

Audio Transcript

Episode 260 of <u>"E&P Reports"</u> Vodcast Series with Mike Blinder

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A legal stand against Google: Wyatt Emmerich on Helena World v. Google and the battle for journalism's future

In a landmark case with significant implications for journalism and democracy, Emmerich Newspapers Inc., Helena World Chronicle and Boone Newspapers have joined forces in a classaction lawsuit against Google, challenging what they describe as an unfair "tying" relationship. Filed in December 2023, Helena World Chronicle LLC v. Google LLC alleges that Google's control over search and content indexing is undermining publishers' abilities to attract traffic and monetize content independently. In this interview, Wyatt Emmerich, president of Emmerich Newspapers, shared insights into the lawsuit's motivations, the road ahead, and what's at stake for the news industry.



0:00:03.5 Announcer: This is E&P Reports, a vodcast from Editor and Publisher Magazine, the authoritative voice of news media since 1884, serving newspapers, broadcast, digital and all forms of news publishing.

0:00:19.0 Mike Blinder: And warm greetings once again. I'm Mike Blinder. I'm publisher of E&P Magazine. And as always, we kick off by urging those that listen to this program on podcast platforms to hit whatever follow mechanism there is. Those that choose to watch the video version on our YouTube channel or on the embedded page on our website, please find a way to subscribe. That way, each and every time we upload a new episode of this weekly broadcast series, we call it E&P Reports, you get an update and you get to be the first to listen to it or watch it. I think I said that pretty well, Wyatt, didn't I?

0:00:55.2 Wyatt Emmerich: I think you've done this before.

0:00:57.4 MB: I've done this before. Thank you. I've got a friend on with me today, Wyatt Emmerich. You and I just recently attended America's Newspapers Conference. It was alive. It was buzzing. A lot of different topics. One of the topics that was discussed there was the current legislative world as it impacts the news publishing industry. And you were on a panel to discuss a lawsuit you are part of. It's called, let me see if I can get this out right, tell me if I get it wrong, Helena World Chronicle LLC vs Google LLC. And the plaintiffs are Helena World Chronicle, Boone Newspapers, and of course, your newspaper company, Emmerich Newspapers Incorporated. Do I have that right, sir?

0:01:45.3 WE: Yes. We also have the California plaintiff of the Ventura County newspaper has joined, and we're seeking more plaintiffs. We want everybody to join this lawsuit. And there are two representative plaintiffs, Emmerich Newspapers, which is my company, and the Helena World. And the representative plaintiffs have to do all the work and go through discovery. But you can join as part of our team and not be a representative plaintiff which is great. It means you don't have to go through the discovery process. But you would be part of a settlement if a settlement, if a pre-class certification settlement is reached. So it's really in everyone's interest to join this lawsuit. And it's important because there's strength in numbers and unity. And I don't think you could find a better legal team in the country. I know you couldn't. We have the number one antitrust law firm in the country. I'm at the University of California, San Francisco Law School, which has a 20-year rating of all the top antitrust law firms. And we've got three of the top seven.

0:03:07.4 WE: So you're not gonna get a better legal team. And it makes sense to join in one lawsuit because a lot of times when you have a situation like this, there'll be copycat lawsuits and that muddies the waters. And it's really, I think, in everyone's interest to, if you wanna go this route, to join our team. And it's very simple to do. Doesn't cost any money. You can get out any time you want to. It's all contingency basis. And I think that was my message at America's Newspapers, is this train is rolling. We are, got lots of seats and we welcome everyone.

0:03:46.4 MB: Well, there's the metaphor. What I'm gonna do is I'm gonna stop the train for a



second. We're gonna unpack Helena World Chronicle versus Google on the backside of this message.

0:03:55.5 Announcer: This episode of E&P Reports is exclusively sponsored by Blox Digital, formerly Town News. Even though the name has changed, their commitment to the media industry is as strong as ever. Blox Digital is now even better positioned to deliver integrated solutions like content management, audience development, advertising revenue, video management, and more. Join the over 2,000 news publishers worldwide that power their ongoing digital transformation with Blox Digital, serving over 141 million monthly users who view over 6.5 billion pages of content each year. You can trust Blox Digital to empower you, to connect you at scale with the community you need to reach. Blox Digital, formerly Town News, now reimagined to help meet the news publishing challenges of tomorrow and beyond. Learn more at bloxdigital.com.

0:05:00.9 MB: Wyatt, let's start off first with who Emmerich Newspapers is. Just quickly. I mean, just take about one minute. How large is your company? What's your footprint? Where are you based out of?

