



media
access

A N N U A L R E P O R T



CONTENTS

- 2 Contents
- 3 About NLA media access
- 4 Chairman's foreword
- 5 Managing Director's statement

Financial Reporting

- 6 Where does our revenue come from?
- 7 Where does our revenue go?
- 8 Revenue per employee

Working with media monitoring organisations and communications professionals

- 10 Infographic
- 11 Client Satisfaction
- 12 Code of Conduct
- 13 NLA Article Impact Measurement

Working with publishers

- 14 Telegraph Media Group
- 14 KM Group
- 15 Magazine licensing
- 16 Technology for publishers: tackling online piracy
- 17 Infographic
- 18 Rights management

Supporting journalism

- 19 Diversity in the newsroom
- 20 Journalism Diversity Fund alumni - 5 years on
- 21 Technology for journalists
- 22 Infographic

Working with industry partners

- 24 Contacts
- 25 Key facts

Supporting journalism



70 million
articles



2,800
newspaper &
magazine titles

2,000
web titles

235
publishers

About NLA media access

NLA media access represents the intellectual property rights of major publishing brands in the UK media monitoring market. These include 2800 newspaper and magazine publications and over 2,000 web titles.

The company also operates the eClips database holding over 70 million individual articles. Through licensing and the provision of database services, NLA enables businesses to access the news content they need in the most effective and copyright compliant way, and ensures that publishers are rewarded for their investment in journalism.

Tim Brooks
Chairman



Chairman's foreword

2014 was another successful year for NLA media access, as we expanded our remit to do more than ever before for newspaper and magazine publishers.

We grew royalties paid to regional and national newspaper publishers, at the same time as bringing magazines into the fold. We achieved 5 per cent revenue growth for regional publishers and 2 per cent revenue growth for national publishers. With the addition of magazines to the portfolio, total revenues generated for publishers approached £34 million, a substantial 17 per cent increase on the previous year.

Magazine licensing also got off to a good start, with our first full year laying solid foundations. Since October 2013, a total of 188 magazine publishers have joined NLA media access licensing, including major groups such as Haymarket, Time Inc, Conde Nast, Immediate and Centaur, alongside many smaller specialist publishers. In addition to helping publishers, this consolidation has the effect of making it quicker and easier for our licence holders to access repertoire they need across both newspapers and magazines.

We are a lean operation, and continue to find ways to operate as efficiently as possible, keeping administrative costs to a minimum. This year we increased the revenue share returned directly back to publishers to 84 per cent - our highest return to publishers yet.

We also invested in two new products, Article Impact Measurement (AIM), and the Online Article Tracking System (OATS). OATS is of particular use to publishers seeking to reduce piracy across the web and prevent

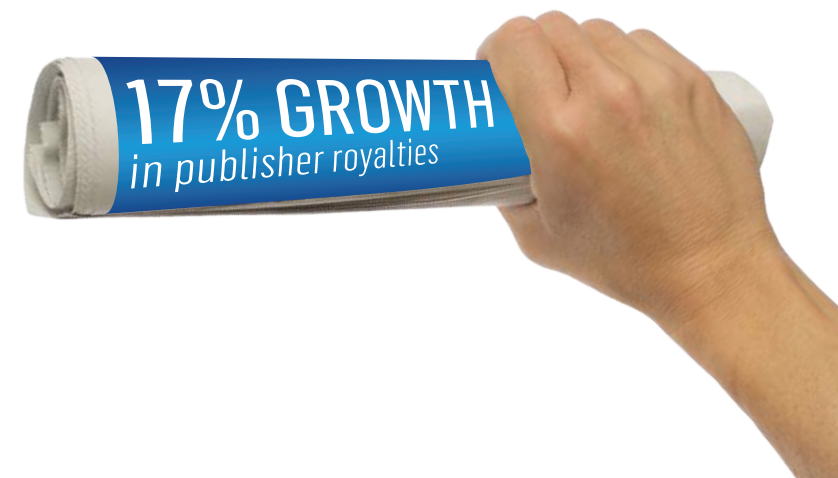
their content being lifted and distributed wholesale by unscrupulous businesses. OATS is now being used by 5 publishers, resulting in the removal of infringing content from 500 domains in its first year of operation.

We have now reached a position where NLA media access revenues fund the equivalent of 1300 jobs in journalism. This is something we are very proud of, given the tough times faced by the industry in the 19 years since NLA media access was first founded.

The media landscape continues to change, challenging us to identify new opportunities for NLA to increase its services to publishers and end users. With another strong year to report in 2014, NLA media access is ready for what looks to be an even busier year in 2015 - expanding our client base and growing the revenue available to publishers from licensing and distributing an ever-expanding repertoire of content.

Tim Brooks

Chairman





David Pugh
Managing Director

Managing Director's statement

2014 was a busy and productive year for NLA media access. Our priority for the year ahead is to continue to introduce new licensing and database services that will benefit our monitoring clients and deliver growth in revenue and benefits for all our newspaper and magazine publishers.

As Tim has noted, we made significant progress in both respects last year. We achieved this by a strong focus on optimising the value of each title, licensing republishing rights as well as internal copying and developing new services for launch this year. This paid off, with 17% growth in revenue earned. The transfer of education licensing to

the Copyright Licensing Agency, in line with our policy of outsourcing to trusted partners where efficiency gains can be made and the introduction of a licence for schools also increased revenue.

Our database of publisher content grew too. We increased the range of titles accessible on the eClips database to 1040 with the addition of a further 55 regional newspaper and magazine titles. Internationally we added 5 new titles to the Distre Presse platform operated for our French partners CFC.

