

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDER ISSUED
PURSUANT TO SECTION
72(2) ENTERPRISE ACT 2002**

Please note that [ⓧ] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.

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 5 December 2019

Completed acquisition by Daily Mail and General Trust plc of JPIMedia Publications Limited

We refer to your email and accompanying note dated 7 January 2020 requesting that the CMA consents to derogations to the Initial Enforcement Order of 5 December 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, Daily Mail and General Trust plc (**DMGT**) and DMG Media Limited (**DMG Media**) are required to hold separate the JPIMedia Publications Limited (**JPIMedia Publications**) business from the DMGT 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, DMGT and JPIMedia Publications may carry out the following actions, in respect of the specific paragraphs:

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

The CMA understands that shortly following completion of the acquisition of JPIMedia Publications by DMG Media Limited, the directors of JPIMedia Publications resigned and were replaced by [ⓧ].

In order to ensure the independent operation of the JPIMedia Publications business and to ensure the ongoing viability of the JPIMedia Publications business and its ongoing compliance with UK company law DMGT has requested consent for:

- (i) [ⓧ] to resign as directors of JPIMedia Publications; and
- (ii) [ⓧ] to be appointed as directors of JPIMedia Publications.

DMGT submits that [ⓧ] and [ⓧ] are the most senior commercial and editorial employees respectively of JPIMedia Publications and are therefore appropriate candidates to serve as directors of JPIMedia Publications.

The CMA consents to a derogation from paragraphs 5(c) and 5(i) of the Initial Order in order to enable the resignation of [ⓧ] and [ⓧ] as directors of JPIMedia Publications and the appointment of [ⓧ] and [ⓧ] as their replacements.

2. Paragraph 4(a) and 5(a) of the Initial Order

Prior to the completion of the acquisition of JPIMedia Publications by DMG Media Limited, the CMA understands that the advertising sales team of JPIMedia Publications were located at [REDACTED] JPIMedia Limited (the **Seller**). DMGT submits that between [REDACTED] and [REDACTED] and prior to the issuance of the Initial Order, the JPIMedia Publications advertising sales team were relocated to a [REDACTED]. DMGT informs the CMA that [REDACTED].

DMGT submits that JPIMedia Publications' office space [REDACTED]. DMGT has requested consent for this arrangement to continue.

The CMA consents to a derogation from paragraphs 4(a) and 5(a) of the Initial Order in order to enable the advertising sales team of JPIMedia Publications to continue to work [REDACTED], strictly on the basis that:

- (a) the advertising sales team of JPIMedia Publications continues to work in office space [REDACTED];
- (b) [REDACTED];
- (c) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to DMGT and JPIMedia Publications will be exchanged as a result of the arrangement in question; and
- (d) the CMA will be consulted before any further relocation of the staff in question is carried out.

Cristina Caballero
Assistant Director, Mergers
13 January 2020