

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 March 2019

Completed acquisition by Bauer Radio of certain assets of the Celador business

We refer to your email dated 14 June 2019 requesting that the CMA consents to a derogation to the Initial Enforcement Order of 1 March 2019 (the 'Initial Order'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Bauer Radio and HBV are required to hold separate the HBV business from the Celador business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference. After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, HBV and Bauer Radio may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 5(c) and 5(i) of the Initial Order

Bauer Radio submitted to the CMA that Paul Charman, the current CFO of the acquired Celador business, will leave the acquired Celador business on [X]. Bauer Radio also submitted that it has taken all reasonable steps to encourage Mr Charman to remain within the acquired Celador business.

Consequently, Bauer Radio proposes to appoint Alistair Mackenzie, the former CFO of Jazz FM (owned and operated by Bauer Radio), as interim CFO of the acquired Celador business. The CMA understands, on the basis of information provided by Bauer Radio, that Mr Mackenzie was employed by Jazz FM when Bauer bought it in August 2018 and that he stayed in this post for approximately three months after the acquisition in order to deliver transition and integration. His role was, however, limited to the Jazz FM business. Mr Mackenzie will work with the remaining members of the existing management team of the acquired Celador Business, all of whom have been in post since before Bauer's acquisition of the radio business of Celador.

To ensure the effective operation of the acquired Celador business, the CMA therefore consents to the appointment of Mr Mackenzie as interim CFO of the acquired Celador business, and to Mr Mackenzie acting as temporary director on the boards of the subsidiaries of the acquired Celador business.

This derogation should not prevent any remedial action that the CMA may need to take regarding this merger.

Yours sincerely,

Lucy Pryde
Assistant Director, Mergers
17 June 2019