The coming months will see 2 exciting database services rolled out to Media Monitoring agency and publishing clients. The first is the Article Impact Measurement service, designed with and for Media Monitoring agencies. This will enable agencies to track readership of articles published on the web sites of national newspapers and combine this data with social media information. In time, we expect the agencies to develop this into a service that will enable their PR consultancy and in-house clients to measure more accurately the effectiveness of campaigns.

In the second initiative, publishers will benefit from significant investment in the ClipShare service, presently used by 7000 journalists. The new version, due to be launched in early summer, combines a powerful new search engine with a new interface and access to the archive of web content for the first time.

Meanwhile in the legal sphere a series of cases to establish the validity of licensing content published on web sites, which began in 2010, was concluded in 2014, with a judgment by the Supreme Court. The net effect is that the legal basis for licensing web-published content has been established: it attracts copyright protection and paid-for monitoring services require a licence. There are now no further actions pending, but the investment in journalism made by publishers has been protected.

In 2015, we will continue our commitment to supporting journalism. The licensing royalties distributed to publishers in 2014 equate to funding the jobs of over 1,300 journalists. In addition, we continue to offer substantial financial support to the Journalism Diversity Fund (JDF), which supports the training of journalists from socially diverse backgrounds.

NLA media access has supported the JDF since its launch in 2005 and our total contribution will break the £1 million mark in 2015, a fitting way to celebrate the JDF's 10-year anniversary.

We all look forward to another busy year with an exciting expansion of NLA activities into new areas, providing ever more opportunities for publishers to realise the value of their content.

David Pugh

Managing Director

FINANCIAL



	£'000
Newspaper royalties	£30,432
Magazine royalties	£3,569
Media monitoring database services	£2,955
Publisher services	£209
	£37,165

Total £37,165,000

Where does our revenue come from?

In 2014 NLA media access licensed 9,718 organisations and earned £34m from licensing. A further £3.2m was earned from the provision of media monitoring and publisher services.

PERFORMANCE

Where does our revenue go to?

In 2014 84% of revenue generated by NLA media access was paid to publishers. The NLA also donated a further £100,000 to the Journalism Diversity Fund.



Revenue per employee

Revenue per employee increased from £468,000 in 2007 to £641,000 in 2014, as NLA continued to increase operational efficiency and reduce administrative costs.

NLA media access reduced administrative costs in 2014 to just **7%** of revenue



Working with media monitoring organisations and communications professionals

NLA works closely with media monitoring and evaluation agencies, connecting publishers and commercial users of their content.

This began with a £20m investment in eClips, the database supplying hundreds of thousands of print and web-published articles to media monitoring organisations every day, providing public relations professionals with rapid and reliable access to press clippings.

In 2014, NLA media access expanded its range of PR services, adding a PR measurement tool -Article Impact Measurement (AIM) to its portfolio. AIM offers public relations professionals the ability to measure the impact of their press campaigns.

