

Thursday, 19 December 2019

ACCC Statement of Issues regarding sale of Pacific Magazines to Bauer Media

The ACCC has released a Statement of Issues today expressing concerns about some limited aspects of the proposed sale of Pacific Magazines to Bauer Media, specifically common ownership of New Idea and Woman's Day, and common ownership of That's Life and Take 5.

Seven West Media (ASX: SWM) believes that the ACCC has taken an overly narrow view of the competitive dynamics and constraints at play for magazine publishers and has not properly taken into account the competitive constraints faced by magazine publishers from digital and social media platforms.

James Warburton, SWM Managing Director and CEO, said: *"Advertising spend on consumer magazines represents only 2% of total advertising spend in Australia, whereas internet advertising spend accounts for more than 46% of total advertising spend in Australia."*¹

"At a time when the ACCC itself is looking at the impact of digital platforms on traditional media businesses and in the face of proposed Government reforms to redress the imbalance between traditional media businesses and the dominant digital platforms, the concerns that have been expressed seem misplaced."

"The transaction represents an opportunity to provide a stronger base for these titles to compete into the future against digital platforms."

SWM will continue to engage with the ACCC as its process continues.

End.

For more details:

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About Seven West Media

Seven West Media (ASX: SWM) is one of Australia's most prominent media companies, with a market leading presence in content production across broadcast television, publishing and digital.

The company comprises of some of Australia's most renowned media businesses, including the Seven Network and its affiliate channels 7TWO, 7mate, 7flix and BVOD offering 7plus, as well as, The West Australian and The Sunday Times and production powerhouse Seven Studios. Home to iconic brands such as My Kitchen Rules, House Rules, Home and Away, Better Homes and Gardens, Australia's leading news and breakfast programs 7NEWS and Sunrise, Seven West Media is also the broadcast partner of the AFL, Cricket Australia and the Olympics.

¹ PwC's Annual Australian Entertainment & Media Outlook 2019-2023 (2019) Report