

News Corp CEO rails at 'dysfunctional' online environment

February 9 2018



News Corp CEO Robert Thomson, seen at a 2017 conference, stepped up his criticism of Google and Facebook as his firm released quarterly earnings

News Corp's chief executive on Thursday took a swipe at Google and Facebook for fostering a "dysfunctional" and "debased" online

environment which harms the news media and responsible journalism.

Robert Thomson, CEO of the publishing arm of Rupert Murdoch's media empire, stepped up his criticism of the online giants as the company released its quarterly earnings.

Thomson said the steps announced by Google and Facebook to stem misinformation and improve the quality of online news were "modest steps toward changing a digital environment that is dysfunctional at its core."

"The bot-infested badlands are hardly a safe space for advertisers, whose brands are being tainted by association with the extreme, the violent and the repulsive."

Thomson said News Corp is seeing growth in online visits and subscriptions to its media properties such as the Wall Street Journal and The Sun of Britain, but added that "the potential returns for our journalism would be far higher in a less chaotic, less debased digital environment."

A longtime critic of the dominant online companies, Thomson said he welcomed the decision by Google to end a "first click free" requirement for news items in search queries, and Facebook's efforts to enable readers to know more about sources of articles on its [news](#) feed.

But he noted that the online firms "are in the midst of a particularly disruptive period, commercially, socially and politically."

For the quarter ending in December, News Corp reported a \$66 million loss, as it set aside \$174 million for recalculated taxes following the passage of a US fiscal reform measure.

Total [revenue](#) for the fiscal second quarter rose three percent to \$2.18 billion, with operating profits showing modest changes at its divisions for newspapers, book publishing and digital real estate.

Revenues for its News UK, News Corp Australia and Dow Jones units grew seven percent, four percent and one percent, respectively.

Advertising revenues declined six percent from a year ago, in part due to weakness in the print advertising market and the decision to end publication of the Wall Street Journal's international print editions.

Circulation and subscription revenues increased six percent, as Dow Jones saw a 10 percent bump in revenues fueled by gains from digital subscriber growth at the Wall Street Journal.

Digital subscriptions for the US business daily rose to 1.39 million in the final three months of the year from 1.08 million a year earlier.

The company also reported gains in digital subscribers to its Australian newspapers, The Times and Sunday Times of Britain and The Sun.

© 2018 AFP

Citation: News Corp CEO rails at 'dysfunctional' online environment (2018, February 9)
retrieved 27 April 2024 from

<https://phys.org/news/2018-02-news-corp-ceo-rails-dysfunctional.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--