

# **AAP to close NZ newswire**

## **Australian Associated Press will shut down its New Zealand Newswire in April, after struggling to find customers and sustain operations.**

New Zealand Newswire (NZN) will cease operations on Friday, April 27, after seven years.

AAP editor-in-chief Tony Gillies said that this had been a challenging time for the company, with subscribers under pressure and asking for lower fees.

“We threw all we could at this. Our staff, some of the best journalists in the business, have worked extremely hard to deliver a news service we have been so proud of these past seven years.

“In the end we have not been able to sustain the business. Our media customers, whom we rely on for revenue, continue to confront challenges in the industry,” Mr Gillies said.

The decision to close the New Zealand business was fairly recent, with several subscribers approaching AAP requesting reduced subscription fees. Mr Gillies said it was clear at this point that the business was not sustainable.

“We noticed over recent months that our New Zealand subscribers had really put pressure on our fees and when we weighed that up, we realised that the financial outlook was quite impossible.”

“The New Zealand market, very similar to Australia, is under continued pressure to reduce fees.”

The newswire service was already sustaining a loss in the market.

“We had already been sustaining considerable financial losses on that business and we were prepared to do so in the belief that long term, we would be able to

get it to a reasonable, break even position, but with the prospect of significant reductions the outlook was not good for us," Mr Gillies told NewsMediaWorks.

AAP will retain a relationship with the country, with two journalists being retained to provide news for the Australian news wire service and subscribers having access to the international AAP network.

One of NZN's final initiatives will be reporting on the Gold Coast Commonwealth Games in April.

NZN currently has three offices, in Wellington, Auckland and Christchurch. The company retained 14 staff journalists following the closure of the local News Zealand digital news video team in September 2017.

The New Zealand news service launched in September 2011, following the closure of 132-year-old news agency New Zealand Press Association a month earlier.