

AVAAZ SUBMISSION TO THE CMA CONSULTATION ON ITS PROVISIONAL FINDINGS REGARDING THE ANTICIPATED ACQUISITION BY 21ST CENTURY FOX, INC OF SKY PLC

13th February 2018

Introduction

1. The CMA set out to investigate two theories of harm relating to concentration of media ownership, and access to power. It found the proposed merger of Fox and Sky may be expected to operate against the public interest in these areas. We agree with the CMA's findings on these points and have separately submitted that we feel the Fox:Sky deal should be prohibited until and unless the Disney:Fox one completes.
2. The CMA also set out to investigate whether a merged Fox/Sky would have a genuine commitment to UK broadcasting standards. It found that the proposed merger may not be expected to operate against the public interest in this respect. We disagree, and this submission sets out why.
3. The pattern of evidence that has emerged from a string of court cases and official inquiries points to a long-standing culture of contempt for ordinary norms of corporate governance and journalistic conduct at Murdoch-controlled media. When major scandals become public, the Murdochs tend to first deny, then isolate, the issue, settling with individuals to keep them quiet and keep cases out of court, all the while presenting a moving target to authorities by reassuring them that they have new policies and practice in place.
4. The CMA has found significant problems with the ways the Murdochs do business, yet its failure to give due weight to their past scandals gives the impression that unless the scandal is in the media gaze at the time of the merger review, as when revelations about the hacking of dead schoolgirl Milly Dowler's phone brought an end to the 2011 Sky bid, it is likely to be treated as water under the bridge rather than as an indicator of the likely future course of the Murdochs' operations. With the quality and independence of public discourse and news broadcasting in the UK at stake, granting the Murdochs such impunity would be a profoundly dangerous signal for a regulator to send.
5. The CMA notes that this is the first time that it has analysed broadcasting standards in the context of a Phase II merger inquiry. This makes the final reasoning and decision all the more important as it will set the precedent for future analyses in this context.
6. The CMA relied too heavily on Ofcom's prior analysis of Fox's compliance with broadcasting standards and its corporate governance failures, published in June 2017. The soundness of Ofcom's reasoning on this matter is in doubt. Following questions by the Secretary of State which were, in part, prompted by criticisms of Ofcom's reasoning by Avaaz, and a subsequent legal challenge by Avaaz, Ofcom has already retrospectively changed a key finding in that report, and now a judge has just given Avaaz permission to proceed in a full judicial review of Ofcom's 'fit and proper' assessment, to be expedited and heard before the end of June 2018. As a preliminary issue, we request that the CMA reconsider all points where they relied on Ofcom's assessment to make sure they are not making the same mistakes.

7. In assessing the parties' track record and commitment to broadcasting codes in the UK and other countries:
 - a. The CMA has sidelined arguments about respecting the spirit of broadcasting standards, agreeing too easily with the parties' suggestion to focus its approach just on the record of breaches. This leaves completely uninvestigated the dangers of broadcasting bias being introduced through story selection, reclassifying programmes as chat shows rather than news shows and other subtle means.
 - b. Because the UK Broadcasting Code is primarily concerned with news and current affairs programming, Fox News should be more central to the CMA's understanding of compliance.
 - c. Yet the CMA has given too much weight to compliance by Fox's non-news channels, and too little weight to Fox News' failure first to institute, then to implement, effective measures to become compliant with UK standards
 - d. The CMA should look in more depth at the breaches of the UK Code which occurred while the Sky bid was under investigation by UK authorities, notably the impartial and inaccurate broadcast about the Manchester bombing last May.
 - e. The CMA may have underestimated the significance of broadcasting violations in jurisdictions outside the EU with lower broadcasting standards than those in the UK.
8. In assessing the parties' broader commitment to corporate governance and standards:
 - a. By placing too much confidence in the evidence and representations of the Murdochs that they have learned lessons and reformed their behaviour, the CMA fails to see the broader patterns of conduct that cut across phone hacking, sexual harassment, and anti-competitive activities. The CMA, in effect, allows the Murdochs to continue to operate with impunity as they hide behind half truths, inaction and paper compliance with regulatory regimes. The CMA also fails to note the significance of the fact that US Justice Department and financial crimes experts from the US Postal Inspection Service are involved in a probe of Fox News' alleged secret payouts to victims over several years.¹
 - b. The CMA has dismissed significant violations of newsgathering standards and privacy laws because they occurred "some time ago", effectively establishing a statute of limitations on important democratic protections against the abuse of power by media owners. This ignores the fact that revelations about compliance and abuse often take years to uncover, more still to investigate fully and to reach the public light — as evidenced by the still-ongoing effort to launch part II of the Leveson Inquiry.
 - c. The CMA has over-stated the significance and effectiveness of NewsCorp/Fox policies (notably the 2012 compliance policy) and done too little to examine their

