

Who owns the owners?

An analysis of ownership patterns in the Norwegian newspaper market

NINA KVALHEIM

DEPARTMENT OF MEDIA AND SOCIAL SCIENCES, UNIVERSITY OF STAVANGER, NORWAY

ABSTRACT

This chapter concerns the structure, and particular ownership patterns, of the Norwegian newspaper market. Newspapers constitute an important part of the Nordic media system, and the press has mostly adhered to the principles of the concept of the media welfare state. The state of the press is thus of importance to the state of the Nordic media system. By analysing the Norwegian newspaper market, I aim to answer the following research question: Who are the owners behind the Norwegian media companies, and what is the relationship between these owners? This is important because it illuminates the hidden power structures that exist behind the most prominent media companies in Norway.

KEYWORDS: ownership, newspapers, power, networks

Introduction

This chapter concerns the structure, and particular ownership patterns, of the Norwegian newspaper market. Newspapers constitute an important part of the Nordic media system, and the press has to a great extent “reflected the principles of the Media Welfare State” (Syvertsen et al., 2014: 47). The state of the press is thus of importance to the state of the Nordic media system. The basic premise of this chapter is that ownership matters for the content published by the newspapers. Though most owners may not interfere directly in editorial decisions, they nevertheless have some power, in terms of resource allocation, strategy development, and so on (Humprecht, 2019). Murdoch (1982) called the power to make such decisions allocative control. It is thus important to know who the owners are and what ownership structures look like. Several studies have discussed the role of owners. Research on media ownership has focused on the degree of ownership concentration in a given market (Iosfidis, 2016; Vizcarrondo, 2013; Winseck, 2008); the effects of ownership concentration on product markets, specifically related to questions of diversity (Badr, 2021; Blidook, 2009; George, 2007; Rennhoff & Wilbur, 2012; Sjøvaag, 2014a; Trappel & Meier, 2022); regulation (Sjøvaag, 2014b); and the practice of media ownership (Ohlsson, 2012). However, most of these studies have focused on the owners of the media outlets – that is, the large media corporations.

With a few notable exceptions, the owners of the owners have to a lesser extent been explicitly subject to analysis. One exception is Crain (2009), who, in an analysis of takeovers of media companies by private equity firms in the US, discussed the possible challenges following from this type of ownership. Benson (2016) argued that different ownership types (and thus different owners) promote different types of content, while Picard and van Weezel (2008) discussed the possible consequences of different types of ownership. Likewise, Achtenhagen and colleagues (2018) discussed the corporate governance of foundational ownership, and Abernathy (n.d.) discussed the role of ownership for local news. Noam (2018) lifted the discussion to the media system level and argued that what he calls outside ownership takes different forms in different types of systems. Despite these efforts to address the owners of the media owners, Dunaway (2013: 28) has argued that there is a need for studies that examine “the structural characteristics of their [the local news outlets] (or their parent company’s) ownership”. With this study, I aim to answer to that call. By analysing the Norwegian newspaper market, I aim to answer the following research question:

- RQ. Who are the owners behind the Norwegian media companies, and what is the relationship between these owners?

This is important because it illuminates the hidden power structures that exist behind the most prominent media companies in Norway.

The main argument of this chapter is that to fully understand the role of ownership in the production of media content, it is important to have knowledge about the owners *behind* the owners of media companies. Further, the second main argument of this chapter is that ownership structures are also important for the prospects of the media welfare state. Therefore, I first relate media ownership to the overall principles of the media welfare state (the four pillars as proposed by Syvertsen et al., 2014) before going on to discuss media ownership in more detail.

Media ownership and the media welfare state

Media ownership constitutes an important, yet somewhat hidden, part of the media welfare state. On the one hand, media ownership influences the media system, and on the other, ownership and ownership structures are influenced by the principles of the system. First, one can argue that media ownership affects the availability of communication systems (pillar 1 of Syvertsen et al.'s 2014 model). One central aspect of the media welfare state has been to make sure everyone has access to all types of communication systems. This has traditionally been regarded as a state issue, among other things taken care of in policy measures related to broadcasting development and Internet infrastructure (Syvertsen et al., 2014: 18). It is possible, however, to argue that universally available communication services also means having news media available wherever you live. Since the newspaper market is purely a commercial one, the owners decide which newspapers are to survive. Research has shown that some types of owners are more inclined to shut down newspapers and create so-called news deserts (Abernathy, n.d.). Identifying who and what type the newspaper owners these are is thus of utmost relevance to the media welfare state.

