Press release

PRINT MEDIA DISTRIBUTION

Arcep issues two opinions on the technical, pricing and contractual terms and conditions of firms MLP and Presstalis

Paris, 10 February 2020

These opinions mark the first stage in the regulation of print media distribution

After receiving complaints from MLP and Presstalis, on 6 and 18 December 2019, respectively, Arcep is issuing two opinions on these two companies' technical, pricing and contractual terms and conditions.

Article 18, Para. 2 of the Bichet Act, as amended by Act No. 2019-1063 of 18 October 2019 on the modernisation of print media distribution, stipulates that Arcep will be "informed [...] of the [two companies" (MLP and Presstalis)], technical, pricing and contractual terms and conditions two months before they are put into effect". "Within two months of having received this information [the Authority] will issue a public opinion on these terms and conditions, and make its observations known to the company."

This article also stipulates that Arcep "can request that [the distribution companies] submit a new proposal and, if necessary, amend their pricing conditions or suspend their application if they do not comply with the principles of non-discrimination, of an efficient operator's cost-based pricing and of fair competition. To ensure compliance with these principles, it may also decide to impose a multi-annual price cap on these services. It will publish the scales established by the authorised companies, for the benefit of all customers".

These first opinions on the MLP and Presstalis scales constitute a first stage in Arcep's regulation of print media distribution. The Authority will deliver a more detailed analysis at a later date. Arcep currently has only a limited set of elements at its disposal, particularly in the area of accounting. Added to which, work that will have a fundamental effect on the sector, starting with the definition of assortment rules, still lies ahead.

MLP and Presstalis technical, pricing and contractual terms and conditions elicit several observations, and requests from Arcep

Arcep has requested that MLP and Presstalis **suspend "welcome discounts" immediately**, so that they no longer apply to transfers between print media distributors.

Arcep has also requested that MLP and Presstalis amend their pricing, technical and contractual terms and conditions, and notify their changes to the Authority within three months, by:

- Incorporating all of the services provided for the benefit of print media publishers into their catalogue, regardless of whether or not MLP and Presstalis consider these services to be included in their scale;
- Eliminating "group" discounts and simplifying the discount system.

Lastly, Arcep invites MLP and Presstalis:

- First, as part of future changes to its contractual terms and conditions, to contemplate the
 introduction of stipulations that strengthen the predictability of the actual enforcement of
 cancellation notices that have been filed, while still making it possible to guarantee the freedom
 of any publisher that so desires to switch distributors;
- Second, to begin work with industry stakeholders to update the processes for reporting
 information on sales proceeds, by relying in particular on the information that could be supplied by
 the computerised cash register systems of those distributors that have acquired one.

Furthermore, Arcep has identified a number of tasks that it will initiate in the coming months, working in concert with the sector's stakeholders.

Arcep will reassess how the equalising mechanism works and will determine whether the assessment method that was defined in 2012 should be revised.

The Authority will also examine the question of unsold goods, a task whose desired outcome will be to achieve a healthy balance between pluralism, diversity and efficiency, working in concert with market stakeholders, and which should be coordinated with the definition of rules for the assortment and quantities served at points of sale.

Lastly, Arcep will begin work in the coming months of defining and establishing print media distributors' regulatory accounting, with a view to identifying and determining the cost of the different services.

Today, Arcep is also publishing a press release on the implementation of a system of consultation with the sector, with a view to establishing a shared medium-term outlook.

Associated document:

- Arcep Opinion No. 2020-0139 of 6 February 2020 on the technical, pricing and contractual terms and conditions of the services provided by the firm Messageries Lyonnaises de Presse
- Arcep Opinion No. 2020-0140 of 6 February 2020 on the technical, pricing and contractual terms and conditions of the services provided by the firm Presstalis

Arcep at a glance

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile telecoms and postal networks in France.



Subscribe