Department for
Digital, Culture,
Media & Sport

By email

[redacted]

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Proposed Acquisition of ITV Media & Entertainment Holdings Ltd by Sky UK Ltd: Notice of a Potential Intervention Notice

I refer to the proposed acquisition by Sky UK Limited of ITV Media & Entertainment Holdings Limited from its current owner, ITV plc ("the proposed acquisition").

This letter refers to Sky UK Limited as "Sky" and ITV Media & Entertainment Holdings Limited as "ITV".

In relation to this proposed acquisition, the Secretary of State is currently considering whether to give a public interest intervention notice ("PIIN") to the Competition and Markets Authority ("CMA") and Ofcom, under section 42(2) of the Enterprise Act 2002 ("the Act").

The Secretary of State is currently minded to issue a PIIN, for the following reasons:

a. She considers she has reasonable grounds for suspecting that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, as defined in section 23 of the Act.
b. She believes it is, or may be the case, that one or more public interest considerations are relevant to a consideration of the relevant merger situation concerned.

The public interest considerations that the Secretary of State considers may be relevant are:

- the need for free expression of opinion in news media;
- the need for, to the extent that it is reasonable and practicable, a sufficient plurality of views in news media in each market for news media in the United Kingdom or a part of the United Kingdom;
- the need, in relation to every different audience in the United Kingdom or in a particular area or locality of the United Kingdom, for there to be a sufficient plurality of persons with control of the media enterprises serving each audience;

- the need for the availability throughout the United Kingdom of a wide range of broadcasting, on-demand programmes or both, which (when either is, or as the case may be, both are, taken as a whole), is of high quality and calculated to appeal to a wide variety of tastes and interests.

This last consideration listed above is not currently specified in section 58 of the Act. However, under section 42, the Secretary of State may, in a PIIN which she issues, state a public interest consideration which is not specified in section 58, but which in her opinion ought to be so specified, if she believes it may be relevant to a consideration of the relevant merger situation concerned.

The Secretary of State recognises that if she issues a PIIN which mentions a public interest consideration which is not specified in section 58 of the Act, she must as soon as practicable take action to ensure it is so specified,by way of an Order, made under section 58(3) of the Act, which has been laid and approved by Parliament within the period of 28 sitting days after it is made, or otherwise.

Sections 44 and 44A provide that when a PIIN has been issued, the CMA and Ofcom must, respectively, provide reports on certain issues relevant to the merger and on the media public interest considerations specified in the PIIN within such period as the Secretary of State may require. Each report must summarise any representations which the relevant regulator has received about the case.

Creation of a relevant merger situation

The Secretary of State considers that there are reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation.

This is because:

a. Sky and ITV are both enterprises within the meaning of section 129 of the Act. They are both private limited companies registered in England and Wales, and carrying on commercial activity.
    i. **Sky** is one of the UK's leading commercial entertainment and telecommunications enterprises. It provides national and international news through Sky News, and Sky News Radio, alongside digital news on news.sky.com/uk. Sky provides entertainment and sports via a suite of channels such as Sky Atlantic, Sky Documentaries, Sky Arts, Sky Sports. Sky's channels are distributed over a combination of linear free to air and Pay TV models. Sky also offers on-demand content primarily on SkyGo and Now TV platforms.
    ii. **ITV** is a British free to air commercial television network and a public service broadcaster. It holds the national Channel 3 licence and 13 regional Channel 3 licences and delivers a mandated amount of national news in bulletin form and weekly regional programming, and operates the www.itv.com/news website. ITV delivers sports, drama and entertainment programming over linear channels ITV1, ITV2, ITV3, and ITV4, and delivers on-demand content via ITVX, the UK's leading free-to-access commercial streaming platform.

b. The Secretary of State has reasonable grounds to suspect that arrangements are in progress, which, if carried into effect, will result in two enterprises, Sky and ITV ceasing to be distinct enterprises.
   i. ITV plc notified the London Stock Exchange on 6 July 2026 that it had, that day, entered into a formal sale and purchase agreement, under which it has agreed to sell, and Sky has agreed to purchase, the entire issued share capital of ITV Media & Entertainment Holdings Ltd[1].
   ii. The Secretary of State understands that once the proposed acquisition is complete, Sky and ITV would be brought under common control. The Secretary of State is also aware of plans by Sky's current owner, the US company Comcast Corporation, to separate its business into two publicly traded entities, Comcast and NBCUniversal[2]. The Secretary of State understands that the separation is likely to take a year, and that according to plans, NBCUniversal would become the ultimate owner of Sky, and subsequently ITV, if completion of the proposed acquisition is successful.

c. The Secretary of State has reasonable grounds to suspect that the value of the UK turnover of the enterprise being taken over exceeds £100 million. ITV has informed the Department for Digital, Culture, Media and Sport ("the Department") that the value of its UK turnover in the financial year ended 31 December 2025 (FY25) was £[redacted].