Second, ownership might also affect the editorial freedom of the media (pillar 2). One important part of the scholarly discussion concerning media ownership has been related to the power the owners have to interfere in editorial decisions. Different media systems have different traditions for this (see, e.g., Hallin & Mancini, 2004). In Norway, the relationship between owners and editors is regulated by a joint declaration, signed by both the Association of Norwegian Editors and The Norwegian Media Business Association. This declaration states that the owners are free to decide the ideal purpose of the newspaper, and it is also their privilege to appoint the editor. They cannot, however, interfere in the day-to-day editorial decisions made by the editor (Association of Norwegian Editors, 2011). The cultural background of the owners is thus also important for the media welfare state.

It is further possible to argue that the media welfare state itself also has an impact on ownership structures. This is particularly related to pillar three, which concerns the policy measures of the media system. The aim of media

policy has been to “modify the influence of market forces” (Syvertsen et al., 2014: 18), and one important objective of Norwegian media policy has been to safeguard and maintain diversity, both in terms of content and in terms of geographical orientation (Syvertsen et al., 2014: 54). In this, media ownership plays an important role. According to Doyle (2002: 172), “diversity of ownership of the media is generally seen as one of the essential conditions for sustaining political and cultural pluralism” and restrictions of ownership to prevent ownership concentration has been regarded as important policy measures to reach this objective (see, e.g., Østbye, 2000: 90ff). Having a pluralist media system is seen as vital for democracy, and ownership diversity is a means towards that aim.

Media ownership is also important in relation to the fourth pillar, although on a more abstract level. The media welfare state is characterised by consensual policymaking, where all stakeholders agree on the basic principles. The large, private media companies have also embraced this consensus, and according to Enli and Syvertsen (2020: 43) there is a “welfare state of mind” among CEOs of private media companies. They are concerned with public interest values; they are satisfied with their cooperation with policymakers; and they are positive towards public service media. An important question then is whether this is also true for the CEOs of the owners of the owners.

Media ownership and its structures can thus be regarded both as a prerequisite for, and as a result of, the principles of the media welfare state. Being present in all four pillars, media ownership therefore constitutes an important, although somewhat hidden, part of the media system. The system, then, to some extent rests upon media ownership and on the structure of the owners, and its robustness is thus to a large degree dependent on who the owners are and on how they are related to each other. Getting an overview of the ownership structure of the media welfare state is thus important for understanding the system.

Changes in media ownership structures

Ownership structures have changed significantly over the last 50 years. In Norway, the party press was the dominant mode of ownership until well into the latter half of the twentieth century. The newspapers were owned by the different political parties, and the newspaper was regarded as the main organ of that political party. In this system, the press and the party were “two sides of the same coin [translated]” (Bastiansen & Dahl, 2019: 163). This changed in the 1970s. Liberalisation and deregulation brought along a commercialisation of the newspaper business, and the parties were replaced by other companies as the owners of newspapers (Bastiansen & Dahl, 2019). In Norway, the three largest newspaper companies in this period were Schibsted, A-pressen [the press of the labour movement], and Orkla Media (Ottosen et

al., 2002: 207ff). This structure – with three large media companies dominating the newspaper market – to a large degree remains today, but who the three are and the constellation of the owners of these companies has changed over the last 30 years. Also, internationally, there has been a change in who the owners of the media are. In the US, there has been a tendency that investment entities, such as hedge funds and private equity firms, have replaced the old media owners, such as Gannet and Knight-Ridder. Abernathy (n.d.: 31) called these investment entities “The media barons of the 21st century” and argued that these owners have “transformed family-centered media businesses into diversified, highly leveraged investment entities that prioritize shareholder return over producing all the news that’s fit to print or publish online”. Likewise, Noam (2018) has argued that what he labels outside ownership – that is, media owners from outside the media business – is characterised by portfolio diversification, where cross-ownership takes place through investors rather than conglomerates. In this, he argued, media properties are “merely one category of asset among many others” (Noam, 2018: 1106). They are held to the same benchmarks as any other commercial good (Abernathy, n.d.: 37). According to Noam (2018), this also influences the media system of countries with a large share of outside ownership, which he has argued are investment-model driven. Type of ownership is therefore of direct interest for the media system.