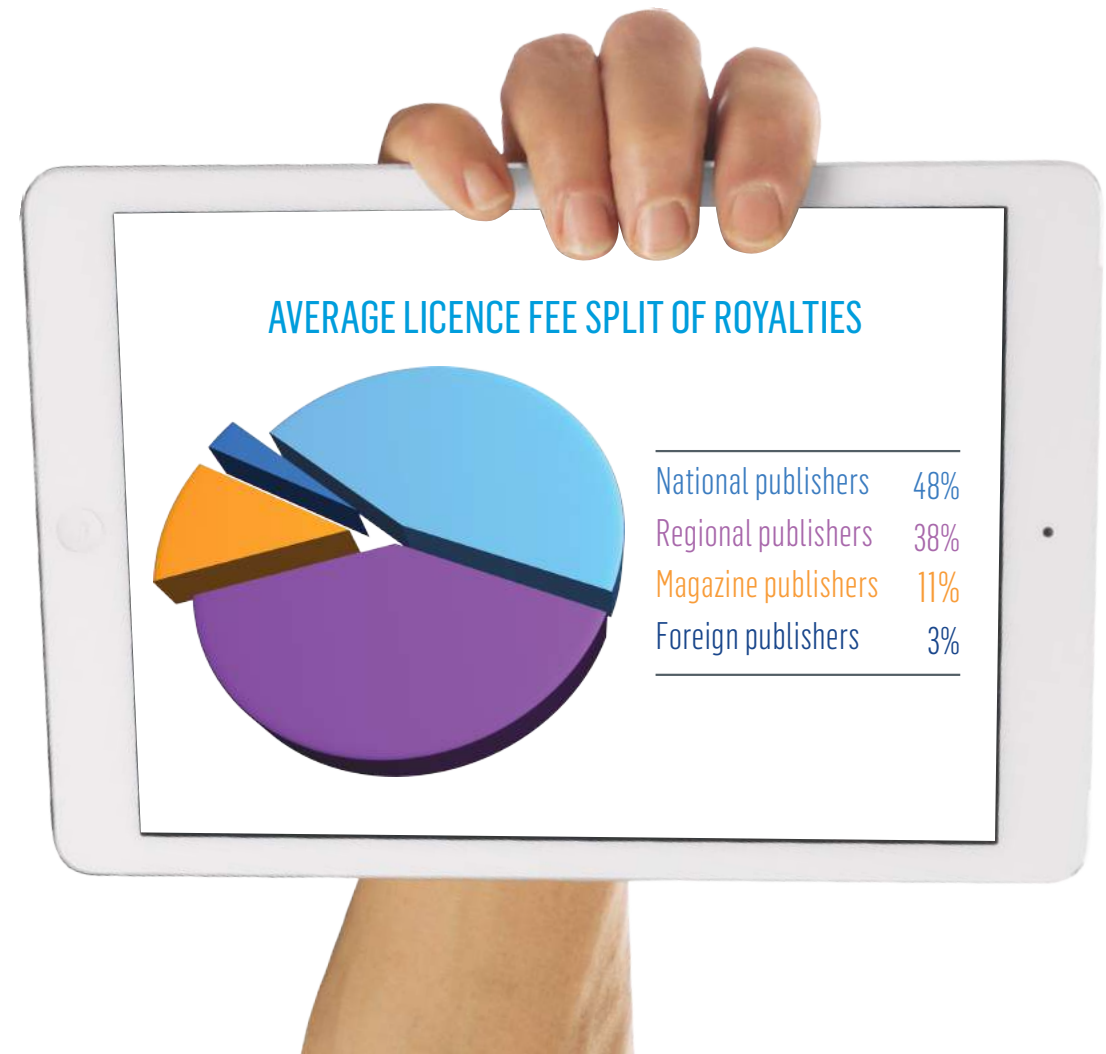
Who we license

Licence fees are collected from those organisations seeking to copy and re-use published content for their own commercial purposes. This includes both media monitoring agencies and their clients.

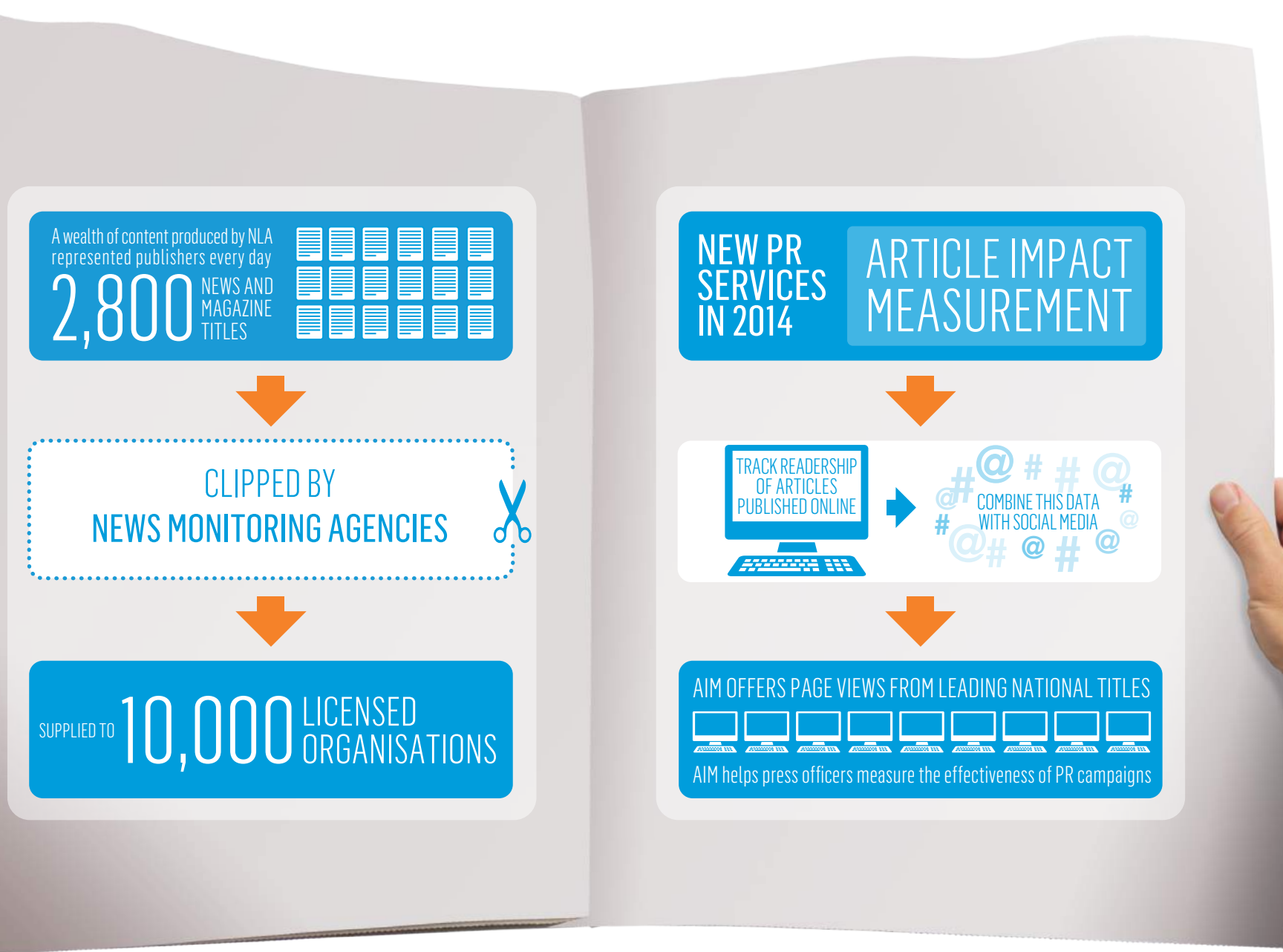
A licence from NLA gives PR agencies, government departments and PR teams at major companies access to and the right to copy from 2800 newspapers and magazines and 2000 web titles.

Where does your licence money go?

84% is returned directly to publishers, and 16% is spent on NLA costs and development of publisher and database services.



Working with media monitoring organisations and communications professionals



Client satisfaction

Every year NLA invites all clients to complete a satisfaction survey following their licence application or renewal.

Of the 299 licensees who completed the survey in 2014, the majority told us they were satisfied with our performance, and 24% advised they were 'very satisfied'.

Individual comments from licensees are used in training to improve client service.

