

From: Amandine Labé [amandine.labe@magazinemedia.eu] Sent: Mon 7/8/2013 4:11 PM

To: Max Abendroth

Cc:

Subject: Vote in ENVI on the report of Mrs McAvan on the Tobacco Products

Directive: magazine publishers' concerns

Attachments:

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Dear MEP of the ENVI committee,

We are contacting you as EMMA, the European Magazine Media Association, ahead of the vote from 10 July on the draft report of MEP Linda McAvan on the proposal for a directive on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco and related products (COM(2012)0788).

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In this regard we would like to express some concerns related to possible unwanted side-effects of the proposal to financing and distributing a free, independent, diverse and vibrant press in Europe.

1. 1. Impact of strict labelling requirements on the financing of the press

EMMA is concerned by the possible indirect economic impact on the magazine industry value chain of limitations to freedom of commercial speech foreseen in the review of the Directive.

Advertising plays a key role in financing magazines. Nowadays revenues from advertising represent about 50% of the income of printed magazines and even up to 100% of the income of online magazines.

The introduction of very big health warnings or even worse plain packaging would make it very difficult to advertise the tobacco product. In some Member States, like Belgium and Germany, trade journals are still allowed to carry advertising for tobacco products. These specialised B2B titles are not intended to be sold to consumers. They are for instance magazines targeted at tobacco retailers, so it is logical that they can continue carrying information and advertising relevant to their readers' business.

Plain packaging and extended graphic health warnings would leave no adequate room for differentiation and recognition of different products so that even a minimal economic competition at the point of sale is

made largely unfeasible. Indirectly, at the same time any advertising would be made practically inconceivable, since the recognition of the advertised products based on its packaging and its brand is one of the essential preconditions of any advertising.

If advertisers had to show a product that has to be linked with negative information – like for example a graphic health warning – they will most likely abstain from placing advertisements in magazines and rely on other channels to market their products. For some B2B titles sent for free to press and tobacco retailers and relying only on advertising revenues to survive, this would automatically lead to closedowns. For other titles, this would lead to major financial difficulties and potential redundancies.

2. Delegated acts

As many MEPs expressed it in amendments, EMMA is concerned by the high number of delegated acts that the Commission proposes. We are of the view that this very important topic for EU consumers should go through the co-decision procedure to enable the European Parliament to have a say on the matter.

3. 3. Impact of some amendments on magazines' distribution

The introduction of specific requirements for the presentation of tobacco products at retailers' shops and kiosks could be extremely detrimental to press diversity.

Many retailers of tobacco products, like specialized retailers, kiosks and neighboring stores, sell alongside tobacco products also magazines and are indispensable press distribution channels. Further requirements regarding the presentation of tobacco products, like for example a ban on displaying tobacco products in the sales room, would necessitate in many cases significant changes to the design and arrangement of the retail outlet.

The rearrangement of sales rooms and retailers' outlets and the difficulties to provide a broad range of products would imply an unsustainable economic burden to retailers, especially to the detriment of the smaller ones. This could mean the closedown of these shops and as a consequence, a limited availability of press products for EU citizens across the countries.

For the reasons mentioned above, EMMA asks for a careful consideration of all the unwanted side-
effects that the review of the Tobacco Products Directive could provoke on other economic sectors and
the magazine sector in particular.

We thank you for your time and consideration.

Yours sincerely,

Max von Abendroth

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EMMA, the European Magazine Media Association, is the representative trade association of European magazine publishers providing content on all platforms. In total, we represent the interests of 15,000 publishing companies across Europe, producing more than 50,000 titles per year across a variety of platforms, including print, web, tablet and mobile.