

Facebook ends funding for US news partnerships program

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The Facebook app is shown on a smart phone in Surfside, Fla., Friday, April 23, 2021. Meta Platforms said Thursday, July 28, 2022, it will no longer pay U.S. news organizations to have their material appear in Facebook's News Tab as it reallocates resources in the economic downturn. Credit: AP Photo/Wilfredo Lee, File



Meta Platforms says it will no longer pay U.S. news organizations to have their material appear in Facebook's News Tab as it reallocates resources in the face of the economic downturn and changing user behavior.

The company said Thursday that most people "do not come to Facebook for news, and as a business it doesn't make sense to over invest in areas that don't align with user preferences."

Meta, then called Facebook, launched the partnerships in 2019. The "News Tab" section in the Facebook mobile app only displays headlines—and nothing else—from The Wall Street Journal, The Washington Post, BuzzFeed News, Business Insider, NBC, U.S. Today and the Los Angeles Times, among others. The company did not say how much it was paying the news organizations, but reports put it in the millions of dollars for large outlets such as The Wall Street Journal.

The Associated Press did not participate in the initiative.

At the time the program launched, CEO Mark Zuckerberg told the AP that he saw "an opportunity to set up new long-term, stable financial relationships with publishers."

But Meta, which is based in Menlo Park, California, said in a statement Thursday that a "lot has changed since we signed deals three years ago to test bringing additional news links to Facebook News in the U.S."

On Wednesday, Meta Platforms Inc. posted its <u>first revenue decline</u> in its history and forecast weak results for the current quarter as well.

Meta does not pay for news content that outlets post on its platform. The News Tab deals, the company said Thursday, were for "incremental content, e.g., ensuring that we had access to more of their article links



and that we were including a range of topic areas at launch."

The company said Facebook News will continue in the other countries it's currently in, and the shift in the U.S. won't change the deals in those places—the U.K., France, Germany and Australia.

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