A person's hands are shown holding a smartphone. The phone screen displays text about client satisfaction. The person is wearing a light blue shirt and a silver watch on their left wrist.

Our clients rate
our licensing
advisers very highly
with Satisfaction
in excess of
90%
year on year

Code of Conduct

NLA media access places great importance on transparency and high standards of customer service. We first published a voluntary code of conduct in 2012, following consultation with licence holders.

NLA made a number of commitments in the code including appointment of an Independent Ombudsman to handle complaints, responding to queries within a maximum of 5 working days and making the process of accessing and using published content as quick, easy and economical as possible.

This year following feedback from the Code Reviewer, we have made several adjustments to our reporting to improve transparency. You can find details on the Governance section of the NLA website:-
<http://www.nlamediaaccess.com/default.aspx?tabid=202>



NLA Article Impact Measurement

NLA Article Impact Measurement (AIM) offers public relations and communications professionals access to a rich source of previously unavailable audience data on the coverage generated on UK national newspaper websites. It brings together publisher page view data and social media statistics at the article level into a single measure of PR impact.

This solution, developed following discussions with the media monitoring industry, improves markedly on previous PR industry benchmarks such as Advertising Value Equivalent. Evaluation of the impact of campaigns, ROI from PR strategy and identification of influential journalists is made more accurate due to the ability to identify readership rates at article and author level.

Leading national titles are currently making data available via AIM and NLA media access is working with media monitoring agencies to deliver a product of maximum value to the media monitoring industry.



WORKING WITH

Telegraph Media Group



The Daily Telegraph has been undergoing transformation in recent years, with a strong focus on growing digital audiences at the same time as serving a large print audience of 1.25 million readers every day.

The adoption of a metered paywall in 2013 has helped us both create a subscription base and continue to drive up website traffic. Meanwhile we have experimented with new ways of serving content: our football focused site, Project Babb, aimed at a new and younger audience, for example, provides a stream of shareable content rather than typical newspaper website experience. As a result, Telegraph content is now consumed by a third of the UK population every month.

Alongside this our licensing revenue has been an important component of the overall revenue strategy. As one of the founding publishers of NLA media access we have long seen the value in licensing of copyrighted content.

We look forward to working with the NLA to continue to grow this revenue stream. We are particularly interested in seeing how the new Article Impact Measurement tool develops over time as the commercial market understands the opportunities presented by it.

Andrew Nash
Finance Director

KM Group

This was a special year for the group as we celebrated 125 years of family ownership. Our roots lie in newspapers but like many publishers we have embraced the multimedia revolution in recent years. The group now comprises the print portfolio (11 paid for and 7 free weekly titles), websites, radio stations and most recently a local TV licence was granted by Ofcom, for Maidstone and Tonbridge.

As mass audiences have fragmented, we believe we can serve communities very well by layering different media, providing excellent content and targeted advertising opportunities across many different mediums. Most importantly, we are passionate about serving the people of Kent with timely news, in a format convenient to them. And we have a sizeable audience to serve: over 450,000 read our newspapers every week in Kent, 175,000 listen to our radio stations and in the last month over 2 million unique users visited our stable of websites.

A small but important part of the business is of course copyright licensing via NLA media access. We started this in 2008 and our revenues have grown every year since signing the contract.

Being involved with the NLA has allowed us to understand how to use our content more, getting to specialist markets we wouldn't be able to reach by ourselves. NLA media access has developed and evolved the service over the years, taking on web content licensing three years ago.

Overall in the last five years our NLA revenue has doubled to over £100,000. It would be lovely if all of our revenue streams had done that!

Geraldine Allinson
Chairman, Kent Messenger Group



PUBLISHERS

Magazine publishers

In 2014 we completed the first year of licensing magazine content. The key component to this transition has been that publishers have understood the clear logic of the extension of NLA licensing to magazines, providing NLA licensing clients with access to magazine, newspaper and web site content. 2014 was very much a transition year, but we are confident this growth will accelerate in 2015 as we learn more about magazine content and client requirements.

One licensing feature especially appreciated by clients has been the incorporation of magazine content into the Corporate Web Republishing Licence. This enables clients to republish print and web content about their company or products to their own customer-facing web site. It is convenient for users seeking to license content from multiple publishers and generates significant new revenue for publishers who have opted into it. In the coming year, we will focus on further improvements to our service for publishers and licence users, including expanding the magazine content delivered via the eClips platform. We will continue to add significant new print and web published titles to the core licence in the course of 2015.

The first year highlights in magazine licensing were:

- £3.6m (gross) earned for magazines in 2014.
- Over 5000 organisations included cover for magazine content in their licence in 2014. An additional 75 publishers joined the NLA from April 2014, and NLA now represents over 180 magazine publishers, and 2,000 print and web titles.
- The first 11 magazine titles were added to the eClips database in the final months of 2014, with many set to follow.

