Press release

PRESS DISTRIBUTION

Newsagent remuneration: Arcep invites the sector's stakeholders to enter into business negotiations to increase the minimum commission rate at certain points of sale

Paris, 12 November 2024

When reforming the Bichet Act¹, legislators in France sought to make the profession of newsagent more attractive, both from a business standpoint by giving them greater flexibility to choose the titles and number of copies they sold, and by giving Arcep the power to set newsagents' remuneration conditions, with the particular objective of ensuring a PoS network with vast and balanced coverage.

It was against this backdrop that Arcep began working on changing newsagents' remuneration, and held a <u>public consultation from June to October 2023</u> to obtain feedback on stakeholders' expectations and priorities. The Authority also interacted directly with the sector's players and conducted analyses with the data at its disposal, to gain a more detailed understanding of newsagents' current situation.

During the press distribution consultation committee meeting held with sector representatives on 16 October 2024, the Authority shared its analysis of the situation and its guidance. The reduced number of points of sales and the reduced space devoted to this activity in those PoS pose a major threat to the future of single-issue sales, the continuity of press distribution and to its pluralism. The need to make the profession of newsagent more attractive is a conclusion shared by the sector.

Arcep therefore invites the sector's stakeholders to engage in business negotiations to increase the minimum rate of commission for certain points of sale. The proposal resulting from these negotiations is expected on 14 March 2025.

This proposal must include at least a two to four-point increase in the minimum rate of remuneration for "specialised" points of sale and "kiosks", the two segments that contribute the most to meeting the goals of a PoS network with vast and balanced coverage and pluralism of the press.

Stakeholders are free to propose any additional consensual changes to the rules of remuneration that help to make the newsagent profession more attractive, increase the diversity of the press selection on offer or simplify the rules.

The Authority is aware that this change represents an effort for publishers, but nevertheless considers it necessary to improving the viability of the network of newsagents to which they entrust the sale of their publications.

If no consensual proposals are submitted by the abovementioned deadline, Arcep could hold a public consultation on its own proposed changes to achieve these objectives, in accordance with the powers conferred on the Authority by the amended Bichet Act².

Arcep also will be submitting two technical measures that received widespread support amongst stakeholders to a public consultation before the end of the year:

¹ Act No. 2019-1063 of 18 October 2019 on modernising press distribution.

² Cf. Para 6 of Article 18 of Act No. 47-585 of 2 April 1947 (amended) on the status of newspaper and periodical consolidated shipping and distribution enterprises

- First, an indexation of revenue-based increase tiers³ compared to the national change in single-issue press sales (excluding self-distribution⁴);
- Second, the payment of the totality of the increases to newsagents according to the same schedule as base remuneration, with the possible exception of the revenue-based increase.

Associated documents:

Contributions to the public consultations on changes to newsagent remuneration conditions (zip – 11 Mo)

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 communications, postal networks and press distribution in France.

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³ Increase in the rate of commission granted to certain point of sale segments according to their annual revenue from the sale of periodicals (*cf.* para 9 and 11 of CSMP Decision No. 2014-03).

⁴ Self-distribution refers to a print media publication's ability to be distributed by its own means without relying on an approved press distribution company.