

THE PRESS STANDARDS BOARD OF FINANCE LIMITED

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Martin Ellice
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Monday 27 April 2009

Dear Martin,

Thank you for your letter of 21st April and for your telephone call earlier today. Before coming on to some of the detail, let me underline that we share the objective of Northern & Shell once more becoming a full participant in the industry's self regulatory system and I am grateful to you for restating your commitment to its principles.

I recognise that the issue which led to the cessation of your payments to PressBof was a dispute with the NPA about the NMA at the end of 2007. That is why in early 2008, several months before the McCann affair began, I asked you whether you would pay your subscription directly to PressBof. You will recall that you were unwilling to do so.

I was, therefore, surprised that your letter, while making clear that the origins of your non-payment rested in a disagreement with the NPA, now seeks to link your refusal to pay the PressBof subscription to a dispute with Sir Christopher Meyer, which first arose around 12 months before he retired.

As you know, one of the central planks of the industry self regulatory system is that publishers and editors agree to abide by the jurisdiction of the Press Complaints Commission, even if on occasion they disagree with it.

Linking the funding of the PCC to its decision making process, which your letter implies, would undermine that fundamental principle. The practical implication would be the establishment of a "pick and choose" system where publishers who disagree with the findings of the Commission could simply pull out of it. This would be completely at odds with the self regulatory system and would quickly lead to its demise.

For this reason, PressBof cannot accept the basis of your stated rationale for non-payment. It also underlines our reason for requiring a clear public statement of your full commitment to industry self regulation and its underlying principles.

Finally, I note your comment about the PCC's finances and you should be aware that their remit has now been broadened to encompass our content on all platforms for the same level of cost. Nevertheless, please be assured that, particularly in the current economic climate, the PressBof Board will be keeping the Commission's cost, and as a result the industry's levy, under close scrutiny. I am happy to talk further to you about these at some point in the future.

Martin, I am certain that we both wish to bring this matter to an early and satisfactory conclusion and I hope that my letter of 15th April may yet provide the basis for doing so. It does represent a genuine attempt on the part of PressBof to seek a resolution, in particular through a meaningful financial concession.

It may be helpful for us to have a further word before you respond formally to this letter. I will be available on my mobile [redacted] at all times. Incidentally, the best email address to use to contact me is [redacted]

I look forward to hearing further from you.

Yours sincerely,

Tim Bowdler
Chairman