TECHNOLOGY FOR PUBLISHERS

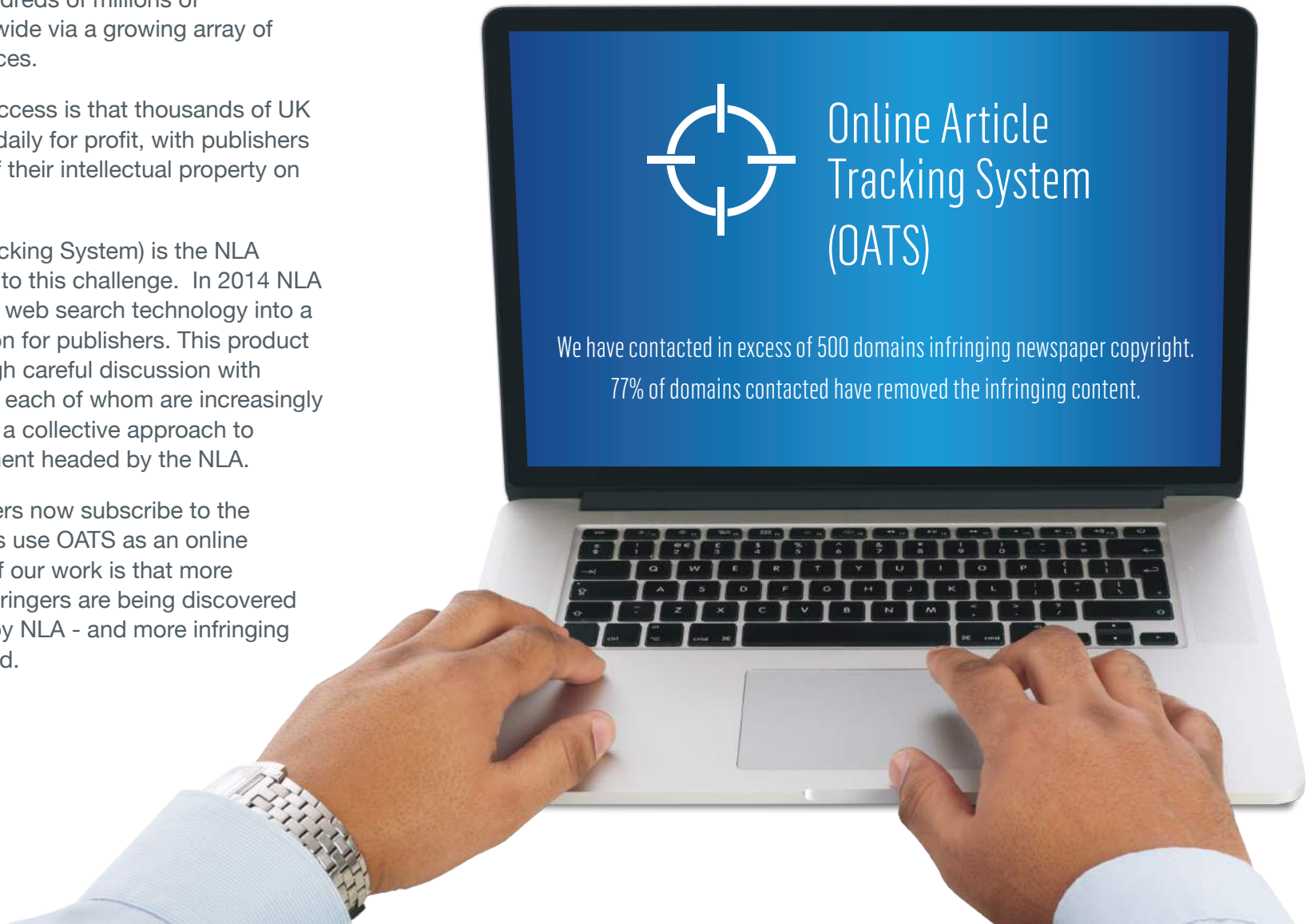
Tackling online piracy

UK news media is a national export success story, accessible online to hundreds of millions of English-speakers worldwide via a growing array of internet connected devices.

The downside of this success is that thousands of UK news stories are stolen daily for profit, with publishers suffering infringement of their intellectual property on an industrial scale.

OATS (Online Article Tracking System) is the NLA media access response to this challenge. In 2014 NLA further developed OATS web search technology into a managed service solution for publishers. This product has been created through careful discussion with participating publishers, each of whom are increasingly recognising the value of a collective approach to tackling online infringement headed by the NLA.

Most national newspapers now subscribe to the OATS service and others use OATS as an online service. The net result of our work is that more newspaper copyright infringers are being discovered and contacted directly by NLA - and more infringing content is being removed.



