



Department for  
Digital, Culture,  
Media & Sport

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**By email**

[REDACTED]  
Group Legal Director  
DMGT  
Northcliffe House  
2 Derry Street  
London W2 5TT  
[REDACTED]

21 January 2020

Dear [REDACTED],

**Daily Mail and General Trust plc (“DMGT”) acquisition of JPI Media Publications Limited**

**PUBLIC INTEREST INTERVENTION NOTICE**

I refer to DMGT’s letter of 13 January 2020, provided in response to our letter of 9 January 2020 which set out that the Secretary of State for Digital, Culture, Media and Sport (“the Secretary of State”) was minded to issue a public interest Intervention Notice (“PIIN”) under section 42 of the Enterprise Act 2002 in relation to the merger.

The Secretary of State can now confirm that, for the reasons set out in the “minded to” letter (subject to the points made below), she has issued the enclosed PIIN in relation to the merger on the basis that she believes that it is or that it may be the case that the following public interest consideration is relevant to a consideration of a relevant merger situation:

- the need for, to the extent that it is reasonable and practicable, a sufficient plurality of views in newspapers in each market for newspapers in the United Kingdom or a part of the United Kingdom (“plurality ground”).

The PIIN will be published on gov.uk later today.

Accordingly, the Secretary of State has asked the Competition and Markets Authority and Ofcom to report to her, in accordance with sections 44 and 44A of the Act respectively, by midnight at the end of Friday, 13th March 2020.

Please note that references to sections in this letter are to sections of the Enterprise Act 2002 (“the Act”). References to “the Guidance” are to the “Enterprise Act 2002: public interest intervention in media mergers - guidance on the operation of the public interest merger provisions relating to newspaper and other media mergers”, published by the Department for Trade and Industry, May 2004.<sup>1</sup>

<sup>1</sup> The Guidance can be accessed at:  
<https://www.gov.uk/government/publications/enterprise-act-2002-public-interest-intervention-in-media-mergers>



## **DMGT's representations**

We note DMGT's representations made in relation to editorial independence and media plurality. While the Secretary of State considers that these representations raise matters that could be usefully considered by Ofcom, nothing in them leads her to dismiss her concerns as set out in the "minded to" letter.

In particular, we note the representations made that editors at DMGT are able to make independent editorial judgements, without interference from the proprietor, and that there is a commercial incentive for retaining the editorial position of the i. The Secretary of State has noted these points, and considers that this is an issue that could be usefully further investigated by Ofcom.

With regard to the plurality ground, we note that DMGT considers that the acquisition will take the number of operators in the market from nine to eight, not seven to six as set out in the 'minded-to' letter. In determining the number of operators, we took into account national newspapers with a UK-wide reach. Irrespective of the denominator used, the Secretary of State nevertheless considers that the reduction in the number of operators which publish national newspapers with a UK-wide reach is a factor that may be relevant to plurality concerns, over and above any competition concerns. Again, this is a matter Ofcom could usefully report on.

You also comment that the guidance relating to the intervention in media mergers on public interest grounds was published 15 years ago, when the news landscape was very different and that Ofcom would be unlikely to oppose this transaction, given its findings on previous cases. The guidance reflects the statutory framework in the Enterprise Act. It is not for the Secretary of State to try to predict what an Ofcom report would say.

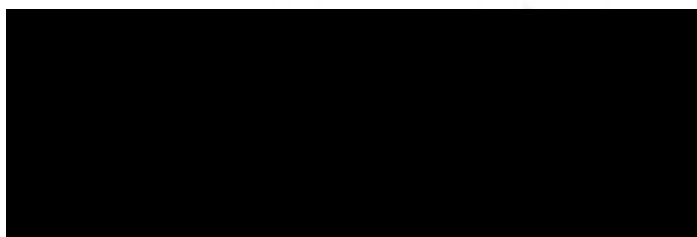
We note your concern that a delay caused by an Ofcom report will impede DMGT in making financial investments at the i. The commercial impact of an intervention is not something that can be taken into account under the media merger regime. The Secretary of State also does not believe that the time taken by Ofcom to look into plurality concerns will cause an unreasonable delay in this regard, noting that the CMA will still need to report on UK competition issues and that the Irish Competition and Consumer Protection Commission is still looking at DMGT's notification.

## **Conclusion**

For the reasons set out in the "minded to" letter, and subject to the points made above, the Secretary of State believes that it is or that it may be the case that the plurality ground is relevant to consideration of the merger, and has issued the enclosed PIIN accordingly.

I am copying this letter to DMGT's legal representatives.

Yours sincerely



**Director, Media & Creative Industries**

Encl. Public Interest Intervention Notice

