

Fox/Sky Merger Investigation

Issues Statement Submissions form

1. Thank you for taking the time to make a submission in response to the Statement of Issues for the CMA's Fox/Sky merger investigation on media plurality and broadcasting standards, published on our [website](#) on Tuesday 10 October 2017.
2. This form is designed to help with your submission (although it is not compulsory to use). It sets out the key issues where we are seeking views and evidence, based on the Issues Statement. However, you may find additional useful information in the issues statement.
3. Please note:
 - You can choose which questions to respond to, but we ask all respondents to provide a small amount of background information at the start of this form. The boxes will 'expand' to accommodate long responses if required.
 - Please provide evidence in support of your submission – this can be attached to the email/enclosed with your response.
 - We may publish all or some of your submission to our Statement of Issues, or a summary of it. Please indicate any confidential material included in your submission (including whether you wish to be anonymous) and provide a non-confidential (redacted) version of your submission giving reasons for your requests for confidentiality.
 - The CMA may use the information you provide for the purposes of facilitating the exercise of any of its statutory functions. This may include the publication or disclosure of the information. Prior to publication or disclosure, in accordance with its statutory duties under Part 9 of the Enterprise Act 2002, the CMA will have regard to (among other considerations) the need to exclude, so far as is practicable, any information relating to the private affairs of an individual or any commercial information relating to a business which, if disclosed, would or might, in our opinion, significantly harm the individual's interests or, as the case may be, the legitimate business interests of that business (confidential information).
4. If you have any questions please visit the [Fox/Sky merger investigation page](#).

5. Please download and save this form before completing it. Please submit your response by **5pm on Tuesday 24 October 2017**, either by:

- Email to: FoxSky.Submissions@cma.gsi.gov.uk.
- Or by post to: Project Manager
Fox/Sky merger inquiry
Competition and Markets Authority
Victoria House
Southampton Row
London WC1B 4AD

Your details

*(Fields marked * are required)*

Title*	[✂]
Forename	[✂]
Surname*	[✂]
Email*	[✂]
What is your role / profession*	Retired. (I have worked in book publishing and also done some teaching at secondary level.)
Are you representing yourself or an organisation?*	Yourself <i>(please delete as appropriate)</i>
If you are representing yourself rather than an organisation would you be content for us to include your name if we publish your response?*	No <i>(please delete as appropriate)</i>

If you are representing an organisation:

(a) What is the organisation's name?*	
(b) Please could you briefly explain the role of your organisation, including the sectors in which it operates or has most interest?*	

Public interest consideration – media plurality in the UK

With respect to media plurality the CMA is assessing whether there will be a sufficient plurality of persons with control of the media enterprises serving audiences in the UK following the Transaction. We are therefore looking for views and evidence on the current level of media plurality in the UK, whether and the extent to which the Transaction reduces that level of media plurality, and whether the remaining level of plurality of persons with control of media enterprises would be sufficient. We will consider these issues in the context of Ofcom’s definition of media plurality: ensuring diversity of viewpoints that are available and consumed; and preventing any one media owner or voice having too much influence over public opinion and the political agenda.

We welcome views and evidence which address the questions set out below.

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| 1. Whether and how the ability of the Murdoch Family Trust (MFT) to control or influence editorial and commercial decisions at Sky News will change as a result of Fox’s share ownership of Sky increasing from approximately 39% to 100%, and whether that change is material in nature? |
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If Twenty-First Century Fox obtains complete control of Sky the Murdoch family will have almost complete influence over Sky News, without any counterbalancing control from other shareholders. They will be in a position to influence editorial direction and I consider the increase in influence to be material in nature.
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| 2. Whether and how the range of viewpoints available from news and current affairs sources in the UK is evolving in general and would change in particular as a result of the Transaction? |
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| 3. How do people consume news and current affairs and to what extent do they rely on multiple sources? How is this likely to change in future? |
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More people, especially the young, are obtaining their news from social media and online. This is likely to increase.

4. What is the impact and importance of different news and current affairs sources, including online and through social media, for media plurality? And, in turn, what are the implications of the impact of online and social media on the use of traditional (ie broadcast and print) news and current affairs sources by consumers?

Social media in particular filters information by what is interesting to each individual and enables them to be in contact with like-minded people only. There is also a lot of 'fake news' about on social media. It therefore seems all the more important that mainstream broadcasters, of which Sky is one, along with their websites, are committed to balanced, fair and accurate reporting.

