

[GB] Secretary of State for the Department for Digital, Culture Media and Sports refers Fox/Sky Merger to the Competition and Markets Authority

IRIS 2017-9:1/15

*Julian Wilkins
Wordley Partnership*

On 12 September 2017, and after deliberation, the Secretary of State for the Department for Digital, Culture, Media and Sport (DCMS) decided to refer the proposed acquisition of Sky plc by Twenty-First Century Fox Inc. to the Competition and Markets Authority (CMA).

The Secretary of State was minded to refer matters to the CMA, particularly as an earlier Ofcom report had raised concerns that the proposed merger would give rise to issues around media plurality across different platforms (see IRIS 2017-8/4).

Furthermore, Ofcom's report on the proposed acquisition addressed concerns about Fox News' compliance procedures, given allegations of sexual and racial harassment at the company by staff, and the manner in which those complaints were handled. Fox News is owned by 21st Century Fox.

The Secretary of State has confirmed her decision to refer the takeover to the CMA, and in a statement the Secretary of State, Karen Bradley, said: "I can confirm my final decision is to refer the merger to the CMA for a Phase 2 investigation on media plurality and genuine commitment to broadcasting standards grounds."

The CMA has twenty-four weeks from the date of referral in which to conduct its investigation and provide advice about the merger. The Secretary of State will then make a final decision as to whether the takeover can proceed; if the takeover is allowed to proceed, the decision will stipulate any conditions that will first need to be met.

Department for Digital, Culture, Media & Sport, Statement from the Culture Secretary on the proposed Sky plc / 21st Century Fox Inc. merger, 12 September 2017

<https://www.gov.uk/government/news/statement-from-the-culture-secretary-on-the-proposed-sky-plc-21st-century-fox-inc-merger>