0:05:12.9 WE: We're 95% Mississippi, county seat weeklies. We got a couple of dailies. It's a third generation family-owned company. We have been doing this forever. The top editorial award in the state is named for my grandfather. My father won it twice. I've won it twice. We're community journalism, family-owned community journalism, a dying breed, but we're still here. We're still standing.

0:05:50.0 MB: We call that ink in your veins, sir, if you don't mind, even though I know you have a large digital footprint, but that's the old expression we like to expect.

0:05:56.6 WE: Ink in the veins, yes.

0:05:58.3 MB: Ink. I hope there's gonna be offspring that takes us over and keeps it in the family, but we don't have to go down that road. Let's talk. Let's talk a little bit about what's going on with this lawsuit. I mean, as we know, recently in August, a big antitrust lawsuit leaned in favor of us. That was championed, of course, by News Media Alliance, Daniel Coffey. It was a big win, 277-page ruling, but you have an interesting suit against Google because you're, and I need you to unpack this for us. You describe it as an unfair tying relationship with Google. It's almost like you're saying, we're between a rock and a hard place, if I can use that metaphor, where Google scrapes our content and uses it in order to monetize itself, but without that Google presence, we would lose our traffic. Is this how the lawsuit's kind of founded and what you're arguing with this?

0:06:55.4 WE: Yes. So Google has been declared an illegal monopoly in the district court in DC. That was the government's lawsuit. Ours is the private lawsuit that follows the government lawsuit, and it's very similar, and we're in the same court before the same judge, so we feel very good about our prospects. The government has one set of goals, which differs from our set of goals. The government is looking towards rectifying public policy, so they're looking at breakup options and things that can mitigate the Google monopoly. We're looking for damages and royalties, damages going backwards and royalties going forward. What we're seeking is very similar to what the News Media Alliance and other newspaper groups have been trying to do legislatively with the



Journalism Competition and Preservation Act, but we've been stymied in Congress by what Daniel Coffey said at the conference, an army of Google lobbyists.

0:08:04.0 WE: We can't break through it. They got way more money and way more power. We think the judicial process could bear more fruit because you can't win by lobbying in a court of law. We have a great legal system. We have laws that protect us, and so we feel like that's the better route.

0:08:27.5 MB: You've already presented the case, correct? Discovery hasn't happened yet, or how much of the discovery has happened so far?

0:08:35.9 WE: So we have filed the lawsuit. Google filed a motion to dismiss. We responded to the motion of dismiss, and we are awaiting Judge Mehta's ruling. We feel good about our prospects for surviving the motion to dismiss, at which point it's game on, and then the next big hurdle is class certification. If we are certified as a class, we will represent every news producer in the United States. It will be a mega lawsuit, and if we're not certified, we want enough people signed on that we still keep the interest of our attorneys. Our attorneys are the top of their class. These are billiondollar guys, so we want enough.

0:09:31.1 MB: The more damages they collect, the more they're gonna take their piece of the action.

0:09:35.1 WE: If it's just Hell in a World and Emmerich newspapers, they may lose interest, but if we've got a big chunk in the newspaper industry, we'll succeed with or without class certification, but we do think we're gonna get class certification, and that is our goal.

0:09:51.6 MB: Yeah, and I can understand that. I mean, the broader impact of this, and I am no legal expert. You could, let's assume your attorneys stay with the smaller group, but they may not because there may not be enough damages to recoup. For their time, you could be setting a precedent, but then, correct me if I'm wrong, that means other cases would have to come on similar than yours. Your wish is that everybody just joins this one now and you go to bat for the big bucks now. Do I have that right?

0:10:22.8 WE: I think that's the best way. I mean, nobody has to join a class action lawsuit. I mean, you can always go it on your own, but you got to find a legal team that will do it on contingency because I don't think there are very many newspapers that have that kind of money sitting around. So, I think this is your best shot, and I think we got a great shot.

0:10:43.8 MB: So, your major reason now, and one of the... I mean, of course, I see the benefit to the entire industry in this case, but the reason now that you were on that panel in America's newspapers was to say to that audience, and that's, this Senior Leadership Conference in the fall, is like an extension of that old Inland Family Conference. I remember gonna the Drake Hotel in Chicago. In other words, you were speaking to the...

0:11:07.5 WE: The good old days.



0:11:08.0 MB: What? Excuse me?

0:11:08.5 WE: The good old days.

