

From: [Michael Hardinge](#)
To: [bargainingcode](#)
Cc: [Sims, Rod](#)
Subject: Draft legislation - News Media Bargaining Code
Date: Thursday, 27 August 2020 4:57:05 PM
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Dear ACCC,

My names Michael Hardinge, Director and CEO of Momentum Studios Australia, a video production company that produces content for clients ranging from news organisations, to local / state government, businesses and not-for-profit organisations. We've made content for every platform from TikTok to Netflix. We're a very small team of content creators who have big dreams and are grateful to have access to free platforms like Facebook & YouTube to be able to grow our businesses and make content for our audience.

I'm emailing you as I want to share my grave concerns for the draft 'News Media Bargaining Code' - a draft bill currently out for public views.

I felt it was my responsibility on behalf of my team, my friends, and my colleagues in the content creation industry to share my thoughts on how dangerous and damaging this bill will be for the broader online community of content creators, and how it gives media organisations an incredibly unfair advantage.

I'd first like to note that my company and I do a small amount for work for TV news networks, we want to see them succeed into the future and get by, as we want to keep helping them to tell stories that matter. Journalism is incredibly important for protecting so much of our way of life in Australia and holding everyone accountable for their actions. Unfortunately, news & large media organisations have been unable to adapt to the digital world and have not effectively been able to operate their businesses in a matter that is sustainable. This has meant they are looking for ways to be compensated in other avenues that they traditionally have not been prominent on or have not had a competitive advantage over, like they do in Print or TV.

While we make money through working for news organisations, another way we make money is through advertising revenue on platforms like Facebook & YouTube from our video content. Making content we can make revenue from is (and we hope will continue to be) an important part of how we as a small video production company can create content and grow our business to be able to prosper. Platforms such as Facebook and YouTube are an incredibly powerful way for content creators, businesses and internet personalities to make a living off making compelling videos on a much smaller budget that many media organisations are not able to do.

But that, is all about to change with this draft bill.

The proposed bill sparks grave concerns for a number of reasons. Two main ones being;

Providing media organisations with the mechanics of algorithm of search engines such as Google, Facebook and YouTube will mean they can make sure their content rises to the top of what is currently individually curated feeds and search results based on the individual. Giving organisations this power will mean their content will overpower the vast majority of other videos and content on the platform, meaning the majority of what a user would see would be news media content, not their favourite YouTubers or local business channel they support or follow.

The algorithm normally allows the best content for the user to rise to the top, and I believe this will greatly affect the ability for small creators to ever be discovered or given the opportunity of growing their following, their content, and their profits. The idea that a user may be one or two clicks away from finding their next favourite YouTuber or small business to support, to then be completely overpowered in the algorithms by a news channel, is incredibly alarming to me and my colleagues.

Increasing the amount of money platforms need to pay for their content which is reportedly up to 60 times more than their current revenue is literally taking money out of the pockets of other content creators. Many of my colleagues who make a living on platforms like YouTube rely on AdSense revenue to be able to pay their staff, their bills, and put food on their tables. While I think Google and YouTube should try to fill this gap, the legislation in its current form means these platforms will have somewhere in the realm of \$600 million less to pay other creators, meaning our advertising revenue will be drastically impacted and instead be funnelled to a few news organisations.

Having said that, I do applaud the steps you will be taking in the bill to protect paywalled content, and stop the theft of news content on platforms like Google or Twitter who will curate content from other news organisations.

As you are the Australian Competition and Consumer Commission, I believe **you have a responsibility to all content creators to not give news organisations, an incredibly small portion of the content creators on digital platforms, an unfair advantage and a competitive edge.** I believe the competitive threat is not Google, Facebook or YouTube you should be trying to control, I believe **the threat is the media organisations fighting for this code to pass as legislation in its current form.** It sets a dangerous precedent across the world and will completely ruin any form of integrity, personalisation and freedom to the platforms, ultimately meaning other non-news related businesses, individuals and creators will suffer, their income streams will be dried up, and the media will overtake the platforms we all know and love. I imagine the platforms will then be deserted by the masses and will repeat the never ending cycle of the news trying to recoup money from their failing ability to adapt to a dying format which they once dominated.

I truly believe, that this bill in its current form, has the ability to decimate up and coming content creators, production companies, and personalities who are wanting to use a free platform like YouTube or Facebook to build careers on a level playing field.

I'd encourage you to work closely with the platforms like Google, YouTube, Facebook etc and take up their offers to pay more for licencing news organisation content, instead of passing this incredibly damaging bill, further increasing a media presence that is already largely dominated by a handful of large organisations who have a monopoly on the news media market, and we all

know that is not fair for competition.

Platforms like YouTube & Facebook are the peoples platform. A place users joined to get away from mainstream media as consumers were sick and tired of these organisations telling us what to watch and when, but also what to think. It gave the audience the power to choose what content and what creators they watch and support, this bill fundamentally takes away that right.

Please, for the sake of all Australians, protect our digital platforms.

My emails or phone are always open for a productive dialogue!

Thank you for your time.

Warm regards,



Michael Hardinge

Director / CEO

Momentum Studios Australia

Pronouns: He / him

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film set
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Momentum supports flexible work hours. I am sending this email at a time that suits me, and I encourage you to read, action and respond at a time that suits you!