¹ Exclusive: Federal probe of Fox News expands
<http://money.cnn.com/2017/04/27/media/fox-news-federal-investigation/index.html>

effect in practice, despite evidence that sexual harassment cases at Fox - including Bill O'Reilly's fifth settlement with a female colleague during the Sky bid - were not escalated to and addressed by the full Fox board, as the policy states, or addressed by Rupert Murdoch, then CEO of Fox News.

9. The UK broadcasting standards regime holds broadcasters to a high standard of regulatory compliance in order to balance commercial interests with the public interest in maintaining a free, fair, and independent media - the cornerstone of any strong democracy. We urge you to examine carefully the evidence in this submission, and reconsider your provisional finding that Fox and the Murdoch Family Trust have a genuine commitment to UK broadcasting standards objectives.

An incomplete approach to UK Broadcast Code compliance

10. The CMA fails to fully understand Fox News' record and approach to Broadcasting Standards, and so fails to understand the danger that a full Fox takeover could pose to Sky.
11. Fox News' management failed to institute a UK compliance policy for over a decade, repeatedly breaching the Broadcasting Code's due impartiality and due accuracy requirements. It then introduced such a compliance policy, under pressure from Ofcom's scrutiny of the Sky bid, yet still subsequently broadcast a highly offensive, inaccurate and partial show in the wake of the Manchester bombing.
12. The CMA says that to demonstrate a "genuine commitment" to broadcasting standards "...the relevant persons must show that effective steps have been, and/or will be taken to promote and support a culture within the relevant media enterprises in which the broadcasting standards objectives are attained...".² It says it expects to see "observable indicators" of this intention, including "up to date policies, systems and procedures that are embedded within the business in a way that supports and promotes the ongoing attainment of the broadcasting standards objectives."
13. The CMA has not yet sufficiently followed DTI guidance which suggests a 'qualitative assessment rather than focusing on the number of infringements'.³ The intention of the guidance is to assess a media owner's genuine commitment to the 'spirit' and not just the 'letter' of the broadcasting standards objectives. The CMA failed to undertake a sufficiently robust qualitative assessment of Fox News' breaches when assessing broadcasting standards. Only such an assessment would have enabled an evaluation of the Murdochs' commitment to the 'spirit'⁴ of broadcasting standards, which the CMA wrongly dismissed as, by itself, "too vague" to guide it.⁵ The CMA has failed to take proper account of clear guidance on how to interpret the relevant law.
14. In its findings on plurality, the CMA notes that the Murdochs have enjoyed unparalleled access to UK politicians, but does not carry that point across to its analysis of

² Para 13.24 CMA Provisional findings report

³ Para 13.10 a) i) CMA Provisional findings report

⁴ Para 108, CMA Provisional findings report

⁵ Para 111, CMA Provisional findings report

broadcasting standards. Avaaz previously submitted that the CMA should consider how, with even more media clout after a Sky takeover, the Murdochs might seek first to push the boundaries of the Broadcasting Code, for example through giving prominence to sensational or partisan stories, and reclassifying programmes, then use their political connections to ignore or to dilute the Code's provisions, to enable them to fully 'Foxify' Sky News.

15. In its assessment of breaches, the CMA places too much weight on the entertainment and documentary output of other Fox subsidiaries (FNG, Star and National Geographic) whose output is non-news, and therefore says little about the Murdoch's attitude to the Broadcasting Code requirements of 'due impartiality' and 'due accuracy' in news provision.

