

» company update «

# 19.01.2011 Pagemasters sets up new base in London

**ARTICLE BY TIM DICK, TAKEN FROM THE AGE NEWSPAPER, MELBOURNE, AUSTRALIA**

The rampant dollar has taken a media casualty: journalists in Australia will no longer be subediting newspapers in Britain.

Two years ago, £1 bought more than \$A2. Australian Associated Press used that buying power to tempt the London-based Telegraph group of newspapers to send south some production and subediting work.

Now the pound buys about \$A1.60 and, as the exchange rate collapsed, the benefit of the dollar went with it: a stronger Australian dollar means a weaker economic case for transportation of British work to Sydney.

AAP's Pagemasters division will continue to work for some sections of the Daily Telegraph and Sunday Telegraph, but will now do it in London, as soon as it establishes a base there.

Under the outsourcing system, journalists filed stories in London and subeditors in Sydney checked them, wrote the headlines and captions and sent them back to Britain in time for the next morning.

While the system faced criticism for moving part of the editorial process into the hands of subeditors unfamiliar with British news and circumstances, it cut costs for the Telegraph Media Group, owned by British billionaire identical twins Sir David and Sir Frederick Barclay. Shortly before the Pagemasters agreement



began, the group shed 50 jobs and cut casual subediting shifts.

AAP chief executive Bruce Davidson said the system was working “extremely well” but foreign exchange changes had forced it to renegotiate the deal into pounds and shift the operation to London.

He said two part-time workers would lose their jobs, but the remaining staff were given other jobs at AAP. One was being sent to London to set up the operation there this month.

AAP is predominantly owned by News Ltd and Fairfax Media, owner of The Age, for which Pagemasters also edits some sections. Its base across the Tasman works on APN News & Media's flagship newspaper, The New Zealand Herald, it has some work in Canada and Mr Davidson is hopeful of picking up more this year.

“Setting up in the UK will give us a greater opportunity to pick up work in the UK and other parts of the world,” he said.

