NI Group Limited G. M. Smart First Statement 14 October 2011

IN THE MATTER OF THE LEVESON INQUIRY INTO THE CULTURE, PRACTICES AND ETHICS OF THE PRESS

WITNESS STATEMENT OF GORDON MURRAY SMART

- (1) State who you are and provide a brief summary of your career history in the media.
- 1 I am the Showbiz Editor for The Sun. I have worked for the newspaper since March 2004. I started as a showbiz reporter and was promoted to Deputy Showbiz Editor in 2005; Bizarre Editor in 2007 (editing the paper's showbiz column) and Showbiz Editor in 2009.
- Before working at The Sun, I worked as a reporter at the News of the World covering showbiz and features for three months in 2003/2004 on a casual contract. Before that, I was an agency news reporter based in Edinburgh for Deadline Scotland.
- (2) Explain how you understand the system of corporate governance to work in practice at the newspaper where you are employed ("your newspaper") with particular emphasis on systems to ensure lawful, professional and ethical conduct.
- 3 All staff at The Sun are expected to adhere to the PCC Code of Practice. We are also expected to adhere to the rules in the News Corporation Standards of Business Conduct booklet. Our contracts of employment require us to adhere to these codes.
- When ethical issues arise, I will usually discuss them with my colleagues on Bizarre, the showbiz desk, and with senior editorial staff, such as the Assistant Editor (who was the Showbiz Editor prior to me) and the Managing Editor, as well as the Editor (who is also a former Showbiz Editor) from time to time. These discussions may form part of the daily news conference, which I sit in on, or they may be one-to-one discussions prior to a story being put forward. We might also discuss the story in further detail after plot, where senior staff discuss the plans for the following day's newspaper. These discussions happen every week and normally centre around how and when we approach the celebrity involved or their representatives. When legal issues arise, I will discuss any concerns with The Sun's lawyer, Justin Walford, or in his absence with the duty lawyer. I may also consult the

Managing Editor. For example, I recently approached the duty lawyer, Ben Beabey to discuss privacy issues arising from a proposed story about a celebrity going in to rehab for alcohol and drug addiction.

- (3) Explain your role in ensuring that the corporate governance documents and all relevant policies are adhered to in practice. If you do not consider yourself to be responsible for this, please explain who you consider to hold that responsibility and why.
- I work as both an Editor and a reporter. I have four full-time staff reporting to me on the newspaper print edition and a further two full-time staff working on the online edition. It is my duty to ensure my staff understand the PCC Code and the management standards contained in the NewsCorp handbook. I do this primarily by discussing with them the sourcing of stories before conference. All staff keep a PCC Code of Conduct booklet on their desk. Over the last few years the previous Managing Editor, Graham Dudman, has conducted workshops and refresher courses for Sun staff on the practices of the PCC, a number of which my staff and I have attended. In September 2011, staff were trained in the implications of the new Bribery Act so everyone understands how to act legally and ethically in accordance with the new law.
- (4) Explain whether the documents and policies referred to above are adhered to in practice to the best of your knowledge.
- All staff at The Sun take the PCC Code seriously. As I noted above, I regularly discuss any concerns my team or I have over stories with the Managing Editor and other senior editorial staff when we are deciding what to publish. This is often on a weekly basis.
- During my time editing the Bizarre column and working as the Showbiz Editor on The Sun, I have been determined to ensure we maintain good relations with the celebrities we write about where possible. By the nature of some of the stories this is not always possible. However, it is easier to deal with difficult stories when a good relationship exists. I regard the PCC Code as the foundation for mutual respect between journalist and subject.
- (5) Explain whether these practices or policies have changed, either recently as a result of the phone hacking media interest or prior to that point, and if so, what the reasons for the change were.
- There have been some recent changes to our procedures on cash payments, which are documented in a new payments policy. Four ink signatures are now required before the money is paid; the Editor, Managing Editor, department head and the reporter. The introduction of the new Bribery Act has also led to some new rules being adopted, with regards to who we are able to pay for stories.

