

Struggling Australian newswire turns to crowdfunding

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The Australian Associated Press launched a crowdfunding campaign Monday as the newswire struggles with financial pressures just a month after it was sold off and relaunched as a non-profit.

CEO Emma Cowdroy said AAP was facing aggressive competition from a new rival, NCA, created by News Corp after the Rupert Murdoch-owned [media giant](#) backed out of its role as the leading shareholder in the national newswire.

She said News Corp now intends to "rapidly re-enter the [commercial sector](#)" with NCA.

"The well-funded move threatens AAP's unique role, supplying independent content" to smaller Australian publishers, she said in a statement.

Cowdroy added the move would "create further disruption to AAP, and in turn the media market more generally, at a time when the industry is on its knees".

AAP was relaunched in early August by a philanthropist-led consortium just months after staff were told the company would shutter as challenges in the media sector were exacerbated by the economic fallout of the coronavirus pandemic.

In March, News Corp and broadcasting and newspaper group Nine Entertainment pulled their support for AAP in a surprise decision that fuelled fears of further concentration of an Australian media landscape already dominated by a handful of companies.

News Corp then launched NCA, hiring a number of journalists, including several former AAP staff, to provide coverage to the company's many newsrooms of topics previously supplied by the national newswire.

The Guardian reported Monday that News Corp planned to offer NCA content to other Australian news organisations once a non-compete clause with AAP expires at the end of this year.

Facing the prospect of that competition from its former owner, AAP is aiming to raise Aus\$500,000 (US\$364,000) through the fundraising campaign, which had attracted several thousand dollars in donations shortly after launching.

"As our media customers struggle in the toughest advertising market in [modern history](#) and as the government struggles to find a way to support [media](#) competition and diversity, we are reaching out to all Australians for their help," Cowdroy said.

The newswire cut about half of its staff before relaunching what it previously said would be a slimmed-down "sustainable" operation.

Smaller local publishers rely on its national coverage of [news](#), sport and politics to bolster their own content.

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