News Corporation
K.R. Murdoch
First Statement
"KRM9"
12 April 2012

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

EXHIBIT "KRM9"

This is the exhibit marked "KRM9" referred to in the witness statement of Keith Rupert Murdoch dated the 12th day of April 2012.

For Distribution to CPs

THE
THOMSON
ORGANISATION
LIMITED

Registered Office: Thomson House, P.O. Box 4YG, 4 Stratford Place, London W1A 4YG
Telephone: 01-629 8111. Telex: 261349. Telegrams: Thomsonorg London W1

23 January 1981

The Secretary of State for Trade,
1 Victoria Street,
London SW1H OET.

Dear Sir,

TIMES NEWSPAPERS HOLDINGS LIMITED

THE TIMES AND THE SUNDAY TIMES
("THE TITLES")

We hereby make a formal application under The Fair Trading Act 1973 for your written consents to the transfer of each of the titles without requiring a report from the Commission. We understand that no consent under the Act is required for the transfer of the associated publications of The Times, namely The Times Educational Supplement, The Times Higher Education Supplement and The Times Literary Supplement.

The transfer of the titles is to be effected by the acquisition by News International Limited from The Thomson Organisation Limited of the whole of the issued share capital of Times Newspapers Holdings Limited.

To enable you to consider this application we enclose a memorandum relating to the following:

(i) the reasons why the Directors of Thomson British Holdings Limited (TBH) have concluded that neither of the titles is economic as a going concern;

(ii) the reasons why the Directors of TBH have decided to cease publication of the titles in March 1981 (unless the titles can be disposed of before that time), and why the dates for the cessation of publication cannot be extended;

Directors: Lord Thomson of Fleet *(Chairman)*, G.C. Brunton *(Managing Director and Chief Executive)*,
W.M. Brown, C.N.D. Cole, J. Evans *(Joint Deputy Managing Directors)*, Sir Denis Hamilton, J.H. Sauvage, J.A. Tory.
Registered Number 196665 England

PROP100001557

For Distribution to CPs

(iii) the manner in which TBH has sought to dispose of the titles;

(iv) the parties who have expressed interest in acquiring the titles;

(v) the criteria established by the Editor-in-Chief of Times Newspapers, the Editors of the titles and the Independent National Directors of Times Newspapers, against which proposals made to TBH for the acquisition of the titles should be measured;

(vi) the satisfaction of such criteria in the present case; and

(vii) the position of the employees of Times Newspapers.

Some of the information contained in this memorandum is of a commercially sensitive nature. We understand that the contents of the memorandum will be treated in confidence and will not be disclosed without our consent. If any more information is required we will, of course, do our best to supply it.

We consent to your making public the fact that this application has been made. We are authorised by News International to advise you that they also so consent.

yours faithfully,

James Evans

James Evans
Joint Deputy Managing Director

JE/VJW

PROP100001558

23rd January, 1981

TIMES NEWSPAPERS HOLDINGS LIMITED

THE TIMES, THE SUNDAY TIMES AND THEIR ASSOCIATED PUBLICATIONS

1. On 22nd October, 1980 Thomson British Holdings Limited ("TBH") announced its decision to withdraw from the publication of The Times, The Sunday Times and their associated publications and to cease publication of all the titles in March, 1981 if a buyer could not be found by that time.

THE DECISION TO WITHDRAW

2. The principal reason behind this decision was the continuing troubled history of industrial relations at Times Newspapers which goes back over many years. In 1978/79 publication was suspended for a period of eleven months in the attempt to introduce disputes procedures, guarantees of continuous production, a new wage structure, more realistic manning levels and the operation of new technology. By November 1979 sufficient progress in negotiation had been achieved to permit resumption of publication. Regrettably, however, many of the agreements reached were not implemented by some of the unions concerned: the newspapers continued to be subjected to industrial disruption and various forms of non-cooperation from sections of the workforce and it was not possible to operate the new technology even on the most limited basis.

3. In August, 1980 publication of The Times and its Supplements

For Distribution to CPs

was prevented by a strike of members of the National Union of Journalists. During October, 1980, The

[redacted]

for fixing an annual budget for editorial space and expenditure. The Editors are to be responsible for the allocation of space between editorial and advertising day by day, within the strategic framework set by the Board. The Editors will continue to make all appointments to the journalistic staff, subject to the constraints of the editorial budget.

NOTE:

The Articles of Association of Times Newspapers Holdings Limited and Times Newspapers Limited will be altered as appropriate to reflect the above undertakings in the event that the sale to Mr. Murdoch becomes unconditional.

APPENDIX IV

The Purchaser hereby confirms the assurances already given that, in the event that Completion takes place:

(a) the Purchaser intends to maintain the Titles, the Times Books business and the business of Selective Marketplace Limited as one commercial unit;

(b) the Purchaser will endeavour with all its resources to maintain and continue to develop the Titles as editorially independent newspapers of high quality;

(c) the Purchaser further intends to retain the present board structures of both the Company and TNL and the Purchaser will not seek to remove the present Independent Directors of the Company from the board of the Company. The Purchaser hereby agrees that, on a vacancy arising at any time amongst the Independent Directors, the Purchaser will appoint to fill such vacancy such person approved by the Purchaser as the remaining Independent Directors shall have proposed;

(d) there is no arrangement, agreement or understanding to which the Purchaser is a party whereby any of the shares in the capital of any of the Companies or any of the Titles or any assets of the Companies or any interest or participation therein will or may be transferred to or acquired by any person other than the Purchaser.

APPENDIX V

The following contains the substance of what Lord Rothermere could most helpfully say at the time of any announcement that Associated Newspapers had agreed with Thomsons to acquire TNHL.

1. My offer to acquire Times Newspapers is conditional on reaching satisfactory agreements with the trade unions concerned.

2. This is essential if the transaction is to proceed in order to provide afirm financial foundation on which to proceed further.

3. It is my desire and intention to maintain the titles and the subsidiary companies as one commercial unit.

4. So far as the Sunday Times and Supplements and the subsidiaries activities are concerned, I have no doubts whatever about their prospects provided I get the cooperation and goodwill of all the staff.

5. So far as The Times is concerned, I believe that, with new agreements with the trade unions and the cooperation and goodwill of the staff to which I have referred, it can be turned round but it will be a longer haul. I can assure you of my absolute commitment to try and achieve this and secure its long term future.

... contd.

6. I will keep the present Board structures of TNHL and TNL and in particular the national independent directors and the current national independent directors have agreed to continue to serve. I have agreed that the procedure for appointing any successors will be that the remaining national independent directors propose the candidate and that Associated Newspapers merely retain the right of approval.

7. All the titles will be maintained and developed as editorially independent newspapers of high quality, and in the event that at any time in the future the question of the transfer of any of them should arise, the national independent directors will continue to have the duty of ensuring that there is provision for an independent voice in the conduct of their affairs.

8. I can give an unqualified assurance as to their editorial independence while in the ownership of Associated Newspapers.

9. If you ask will The Times change, yes of course we will seek to improve it, but we will not change its essential character as a newspaper, indeed the leading newspaper, of record.