Addressing ownership issues in relation to the media welfare state is thus important for two reasons. First, ownership and ownership structures are challenged and changed by the societal factors influencing the system. Market consolidation, commercialisation, deregulation, and globalisation have altered the rules and brought new players to the market (e.g., Jin, 2008). One argument lifted forward by Hallin and Mancini (2004) was that increased commercialisation and globalisation would bring the different media systems closer to each other. An analysis of the American (Nechustai, 2018) and European (Brüggeman et al., 2014) systems, however, shows that the media systems instead have become more polarised and differentiated, due to the same forces. Discussing the Swedish media system, Jakobsson and colleagues (2021) introduced the concept of the neoliberal media welfare state to describe how processes related to privatisation, marketisation, and deregulations have altered the system. For media ownership in Norway, this is particularly evident through the change of the policy measures directed towards media ownership. Here, media ownership was earlier explicitly regulated through the Media Ownership Act (Lovdata, 1997). The main purpose of this act was to prevent one, or a few, owners from obtaining too much market power. The argument was that ownership diversity is related to content diversity, and the act was designed to facilitate a diverse and pluralist media landscape. However, in 2016, the Media Ownership Act was replaced by the Act on Transparency of Media Ownership (Lovdata, 2016). This indicates a politi-

cal reorientation from considering media ownership as something that must be regulated in order to reach the desired goal (which is a pluralist media system), to regarding it as sufficient for the sector to simply be transparent. This might further indicate a reorientation of the organisation of the welfare state towards a more liberal system. Moreover, globalisation and marketisation have introduced new players to the market. One of the main fears that surfaced when the British media company Mecom acquired the Norwegian media company Orkla Media in 2006 was that the new British owners might interfere in editorial decisions in ways the Norwegian media is not used to (Kvalheim, 2009). Foreign ownership, with different ownership cultures, might thus be a challenge to the second pillar of the media welfare state.

Secondly, addressing ownership issues – with a particular focus on the owners of the owners – in relation to the media welfare state is important because political regulatory measures, such as ownership restrictions, mainly regulate the direct media owners. Analysing the owners *behind* the owners might provide a picture of who the *real* gatekeepers are and indicate where possible political action should be taken.

Why ownership matters

The basic premise of this chapter is that the owners of the owners have some sort of influence on the content that is being produced. The assumption is that even though owners are not *explicitly* influencing the content production, they still, indirectly, do. A related premise is then that the owners of the owners have some power over the companies they own, and that decisions made at this level might also affect content production in the smaller units. The question then is, what does this power look like?

For media companies, the purpose of the ownership is important when discussing the power of the owners. “All capital comes with conditions”, Picard and van Weezel (2008: 23) have argued. Therefore, it is reasonable to argue that the content of the media reflects the interest of the owners (Sjøvaag, 2020: 109). Some owners are involved in the media business for purely commercial reasons; some owners wish to use the media to spread a specific ideological message; and some owners are involved in the media business to contribute to a more enlightened society (see, e.g., Sjøvaag, 2020: 199). While the two latter, political and societal influence, will give the owners incentives to interfere in matters related to the ideological slant of the media company, the first type of owner is more preoccupied with the prosperity of the media company, and if interfering in matters related to content choices, it will be on a commercial premise. Hence, the interest of the owners might affect the media, and ownership matters because it is assumed that the content produced is influenced by the money financing it.

