

Anticipated acquisition by Future plc of TI Media Ltd

Decision on acceptance of undertakings in lieu of reference

ME/6863-19

Introduction

1. Future plc (**Future**) has agreed to acquire TI Media Limited (**TI Media**), by way of a share purchase 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**).
3. On 20 March 2020, Future offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act. The CMA gave notice to Future on 26 March 2020, pursuant to section 73A(2)(b) of the Act, that it considered that there were 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 was considering Future's offer (the **UILs Provisional Acceptance Decision**).
4. The text of the SLC Decision and the UILs Provisional Acceptance Decision are available on the CMA webpages.¹

¹ See case page: <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 the supply of magazines in certain categories, including Football² and Photography³) and the supply of technology websites in the UK.
6. As set out in the UIL Provisional Acceptance Decision, Future has offered to divest one of TI Media's magazines in each of the Football and Photography categories and one technology website, namely *World Soccer*, *Amateur Photographer* and *Trusted Reviews*⁴ (the **Divestment Businesses**), as set out in the text of the consultation on the CMA webpages⁵ (the **UILs**).
7. For the two magazines, the UILs include the divestment of the content for current and future editions of *World Soccer* and *Amateur Photographer* (including the relevant bookazines⁶ and relevant websites⁷); key licensing agreements specific to the magazine title for content and brand endorsement; subscriber and customer databases; goodwill and relevant IP rights; and the transfer of the editorial teams.
8. In relation to technology website, the UILs include the divestment of archived pages of the website and future content of the website; key licensing agreements specific to *TrustedReviews.com* for content and brand endorsement; subscriber and customer databases; advertising records, including forward bookings; rights in the associated social media accounts; the Google Analytics property for *TrustedReviews.com*; relevant IP rights and the transfer of the respective editorial teams.

Consultation

9. On 1 April 2020, pursuant to paragraph 2(1) of Schedule 10 to the Act, the CMA published the UILs, inviting interested parties to give their views on the UILs. The relevant text from the consultation is set out at Annex 1 of this decision.⁸ For the reasons set out in the consultation, the CMA's preliminary view was that the UILs would resolve the SLC identified in the SLC decision in

² **Football**, as defined by the ABC categories. The ABC identifies various consumer magazine categories and sub-segments based, principally, on editorial content and target audience of a particular magazine.

³ **Photography**, as defined by the ABC categories. *Ibid.*

⁴ www.trustedreviews.com.

⁵ See [case page](#).

⁶ In a form of bookazines, *World Soccer* publishes an annual Football Premiership one shot, to introduce the start of the season, and biennial "Euros" and "World Cup" editions. It also publishes an annual 13th issue, a premium priced summer special. There are no bookazines related to *Amateur Photographer*.

⁷ The relevant websites include www.worldsoccer.com and www.amateurphotographer.co.uk.

⁸ The full consultation text was published on the [case page](#).

a clear-cut manner, ie without giving rise to material doubts about the overall effectiveness of the UILs or concerns about their implementation.⁹

10. The CMA received no submissions during the consultation period. The CMA has not otherwise changed its preliminary view that the UILs would be acceptable.
11. The CMA therefore considers that the UILs offered by Future are clear-cut and appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision.

Decision

12. For the reasons set out above, the CMA considers that the UILs provided by Future are as comprehensive a solution as is reasonable and practicable and remedy, mitigate or prevent the SLC identified in the SLC Decision and any adverse effects resulting from it. The CMA has therefore decided to accept the UILs offered by Future pursuant to section 73 of the Act. The Merger will therefore not be referred for a phase 2 investigation.
13. The undertakings, which have been signed by Future and will be published on the CMA webpages,¹⁰ will come into effect from the date of this decision.

Colin Raftery
Senior Director
Competition and Markets Authority
17 April 2020

⁹ *Merger remedies, (CMA87)*, December 2018, Chapter 3, in particular paragraphs 3.27, 3.28 and 3.30.

¹⁰ See [case page](#).

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

14. 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**.
15. 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.¹¹
16. 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.
17. 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**).

¹¹ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

The undertakings offered

18. 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 ABC¹²), 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.
19. 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**),

¹² Audit Bureau of Circulation.

together the Football Business, the Photography Business and Technology Website Business are referred to as the **Divestment Businesses** (the **Proposed Undertakings**). The text of the undertakings is available on the CMA webpage.¹³

20. 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

21. 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.¹⁴
22. 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.
23. 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

24. For the reasons set out above, the CMA currently considers that the Proposed Undertakings are, in the circumstances of this case, appropriate to remedy,

¹³ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

¹⁴ CMA Merger Remedies guidance, 3.28.

mitigate or prevent the competition concerns identified in the SLC Decision and form as comprehensive a solution to these concerns as is reasonable and practicable.

25. 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.¹⁵
26. 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.¹⁶
27. Representations should be made by email only.

Email: Aiste.slezeviciute@cma.gov.uk

Telephone: +44 7768 651899

Deadline for comments: 15 April 2020.

¹⁵ See <https://www.gov.uk/cma-cases/future-plc-ti-media-limited-merger-inquiry>.

¹⁶ Under paragraph 2(4) of Schedule 10 to the Act.