WORKING WITH PUBLISHERS

GENERATING ROYALTIES

13.5 million
ARTICLES PRODUCED BY PUBLISHERS IN 2014




LICENSED TO ORGANISATIONS, GENERATING **£31 million** IN ROYALTIES FOR PUBLISHERS

COMBATING PIRACY

FROM A SAMPLE OF 5 NATIONAL NEWSPAPERS OVER A WEEK*

13,000 articles were unlawfully copied

across **800** domains

Over **90%** were from non-UK domains

*July 2014



500 domains contacted for removal of content

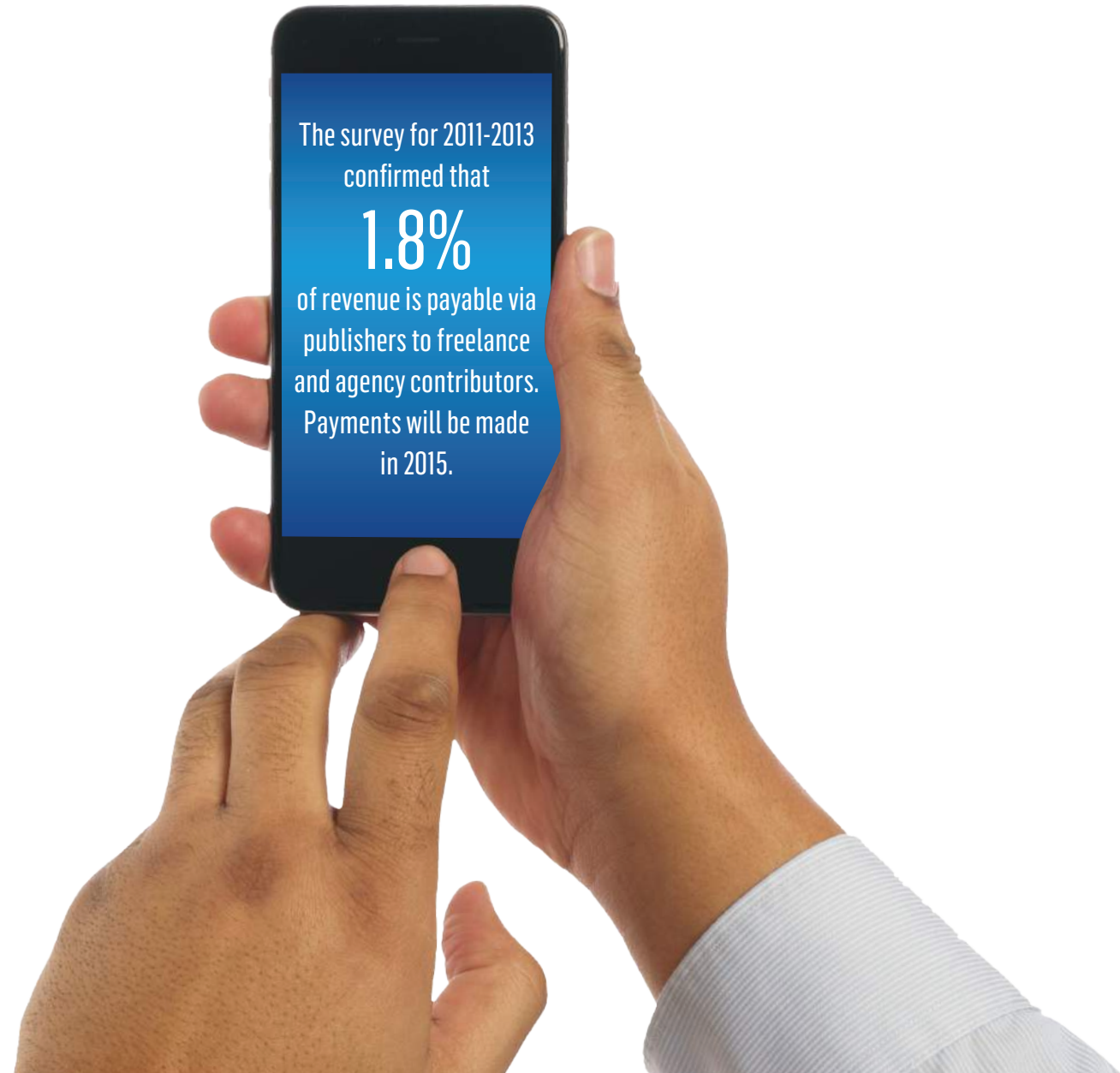
77% have removed the infringing content

Rights Management

To facilitate NLA media access licensing, publishers grant NLA rights to license the copying of all content in their newspapers and websites.

Copyright in articles and photographs included in newspapers and newspaper websites is either owned by the publisher (where the work is provided by an employee), or the publisher can be granted rights in the works through its agreements with agencies and freelance journalists / photographers.

Because of the demands of multi-platform publishing, most publishers have developed rights management processes which clear the rights necessary for the purposes of NLA licences at the point of commission. For those publishers that cannot confirm that they have cleared all necessary rights beyond the rights for initial publication, NLA media access operates a survey to calculate what portion of their NLA licensing revenue is due to freelance contributors or agencies – “The Special Contributors’ Scheme” (SCS).



SUPPORTING JOURNALISM

Diversity in the newsroom

NLA media access is a major donor to the Journalism Diversity Fund (JDF). Encouraging new talent from a range of backgrounds is vital to the future of the publishing industry, but difficult economic circumstances can put off talented young applicants who cannot afford course fees.

Since its creation nearly 10 years ago, the JDF has provided bursaries for 176 aspiring journalists. In 2014 the fund supported 15 students from diverse backgrounds who would not otherwise have had the financial means to support themselves on a NCTJ-accredited course.

Last year NLA media access donated £100,000 to the fund, bringing its total support for the bursary scheme to £981k since it launched in 2005. This year we heard from one of the former bursary recipients, who is well on the way to becoming a stellar reporter, recently moving from a regional publisher to work for BBC online.



SUPPORTING JOURNALISM

Journalism Diversity Fund alumni – 5 years on



I had always wanted to work in the media but I assumed journalism wasn't an industry for people from my background.

It was a distant dream to be able to afford actual training in journalism which is what I needed to get my foot properly in the door. I started freelancing with no training: just a pure drive for stories. I won a few awards for my digital reporting but paid work was difficult to secure. Not to mention the fact I was pregnant with my first child, so I was slowly giving up on ever getting a job in journalism.

Thankfully, once I had my baby I read about the Journalism Diversity Fund via the NCTJ's website and I knew I had to apply. With their help I was able to study for a post-graduate diploma and NCTJ diploma in journalism at the University of Salford. During my studies I won a scoop of the year award at the NCTJ Awards for Excellence, I was runner-up and shortlisted for two Guardian Student Media Awards and shortlisted for an IRN national commercial radio award.

I was then able to get my first job covering titles at Johnston Press Yorkshire. I also freelanced for the

Mirror Online and Bauer Radio. Finally I landed my dream job at the BBC, where I am today working on national current affairs output. If it hadn't have been for the support and funding of the JDF I know I wouldn't have been able to train and afford to continue pursuing a job in the industry.

It is vital that our newsrooms are diverse because the more perspectives we have, the better journalists we are. And, as I work across BBC online, The One Show and national radio, I know how important it is to strive to get the best content and most relevant stories to serve all of our audiences.

I'm so pleased that it is now possible to live in the north, not have a lot of money and bring up a family whilst also succeeding as a journalist.

