

## PANPA Future Forum

Opening Address by

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Good morning ladies and gentlemen.

Welcome to the Plenary of the 2013 Future Forum and what promises to be a fascinating day of presentations and ideas from media colleagues around the world.

We have guest speakers from America, the United Kingdom and Europe. Speakers from the world of advertising, audience research and search – I am sure you will make them all welcome.

Delegates this year come from across Australia, as well as New Zealand, Singapore, Hong Kong and Fiji ... welcome to everyone who has made the journey to the Forum and the beautiful city of Sydney.

With the Newspaper of the Year awards tonight, I am sure it is going to be a marvellous day.

With awards comes celebration. And our industry has plenty to celebrate. This is easy to forget amid the challenges of industry restructure, tough economies and the ensuing movement of long-time colleagues and friends.

Yet the quality of our newspapers – the ability of our journalism to hold authority to account and provoke community comment and action through stirring editorials and campaigns – is world-class and must never be compromised.

I believe in our newspapers, our journalism and our future – in print and digital.

I am not alone, of course. Even the digital leaders of today love newspapers.

The purchase of The Washington Post by the boss of amazon.com – Jeff Bezos – illustrates that even the great digital champions see the value of a newspaper to its readers and society.

But I'm not predicting a Jeff Bezos in Australia or New Zealand. Locally, leading newspaper publishers all have strong strategies to handle the structural transformation of our industry.

We are not doing everything the same way or at the same time for very good reasons – our markets are different, our corporate cultures are diverse and our individual capacity to execute is not universal.

Our entrepreneurial spirit must be open to new opportunities and ideas for our clients, embracing all manner of advertising and marketing technologies to deliver audiences and achieve great results for readers and advertisers alike.

Today, we will hear from the publisher of the *MailOnline*, Martin Clarke, who has turned his paper from a Fleet Street powerhouse to a true global publishing brand.

Our industry is changing, and our readers are responding.

There are many challenges to overcome, especially in enticing more of our advertisers to our digital environments and driving subscription models.

All this requires marketing skills and execution that work hand-in-hand with our journalism.

We've had a quiet little revolution going on in Perth during the past couple of years.

Let's call it our own future forum.

While most of the attention has been focused on the News Corp and Fairfax battle in Sydney and Melbourne, we have been carving our own path.

It is worth taking a little time to explain because it shows how we are transforming our business – locally, nationally and internationally.

The heart and soul of it will also be in West Australia.

Our business has an amazing connection with the Perth and WA communities.

The heart and soul of what we do will always be in West Australia.

But the challenges of the modern media business also provide us with opportunities to break out of the State border that has traditionally constrained our business. And it also allows us to reach every corner of our massive State faster and more efficiently.

We've also been careful not to get ahead of ourselves – because the most important lesson for any media company embracing the future is to remember what you've been good at in the past.

Two years ago West Australian Newspapers bought the Seven Media Group.

The joint assets of what became known as Seven West Media now include the country's Number 1 television network, the second biggest magazine publisher in Pacific Magazines, a half share in the leading Yahoo!7 online portal and *The West Australian* newspaper, its 23 regional titles and regional radio stations.

My brief was to run both the newspaper group and the TV operation in Western Australia.

Now it is fair to say there was some concern on both sides of the divide between these traditional rivals – particularly in the news room. Journalists are a pretty competitive bunch.

What would it mean for their scoops? Would the other company steal their ideas?

But journalists are canny as well. And the print journalists immediately spied an opportunity for their own future.

“When can we start using their helicopter?” was by far their most popular question.

In the end the respective bosses of the two organisations – *The West’s* editor Brett McCarthy and Seven’s news director Howard Gretton called their people together and explained it this way.

We compete as hard as we can against each other. Your scoop will always be your scoop. But we work together where we can. And we compete fiercely against our opponents. Together we will both be stronger.

Common sense, really.

Since then, the transition from two companies into one has been virtually seamless.

We get the smartest people from both organisations into the same room to solve problems for both operations – and that goes across all departments ... editorial, advertising, marketing and IT.

It has made both organisations more powerful. And the winners have been our audiences and advertisers.

I’ll give you one example of how we are working and breaking down barriers to make our organisation better and more fluid.

Recently *The West Australian’s* Gold Walkley winner Steve Pennells – who incidentally lives in Sydney and works out of Channel Seven’s *Sunday Night* office in Paddington – did an extraordinary series of stories on the Syrian refugee crisis.

He went to Jordan with a gun cameraman from Seven’s Adelaide office, Rob Brown.

Together they produced three TV packages that ran across the 6pm bulletins around the country and five newspaper spreads in *The West Australian*. The whole lot was then packaged together afterwards as an online special for Yahoo!7 and thewest.com.au.

And a part of the plan which we didn't expect was the United Nations buying a series of ads asking for donations to capitalise on Steve's series. The ads included a phone number unique to the ads so they could track the donations. The results were phenomenal for them.

And I was happy as the CEO, too, because sending teams to Jordan doesn't come cheap, so the ads were a bonus.

Seven's national news director, Rob Rashke, is now looking to do more stories with Steve and *The West* that we can publish on all platforms.

I've given you this example to show that, as a company, Seven West is learning how to use all its resources – both people and technology – to do what we do best ... tell compelling, often difficult, stories mixed with stories and products that entertain readers and viewers.

New technology and changing consumption habits are affecting our traditional business models. But they also provide us with opportunities – so long as we adapt.

Like most newspaper companies, we are upgrading our operating system to allow us to publish easily to both print and digital.

We've been lucky because our newspaper computer system is supplied by the Danish company CCI.