For ownership to be relevant, we must assume that owners have some sort of power in or over the media organisation. The question of ownership

thus concerns where the power to make decisions for the companies resides. Murdock (1982), building on Pahl and Winkler (1974), distinguishes between allocative and operational control when discussing control in organisations. Having allocative control entails controlling the overall strategic questions, such as formulation of strategy, decisions related to expansion and cutbacks, decisions related to financial policy, and decisions related to the distribution of profits (Murdock, 1982: 118). According to Murdock, allocative control resides in the hands of the owners. Operational control, on the other hand, concerns the organisation's short-term or day-to-day activities and is positioned in the hands of the managers of the company. Because most owners will not directly interfere in the media content *per se*, the allocative control is important for understanding the role of the owners in the media business. The owners of the owners may not have direct allocative control, but they might have an impact on decisions made at the allocative level. For instance, Noam (2018) argued that institutional investors might influence media companies in terms of priorities related to short-term performance and buy-and-sell decisions. It is reasonable to assume that the pressure on the maximisation of shareholder value and getting returns on the investment is larger in publicly-owned and traded companies than in family-owned or foundation-owned companies (see, e.g., Benson, 2016: 31). The commercial pressure might thus be high in this type of company, which in the end might have an impact on content decisions (Kvalheim & Barland, 2019).

The extent to which owners are involved in the running of the company is further also related to the type of owner involved. For instance, Picard and van Weezel (2008) distinguished between privately owned companies, publicly owned companies, foundations, and employer organisations when discussing the relationship between capital structure and control. They argued that private ownership entails a high degree of control, and public ownership means limited control for those who generate the money, while those who manage the capital may “have significant influence on the firm” (Picard & van Weezel, 2008: 23). For foundations, the owners have some influence, but not that much direct control, while employer ownership “may or may not” (Picard & van Weezel, 2008: 23) have an influence on the firm. Likewise, when discussing institutional investors, Brickly and colleagues (according to An et al., 2006) identified three different ownership types: pressure-resistant, pressure-sensitive, and pressure-indeterminant. Pressure-resistant owners include public pension funds, mutual funds, and foundations, and they are active in monitoring the companies in which they have invested. Pressure-sensitive owners, on the other hand, are more closely related to the business they have invested in and are therefore more reluctant to interfere in the company. Owners of this type include banks, insurance companies, and nonbank trusts. Third, the pressure-indeterminant owners, including companies such as corporate pension funds and investment counsel firms, have

certain ties to the companies they own, but these ties are weaker than those of pressure-sensitive companies, and they are unlikely to interfere in the companies they own (An et al., 2006: 121). In line with this, when analysing foundational ownership, Achtenhagen, Melesko, and Ots (2018: 129) found that foundations do not have a physical person as owner, and that “the control function [...] is replaced by foundation’s charter, which stipulates the aim of the foundation’s business activity”. They are thus often object driven rather than commercially driven, and they have a long-term commitment to the newspaper (Achtenhagen et al., 2018). The type of firms that own media companies might thus also indicate how active they are in their control of the company. Knowing who the owners of the owners are, then, is crucial for understanding the condition of the media welfare state, and analysing the owners of the owners provides useful insight in this respect.

Ownership and pluralism

On a more overall level, ownership matters also in terms of pluralism and diversity. As argued above, one of the basic premises of media policy in the media welfare state has been to maintain and safeguard a pluralist media system. In this, media ownership, and the regulation of media ownership, has been important. One policy measure in this respect has been regulation to avoid concentrated ownership. Concentrated ownership is often regarded as a threat to a pluralist media system, and the main starting point for discussions of concentrated ownership is the extent to which concentration and conglomeration leads to less content diversity (Doyle, 2002). The argument is that economies of scale and scope, which are often the objectives behind the establishment of media chains, will lead to coordinated content production, cutbacks in staff, and so on, which will further lead to a less diverse content sphere (Doyle, 2002). One of the first to address this issue was Ben Bagdikian (1983) in his well-known book *The Media Monopoly*. Here, Bagdikian warned about the consequences of ownership concentration and argued that such concentration might harm media independence. Since then, many studies have followed in his footsteps, discussing the relationship between ownership and news diversity (see, e.g., Herman & Chomsky, 1988; McChesney, 1999; Sjøvaag, 2016; Trappel & Meier, 2022). One recent example is Hendrickx and Ranaivoson (2021), who examined the effect of the establishment of the Belgian media house Mediahuis on content diversity in the Flemish news market. They found that after the founding of Mediahuis, the number of recycled articles between the newspapers owned by this media house increased; the number of journalists was reduced; and a content management system that allows for copy-pasting across newspapers was introduced. Further, there is a concern that concentrated ownership will lead to increased bottom-line pressure (Croteau & Hoynes, 2019: 84). Increased focus on money entails increased commercialisation, which might further lead to an increase in soft

content – that is, content the newspaper assumes people are interested in reading and thus also paying for (see Kvalheim & Barland, 2019). Ownership concentration is thus often, but not always,¹ regarded as a threat to diversity and to the nature of the content published.

