

Anticipated acquisition by Future Plc of TI Media Limited

Notice under paragraph 2(1) of Schedule 10 to the Enterprise Act 2002 (the Act) – consultation on proposed undertakings in lieu of reference pursuant to section 73 of the Act

ME/6863/19

Introduction

1. Future Plc (**Future**) has agreed to acquire TI Media Limited (**TI Media**), through the acquisition of TI Media’s holding company, Sapphire Topco Limited (**Sapphire**) (the **Merger**). Future and TI Media are together referred to as the **Parties**.
2. On 16 March 2020, the Competition and Markets Authority (**CMA**) decided under section 33(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**). The text of the SLC Decision will be available on the CMA webpages.¹
3. On 20 March 2020, Future and TI Media offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act.
4. On 26 March 2020, the CMA gave notice to Future and TI Media, pursuant to section 73A(2)(b) of the Act, that it considers that there are reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it is considering Future and TI Media’s offer (the **UIL Provisional Acceptance Decision**).

¹ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

The undertakings offered

5. As set out in the SLC Decision, the CMA found a realistic prospect of an SLC in relation to two magazine categories (as defined by the ABC²), namely the supply of Football magazines and Photography magazines in the UK. The CMA also found a realistic prospect of an SLC in the supply of technology websites in the UK.
6. As set out at paragraph 8 of the UIL Provisional Acceptance Decision, to address the SLC identified Future has offered undertakings in lieu of a reference to divest:
 - (a) the Football Business: TI Media's magazine title *World Soccer*, including but not limited to, the content for past, current and future editions of the magazine (including associated bookazines and the associated website *www.worldsoccer.com*); rights in the social media accounts; subscriber and customer databases; the editorial team and other relevant staff; advertising records, including forward bookings; all other relevant IP rights (together the **Football Business**);
 - (b) the Photography Business: TI Media's magazine title *Amateur Photographer*, including but not limited to, the content for past, current and future editions of the magazine (including associated bookazines and the associated website *www.amateurphotographer.co.uk*); rights in the social media accounts; key licensing agreements which are specific to *Amateur Photographer* for content and brand endorsement; subscriber and customer databases; advertising records, including forward bookings; the editorial team and other relevant staff; all other relevant IP rights (together the **Photography Business**); and
 - (c) the Technology Website Business: TI Media's sole technology website *Trustedreviews.com*, which includes but is not limited to, archived pages of the website and future consent of the website; key licensing agreements for content and brand endorsement which are specific to *TrustedReviews.com*; newsletter subscriber and customer databases; advertising records, including forward bookings; rights in the associated social media accounts; the *TrustedReviews.com* editorial team and other relevant staff; Google Analytics property for *Trusted Reviews*; all other relevant IP rights (together the **Technology Website Business**),together the Football Business, the Photography Business and Technology Website Business are referred to as the **Divestment Businesses** (the

² Audit Bureau of Circulation.

Proposed Undertakings). The text of the undertakings is available on the CMA webpage.³

7. As set out at paragraph 15 of the UIL Provisional Acceptance Decision, the CMA does not consider it appropriate to seek an upfront buyer in respect of the Proposed Undertakings based on the evidence provided by the Parties that there are several potential suitable purchasers who have expressed an interest in purchasing TI Media's magazine titles and technology website. In particular, the CMA notes evidence of a material amount of merger and acquisition activity in the publishing sector, suggesting there is generally a liquid market for titles.

CMA assessment

8. The CMA currently considers that, subject to responses to the consultation required by Schedule 10 of the Act, the Proposed Undertakings will resolve the SLC identified in the SLC Decision in a clear-cut manner, ie the CMA currently does not have material doubts about the overall effectiveness of the Proposed Undertakings or concerns about their implementation.⁴
9. The Proposed Undertakings will:
 - (a) remove the entirety of the overlaps between the Parties in the supply of Football and Photography magazines in the UK; and
 - (b) remove the entirety of the overlap between the Parties in the supply of technology websites in the UK.
10. The CMA also considers that the Proposed Undertakings would be capable of ready implementation because the Football Business, Photography Business and Technology Website Business are comprised of assets that are readily capable of being sold and the Parties have provided evidence of a number of potential purchasers for the Divestment Businesses.

Proposed decision and next steps

11. For the reasons set out above, the CMA currently considers that the Proposed Undertakings are, in the circumstances of this case, appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision

³ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

⁴ CMA [Merger Remedies guidance](#), 3.28.

and form as comprehensive a solution to these concerns as is reasonable and practicable.

12. The CMA therefore gives notice that it proposes to accept the Proposed Undertakings in lieu of a reference of the Merger for a phase 2 investigation. The text of the proposed undertaking is available on the CMA web pages.⁵
13. Before reaching a decision as to whether to accept the Proposed Undertakings, the CMA invites interested parties to make their views known to it. The CMA will have regard to any representations made in response to this consultation and may make modifications to the Proposed Undertakings as a result. If the CMA considers that any representation necessitates any material change to the Proposed Undertakings, the CMA will give notice of the proposed modifications and publish a further consultation.⁶
14. Representations should be made by email only.

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Deadline for comments: 15 April 2020.

⁵ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

⁶ Under paragraph 2(4) of Schedule 10 to the Act.