- (6) Explain where the responsibility for checking sources of information (including the method by which the information was obtained) lies: from reporter to Showbiz Editor to Editor, and how this is done in practice (with some representative examples to add clarity).
- As Showbiz Editor, I take full responsibility for all stories published in my section. As such, I regularly discuss with my staff the context of their sourcing. Often the source will be a PR agent, a news agency or a regular freelance contact they work with who I know and trust. All my staff understand how important it is to check the reliability of sources particularly with information from "ring-ins" or contacts they are using for the first time. If there was any instance where one of my staff was not prepared to disclose the precise identity of a source (which I respect under the terms of the PCC) then we would seek to corroborate that story elsewhere. Without further corroboration, that story would not be published. This happens very occasionally. For example, one member of my staff had a great contact linked to a female pop star. She was reluctant to reveal his/her identity because both she and her contact were aware I was close to the pop star in question and they had concerns about the contact's anonymity being compromised. The story was published because I was able to corroborate the information officially through the PR company and my contacts.
- Where possible we will seek corroboration for the story with help from other contacts. For example, I might have particularly good contacts on a pop star or TV personality and can rely on these sources to confirm my reporter's stories and vice versa. We will usually also contact the agent of the celebrity concerned to put the story to them and in some cases I may speak to the celebrity directly. It is important in my job to have a good working relationship with the majority of the celebrities that we write about.
- Before I list a story in the daily news conference, I have to be convinced it is ready for publication and the sources verified. In other words, I have to be convinced the source of the story is reliable or well-placed so that I can trust the information is accurate and I also need to be comfortable that the source is entitled to provide the information that is being provided. If I have any concerns about sourcing, there are a number of people I might speak to in order to help me in reaching a decision, such as Dominic Mohan, the Editor or Victoria Newton, the Associate Editor both previous Showbiz Editors of The Sun.
- 12 Some examples of how we check sources of information in practice are set out below:
 - (i) In 2008 a tipster called us for the first time, claiming they had childhood pictures of a female pop star which they wanted to sell to us. The pictures were e-mailed to the shared Bizarre e-mail – biz@the-sun.co.uk. I asked the tipster how they had got copies of these pictures. The source claimed they had permission from the celebrity's family. I was suspicious of this because I knew the family involved and did not think they would give their blessing for personal family pictures to go into

circulation. I called the pop star's agent and forwarded the plctures by e-mail. After the agent had discussed the pictures with the celebrity, it transpired that the tipster had found the photos on an old computer hard drive and that they therefore had no right to sell them. No story was published. During the investigation of the pictures, I discussed the pictures with Justin Walford for his advice on the copyright issues.

- (ii) In 2010, the news desk received a tip that a celebrity was pregnant. When we contacted the celebrity's agent to verify the story, the agent denled it. A few days later, I received a tip-off from a contact who had spotted the same celebrity dining at a restaurant and, by all appearances, celebrating good news. I received this tip-off after the daily news conference so I discussed how to handle it with our News Editor, Chris Pharo and Picture Editor, John Edwards. The News Editor asked about the sourcing, which I wasn't prepared to divulge, but I reassured him that he/she was extremely reliable. On this basis, we sent a photographer and reporter to the restaurant to speak to the celebrity. The reporter overheard the celebrity telling a waitress she had just had her 12 week scan and relayed this to me. I then rang the celebrity's agent, who this time confirmed that his client was pregnant and that he was happy for us to publish the story, which we did.
- (ili) In 2010 a member of my staff came to me with a potential interview with a former Premier League and international football star's ex-girlfriend, who claimed she had been attacked by him. She came forward after allegations had surfaced that another ex-girlfriend of the footballer had been physically assaulted by him. It was a serious allegation and I guided my reporter through standing the story up, with regular discussions with the News Editor, Chris Pharo, and our legal team. I sent my reporter to Paris to interview the ex-girlfriend, who provided us with picture evidence and a crime number from the French police proving she had registered a complaint against the footballer. The footballer refused to comment on the allegations when we put them to him and the story ran as a page lead in the paper.
- (7) Explain the extent to which a Showbiz Editor is aware, and should be aware, of the sources of the information which make up the central stories featured in your newspaper each day (including the method by which the information was obtained).
- In my job, it is vital to know who contacts and sources are. In most cases, because of my broad experience and range of contacts, I would be aware of the sourcing for any particular showbiz story. On the rare occasion that a journalist working for me would not reveal the context of their source to me, then my team would always seek corroboration from the celebrity's agent. If the story was denied, or we could not find a second or third source, it would not be published. We occasionally receive tip-offs from anonymous sources through "ring-ins" but in recent years that has become far rarer. Where a tip-off is

