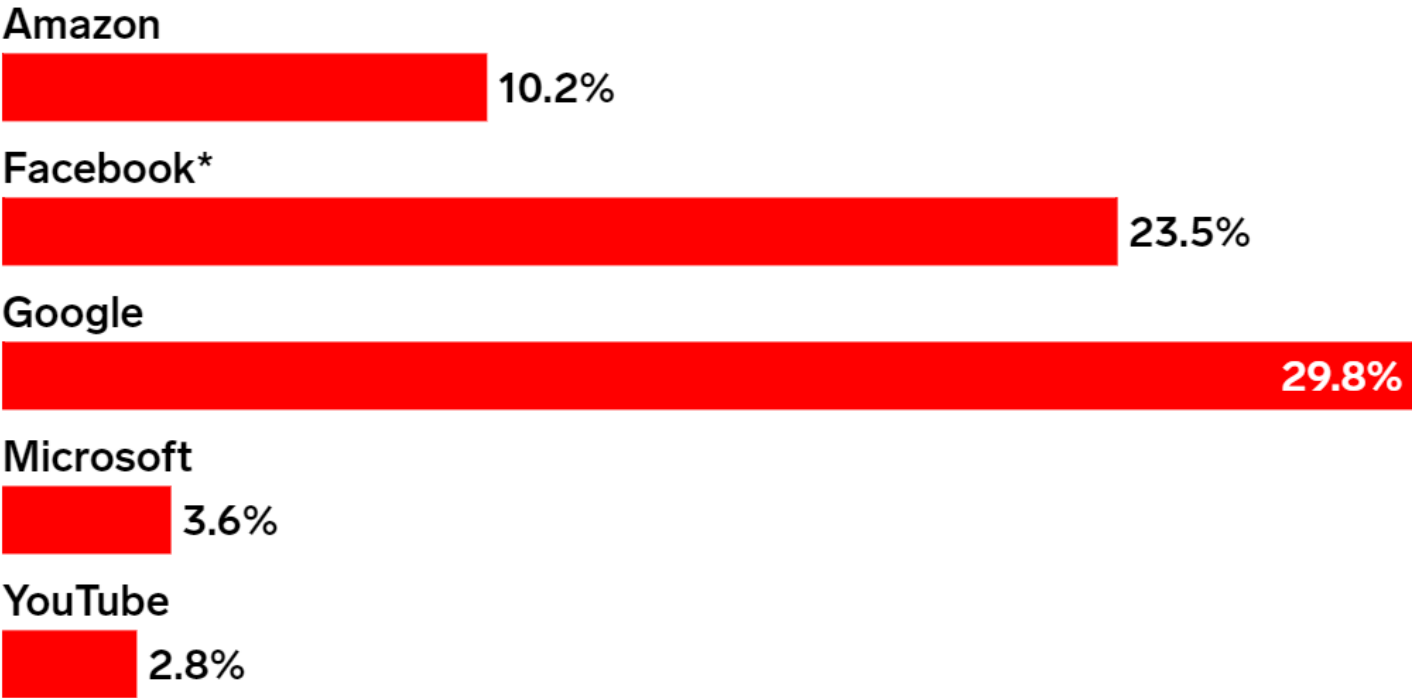
Article

US lawmakers Wednesday **reintroduced** the Journalism Competition and Preservation Act, a bill that will let news publishers collectively bargain with tech companies like Facebook and

Google for fairer content distribution terms. It will also grant publishers a 48-month period of immunity from antitrust laws while negotiating. The bill is intended to help negotiate payment deals that would “flow subscription and advertising dollars back to publishers” and away from the duopoly, according to co-sponsor Senator Amy Klobuchar’s press release. (For context, we **estimate** that Facebook and Google accounted for more than half of all US digital ad revenues last year, with 23.5% and 29.8% share, respectively.)

Digital Ad Revenue Share, by Company

US, 2020, % of total



Source: eMarketer, October 2020

eMarketer | [InsiderIntelligence.com](https://www.insiderintelligence.com)

The bill was first introduced in 2019 but has since been put on the backburner, and interest is picking up as Big Tech antitrust cases build and other countries pass similar laws. Tech regulation is one issue seeing rare bipartisan support in the US—culminating in late 2020 with

the filing of multiple antitrust lawsuits against **Facebook** and **Google**. Meanwhile, **Australia** and **France** have succeeded in passing and enforcing similar legislation to help publications fight tech companies. That's made it an especially opportune time to reintroduce the bill.

The US bill leaves the terms of payment in the hands of companies, rather than the government, which could work in publishers' favor.

- Australia's and France's legislation mandated tech giants to pay publishers for the use of news on their sites, while the US bill is broader: It only gives news publishers the ability to bargain for that payment.
- But that could benefit the publishers. It could help the bill pass—the US tends to be less willing to regulate the technology sector than the EU or Australia, so making it optional and leaving the terms in the hands of the market may help garner broader support.
- It could also make the tech giants in question more likely to concede. Google has historically attempted to bypass government regulation but capitulating to publishers' demands under pressure. When the Australia bill passed, for example, Google threatened to pull news from the country completely—it was only after News Corp. **negotiated** a deal with Google that the tech giant conceded to following the law. The story in France was **similar**. (Plus, Big Tech will have even less bargaining power in the US, considering it's their most profitable market—threats to pull out altogether won't hold the same weight.)
- If the US bill passes, it would almost certainly cause an industrywide ripple effect, boosting efforts for other countries to follow suit.