

Press release

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Arcep publishes an opinion on the new technical, pricing and contractual terms and conditions planned by MLP for 2022

Paris, 4 October 2021

Following a referral on 22 July 2021 by the firm Messageries Lyonnaises de Presse (MLP), today Arcep is publishing its opinion on the new technical, pricing and contractual terms and conditions that the company is proposing for 2022. This is the fourth opinion regarding MLP's technical, pricing and contractual terms and conditions.

The changes MLP has made to its price schedule largely adhere to Arcep's previous guidelines

In MLP's proposed price schedule for 2022, the wording regarding discounts given for increased revenue and the "title" discount has been amended in accordance with Arcep's requests. Moreover, Arcep had asked MLP to apply pricing to the title rather than the publisher for four pricing elements, stressing that pricing based on publisher penalised the smaller publishers and so did not comply with the Bichet Act's principles of objectivity and non-discrimination. Arcep notes that the company has indeed implemented pricing by title for three of the four pricing elements.

The price schedules for 2022 nevertheless continue to favour publishers with a large number of titles, with no objective justification

In its proposed price schedule for 2022, MLP maintains its pricing by publisher for the recovery fees for unsold copies, with no objective justification, which penalises smaller publishers (especially those with a small number of titles). Arcep has thus requested that MLP adjust its mechanism for recovery fees for unsold copies by adopting pricing by title by 1 November 2021 at the latest, to be applied by 1 January 2022.

Two new discount rules that complicate the price schedule and appear to unduly favour titles with large print runs

Arcep notes that the introduction of a new discount tied to the number of copies supplied, on top of an existing discount that is also based on the number of titles distributed, and whose impact is impossible to measure, is not in line with the goal of simplifying price schedules and making them clearer.

In addition, Arcep believes that the changes introduced to the price floor mechanism for the basic intervention cost result in proffering advantages to a minority of titles with very large print runs, to which smaller titles cannot lay claim given the excessively high threshold. This raises several issues regarding the principle of objectivity and runs counter to the principles of diversity and pluralism enshrined by the Bichet Act. As a result, the Authority is requesting that MLP adjust its method for calculating the price floor mechanism by 1 November 2021 at the latest, for application by 1 January 2022, to avoid a threshold that is too high and favours titles with large print runs. It is also asking MLP to submit a numerical assessment of the application of the new price schedules, by 31 March 2023, to enable an analysis of their impact in 2022.

MLP must provide information on services not subject to the pricing scheme, and notably quotation-based services

In its Opinion No. 2020-0139 of 6 February 2020, Arcep had stressed that the distinction between services included in the price schedule and those not subject to said schedule was not relevant. The Authority's analysis cannot, in fact, be confined to only services included in the price schedule but must cover all the services. The price schedule that MLP is proposing for 2022 refers to quotation-based services whose compliance with the principles of the Bichet Act are impossible to assess in any concrete fashion. For the sake of transparency on its technical, pricing and contractual terms and conditions, the Authority is thus requesting that MLP provide it

with information on the quotation-based services invoiced in 2021, within two weeks of notification of the Opinion. Additionally, MLP will henceforward be required to submit an annual detailed numerical assessment by 31 March on the quotation-based services invoiced during the previous calendar year. Arcep has also asked MLP to indicate in its price schedules the nature of the quotation-based services it has already provided for one or several publishers, and which it is likely to propose to a publisher in future, and this by 1 November 2021, for application by 1 January 2022.

Associated document:

- Arcep Opinion No. 2021-1990 of 23 September 2021 regarding the technical, pricing and contractual terms conditions for services provided by Messageries Lyonnaises de Presse

Arcep at a glance

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile telecoms and postal networks in France.