We are seeing great changes, but there's still a way to go. But at least thanks to the JDF and NLA newsrooms are becoming more diverse.

Sophie Mai-Lan

TECHNOLOGY FOR JOURNALISTS



Professional journalists working for subscribing NLA publishers have access to the NLA ClipShare service – a user-friendly archive of national and regional newspapers in text and PDF formats stretching back to 2007.

They can access 70 million print articles from over 1000 print and 170 web publications. ClipShare offers journalists at subscribing publishers access to news pieces in text, article and page-view formats.

ClipShare enables journalists to research rapidly the context for an article they are about to write, check previous reporting and discover trends in reporting, writing and publishing.

News UK, Trinity Mirror, Associated Newspapers, Northern & Shell, Telegraph, Independent, Guardian and PA currently have access to ClipShare. The service is available for licence to newspaper and magazine publishers.

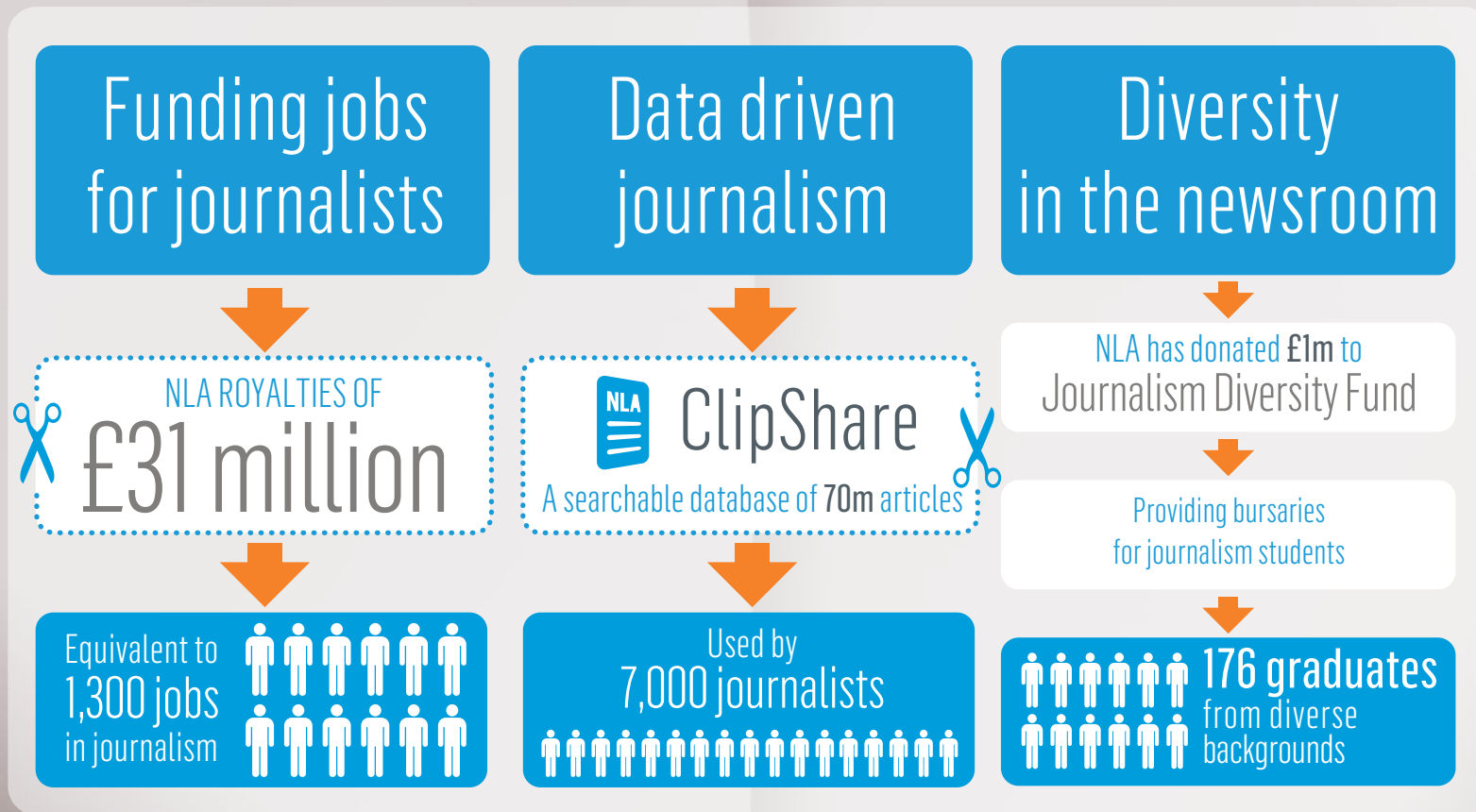


With the vast amount of written and visual content now published online it is often difficult for photo agencies and publishers to quickly identify and arrange payment for photographs.

PhotoChecker provides online access to a library of major UK titles, including time and geographic editions, and an archive. The aim is to reduce the time spent reconciling supply and payment for use of photographs. Early adopters have included Getty and Press Association images, but smaller agencies are also benefiting from the service.



