

**Emma Hartley, cofounder, 24houlondon—written evidence
(FON0061)**

**House of Lords Communications and Digital Select Committee inquiry:
The future of news: impartiality, trust, and technology**

I can see that the remit of the inquiry includes "strategic challenges facing the sector... focusing on the impact of tech platforms".

<https://www.journalism.co.uk/news/new-app-uses-geolocation-to-help-local-publishers-boost-ad-revenue/s2/a1096348/>

It seems to me that the greatest impact that tech platforms have had on the sector is the siphoning of ad revenue from the news industry via programmatic digital advertising to Google and Facebook. This is the impact that my startup, 24houlondon (or more recently simply 24hour, so we can sell advertising globally), has built advertising software to address. We built this advertising software originally for ourself, to monetise a small content app. But once it was built we realised we had solved an industry-wide revenue-generation problem.

However, our product also solves several other serious strategic issues arising from the dominance of these tech platforms. Namely (1) ad fraud (2) fake news and (3) data hoovering.

Our advertising software works without having any of these societal ills as side-effects. I would be happy to explain the outline of the mechanism, though possibly not with the media present.

24hour's advertising software could produce a financially sustainable news system and far greater media plurality than exists at present. And it could do this by allowing advertising money to follow trusted content rather than clicks. In this sense it would represent in some ways a return to the status quo pre internet.

Our adware allows monetisation of high quality news content (and other content) presented in app form without intrusive advertising, on mobile phones which is where most people consume most of their content these days. And it would work better for local news than for national or international news - at least in the short term.

Our advertising is intrinsically more valuable to advertisers than any existing digital advertising for the simple reason that in addition to the "eyeballs" that programmatic advertising produces ours also has the potential to produce real footfall on high streets globally, reversing the trend of online shopping and dying high streets.

We have built a global advertising network in an app. But - guess what? - we have been looking for a modest amount of investment since 2020 in order to employ a small handful of people to run this media product and failing to find it. For instance, along the way someone with a seat in this chamber of the House tried to help us but was thwarted by the VCs to whom he introduced us.

In answer to the obvious question of why we have been unable to source investment I would like to point to two pieces of evidence, neither of which will be new to you.

- (1) UK female founders receive only around 2% of UK investment
- (2) The idea of an innovation kill zone around Google and specifically around the Google News Initiative that operates both directly and indirectly.

I could also talk to you about our odyssey around a broken industry - local news - seeking people whose interests aligned with our own, only to find that many of them could look directly at what we've built and not understand it. And there have been some who did appear to *get* it but who still seemed oddly reluctant to invest when they looked at me, a slightly pudgy middle-aged woman who does not present as most people's idea of an entrepreneur.

If you want to see the so-called kill zone in action, I could name two specific UK Google employees who could be asked why the Google News Initiative has never contacted me about our advertising software, despite them both having received warm intros to me from fellow Google employees and me having attempted to follow up these intros on several occasions.

This is the nitty-gritty of Big Tech's stranglehold on advertising revenue, which I believe is undermining our democracy. After all, the Google News Initiative's stated purpose is to help, not hinder, the news sector.

We had a meeting at the DCMS two weeks ago with two civil servants, so the government is aware of what we have built. I hope that giving evidence to your committee in this way will cut the Gordian knot and allow us finally to source the investment we so desperately need.

But I also hope that the UK government - and others - will be able to offer us its full-throated legal support as it is clear simply from the opposition we have already faced that Google and Facebook will resist our attempt to revive the news industry and we will need regulatory support in order to scale. Most obviously this is because Google owns the Android operating system that around 50% of our users have on their phones as well as being the biggest visible financial beneficiary of the downfall for the news industry so far.

- (1) Google's advertising business needs to be separated from its software business. At the moment the fact that one company owns both is a conflict of interests on a massive scale.
- (2) Also content apps - and I include the music industry in this - need to receive a protected legal status through regulation.

Probably both these things need to happen.

I would be very happy to discuss any or all of this with the committee.

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