

ACQUISITION BY TRINITY MIRROR PLC OF CERTAIN ASSETS OF NORTHERN & SHELL MEDIA GROUP LIMITED

Directions issued pursuant to paragraph 10 of the Initial Enforcement Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

On 1 March 2018 the Competition and Markets Authority (CMA) issued an Initial Enforcement Order in accordance with section 72(2) of the Enterprise Act 2002 (the Act) concerning the completed acquisition by Trinity Mirror plc (**TM**) of certain assets of Northern & Shell Media Group Limited (**publishing assets of Northern & Shell**) (the Initial Enforcement Order).

The CMA wishes to ensure that no action is taken pending final determination of any reference under section 22 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decision on the reference.

The CMA now issues written Directions under paragraph 10 of the Initial Enforcement Order that, for the purpose of securing compliance with the Initial Enforcement Order, TM must appoint a hold separate manager (HSM) in accordance with the terms provided for in Annex 1, and must comply with the obligations set out in Annex 1.

ANNEX 1

Directions to appoint a hold separate manager

Interpretation

1. In these Directions:

The '**Act**' means the Enterprise Act 2002;

'**CMA**' means the Competition and Markets Authority;

'**HSM**' means the Hold Separate Manager appointed in accordance with these Directions;

'**Initial Enforcement Order**' means the Initial Enforcement Order issued by the CMA on 1 March 2018 and terms and expressions defined in the Initial Enforcement Order have the same meaning in these Directions, unless the context requires otherwise.

'**Northern & Shell**' means Northern & Shell Media Group Limited, a company register in the United Kingdom – company number 04086466;

'**publishing assets of Northern & Shell business**' means the business and assets of Northern & Shell that were the subject of the transaction as at the commencement date;

'**TM**' means Trinity Mirror plc, a company registered in the United Kingdom – company number 00082548;

'**the TM business**' means the business of TM and its subsidiaries but excluding the publishing assets of Northern & Shell business, carried on as at the commencement date;

Appointment

2. TM must appoint an HSM, subject to the approval by the CMA of his or her identity and terms and conditions of appointment, to ensure that the publishing assets of the Northern & Shell business operate as a viable and competitive business, separately from and independently of the TM business. Any appointment must be made in accordance with the provisions of these Directions.

3. TM must appoint the HSM without delay and in any event by 12 March 2018 (or such longer period as the CMA may reasonably agree in writing) and the HSM will continue to act until the CMA has finally determined the reference (within the meaning of section 79 of the Act).
4. The HSM must act on behalf of the CMA and be under an obligation to the CMA to carry out its functions to the best of its abilities.
5. TM must ensure that the terms and conditions of appointment of the HSM reflect and give effect to the functions and obligations of the HSM and the obligations of TM as set out in these Directions.
6. TM, its subsidiaries and their employees, officers, directors, advisers and consultants must cooperate fully with the HSM, in particular by providing the HSM with all cooperation, assistance and information as the HSM may reasonably require in order to discharge its functions.

Functions

7. The functions of the HSM will be to exercise day-to-day management and control of the publishing assets of Northern & Shell business so that:
 - (a) they are operated separately from and compete actively with the TM business;
 - (b) appropriate management, reporting and decision-making systems are put in place to preserve the editorial independence of the publishing assets of Northern & Shell business and ensure such independence on an ongoing basis;
 - (c) the business is maintained as a going concern with access to sufficient resources for its continued operation and development.
8. The HSM will also be required to:
 - (a) ensure that the publishing assets of Northern & Shell business complies with the Initial Enforcement Order;
 - (b) assist the CMA in monitoring the extent of compliance by TM with the Initial Enforcement Order; and
 - (c) provide every two weeks (or otherwise as required by the CMA) a statement stating whether or not the publishing assets of Northern & Shell business has complied with the Initial Enforcement Order.

9. The HSM must take such steps as it reasonably considers necessary in order to carry out its functions effectively.
10. The HSM must comply with any requests made by the CMA for the purpose of ensuring the full and effective compliance by TM with the Initial Enforcement Order.
11. The HSM must immediately notify the CMA in writing if it forms a reasonable suspicion that the Initial Enforcement Order has been breached or if it considers that it is no longer in a position to effectively carry out its functions.

General

12. The HSM must possess the appropriate qualifications and experience to carry out its functions.
13. The HSM must neither have nor become exposed to a conflict of interest that impairs the HSM's objectivity and independence in discharging its functions under these Directions, unless it can be resolved in a manner and within a time frame acceptable to the CMA.
14. TM shall remunerate and reimburse the HSM for all reasonable costs properly incurred in accordance with the terms and conditions of the appointment and in such a way so as not to impede the HSM's independence or ability to effectively and properly carry out its functions.
15. TM must provide the CMA with a copy of the agreed terms and conditions of the appointment of the HSM prior to its appointment.
16. Any termination of the appointment of the HSM is subject to the agreement of the CMA, such consents not to be unreasonably withheld, and the CMA shall respond within one week of receipt of TM's request.
17. All communications between the HSM and the CMA are confidential and should not be disclosed to TM, save with the prior written consent of the CMA. The HSM shall not disclose such communications to third parties.
18. The CMA may issue such further directions as it considered necessary to ensure compliance with the Initial Enforcement Order, including, where the appointment of the HSM has been terminated, directions for the appointment of a further HSM.