made anonymously, then there would be no publication without corroboration from another source or the agent.

- (8) Explain the extent to which you consider that ethics can and should play a role in the print media, and what you consider 'ethics' to mean in this context.
- Ethics in the media is an important issue for me and my staff on Bizarre, the showbiz desk, but it is also a difficult area. On a daily basis we have to make tricky decisions which strike a balance between an individual's right to privacy and a publisher's right to publish. Often, there is a tension between stones that "interest the public" and those that are published "in the public interest." I believe there is a clear public interest in exposing truth and setting the record straight; I also believe there is a public interest in publishing personal information if a person has been guilty of hypocrisy. But some decisions to publish are less distinct.
- By way of example, this year I chose to print a picture of a band reunited for the first time in 20 years after an acrimonious split. The picture was taken by a pub barman at the wake of one of the band member's mothers. After careful consideration I decided the story of their reunion was such a positive pieces of news, I felt we could publish the picture despite the circumstances in which it had been taken. The publication of this picture caused some upset at the time amongst certain relatives of the bereaved band member, but I have since spoken to him and he accepted that It was a fair decision to publish.
- (9) Explain the extent to which you, as Showbiz Editor, felt any financial and/or commercial pressure from the proprietors of your newspaper, the Editor or anyone else, and whether any such pressure affected any of the decisions you made as Showbiz Editor.
- There is a culture at the paper that every member of staff at The Sun should deliver their best at all times. We are the biggest selling paper in the country because every day the staff are enthusiastic and work very hard to produce the best possible newspaper. Both my staff and I are expected to deliver better exclusive stories, big interviews, features and columns than our rivals. I feel that I work under pressure to meet high expectations but at no time have I ever felt that pressure to be inappropriate or too intense. In my experience pressure, or rather high expectations, encourages people to produce their best work.
- (10) Explain the extent to which you, as a Showbiz Editor, had a financial incentive to print exclusive stories.
- In common with all other staff on the paper from sub-editors to artists and picture researchers I am eligible for a bonus. That bonus is paid on the basis of an annual appraisal, which takes into account a number of factors including creativity, attitude, timekeeping and communication, as well as the stories that an individual has produced.

- In my view, the production of exclusive and important articles for the paper is a fundamental means of building a career in news or showbiz journalism. It is an essential part of the job, rather than something extra for which we are rewarded.
- (11) Explain whether, to the best of your knowledge, your newspaper used, paid or had any connection with private investigators in order to source stories or information and/or paid or received payments in kind for such information from the police, public officials, mobile phone companies or others with access to the same: if so, please provide details of the numbers of occasions on which such investigators or other external providers of information were used and of the amounts paid to them.
- 19 I have never used a private investigator and I am not aware of others on the paper using their services.
- I have used search agencies in order to obtain addresses from the legally-held databases to which such agencies have access. In the last four years I have seldom used these databases. When I was a showbiz reporter I used them more often chasing stories. I also commission press agencies and freelancers to carry out work on my behalf from time to time.
- To the best of my knowledge, The Sun does not use police, public officials or phone companies as paid sources.
- (12) Explain what your role was in instructing, paying or having any other contact with such private investigators and/or other external providers of information.
- If I was pursuing a story in Manchester, for example, I might commission a press agency or freelance reporter to gather information on my behalf. I might also ask the news desk to help me find an address for a celebrity from a search agency. I might then instruct the freelance reporter to visit the address to try and ask some questions of the subject.
- (13) If such investigators or other external providers of information were used, explain what policy/protocol, if any, was used to facilitate the use of such investigators or other external providers of information (for example, in relation to how they were identified, how they were chosen, how they were paid, their remit, how they were told to check sources, what methods they were told to or permitted to employ in order to obtain the information and so on).
- 23 I know of no particular protocol.
- (14) If there was such a policy/protocol, explain whether it was followed, and if not, what practice was followed in respect of all these matters.
- I would only use a reputable freelance journalist; for example, in the case of Manchester, I would commission a former Sun reporter, now working as a freelance. As for press

