

From: Tim Bowdler [mailto:]
Sent: 11 June 2009 10:46
To: Guy Black; Robin Burgess; ncoleridge []; paul.dacre []; SNPA; Clive Milner; David Newell; Jim Raeburn; Jonathan Shephard
Subject: N&S Update

To Pressbof Board

David Newell and I attended the PCC meeting yesterday. It went extremely well from our standpoint and was excellently chaired by Peta Buscombe. In summary there was complete agreement that the PCC should indicate to N&S that unless they meet the terms of our 15 April letter then coverage of N&S titles will be withdrawn. There were no dissenting voices in a complete condemnation of the Ellice letter which linked their unwillingness to pay to Meyer's retirement date and events related to the McCann affair.

In accordance with comments from various board members and following further discussion with Peta Buscombe, we intend to proceed as follows:

- I will inform Ellice today that we continue to reject their position and insist on the terms of the 15 April letter being observed. I will outline the actions which will follow as detailed below. I will naturally urge him to reconsider their position.
- Peta Buscombe will inform Peter Hill today that the PCC is minded to withdraw coverage if a satisfactory settlement as outlined in the 15 April letter cannot be reached. The PCC will not back away from this position if there is no resolution. She will also seek a meeting with Desmond early next week to reinforce the message.
- If the matter is not resolved a week from today then next Friday I will inform John Whittingdale of the current position and that the evidence from Peter Hill was at variance with the reasons for non-payment given in the Ellice letter. I will inform Ellice of my intention when I speak to him.
- Peta Buscombe will seek a meeting with John Whittingdale to explain the PCC position in person and to seek to head off any negative reaction towards self-regulation on his part.
- If this point is reached with no movement on the part of N&S I will agree with Peta Buscombe the timing of the steps to take to remove N&S from the system. In the meantime thought is being given to the way in which complaints against N&S titles would be handled and how we will deal with the PR implications.

Please let me know if you have any comments or concerns on any of the above.

Tim