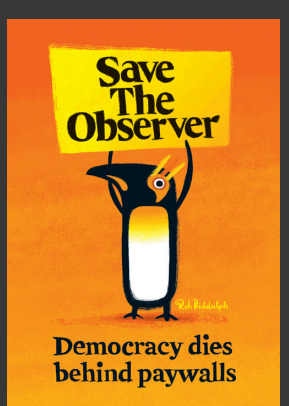


We think you should know...



The Observer is a successful part of GMG

The Observer's journalism generates around 10 million people online every weekend. Management acknowledges that the paper is currently profitable - though it is projected to lose £1m in three years' time if print costs keep rising. That seems a small sum in comparison with the Scott Trust's endowment fund of £1.3bn - so why is the sale of the Observer being presented as the only solution for a trust set up to ensure the future of liberal journalism?

The Tortoise deal is not a rescue plan

According to its most recent published accounts, Tortoise is a loss making digital start up. Between 2018 and 2022 it lost £16.3m. A promised investment of £25m in the Observer Observer has already been reduced to £20m. The proposed business plan relies on very optimistic projections for subscribers and ad revenue. It does not promote liberal journalism to put the Observer behind a paywall.

If the Tortoise plan doesn't work, there is no safety net

Tortoise has investors now, but whether they are prepared to back the Observer long term or are interested in selling on the title for a quick profit is unclear. If the business plan fails a a Tortoise-owned Observer could change format, be shut down or be disposed of in a fire sale to an oligarch or other undesirable owner.

GMG management has acted in bad faith

At the outset of this process staff were assured that the deal with Tortoise had not been sought and would not go ahead if it turned out to be bad for the Observer or its staff. A few weeks later, this message changed to a warning that there would be painful and urgent decisions to make about the paper's future if the deal did not go through. Staff have consistently been kept in the dark about plans and intentions.

Guardian and Observer journalists are united in opposition to this plan

For every journalist here, the deal offers a bleaker future, whether they are transferred or not. While Observer journalists face uncertainty and losing their audience as their writing goes behind a paywall, Guardian journalists' workloads will increase to fill editorial gaps left by their missing colleagues. The line appearing in press coverage -that the Observer is a failing part of GNM - is not recognised by Guardian and Observer staff. We are one family.

Democracy dies in darkness

The values that the Guardian and Observer represent are hard won, and, in the eyes of readers, also quickly lost. What message does it send to readers to argue that our ownership model is fundamental to press freedom - that democracy dies in darkness and behind paywalls -while at the same offloading the Observer to a single proprietor/editor with limited funds and an array of multi-millionaire funders?