Insufficient attention to Fox News' breaches in the UK

16. The CMA places insufficient weight on Fox News, the Murdochs' flagship news channel, when the attitude to UK compliance of that channel, which has had Rupert Murdoch as its CEO for the last 18 months, should be of the highest relevance here.
17. The CMA over-emphasises Ofcom's decision not to sanction Fox News for breaches of the UK Broadcasting Code. The CMA bases this approach on Fox's argument that Fox News was a live simulcast of a US channel aimed at a US audience which has a small number of UK viewers who may adjust their expectations accordingly, but fails to explain sufficiently why audience members nonetheless complained about Fox News and how Fox News responded to serious and significant breaches.
18. The CMA says it has looked at the record of all 14 Fox UK licences over the last 5 years and at the comparative UK licence compliance record of Fox News, Russia Today, Al Jazeera and CNN.⁶
19. In relation to the 14 Fox UK licences, the CMA notes that Ofcom found 16 breaches of the Broadcasting Code by Fox channels in the last 5 years of which 10, or 62.5%, were committed by Fox News. The 10 breaches by Fox News include 5 relating to 'due impartiality' in the 13 months from April 2016 to May 2017. Russia Today, by comparison, had one 'due impartiality' breach recorded against it for the same 13 month period, whereas CNN had only one such breach during the previous 5 years.⁷
20. The CMA notes that Fox News had the highest number of breaches per viewer compared to other similar broadcasters (19.23 per 100,000 viewers, compared to 5.81 and 0.37, for RT and Al Jazeera respectively - see table 14.2 of the CMA report) and finds that, on the whole, its compliance record is on a par with Russia Today but worse than Al Jazeera and CNN.⁸
21. The CMA considers that Fox should have taken appropriate steps to either provide a more impartial viewpoint or edited its US feed so that programmes were not broadcast to viewers in the UK⁹, but finds credible that Fox News' long-standing lack of the necessary

⁶ Paragraph 14.62 CMA Provisional findings report

⁷ Paragraph 14.88 CMA Provisional findings report

⁸ Paragraph 14.91 CMA Provisional findings report

⁹ Paragraph 14.92 CMA Provisional findings report

policies for achieving compliance with the UK Broadcasting Code was merely based on a 'misinterpretation' of the UK Code.¹⁰ Ultimately it places greater significance on Ofcom's decision not to impose any sanctions on Fox programmes broadcast in the UK than its actual assessment of the conduct.¹¹

The relevance of Fox News' 2017 policy and its flawed implementation

22. Regarding the absence of any broadcasting compliance policy at Fox News for 16 years, the CMA adopts Ofcom's reasoning accepting Fox's assertion that it misinterpreted its obligations under UK broadcasting rules. Primarily targeted at US audiences, Fox News had a small UK audience, a context it offered as to why it simulcast its content into the UK largely without editing or rigorous policies and procedures in place to filter out improper material. The CMA, like Ofcom, found this explanation to be credible, suggesting that UK audiences would have been aware that it is primarily targeting US audiences, and accordingly would have adjusted its expectations.
23. Yet, as a licence holder in the UK, Fox News should have known about and acted on relevant UK laws, including its obligations under UK broadcasting standards. This is true throughout the duration of its licence, but particularly cannot be ignored after 2014 when complaints against Fox News steadily increased and Ofcom found Fox News to be in breach multiple times, particularly of due impartiality and due accuracy requirements (see Table 14.3 of the CMA Preliminary Findings).
24. Given the vast difference in broadcasting regulatory frameworks between the UK and the US that the CMA itself notes, Fox News had a responsibility to understand the requirements of being able to broadcast in the UK.¹²
25. The CMA's interpretation of "policies, systems, and procedures" becomes further problematic when examining its attitude to Fox News' May-August 2017 UK compliance policy.
26. Fox only instituted this policy as a response to Ofcom's queries regarding broadcasting compliance once the Fox:Sky merger review was underway. This time lapse of 16 years for Fox News to institute a broadcasting standards compliance policy, plus its lack of transparency certainly does not evince a "genuine commitment to broadcasting standards."
27. The CMA makes much of the fact that it does not have a lot of evidence about implementation of the policy because it was only in effect for four months. It is, however, telling then that within those four months, Fox News was again found to be in breach of the requirements of the UK Broadcasting Code during the Tucker Carlson coverage of the Manchester bombing which aired 10 days after Fox's new policy was in place.

