

Neighboring rights:

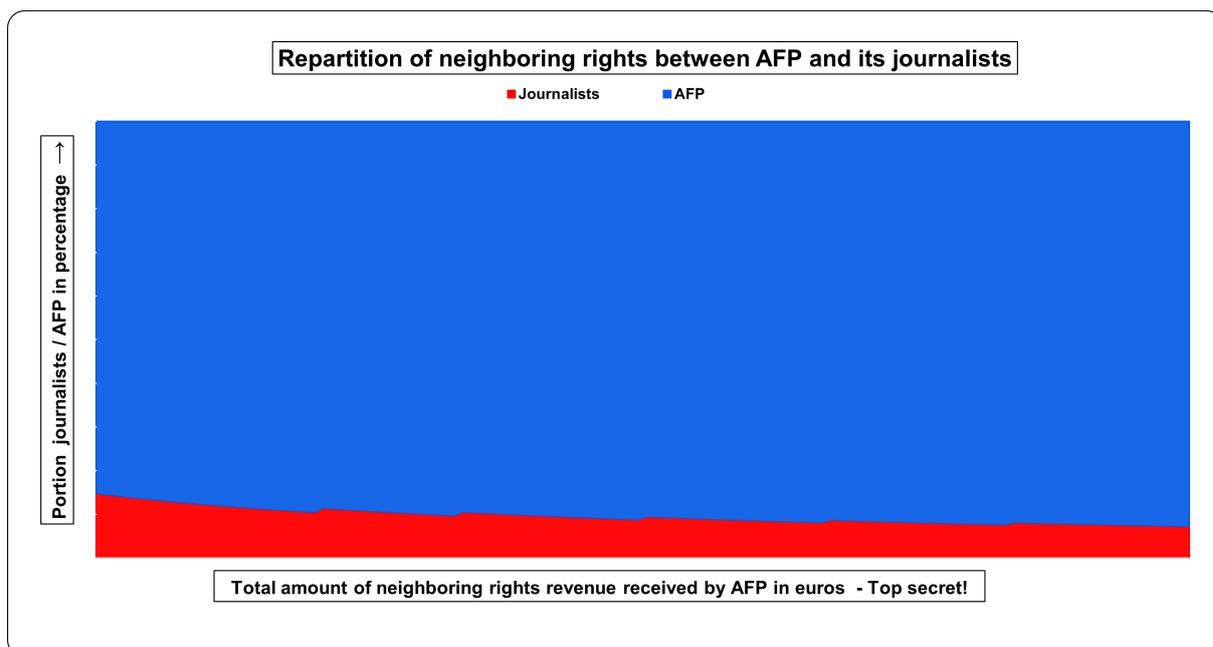
AFP invents 'degressive' equity!



The larger the cake the smaller your slice will be proportionally. That is AFP's recipe for neighboring rights payments that will leave journalists with an empty feeling.

French law requires media companies to set aside "an appropriate and equitable" share of neighboring rights revenue for their employees. Never short of creativity, AFP's management has invented a *degressive* formula to keep the largest part of the cake for itself (the blue part in the graphic below).

Following three months of wrangling, the main trade unions – except *SUD* – signed a **neighboring rights accord** that enshrines this method which gives management most of the revenue cake. For the moment, only Google has signed a neighboring rights deal, but the November 2021 deal which runs for five years already puts into play huge sums. We're talking millions of euros each year. Other platforms will follow, and negotiations with Facebook-owner Meta are already underway.



So have we hit the jackpot? Not journalists. We have to settle for – at least for the moment – 275 euro gross per year, for the years 2022, 2023 and 2024. Plus 34 euros for the period between November 15, 2021, when Google signed the contract and the then end of the year, which will be paid along with 2022.

They made a molehill out of a mountain! Even the journalist author's rights are worth more!

Why so little? Because instead of fixing an 'equitable' portion to distribute among journalists, it created **a system of annual fixed-sum payments that obscures the proportions.**

A very low reversion rate

If the annual amount of neighboring rights revenue received by AFP is between zero and 4.25 million euros, each journalist (full-time) will receive a payment of 275 euros. The payment rises to 300 euros for 4.25-5.0 million euros, and 25 euros more for each subsequent million euros. Negotiations are supposed to be held if the amount surpasses 7 million euros, but if no deal is reached the same cadence continues.

With the payment rising by 25 euros for each tranche of revenue, **the percentage journalists receive actually falls as AFP receives more neighboring rights funds.**

We can't give you the exact percentage as the Google contract contains a confidentiality clause to keep the amount secret (See our communiqué *Neighboring rights: An update on the negotiations*¹).