5. Whether and how the ability of the MFT to influence the political agenda would change as a result of the Transaction?

Rupert Murdoch has used his power in the media combined with relentless political lobbying to influence British politicians and to push his agendas with both politicians and the general public. There are records of the number of meetings held between senior politicians, including Prime Ministers, and Rupert Murdoch. If the Murdoch family gain more control over news and current affairs at Sky by gaining complete control, this will increase their power to influence the political agenda.

6. What is the level of media plurality in the UK that should be considered sufficient?

7. Whether and how the Transaction would result in an insufficient level of media plurality in the UK, taking into account the increase in the level of control held by the MFT over Sky following the Transaction and its existing control over Fox and News Corporation (News Corp)?

Rupert Murdoch is Chairman of Fox as well as Chairman of News Corporation, of which News UK is a subsidiary; his son, James Murdoch, is CEO of Fox and also Chairman of Sky. The Murdoch family's share of the newspaper market is similar to that at the time of their last takeover bid. This share is considerable, and newspaper reports frequently set the agenda for broadcast reporting; a broadcaster cannot omit commenting on lead stories in the newspapers. Sky also provides news bulletins to the independent radio sector. In addition News UK also now owns the Wireless Group, which owns the national Virgin Radio, Talk Radio and TalkSport services, so Murdoch family enterprises will effectively be the predominant provider of nationwide radio news apart from the BBC. If the Twenty-First Century Fox's bid for Sky goes ahead the Murdoch family will have a disproportionate share of various media outlets in the UK, and the Transaction will further diminish media plurality in the UK.

8. Are there any existing factors which might help to prevent or reduce any potential negative effects of the Transaction on media plurality? What are these and why?

Public interest consideration – a genuine commitment to broadcasting standards

With respect to broadcasting standards the CMA is looking for views and evidence on whether the merged entity post-Transaction will have a genuine commitment to broadcasting standards objectives. In assessing this, we will consider the record of the Parties' compliance with broadcasting and other applicable regulations, and their broader attitude to compliance in general.

We welcome views and evidence which address the questions set out below.

9. What is the current approach of Fox, Sky, the MFT and News Corp to compliance with broadcasting standards?
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Broadcasting standards in the United States are very different to those in the United Kingdom. The broadcasting standards which are acceptable at Fox would not be acceptable in the UK, where Sky has, in the main, been constrained by the regulations on UK broadcasting standards.
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10. What is the approach of Fox, Sky, the MFT and News Corp to effective corporate governance and other applicable regulations, including regulations relating to the treatment of employees, in the UK and overseas?
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<p>The phone hacking which was carried out by the News of the World was egregious. Ofcom in its investigation of James Murdoch when he was Chairman of News international at the time of the phone hacking scandal pointed out that “he repeatedly fell short of the conduct to be expected of a chief executive and chairman” and that his lack of action on phone hacking was “difficult to comprehend and ill-judged”.</p>

<p>James Murdoch is CEO of Fox and also Chairman of Sky. As CEO of Fox in the US he has been presiding over a company where there have been several scandals involving sexual harassment of employees. It can be argued that the perpetrators have now been required to leave the company. However, the problems have been ongoing for some considerable time, and the timing of the remedial action may have been influenced by the desire to succeed in the bid for the outstanding shares at Sky.</p>
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<p>The track record is not good.</p>

11. What is the degree to which compliance with other applicable regulations, and effective corporate governance more generally should be considered in assessing a company's commitment to broadcasting standards? Please include whether and which particular regulations may be considered more relevant to this assessment.

12. What constitutes a genuine commitment to broadcasting standards?

In the UK, among other things, it involves a genuine commitment to fair and impartial news. The situation is not the same in the US, where Fox News is able to be one-sided and biased.

13. Whether and if so, how, the Transaction might lead to the merged entity lacking a genuine commitment to broadcasting standards?

There is a great fear that, despite British Broadcasting Rules, without the influence of the British shareholders, James Murdoch will be able to make Sky News more and more like Fox news in the US, politically one-sided and mixing fact with comment, in defiance of the British tradition of balance and impartiality in broadcasting. In particular, the rules about balance and impartiality apply to news, but not to current affairs programmes. Fox News mingles news and current affairs in such a way that they are almost indistinguishable one from the other.

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14. Are there any existing factors which might help to prevent or reduce potential negative effects of the Transaction on the merged entity's commitment to broadcasting standards?
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Other comments and further contact

Do you have any other comments you would like to add?

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Would you be willing for us to contact you to discuss your response?*

No
(please delete as appropriate)

Thank you for taking the time to complete this form.

Please email it to: FoxSky.submissions@cma.gsi.gov.uk.

Or post it to:

**Fox/Sky merger inquiry
Project Manager
Competition and Markets Authority
7th floor
Victoria House
Southampton Row
London
WC1B 4AD**