¹⁰ Paragraph 14.110 CMA Provisional findings report

¹¹ Paragraph 14.92 CMA Provisional findings report

¹² Paragraph 15.43 CMA Provisional findings report

Inadequate consideration of serious breaches in 2017

28. The CMA glosses over two serious breaches of the UK Code which occurred while the Sky bid was under investigation by UK authorities, notably the impartial and inaccurate broadcast about the Manchester bombing last May.
29. The Tucker Carlson show included highly inflammatory statements about various UK politicians and public officials, accusing them and the UK government of failing to act to counter terrorism, stop radicalisation, or protect “thousands of underage girls” from rape and abuse. The episode also accused public leaders of wanting to force an “official lie” on citizens, which was “totalitarian” and “wicked”. There was no counter to any of these allegations by the presenter, indeed he reinforced their views, nor was there an attempt to include the views of those criticized. The CMA stresses Fox should have taken “appropriate steps”, such as including a more impartial viewpoint, or editing the feed against the “backdrop of such a significant national tragedy”.¹³
30. Sean Hannity broadcast a programme on 31st January 2017, in which the programme offered a one-sided account of Trump’s Executive Order restricting travel to the US from seven majority-Muslim countries. The CMA notes that it breached the Broadcasting Code and was “a matter of political and public controversy which was of particular relevance and significance to UK viewers”¹⁴, but gives no weight to that finding here, on the grounds that UK audiences would have adjusted their expectations of the programme as a US channel, directed at US audiences.¹⁵
31. Yet the CMA then emphasises¹⁶ the fact that neither this nor any other Fox broadcast has been sanctioned by Ofcom, and that this (and the other nine breaches by Fox News) were non-news discussion pieces rather than news items, to justify the lack of weight it gives it in its analysis.
32. Instead of ensuring its content met UK broadcasting standards, Fox News simply withdrew its feed on 8th June 2017, on the day of the general election in the UK. And finally, when complaints against it continued to grow, and as it came under further merger scrutiny, Fox News withdrew the channel altogether in August 2017, tacitly accepting that Fox News would require significant changes if it was to become compatible with the UK Broadcasting Code.

Assessing Fox’s broadcast performance beyond the UK

33. The CMA finds that Fox’s channels have breached local broadcasting standards in close to two thirds of the 17 countries in which it operates, including three EU countries beyond the UK.
34. The CMA then unnecessarily narrows its analysis, giving weight only to breaches in EU jurisdictions, given unspecified ‘political and cultural differences’ in the countries where

¹³ Paragraph 14.71, CMA Provisional Findings Report

¹⁴ Paragraph 14.69(d) CMA Provisional Findings Report

¹⁵ Paragraphs 14.69 and 5.20 CMA Provisional Findings Report

¹⁶ Paragraphs 14.72 and 14.73 CMA Provisional Findings Report

Fox was found to have made the most breaches. In fact, the CMA should consider the argument that it may in fact be harder to be found in breach of standards in countries with weaker broadcasting standards than the UK. One good way to determine this would be to sample some of the content that was found to be in breach, and examine in further detail the regulator's reasoning, and what their conclusion says about the parties' attitude to the UK Broadcasting Code.

35. With regards to the US, the CMA makes a similar point: that "Fox's strong compliance record in the US is of limited relevance given the minimal regulation of content in the US regime."¹⁷ But given the fact that Fox News is the flagship broadcaster, directly controlled by Rupert Murdoch as CEO for the last 19 months, the CMA should have undertaken a much more detailed, independent assessment of Fox News' standards and attitudes. Given that it has apparently not heard back from the FCC about breaches in the US, the CMA should now ask Fox directly about the nature and volume of complaints the network has received, including an advertising boycott by many well-known companies against Fox News precisely because of the absence of content regulation in the US. We are aware, for example, that watchdog groups complain to Fox News almost every week about inaccuracy and bias, and rarely receive a response.
36. The CMA notes that a large number of Fox breaches occurred in Argentina, yet does not analyse why this was the case, merely noting Fox's comment that Argentina's media law is under review.¹⁸

Insufficient weight on MFT corporate governance failures

37. The CMA notes that corporate governance failures may be relevant to showing that a "media enterprise's policies, systems and procedures are nominal or ineffective in terms of supporting and promoting a culture of compliance with regulatory standards." (para 16.2) Yet its preliminary findings downplay extensive and repeated wrongdoing across some Murdoch-owned enterprises, while failing entirely to examine others. The CMA also does not give weight to the staggering sums of money that Murdoch-owned enterprises have paid to repeatedly settle cases out of court and hide the truth, part of the culture of covering-up that Rupert Murdoch admitted to with regards to phone hacking.¹⁹
38. In sum, the CMA placed insufficient weight on MFT corporate governance failures, which results in an incomplete picture of how the MFT has operated systemically, and over time, to ignore or run around regulatory frameworks across its media enterprises. The CMA should note that most significant information about wrongdoing within Murdoch-owned companies have emerged as a result of investigations by other media organisations, lawyers or parliaments, rather than any proactive disclosure or transparency by the companies. In relying so heavily on the MFT's promises, the CMA

¹⁷ Para 15.29 - CMA Provisional findings report

¹⁸ Par 15.22, CMA Provisional findings report

¹⁹ 'Rupert Murdoch admits NoW phone-hacking culture of cover-up', 26 April 2012, The Guardian - <https://www.theguardian.com/media/2012/apr/26/murdoch-admits-phone-hacking-coverup>

commits the same mistake as Ofcom in determining a genuine commitment to corporate governance norms in general and UK broadcasting standards in particular.