0:11:09.0 MB: The good old... Yeah, well, yeah. I'm an old man, much older than you, sir. But anyway, what I'm saying is you were speaking to owners in that room. I mean, that's one of the things that conference... You got a lot of people who own a lot of newspapers. You must have been lobbying them on the side as well. What is anyone's... Am I allowed to ask, sir? What is any pushback? Why is... You make it sound so easy. Join us. The worst that can happen is nothing. You don't have to do anything with the discovery if you don't want to. I mean, I'm saying this right. And if it becomes a class action, then it's a class action. But if not, at least you'll be part of the reward and give us the muscle we need with the attorneys. Have you had those private conversations with some of the other owners? And what kind of response do you get?

0:11:51.3 WE: So, Steve Stewart, CEO of Boone, said it was the biggest no-brainer of his career. And I told everybody, I said, try to be diplomatic about this, but you're nuts if you don't join this. There are two things going on involved. One of it is fear of retribution.

0:12:10.0 MB: There you go. That's what I wanted to hear.

0:12:11.7 WE: And side deals. So, already, Google is going out and making side deals.

0:12:18.8 MB: And bribing. Yeah.

0:12:19.6 WE: And bribing. And I don't want to use that word.

0:12:21.5 MB: I didn't want to use the word, but it's my show. I can use the word. You don't have to use it, but it's all right.

0:12:26.8 WE: And I know this is occurring. And I call it the Stockholm Syndrome. It's, we've been held hostage so long. And then our abusers give us a glass of water, and we love them for giving us a glass of water. So, don't take the glass of water. Join our anti-trust lawsuit.

0:12:48.9 MB: And your goal is to just say, this is the simplest, no, this is it. I mean, we got them on search. We're going after the past. And then you could, correct me if I'm wrong, you'll set a precedent if you win to the future that not only impacts Google, but could it impact AI and their separation of our content. You're just, this is the precedent you're trying to set, correct?

0:13:10.8 WE: Yes. The tying relationship, and that's T-Y-I-N-G. You tie one thing to another. The original deal was they took our content and indexed this, and that brought us readers through the internet. Okay. So it was a mutually beneficial relationship in many ways. But that's changed. Now Google is scraping our content, using AI to rewrite it, and putting the AI summaries at the top of our articles, and our actual links are down below. So readers are just reading the AI summaries and not reading our articles and not going to our website. This is actually happening.

0:13:50.6 MB: It gets worse on ChatGPT. I mean, they put little quotes now. That just started in the



last few weeks, and you have to click that little quote, tiny little thing, to get to the source. You see what I'm saying? They don't even give your name. They don't say it came from the paper. They just, here's a little quote, and if you click that puppy, you'll see why I just wrote you this lengthy summary. That's almost like, yeah, go ahead.

0:14:11.0 WE: It's illegal to take advantage of a tying relationship if you are a monopoly. So Google's been declared a monopoly. They're taking advantage of the tying relationship it has with the newspaper industry, and not just, I don't mean papers, but all publishers online and print as well. They're the same, and then, and we can't do anything about it because they control search, and if we try to stop them, we disappear from the internet world because they're dominant. It is a dangerous situation when one company controls 95% of the searches. They are controlling the flow of information in America, and beyond the survival of the news industry, this threatens the essence of democracy. It threatens the essence of our civil society, and I think we can see some of that going on right now in the early stages, and it's only going to get worse. They're building the dark star out there, and we're the resistance, and you should support us and join us.

0:15:24.5 MB: You've made your plea. You're the face of this thing, at least as far as the news publishing industry is, so can anyone reach out directly to you, Wyatt, if they want to join this case? Your email address, loud and proud, scream it out, spell it.

0:15:41.2 WE: Wyatt, W-Y-A-T-T, at north, like the direction, side, like the side of a building, sun, like the sun and the moon, northsidesun.com, wyatt@northsidesun.com, or you can just google me. Find my email. [laughter]

0:15:56.3 MB: Those of you that are listening on a podcast platform, please write down that email address. If you tripped over this on our landing page, of course, there will be links to not only Wyatt's email address, but there'll be links to any of the press that has been said about this. There'll be links to the actual suit itself, and we'll keep updating that page, I mean, 'cause any related articles, 'cause this is a story in progress. Wyatt, it's an honor to have you on the show. Do me a favor, don't hold back anymore. In the future, say how you really feel about stuff he said sarcastically.

0:16:31.2 WE: You know, on the panel, someone called me courageous, and I said, no, you're confusing desperation with courage.

0:16:41.7 MB: Wyatt Emmerich, thanks for your time. We're going to stay in touch with this. We're going to keep updating everyone, and keep up the fight. Thank you very much.

0:16:46.0 WE: Thank you very much. Bye-bye.