The power of networks

In addition to who and what type the owners are, the relationships between them is also interesting. Network theory offers useful insights into the importance of social networks (see, e.g., Borgatti et al., 2009). By drawing on Granovetter's (1985) argument that "economic action is embedded in structures of social relations", in this chapter, I argue that to understand the role of ownership for content production, it is also necessary to understand the networks in which ownership is embedded. Granovetter (1985) argued that the economy cannot be understood as separate from the rest of society, and how the economy is embedded in the rest of society is important for understanding economic actions. Because it is possible to argue that the purpose of media ownership among the companies listed on the stock exchange is, at least partially, economic gain, it is also possible to understand the actions of these companies as economic actions. The media is often regarded as an institution in its own right (see, e.g., Cook, 1998/2005), with its own rules and norms. Because institutional isomorphism makes the organisations within the institution more homogenic (DiMaggio & Powell, 1983), the relationship between the media owners is important. Who the holders of the power to define the norms and rules of the institution are is important for how the media operates, and thus also for the media welfare state. In this, the strength of the weak ties (Granovetter, 1973) is important. Granovetter argued that weak ties, your acquaintances, offer information, insight, and perspectives. Following this, if one holds a central position in the network, it is reasonable to assume that they are central in the exchange of information, and thus also have considerable power. Contrarily, if one is positioned at the outskirts of the network, they may neither receive much information nor provide much information to the network themselves.

Methodology

In this chapter, I discuss ownership structures by having the Norwegian search engine investor.dn.no as a data source. This is a service provided by the newspaper *Dagens Næringsliv*, where it is possible to track the owners of companies that are listed on the Oslo Stock Exchange. This search engine provides information about the companies that a specific company owns or is owned by (or both), and the percentage of the ownership, the type of shares they own (a, b, or c), and so on. This way, it is possible to get detailed information about the relationship between different companies. For

this study, the six largest newspaper companies in Norway in terms of their share of the total newspaper circulation were selected, and their relationship with other companies were registered into an Excel sheet. For the network analysis, this information was further imported into Gephi, where a network map was created using the Yifan Hu network layout.

By mapping the owners of the owners of Norwegian newspapers, I seek to provide an overview of who the owners are, where they come from, how they relate to each other, and so on. This will provide insight into the ownership structures of the Norwegian newspaper market and serve as a useful entry point to discuss the prospects of the Nordic media model and the media welfare state.

Findings

Who are the owners behind the owners?

One central question in this chapter is who the owners of the owners are, where 71.5 per cent of the Norwegian media market is controlled by six large media groups (medietilsynet.no): Aller Media, Amedia, Mentor media, NHST media, Schibsted, and Polaris. Combined, they are involved in the ownership of approximately 125 newspapers. The pressing question then is, who own these six large media companies?

From Table 10.1 we can see that the direct owners of the media groups are a diverse group. They include foundations, investment companies, mutual funds, pension funds, employer organisations, banks, religious organisations, other media companies, and private persons. Among these, there are twelve foreign companies. Three of the media companies – Aller Media, Amedia, and NHST Media group – have only one direct owner each: the Carl Aller Etablissement (foundation), Avishuset Norge AS (foundation), and NHST Holding (holding company), respectively. The three other media companies, Mentor Medier, Schibsted and Polaris media have a more varied direct ownership, which includes several of the above-mentioned company types. What is interesting to note is that the owners to some extent reflect the media companies in which they are involved. For example, *Vårt Land* is a newspaper with a religious editorial profile, and the owners of this newspaper include one religious organisation, one church, three religious foundations, and one religious management company. Likewise, Schibsted, which is an international and commercially successful company, is owned by several international banks, which might indicate that Schibsted is an interesting company to invest in. It is also interesting to note that only two of the owners of the owners are directly involved in more than one media company. These two are Amble Invest, which is an investment company owned by a private person, and NWT Media AS, which is a Swedish media company. This indicates that the owners of Norwegian media companies are a varied group, both in terms of types of owners and in terms of the specific organisations involved.

