[GB] Proposed Merger Between Television Companies Referred to Competition Commission

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On 11 March 2003, acting on the advice of the Director-General of Fair Trading, the Secretary of State for Trade and Industry referred the proposed merger between Carlton Communications Plc and Granada Plc to the Competition Commission.

The overall concern is whether the proposed merger may be expected to operate against the public interest. The main issue is that, if the proposed merger goes ahead, the new company will have more than 50% of television advertising revenue. Under the Fair Trading Act, section 64, references for investigation and report may be made in circumstances that "create or enhance a 25% share of supply in the UK (or a substantial part of the UK)". Secondary competition issues concern the impact on TV licences and the supply of studio space in one part of the UK.

Interested parties may write to the Competition Commission by 2 April 2003. The Report is to be delivered to the Secretary of State by 25 June 2003 and it will be published some time thereafter.

"Hewitt refers Carlton/Granada merger", Department of Trade and Industry, Press Release P/2003/152 of 11 March 2003

http://www.gnn.gov.uk/gnn/national.nsf/TI/1394750D12F8C3E980256CE60049DFDC?opendocument

Terms of Reference: Reference of Carlton Communications Plc/Granada Plc to the Competition Commission, 11 March 2003

http://www.competition-commission.org.uk/inquiries/refcarlton.htm

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