39. The CMA also fails to note the significance of the fact that US Justice Department and financial crimes experts from the US Postal Inspection Service²⁰ are involved in a probe of Fox News' alleged secret payouts to victims over several years.

Assessing Fox's corporate governance record, past and present

40. Phone hacking in the UK is misrepresented as an issue of the past, limited to people working for the News Of The World, and an issue that was examined, dealt with and learned from several years ago. Yet information about the full extent of phone hacking by Murdoch staff is still emerging, despite the best efforts of the Murdochs and their representatives to stymie public inquiries such as Leveson Part II, and prevent disclosures to court.
- a. Realising that the full extent, and a full understanding of, the management culture and practices at Murdoch-owned media can emerge only once the police investigations and prosecutions were over, the government established the Leveson inquiry in two phases from the outset. Then Attorney General Dominic Grieve said in July 2011, "much of the work of the inquiry will be able to start only once the police investigation and any prosecutions that might result from it are concluded".²¹
 - b. The Sun newspaper published articles and mobilised its members in a campaign against Leveson II in January 2017²², shortly after launching its bid for a full takeover of Sky. Government records show that lobbying by the Murdochs increased significantly in the run up to the Leveson II consultation with meetings between government officials and their advisers happening at a much higher rate than any other media group - a fact noted by the CMA in assessing the significant influence the Murdochs enjoy.²³ Leveson II is specifically meant to investigate corporate malpractice and governance failures and the corrupt relationship between the media and the police.²⁴
41. During the lifetime of the Fox:Sky bid, News Corporation has settled hacking

²⁰ Exclusive: Federal probe of Fox News expands

<http://money.cnn.com/2017/04/27/media/fox-news-federal-investigation/index.html>

²¹ The Attorney General (Mr. Dominic Grieve), 6 July 2011, Hansard -

<https://publications.parliament.uk/pa/cm201011/cmhansrd/cm110706/debtext/110706-0002.htm>

²² Fight for a free press - The Sun - 8 January 2017 -

<https://www.thesun.co.uk/news/2529359/help-fight-to-keep-investigative-journalism-and-your-freedom-alive/>

²³ Para 95 - Provisional Findings -

https://assets.publishing.service.gov.uk/media/5a71fe2be5274a7f9c5862d4/provisional_findings_report.pdf

²⁴ Sir Brian Leveson asked to advise ministers on second press inquiry - 23 Nov. 2017, The Guardian -

<https://www.theguardian.com/media/2017/nov/23/lord-leveson-asked-to-advise-ministers-on-second-press-inquiry>

claims from 17 people against the SUN newspaper paying out an undisclosed amount worth millions of pounds in settlements to prevent civil cases relating to hacking by The Sun reaching trial. Further, the CMA has failed to consider at all the evidence submitted in December 2017 of phone hacking and similarly intrusive/illegal evidence-gathering methods by one of the Murdochs' elite newspaper titles, that shows extensive hacking and blagging with no public interest motivations.

42. In some companies where there had been a significant change of management, it might be acceptable to argue that evidence of misdemeanours in a previous decade was no longer relevant to corporate governance attitudes. But in this case Rupert, James and Lachlan Murdoch all had senior roles then and now.
43. It is therefore of grave concern that the CMA has not adequately considered how James Murdoch's senior role in a merged Fox:Sky would impact on its compliance with broadcasting standards. In 2012, Ofcom made serious criticisms of James Murdoch's leadership of News Group Newspapers during the phone hacking scandal but found his limited involvement in Sky as a material factor in their judgement that Sky remained fit. □ In its 2017 fitness decision, by contrast, Ofcom positively relies on James Murdoch's involvement in revising Fox's compliance procedures as a reason for taking comfort from them, without questioning his role in any future merged entity. That James Murdoch would be CEO of a merged Fox/Sky warrants a deeper inquiry about his genuine commitment to broadcasting standards.
44. Phone hacking, data theft and other serious accusations of anti-competitive activity were also at the heart of allegations which led the Murdoch Family Trust-owned News America Marketing to settle for over \$936 million thus far, with some cases continuing. The Secretary of State raised News America Marketing in her letter to Ofcom in August 2017²⁵ as being directly relevant to business methods and relationship to competition in the market. Yet the CMA's preliminary findings do not mention these settlements.
45. In general, the decision to apply an arbitrary cut off date for such extreme behaviour is illogical, not found in law and does not take into account the long time it may take for activities to be uncovered, reported, investigated and revealed to a regulator. By imposing this cut off, many victims' stories and injuries will never be considered by regulators despite being highly relevant to the issue at hand.

