

# Do news agencies have a future? Do they still matter?

 By [Anton Harber](#)

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Hidden in the Times Media Group's recent financial statements was a decision to withdraw from the South Africa Press Association (Sapa). This will leave a substantial gap in the national news agency's budget, putting its future in doubt.

Was this decision just the cost-cutting of an asset-stripping fund manager out to profit from a quick turnaround before he exits the industry, or does it signal the passing of what has long been one of the fundamental institutions of the quotidian tasks of routine news-gathering?

Sapa is essentially a cooperative: A non-profit company set up and owned by the newspaper groups since 1938 to facilitate the sharing and distribution of news. It is a wholesaler of information, an independent public service operation.

It was based on the Reuters and Associated Press models, allowing newspapers across the country to save costs by sharing routine news, and providing a quick way to distribute media announcements across the industry. These agencies have provided the backbone of news distribution for decades, and they developed the formal, neutral style of wire agency reporting so that very different newspapers could all use the same regular stories. AP has been doing it since 1846, has over 2,000 journalists and 200 news bureaux across the world.

## Changing revenue sources

Reuters started in 1851, but retooled itself as more of a financial information provider and went public in the 1980s, making a fortune for its founder newspaper members. Now only about 2,500 of its 50,000 employees, and about 10% of its revenue, come from general news. The rest comes from subscriptions for the terminals on the desks of traders and others in the financial world, providing instant market data.

They have faced a challenge from Bloomberg, which is focussed entirely on market information and has been one of the very few news operations to grow substantially in recent years.

This is not the first time Sapa has faced a crunch. The SABC stopped its subscription a few years ago, but came back. Every wave of newsroom cutbacks, like at the Independent Group a few years ago, brings pressure to reduce the Sapa cost. Over the years, the agency has survived, but gradually shrunk to a bare-bones operation.

It was always the place that provided coverage of key speeches, sports results, court cases in small towns, diaries of upcoming news events and announcements of media conferences and events. When their own reporters missed a story, newsrooms could use Sapa. When it was not worth sending a reporter to join the pack at the media conference, they could

watch it on the wires. It was never a source of excitement, but it allowed news editors to use their staff to chase original stories and rely on the agency for the duller but necessary stuff. The Citizen newspaper in its rogue days employed almost no reporters for years and ran cheaply off a Sapa subscription, much to the fury of their rivals.

Agencies pride themselves on being quick, rigidly factual, and utterly neutral in tone. AP is famous for its tortured debates about whether to use phrases such as illegal immigrant (rather than undocumented visitor) and schizophrenic (rather than people with schizophrenia).

## **Leave a news vacuum and it will be filled - not necessarily for the better**

The question to ask is whether the internet has made such agencies redundant. In some ways, it has: information spreads so quickly in so many ways that agencies are no longer a primary source, just one among many. The value they offer is now more about editing and checking to ensure reliability.

In reality, few news websites and aggregators - including those of the major newspapers - could fill their websites without the agency material. Without it, they might have to hire reporters.

I suspect that nobody quite realises the agencies' value until they don't have them. Already, TMG's online editors are talking about needing their own Sapa subscriptions.

But there is another worrying element. Leave a news vacuum and someone will step in: Either an international agency or someone with a party political agenda. That will impoverish the flow of local news.

Let's hope Sapa can remake itself and find new ways to add value. Instead of just cutting costs, it needs to redefine its role for the age of social media.

## **ABOUT ANTON HARBER**

Anton Harber, Wits University Caxton Professor of Journalism and chair of the Freedom of Expression Institute, was a Weekly Mail (now Mail & Guardian) founding editor and a Kagiso Media executive director. He wrote *Diepsloot* (Jonathan Ball, 2011), *Recht Malan* Prize winner, and co-edited the first two editions of *The A-Z of South African Politics* (Penguin, 1994/5), *What is Left Unsaid: Reporting the South African HIV Epidemic* (Jacana, 2010) and *Troublemakers: The best of SA's investigative journalism* (Jacana, 2010).

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