

Getting into bed with a FAANG

Blog post by Managing Director Benjamin Wegg-Prosser, 20 September 2018

What connects Jean-Claude Juncker with Netflix? *House of Cards*? Perhaps, but no. *Orange is the new black*, certainly not. Mathias Döpfner. Maybe. Back in 2014, at the peak of the horse-trading during the Spitzenkandidaten process, legend has it that [this](#) article in Bild (owned by Axel Springer, whose CEO is Herr Döpfner) played a decisive role in encouraging Angela Merkel to back Juncker for the role of President of the European Commission. The reason? Because Herr Döpfner, the most powerful media mogul on continental Europe, had been assured by “Team Juncker” that a new European Commission under his leadership would take the fight to the FAANGs (Facebook, Apple, Amazon, Netflix and Google).

Spin forward a few months. Juncker is in post. He appoints the feisty Margrethe Vestager to the role of Competition Commissioner and on almost her first day in office, she unpicks the deal which her predecessor had struck with Google to settle a series of cases against the search engine. Thus heralding a much more challenging time for the US tech giants in Brussels. Facebook has encountered multiple challenges on how it manages its content and privacy. Amazon has been accused of market dominance. Google has had to go back to the drawing board on the legal cases brought against it. Netflix? Has taken a different course. It has made a point of sharing the pie across European production market with a significant investment in local language content. And yesterday it announced that Herr Döpfner was joining its board. The significance of this cannot be underestimated. No one in private has been more critical of the FAANGs than the German media executive, and now he is sitting on a metaphorical bean-bag drinking the Silicon Valley Kool-Aid.

We seem to be at the beginning of a new era for the FAANGs. One where, to an extent, they have already been brought to heel, as my colleague suggested in a [previous post](#), and now you see that perhaps there is scope for a more collaborative partnership between US and EU content industry leadership. The question for the European legacy broadcasters is whether they need to be working more closely together, as [Sky and Channel Four](#) are now having to do in the UK, or whether the future lies in jumping into bed with the enemy, as Herr Döpfner seems to have done this week.