Bill O'Reilly's January 2017 settlement shows the failure of the 2012 policy

46. The Bill O'Reilly settlement last January, and resulting new contract is considered at some length by the CMA, but its significance as a case study of the 2012 compliance policy is missed.
47. The CMA notes that:

²⁵ DCMS letter to Ofcom, 7 August 2017 - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/644124/DCMS_letter_to_Ofcom_7_Aug_2017.pdf

- a. in January 2017 “Liz Wiehl raised a complaint of sexual harassment. Within 72 hours of the complaint being made, Fox’s counsel was advised that Ms Wiehl and Mr O’Reilly and their legal counsel had mediated the dispute, that they were committed to putting the matter behind them, and that they had agreed that all copies of Ms Wiehl’s allegations should be returned to her attorney. Fox submitted that there was no legal basis on which to terminate Mr O’Reilly’s contract at that time, as it was based on a disputed claim that Ms Wiehl had later withdrawn. Fox considered the matter to be personally settled by Mr O’Reilly and submitted that it was not aware of the details of the settlement amount”
 - b. Then, in February 2017 “Fox News offers a new contract to Mr O’Reilly which is agreed and signed”.²⁶
48. The CMA concludes that “the evidence suggests that there were factors relating to Mr O’Reilly’s contractual arrangements that may explain why he was not dismissed sooner, and why the Fox board was not aware of the full extent of the recent personal settlements he had entered into”, and mentions that Fox instituted an upgrade to its 2012 policy in summer 2017, under pressure from its shareholders.²⁷
49. The CMA should look again at this issue, as the Fox Board’s stance on O’Reilly in fact shows a major failure of the 2012 policy, with regards to the station’s highest profile star at the time, raising serious questions about how the Fox Board sees the trade off between governance standards and profits. The CMA should examine:
- a. Why Fox included a ‘shield clause’ at all in the contract it negotiated with O’Reilly in 2012, around the same time as the revision of its corporate governance policies. As other Fox employees are bound by forced arbitration clauses which require them to settle privately, it would have been impossible for most of them to have their day in court and prove allegations to the level which could get O’Reilly fired.
 - b. Why the Fox board did not consider there to be any major HR issues in 2012, so focused its new policy on bribery and corruption, although HR issues within Fox News were well known and public since 2004 when former employee Andrea Mackris publicly came forward with audio recordings of O’Reilly’s alleged sexual harassment and in 2006 when a court-monitored training programme for employees had to be undertaken due to Fox being sued by the Equal Employment Opportunity Commission.^{28 29}
 - c. On what basis the Fox board considered it acceptable for Bill O’Reilly to make a “personal” settlement with a longstanding female colleague, and not inform the full Fox board of the details, apparently in direct contradiction of the 2012 compliance policy which was centred around greater oversight by the full Fox board.
 - d. What role Rupert Murdoch - Fox CEO and full Fox board member at the time of O’Reilly’s settlement with Liz Wiehl and his new four year contract - played in

²⁶ Para 16.63 CMA Provisional findings

²⁷ Para 16.75 CMA Provisional findings

²⁸ Para 16.39 - Provisional findings

²⁹ <https://www.clearinghouse.net/detail.php?id=8320>

decisions to award the new contract without finding out details of O'Reilly's settlement.

- e. Why Fox decided it needed to make a \$20 million severance payment to Bill O'Reilly when he left the company just two months after signing his new February 2014 contract, which Fox claims was a contract intended to "substantially lower the bar to his termination if more facts emerged that O'Reilly had engaged in inappropriate behaviour".³⁰

Conclusion

- 50. The evidence points to long-standing contempt for norms of corporate governance and journalistic conduct at Murdoch-controlled media. To accept the Murdochs' reassurances that they are all in the past and will not recur because new policies are in place is to ignore a persistent culture in which respect for UK broadcasting standards and other governance norms cannot realistically be expected to be upheld. We urge the CMA to look again at its preliminary finding on Broadcasting Standards.

³⁰ Paragraph 16.66 CMA Provisional findings report