Table 10.1 The six largest newspaper companies in Norway and their owners, 2020

Media group	Newspapers (% owned)	Owners (type)
Aller Media	Dagbladet (100%)	Carl Aller Etablissement (100%, Foundation)
Amedia	80 local newspapers	Avishuset Norge ← Amediastiftelsen (100%, foundation)
Mentor medier	Vårt Land (100%)	Amble investment (18.06%, Investment company)
	Morgenbladet (95.29)	Polaris media ASA (13.62%, Media company)
	Mediehuset Dagsavisen (79.60%)	Pingst förvaltning (8.57%, Management company)
	Sulaposten (39.42%)	Stiftelsen Vårt Lands bladmisjon (6.46%, Foundation)
		Opplysningsvesenets fond (4.18%, Fund)
		Norges Bank (3.89%, Bank)
		Erik Wahlstrøm (3.72%, Private person)
		Stax Capital (3.15%, Investment company)
		Redaksjonsklubben Vårt Land (2.55%, Employer organisation)
		Normisjon (2.49%, Religious organisation)
		Svenska Handelsbanken (2.09%, Bank)
		Odd Reidar Øie (1.96%, Private person)
		Det norske diakonhjem (1.78%, Religious foundation)
		Kari Haaland Osberg (1.5%, Private person)
		Metodistkirken i Norge (1.3%, Church)
		Felleslegatet (1.26% Religious foundation)
		Swedbank (1.1%, bank)
NHST Media Group	Fiskeribladet (100%) Dagens Næringsliv (100%)	NHST Holding (100%, Holding company)
Schibsted	Vestnytt (100%)	Blommenholm industrier (25%, Foundation)
	Bygdanytt (100%)	Folketrygdfondet (8.55%, Pension fund)
	Askøyværingen (100%)	State Street Bank and Trust Company (2.85%, Bank)
	VG (100%)	Alecta tjänstpension omsäsidigt (2.28%, Pension fund)
	Stavanger Aftenblad (99.99%)	The Bank of New York Mellon (2.18% Bank)
	Bergens Tidende (99.99%)	Morgan Stanley & co. int. plc (1.8%, Finance company)
	Aftenposten (99.99%)	State Street Bank and Trust comp (1.5%, Bank)
	E24 (49%)	NWT Media as (2.21%, Media company)
Polaris Media	approx. 30 local newspapers	Schibsted ASA (29.49%, Media company)
		NWT Media (26.83%, Media company)
		Must invest (14.69%, Investment company)
		The Bank of New York Mellon SA/NV (5.13%, Bank)
		J.P. Morgan Bank Luxembourg S.A. (4.84%, Bank)
		ABBH AS (1.90%, Holding company)
		Gyldendal ASA (1.89%, Media company)
		Stiftelsen Kistefos-Museets (1.4%, Foundation)
		Sofell (1.34%, Investment company)
		Amble Investment (1.17%, Investment company)

