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Rt. Hon. Karen Bradley MP
Secretary of State for Digital, Culture, Media and Sport
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Dear Secretary of State,

38 Degrees is an independent campaigning community which brings together millions of ordinary people from across the UK. Over 300,000 of our members are currently taking part in a campaign to stop 21st Century Fox's (21CF) proposed takeover of Sky.

In your statement to Parliament 29 June 2017, you indicated that you were 'minded-to' refer the 21st Century Fox/Sky merger to the Competition and Markets Authority (CMA) for a Phase 2 investigation on the grounds of media plurality.

In the past week, 120,429 members of 38 Degrees have signed an open letter¹ welcoming this, and urging you to follow through with your 'minded-to' announcement. This submission reinforces our members' views by substantiating the case for referral of the deal to the CMA. It consists of two sets of documents:

1. YouGov polling

Two rounds of public opinion polling have been crowdfunded by 38 Degrees members and conducted by YouGov. Both demonstrate broad public support for further scrutiny of the proposed merger by the CMA.

YouGov polling commissioned by 38 Degrees in July 2017 found 76% - a large majority of the public - supports referral of the merger to the CMA for further investigation. This holds true for people across the political spectrum, regardless of gender, age, or region.

This poll also found:

- 74% of the public believe that giving 21st Century Fox 100% ownership over Sky would give Rupert Murdoch too much control over the UK's media
- 76% of the public do not believe 21st Century Fox should be allowed to take 100% ownership of Sky
- 67% of the public feel that Rupert Murdoch, through his media ownership, has too much influence over British politics

¹ 38 Degrees open letter to Karen Bradley: <https://link.38degrees.org.uk/kb-letter>

The public's concerns were echoed in Ofcom's report on their public interest test of the merger, where they advised

The transaction raises public interest concerns as a result of the risk of increased influence by members of the Murdoch Family Trust over the UK news agenda and the political process, with its unique presence on radio, television, in print and online.²

We note in your statement on 29th June that with respect to the proposed merger your "decisions can only be influenced by facts, not opinions - and by the quality of evidence, not who shouts the loudest".³ We respectfully submit that this opinion poll demonstrates that concerns about the proposed merger are widely felt, by members of the public of all political persuasions. It would be very wrong of you to dismiss these concerns as the "shouting" of a minority.

We ask you to take these concerns seriously, by ensuring the deal is subject to the highest levels of scrutiny and referred to the CMA for a second stage investigation.

2. Research brief: *Fox/Sky merger review: The problem of undertakings*

You indicated you would be accepting further representations from the merging parties - including, potentially, remedies in lieu of referral - before you made your final decision. The second part of our submission consists of expert analysis of 21CF's proposed undertakings, produced in partnership with the Media Reform Coalition. It draws on case study evidence to demonstrate that these undertakings would be insufficient and ineffective.

Indeed, it suggests in light of data gaps identified by Ofcom, that a more in-depth gathering of evidence is required to investigate the full extent of plurality issues posed by the deal. Therefore, it argues any acceptance of UILs at this stage in the absence of a fuller phase 2 inquiry would be premature.

Yours sincerely,

Maggie Chao
38 Degrees

Enclosures:

1. YouGov polling tables: March 2017
2. YouGov polling tables: July 2017
3. *Fox/Sky merger review: The problem of undertakings*, Report by Media Reform Coalition and 38 Degrees, July 2017

² Ofcom public interest test for the proposed acquisition of Sky plc by 21st Century Fox, Inc., p. 4. Retrieved from https://www.ofcom.org.uk/__data/assets/pdf_file/0012/103620/public-interest-test-report.pdf

³ Bradley, Karen. Statement to the House of Commons, 29 June 2017. Retrieved from <https://www.gov.uk/government/speeches/skyfox-merger>