SUD can however confirm that **the agreed percentage is very far from the 40% that all the unions demanded** at the start of the negotiations, even in the highest tranche where we will start.

In the subsequent tranches, the percentage falls back towards the 7% initially offered by management.

In order to sweeten the deal management offered us the obvious. That all of the agency's journalists, including those on local contracts, benefit from neighboring rights.

False generosity

French law applies only to journalists on French labor contracts and French lawmakers certainly didn't think about the case of AFP when they adopted the law. Management presented itself as being very *generous* in proposing to include local-contract journalists

But that *generosity* is deceiving. That is because management warned that if Paris unions refused to sign an accord and an outside arbitration panel needed to get involved then it would pay neighboring rights only to French-contract journalists. **This was blackmail and SUD refused to bow down to it.**

It's self-evident: all AFP journalists should share the neighboring rights money because our newswire is the product of all our journalists. Google receives all of our content and not just that produced by French-contract journalists.

Management will claim that the Google contract is officially for Europe as it responds to the EU directive on neighboring rights. But in reality it is a global

¹ <https://www.sud-afp.org/spip.php?article660>

contract as AFP agreed not to seek more money from it for neighboring rights in other countries during the deal's five-year term.

The Google contract is indeed global and *all* AFP journalists should have logically benefitted!

Furthermore, administrative and technical staff play a critical role in enabling our editorial production, and therefore they should have also received some sort of compensation, as *SUD* called for since the beginning of the negotiations.

Neighboring rights for all journalists is self-evident!

The attribution of neighboring rights to local contract journalists is thus neither generous nor a victory by trade unions.

AFP's management had an interest in not demoralizing its local contract staff as well as possible legal problems due to inequality of treatment, a risk it was worried enough about to query bureau chiefs around the world.

By enlarging the perimeter for the payments, management also provided unions a (perverse) rationale to accept a lower figure: if 275 euros seems a ridiculous amount to journalists in France, it is a considerable amount in other countries where AFP pays staff much less in wages.

An "acceptable compromise"?

The accord may seem to be "**an acceptable compromise**" to some, but only if one forgets that the point of departure was an unreasonably small slice of the cake for journalists! When the reversion rate for journalists approaches 7%, that is 93% staying in AFP's account.

A rather curious conception of generosity and equity! Some will still see the glass with seven-hundredths full...

SUD regrets that the long negotiations ended with an accord that is not only inequitable for AFP journalists but which sets a bad precedent on the French media landscape, where AFP is often seen as a reference. No doubt French media bosses are eager to try out AFP's neighboring rights recipe for their staff...

SUD also regrets that the talks were finished in a rush under the pretext that "the newsroom is impatient" to get its money. We had urged taking the time so we could have our lawyers examine the text.

The real preoccupation seems to have been getting the payment for 2022 in September this year, not in January the following year like for 2023 and 2024.

Even the request of unions to limit the accord to two years in order to renegotiate in light of other neighboring rights deals (like Facebook) was rejected. The accord is for three years, just as management wanted.

(/...)

The real issue: raising wages

Did we need to sign the deal quickly because inflation is soaring and wages at AFP are stagnating?

Certainly not! That sort of reasoning is mistaken, according to *SUD*. Neighboring rights are not meant to replace a cost-of-living adjustment, especially when those rights are for only journalists and not administrative and technical staff.

It is also mistaken when taking into consideration that the annual payment of 275 euros (before tax) is grossly inadequate to compensate inflation for French staff.

With annual inflation at 5%, the neighboring rights payment isn't enough to compensate for even two months of lost purchasing power for a journalist receiving 3,000 euros net. Such a journalist loses nearly 2,000 euros per year to inflation (13th month included).

From this point of view, **AFP's CEO was right** when he told trade unions at the beginning of the negotiations that, **"in his view", neighboring rights are a "little something extra for journalists"**.

Net amount of monthly salary	Loss of purchasing power from 5% inflation
1 500,00 €	75,00 €
2 000,00 €	100,00 €
2 500,00 €	125,00 €
3 000,00 €	150,00 €
3 500,00 €	175,00 €
4 000,00 €	200,00 €
4 500,00 €	225,00 €

Now that the amount of this **"little something extra"** is known, all staff should receive a cost-of-living adjustment to compensate for the erosion of their purchasing power, especially when management has trumpeted on Aurore about the Agency's historic results!

Trade unions got management to begin wage negotiations on May 24. We now need to demonstrate our resolve and don't give in to management's pressure or blackmail to restrain spending on wages. And there should be no attempts to placate us with bonuses for a few or talk about profit-sharing or neighboring rights.

Paris, May 27, 2022

SUD-AFP (Solidarity-Unity-Democracy)

Sud
AGENCE FRANCE PRESSE