SOURCE: The Norwegian Media Authority, 2022

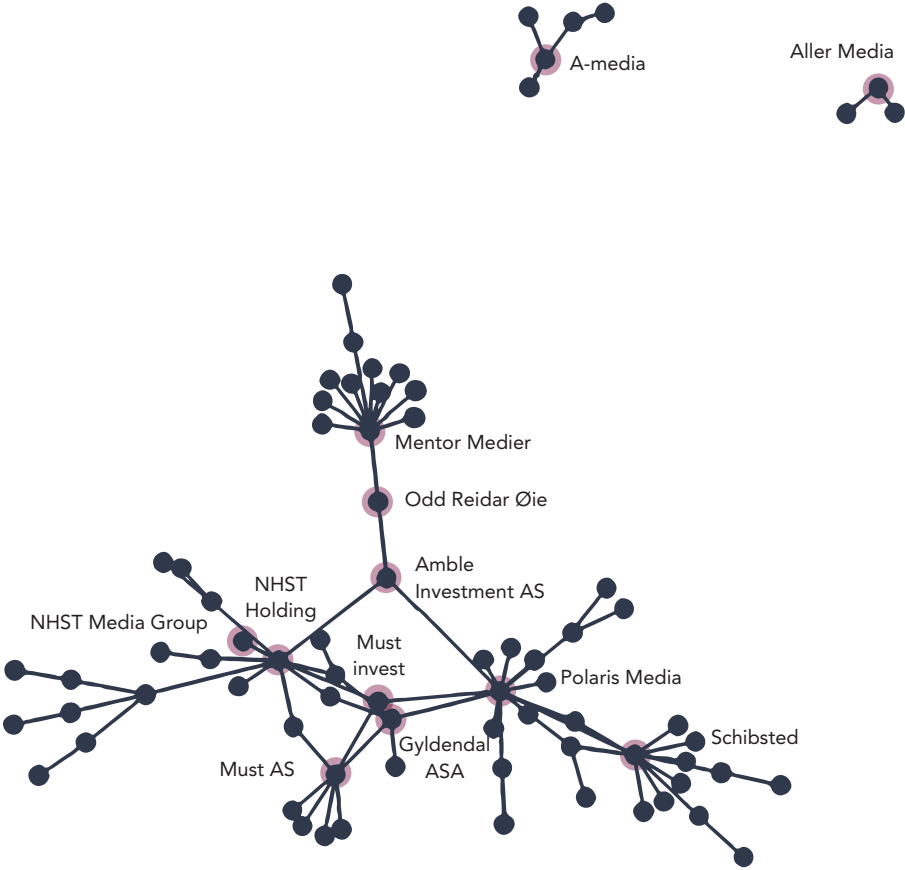
Related to this, when looking at the type of companies involved on the ownership side of Norwegian media companies, it is reasonable to assume that they own media companies for different purposes. As Sjøvaag (2020) has argued, companies are involved in the media business for several reasons, and often with an ideological, political, or commercial purpose. For the companies included in this analysis, it is reasonable to understand the involvement of religious organisations, churches, and so on, as based on an ideological premise. They want to promote or support a specific worldview and see the newspaper as a possible means for doing so. Likewise, the foundation Blommenholm industrier is a foundation established specifically to promote the societal mission of the newspapers (Blommenholm industrier, n.d.). As argued by Achtenhagen and colleagues (2018), this type of owner has ideological rather than commercial objectives. Although these owners cannot directly interfere in editorial decisions, they can, for example, affect the purpose of the newspaper in the direction of their own worldview.

On the other hand, there are also several owners involved in the Norwegian newspaper market that we might suspect are involved in the newspaper business for purely commercial reasons. This includes the investment companies, the holding companies, the banks, and so on. As discussed earlier in the chapter, different types of institutional investors have different traditions for involvement in the companies they own. While mutual funds, such as Opplysningsvesenets fond, are understood to be quite active in monitoring the companies they own, investors such as banks and non-bank trusts are more reluctant to interfere in the companies they own. In the sample of owners on which this analysis builds, there are examples of both these types. The point is that when discussing ownership, it is important to distinguish between different ownership types, both in terms of ownership purpose and how active the owners are assumed to be.

How are the owners related to each other?

Above, I argue that the owners of the owners of Norwegian newspapers are a rather varied group, and that only two of the owners are involved in more than one company. It is, however, interesting to also examine how the newspapers, media companies, and owners are related. As described above, network position is important because it indicates that some actors are more influential than others. Because economic actions take place within networks of social relations, these ties are important. How these relations look are thus also important in understanding economic actions. To get a full picture of how these different actors are related, the owners of the owners of the owners are also included in this analysis.

Figure 10.1 Overview of the owners behind the six largest Norwegian media companies



COMMENTS: To be able to include A-media and Aller media in the picture, the figure has been slightly edited.

Figure 10.1 gives an overview of how the six largest newspaper companies in Norway, and their owners, are related. There are at least two interesting aspects of this figure. First, we can see that many of the companies are clustered together. Both Mentor Medier, NHST Media, Polaris and Schibsted are to some extent related. Amedia and Aller media, on the other hand, are positioned at the outskirts of the network. This may indicate that there is a closer relationship between Mentor Media, NHST Media, Polaris, and Schibsted than with the two others. The actual ties of the physical persons within these companies, for example, through board membership, have not been subject to analysis, but it is nevertheless plausible to assume that closeness in ownership also entails some sort of relationship. Drawing on the theory of the strength of weak ties, this might indicate that some of these media companies and their owners have the power to define the rules of the institution.

