



## Facebook (NASDAQ:FB) to Pay Canadian Media for Content

### Description

**Facebook** (NASDAQ:FB) is gearing up to pay Canadian media outlets for content. And that could be a major boon to companies like **Corus Entertainment** ([TSX:CJR.B](#)). So far, the social media giant has announced partnerships with publications like *BlogTO*, *The Narwhal*, and *Narcity*. It's expected to add more in the coming months.

### Facebook agrees to pay after lengthy battle

Facebook's agreement to pay Canadian media outlets for content comes after a year-long battle with the Australian government. Australia announced earlier this year that it would legally require Facebook to pay Australian media providers for content. The company fought back hard, at one point threatening to ban news content from Australian publishers. Later, it agreed to a form of compensation.

While Facebook's battle with Australia was going on, Trudeau signaled that Canada would pursue similar measures. Ever since Trudeau took office, Canada has been attempting to support media any way it can. Early in Trudeau's government, the feds announced tax breaks for media subscribers and for organizations that hire journalists. Legislation forcing social media to pay for news content would have been consistent with that. Fortunately, Facebook was able to work out agreements with media organically, following similar moves by **Alphabet**. The need for legislative action was avoided.

### Could Canadian media companies benefit?

Facebook's actions could be a big boon to Canadian media companies like Corus Entertainment. Such companies are Canadian owned and produce Canadian news. Therefore, they could be good candidates for [Facebook's revenue-sharing arrangement](#).

Corus is mainly known as a [radio and TV station company](#). It also has digital media properties like *globalnews.ca*. Such properties are basically extensions of Corus's core TV and Radio operations. But it appears they do drive some revenue for Corus on their own. If you look at the *Global News* site, you'll see advertisements. As of right now, it's hard to say how much revenue they're bringing in. The

company's online revenues aren't listed as a separate category on its earnings releases. Perhaps they aren't substantial today. But they could grow over time, with revenue coming in from social media giants.

## Foolish takeaway

Over the last decade, media hasn't been thriving as an industry. We've seen countless newspapers go out of business and venture-funded "new media" companies go bust. The rise of social media has come at the expense of traditional media. With Facebook opening its wallet, perhaps publishers will start getting a bigger slice of the online advertising pie.

As of right now, it's not clear whether companies like Corus Entertainment will benefit from Facebook's revenue-sharing agreement. It doesn't look like *Global News* is among the companies the social media giant has partnered with, but that could change. As more and more countries ask social media giants to share revenue with publishers, more publishers should get a cut of the action. That may not be enough to take media back to its pre-internet glory days. But it could be a valuable lifeline to an industry going through many struggles.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NASDAQ:META (Meta Platforms Inc.)
2. TSX:CJR.B (Corus Entertainment Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

### Category

1. Investing
2. Tech Stocks

### Tags

1. Editor's Choice

**Date**

2025/08/14

**Date Created**

2021/05/28

**Author**

andrewbutton

default watermark

default watermark