SUPPORTING JOURNALISM

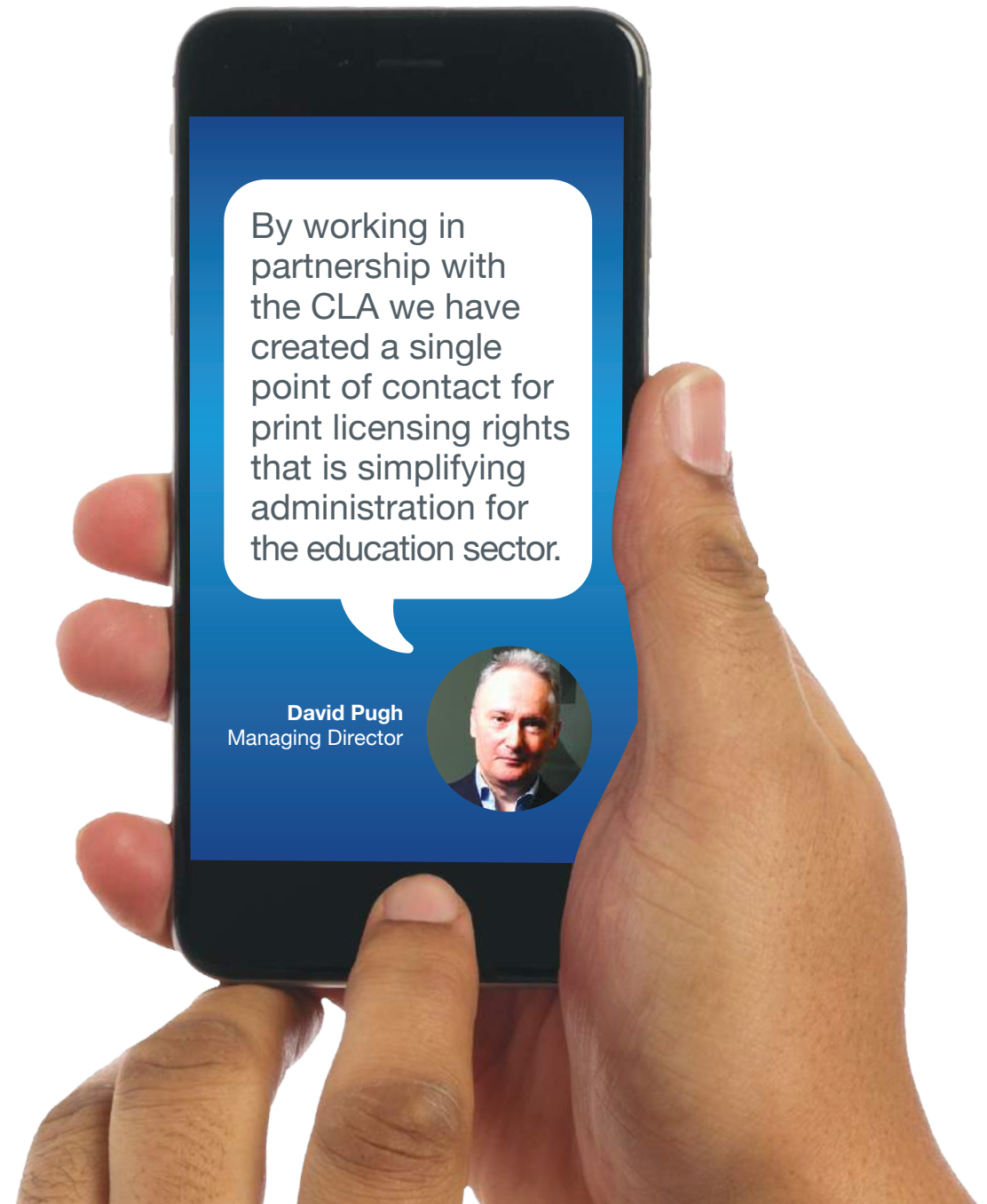


WORKING WITH INDUSTRY PARTNERS

NLA media access is involved in a number of initiatives with industry partners to improve the processes of licensing and supplying content. These goals can only be achieved in full through collaborations with other organisations.

In 2014 NLA media access and the Copyright Licensing Agency (CLA) announced a partnership designed to streamline and simplify copyright licensing for UK schools and higher education. This single point of contact and centralised administration is streamlining licensing in the education sector.

The partnership began in June 2014 with the CLA selling NLA media access licences alongside its own. Both organisations are working towards a closer harmonisation of licence terms to make copyright licensing easier for clients in the education sector.

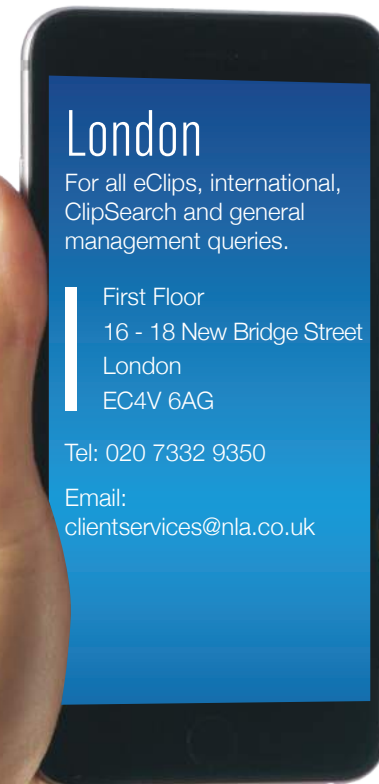


By working in partnership with the CLA we have created a single point of contact for print licensing rights that is simplifying administration for the education sector.

David Pugh
Managing Director



CONTACT US



KEY FACTS

Publishers

NLA media access collectively manages the rights of 235 publishers.

Portfolio

The licensing portfolio includes newspapers, magazines and websites.

eClips

The eClips database serves content to 33 monitoring agencies in 10 countries.

Business

10,000 organisations are licensed to use publisher content.

Economy

Newspaper publishing is worth circa £5bn to the UK economy.

Royalties

Annual Royalties paid to publishers in 2014 equated to the salaries of approximately 1,300 journalists.



Supporting journalism



Supporting journalism

www.nla.co.uk