Looking even closer at the network, we also see that three of the large newspaper companies, Mentor medier, NHST Holding, and Polaris Media are related through one node only, Ambel invest. This indicates that this investment company, and its owners, have a quite central position within the network, and thus potentially holds significant power. Also, Must invest plays an important role in this respect. This node is central for the connection between Polaris Media and NHST Holding, which owns NHST Media group. Adding the owners of the owners of the owners to the analysis, the node Odd Reidar Øie is revealed as quite interesting. While being one of the direct owners of Mentor medier, he is also the person behind Amble investment. This puts him in a position where he might have knowledge about things that are going on in several corners of the network, something that further makes him and Amble investment even more central to this network. As institutional theory predicts, news organisations mimic each other and form an institution by developing common norms and rules. The nodes with central positions within this network might play a central role in defining these norms and rules.

Discussion and conclusion

The main questions of this chapter are who are the owners of the newspaper owners, and how are these owners related? This concerns the structure of the newspaper market, and the main idea is that this structure is also related to the media welfare state.

The above analysis has shown that there are several different owners involved in the Norwegian newspaper market. Some of these are foundations with an ideological, societal, or religious purpose for owning media companies, while some of them are more commercially orientated with an economic purpose for owning media. These types of owners might interfere in the media companies they own in different ways, but it is reasonable to assume that while the foundations and the other media companies may enter the media market with the social mission of the newspaper in sight, the investment companies are in it for the financial gain – they see media companies as any other asset they may invest in (Noam, 2018). One possible consequence of such commercial pressure on the media companies is that it might lead them to choose the easiest accessible content, which may further result in the newspapers becoming quite similar. Content diversity might thus be reduced. Another possible consequence is that newspapers that are not financially viable will be closed. The closure of newspapers might create so-called news deserts (Abernathy, n.d.), which will have a direct impact on the media welfare state system, where universal access to media is central (see Sjøvaag & Ferrer-Conill, Chapter 9). A third possible consequence is a reduced lack of trust in the media system. According to Noam (2018: 1109),

one of the main worries related to institutional owners is that of “absentee ownership” – ownership at a distance. He has argued that this type of owner may have a “lack of sensitivity and concern” for the locality where the media outlet is positioned (Noam, 2018: 1109). This might further harm the journalistic mission. “Strong local journalism builds trust in democratic institutions, and it builds strong communities”, Abernathy (n.d.: 89) argued. A rhetorical question is, then, can local journalism be strong if its owners lack sensitivity for the local? The analysis further shows that some nodes are more central in the network of owners than others. Several of these nodes are examples of what Noam (2018) has called outside-owners – owners not stemming from within the media business. Because of the central positions of these nodes within the network, they have the power to influence the rules and norms of the institution and are therefore worth paying attention to in order to understand the future of the Nordic media system.

Another worry regarding ownership in the Norwegian newspaper market has been the entrance of foreign owners who may not share the same editorial principles as Norwegian owners have up until now. Based on the result of this analysis, however, there does not seem to be any reason to be concerned about international ownership at the moment. As the media authorities state, there are a limited number of international companies present in the Norwegian media market (Norwegian Media Authority, 2022). Schibsted, Polaris, Aller, and Mentor Medier all have international companies as owners, but their total control in terms of number of stocks controlled is limited. However, these are among the largest media companies, both in terms of turnover and in terms of the number of newspapers they own, which means that the decisions these companies take may affect quite a few newspapers. It is reasonable to understand the involvement of international banks in Norwegian media as purely commercial and with a focus on the return on the investment. It might thus be that they will get involved if the results of the companies are unsatisfactory. One of the main principles of the media welfare state and the Norwegian declaration of editorial independency is editorial freedom and no interference by owners in editorial matters. It might thus be wise to pay attention to the amount of foreign ownership, and their involvement in the companies they control.

Noam (2018) argued that outside owners might change a country’s media system. Keeping an eye on who these owners are and how they are related is thus crucial for understanding the prospects of the media welfare state.

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Endnote

¹ Ownership concentration is sometimes also regarded as beneficial for the newspaper owned by the media company. See, for example, Doyle (2002) or George (2007) for a discussion of this.