agencies, I would use only those with whom I had experience and had built up years of trust. If none who fitted those criteria was available, I would seek the recommendation of the news desk.

- (15) Explain whether there are any situations in which neither the existing protocol/policy nor the practice were followed and what precisely happened/failed to happen in those situations. What factors were in play in deciding to depart from the protocol or practice?
- 25 Not applicable.
- (16) Explain the extent to which you are aware of protocols or policies operating at your newspaper in relation to expenses or remuneration paid to other external sources of information (whether actually commissioned by your newspaper or not).
- 26 There is a new protocol for cash payments, which I referred to in my answer to question 5 above
- (17) Explain the practice of your newspaper in relation to payment of expenses and/or remuneration paid to other external sources of information (whether actually commissioned by your newspaper or not).
- At The Sun, we make no secret of the fact we pay for stories. We advertise every day asking for people to ring us with information, in the main paper and on Bizarre. All cash payments must be signed for by the Editor or Deputy Editor (see above, question 5), amongst others. Cash payments have become rarer in recent years. All payments which are paid through the contribution system (not cash), have to be authorised by the relevant desk head and the Managing Editor's office. Most of our contacts in the Bizarre department are paid through their bank account.
- (18) In respect of editorial decisions you have made to publish stories, explain the factors you have taken into account in balancing the private interests of individuals (including the fact that information may have been obtained from paid sources in the circumstances outlined under paragraph 11 above) against the public interest in a free press. You should provide a number of examples of these, and explain how you have interpreted and applied the foregoing public interest.
- Some examples which illustrate how we strike the balance between private and public interests are as follows:
 - (i) A TV comedian was caught exchanging sex messages on a social networking site. A number of his followers received suggestive private messages on Twitter and contacted The Sun. A large part of his stand-up comedy routine is about his happy family, his wife, his marriage and his children and this had jarred with the readers who he had approached. The newspaper considered that since this individual was

using his personal life as a central feature of his professional career, there was a public interest in publishing a story about his adultery.

- (ii) A Premier League footballer and his pop star wife sold the media rights to their wedding to a glossy magazine in a seven figure deal in 2004. A succession of stones subsequently emerged about the couple's marital problems a few years later, which were widely published by The Sun and other media. I believe that where celebrities seek to publicise their marriage in that way, the public interest in the couple outweighs their right to privacy on a subsequent breakdown of the relationship. The couple in question have since had a very public divorce.
- (iii) I was tipped off that a Premier League player had won £80,000 in a casino during the team's Christmas party night. The player's agent first denied the story. We managed to corroborate the story with other witnesses, adding more detail about the roulette table and that the player had bet on his shirt number. This was put to the agent again who said it was a private matter and there was no public interest in it. We did not agree: the player had a high public profile and a history of extravagant betting, and he was betting in a public place. After further negotiation with the player's agent, he instructed his lawyer to call the Editor, at that time Rebekah Wade, who asked us to reduce the size of the win, arguing that the £80,000 figure was inaccurate, The Sun published the story with the full amount as we wanted to report the facts accurately.
- (19) Explain whether you or your newspaper ever engaged in or procured others to engage in 'computer hacking' in order to source stories, or for any reason.
- 29 I am not aware of computer hacking having ever taken place at The Sun.

l believe ti	nat the facts stated in this with	ess statement are true.
Signed		
Datad	16th Octosen 2011	•