



CMS 164661/DC

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department for
culture, media
and sport

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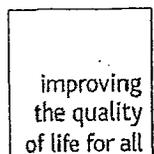
Dear Ed,

NEWS CORP/BSKYB PROPOSED MERGER: NEXT STEPS

I announced on Tuesday that I intend to refer the above merger to the Competition Commission but, before doing so, will consider undertakings in lieu offered by News Corporation which could have the potential to prevent or otherwise mitigate the potential threats to media plurality identified in the Ofcom report.

In accordance with section 106B of the Enterprise Act, I am therefore writing to ask you for advice on the extent to which you think that the enclosed News Corp undertakings in lieu (UILs) address the potential impact on media plurality identified in Ofcom's report. I would be grateful if you could provide me with your assessment within two weeks of receipt of this letter.

I would like your advice to focus on whether the UILs address the potential impact on media plurality that you raised in your report delivered on 31 December 2010. Separately I have written to the OFT under Section 93 of the Enterprise Act asking them for their views on the practical and financial viability of the proposals set out in the UILs. I have also asked them to consider the UILs and consult on my behalf with News Corporation. I would anticipate that should they require Ofcom's assistance with this you will be able to help.



My officials are obviously on hand to provide any clarification or assistance you may need throughout this process.

Yes eve



Rt Hon Jeremy Hunt MP
Secretary of State for Culture, Olympics, Media and Sport