They have been extremely innovative and aggressive in keeping their technology in step with the fast-changing habits of consumers.

We are also fortunate to be in the position of learning from their impressive list of clients around the world – both big and small.

So every day we are learning from the successes – and mistakes – of some great operations around the world and applying that intelligence to how it best suits our business.

What we are also finding is the technology is getting much simpler and easier to use for media companies. We are getting control of our own destiny.

The days of going cap in hand to a developer to spend six months or a year producing an ipad app are gone.

Soon we'll be aiming to devise a unique ipad app in the morning and publish it in the afternoon. Just like we do every day with newspapers and websites.

You may have noticed we are one of the few companies that do not have a pay-wall of any sort.

Maybe it is because – touch wood – our newspaper advertising market is still fairly strong compared to many other newspapers.

That hasn't happened by accident. We have invested a lot of time and energy into keeping our advertisers happy.

That is why I talk about the importance of relationships.

We are an extremely strong local brand and our advertisers keep telling us their ads in our products are working for them.

We've also bucked the trend by bringing out new print products in the past year – including the high quality glossy magazine *WestBusiness Insider* which has been very successful.

That's not to say we are not aggressively developing the digital side of the business.

Our strategy hits every part of our organisation.

A key part of the strategy is finally getting control of our customer subscription base – a problem newspapers everywhere have struggled with.

It seems inconceivable in a modern age – where our entire lives leave digital footprints – that we have known so little about who buys our newspapers.

But for the first time we now know exactly who our print customers are.

It is extremely valuable information which we can nurture in all sorts of ways.

For example, many media companies are doing everything they can to sign up digital subscribers. And that is an understandable strategy.

But we already have a large and loyal home subscriber base.

So it will be the foundation of everything we do as we expand our digital offerings.

Another relationship which we have been developing is with our national digital partner – Yahoo!7.

We have spent a lot of time getting to know how Yahoo!7 works – and teaching them about our business.

And the results have been amazing.

For example, just by a few tweaks and some extra effort we increased the video plays on our website by 50 per cent in a month. The revenue has followed.

The site was also recognised this year with two prizes at the Asian Digital Media Awards for our multimedia coverage of Anzac Day and bushfires.

Our website is now easily the number one site in the State – and in many ways we are just scratching the surface of its potential. We are yet to fully maximise the crossover potential online between Channel Seven and *The West*. But that will come.

We're now in the middle of a big project with Yahoo!7 called Multipass. Pretty soon you will see everything on our site – including the ads – adapt to whatever device you are reading.

Soon you will also see Channel Seven's terrific catch-up site 7Plus on our website, [thewest.com.au](http://thewest.com.au).

As I said before, we see also see digital as a way of breaking out of the State border that has often constrained our business.

We've been involved with two interesting products recently.

The first is our partnership with Health Engine, an impressive and innovative company that now operates out of our Osborne Park headquarters in Perth.

Health Engine allows you to book appointments online with more than 2000 doctors, dentists and health professionals across Australia.

If you need to see doctor in the next hour, Health Engine will find you one.

The site has massive potential – and it dovetails nicely with a new website we built this year to relaunch our newspaper section Health and Medicine.

Health and Medicine, itself, is a unique partnership between the newspaper and an expert panel of health industry professionals in WA.

In an age where information is cheap and easy to find, trustworthy and credible information is more valuable than ever. That's where sites like Health and Medicine are natural growers for our brand.

We've also launched an international airline site – [airlineratings.com](http://airlineratings.com) – which is breaking new ground around the world. It is built on the back of the global respect for *The West's* aviation writer Geoffrey Thomas.



The site gives 425 airlines a one to seven star rating – and takes a critical look at the services and safety of those carriers.

Our Food Writer Rob Broadfield – who is as good as anyone in Australia, both in print and on TV – is now starting the envious – or tortuous – job of rating the food as well.

We believe [airlineratings.com](http://airlineratings.com) has the potential to become a major global player.

And so far the site has been viewed in almost 200 countries.

More traditional challenges will continue. Unfortunately, perhaps, that includes the need to defend press freedom and freedom of expression.

Even in a democracy such as Australia's, the challenge to ensure press freedom never seems to diminish. We have seen press freedom and shield laws tested yet again, before a decision just a couple weeks ago in the Supreme Court of Western Australia that protected the sources of one of my own journalists, Steve Pennells.

In Australia we are in the final nine days of the Federal election campaign, and there has been much comment about the right of newspapers to voice an opinion – the most vociferous criticism aimed at *The Daily Telegraph* and *The Age*, two very different newspapers with two very different markets.

Each must have the right to freedom of expression, just as every individual must.

To silence or neuter newspapers is unconscionable – and it is up to publishers and their representative body, our host today The Newspaper Works – to ensure such rights of expression – whether one agrees or not with the sentiment – are protected. Always. And no exception or caveat.

As modern-day newspaper people – whether we are print or digital specialists – we can never be complacent about our role in society. Press freedom underpins the foundations on which all democracies are built.

As we gather here this morning, some of the most senior figures in our industry, leadership for each of us is not a choice. It is an obligation.

At an industry level, this is equally true.

And here, the major newspaper publishers are investing in our future.

And the future is what we are all about today.

I look forward to hearing the many ideas and provocative arguments that will be put forward at this Future Forum.

What I've outlined is how the Western Australian part of our company Seven West Media is transforming itself into a multi-media operation that thinks big while being even more relevant to the neighbour down the street.

As we adapt our businesses in the rapidly changing media world, don't forget where you have come from and what you are good at.

Our future depends on it. It depends on you.