Public interest considerations

The Secretary of State is minded to believe that the following public interest considerations may be relevant to a consideration of the proposed merger:

1. **The need for free expression of opinion in news media**

Ofcom's Broadcasting Code requires Sky News and ITV News to ensure that news is reported with due accuracy and presented with due impartiality. Sky and ITV have made representations to the Department highlighting that editorial independence and free expression of opinion is embedded in the culture of their newsrooms and supported by robust internal procedures and operational structures.

There are no indications that Comcast or NBCUniversal currently intend to restrict free expression of views at Sky News or ITV News. Sky News' independence is currently protected by legally-binding undertakings given by Comcast and Sky plc (now Sky Group Ltd) to the Sky News Board when Comcast acquired Sky in 2018.[3] According to representations made by Sky, Comcast has fully observed these undertakings.

However, the Secretary of State notes that these undertakings are due to expire in December 2028. Further, they do not extend to ITV News or ITN, and it is not clear to the

[1] SALE OF ITV M&E BUSINESS TO SKY - 07:00:08 06 Jul 2026 - ITV News article | London Stock Exchange
[2] Comcast Announces Plans to Separate Media and Technology Businesses into Two Leading Public Companies | Comcast Corporation
[3] comcast_sky_deed_poll_executed_05_12_18.pdf

Secretary of State whether they would not bind NBCUniversal if it takes ownership of Sky. Consequently, the protection they provide from NBCUniversal or Comcast attempting to influence Sky or ITV's editorial stance may be of limited value.

The Secretary of State notes reports which indicate that Comcast and NBCUniversal are facing ongoing political[4] and regulatory scrutiny in the US, with the Federal Communications Commission (FCC) reviewing NBC's network affiliation agreements with local networks as part of an investigation into the control which national networks exercise over local stations[5]. There is a question over whether, in the absence of undertakings, consequences of such scrutiny in the US could affect Sky or ITV's ability to report freely.

2. **The need for, to the extent that it is reasonable and practicable, a sufficient plurality of views in news media in each market for news media in the United Kingdom or a part of the United Kingdom**

At present, Sky News is a news service provided by Sky and ITV News is a news service provided by ITV.

The Secretary of State recognises that Sky News and ITV News are two of the most prominent and consumed sources of television news in the UK. In 2025, Sky News and ITV News were the second and third most viewed sources of broadcast news, and ranked as the second and third most trusted news sources by Ofcom.[6] They jointly accounted for 26% of all weekly UK TV news and current affairs viewing across linear broadcasts. The BBC remained the market leader with a 60% share.[7]

Following the acquisition, UK consumers of broadcast news and current affairs programming would still have access to other sources of trusted news and current affairs within that market, such as the BBC and Channel 4. Nevertheless, given that after the acquisition, just two entities (Sky/ITV and BBC) would hold approximately 86% of the share of all linear news and current affairs viewing minutes, the Secretary of State considers that the acquisition could, over time, lead to an insufficient plurality of views in the UK market for broadcast news and current programming. In particular, if Sky and ITV were to consolidate their operations, including their editorial operations, this could give rise to an insufficient diversity of perspectives and opinions that reach consumers of TV news within this market. A reduction in plurality may particularly impact markets pertaining to the North of England and Nations, and those in social class C2DE, who access news from Sky and ITV but for whom

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[4] [redacted]

[5] [redacted].

[6] News consumption in the UK 2025 supporting slides

[7] BARB data also shows that in 2025, ITV News was the second most used source of broadcast news with an average weekly audience reach of 12.8 million viewers (19.7% of the UK population). Sky News was the third most used source, with an average weekly 4 million viewers (6.1% of the population). BBC broadcast news's average weekly reach was 23.6m viewers (36.3% of the UK population).

ITV national news is particularly valued,[8] and older audiences, whose dominant news source is broadcast news.[9]

Sky and ITV argue the proposed acquisition would strengthen their ability to continue to deliver trusted, impartial news and will support news plurality; that ITV News and Sky News would remain distinct editorial voices; and, would continue to provide trusted journalism to audiences across the UK while modernising how ITV's regional journalism is produced and supporting the regional employment of journalists. They have publicly committed to retain all of ITV's PSB commitments, including regional and national news, under the terms of the Channel 3 Licences until 2034. They state that there is no commercial incentive for editorial alignment in news, as this would risk undermining their brands, alienating their distinct audiences and losing viewers.

However, the Secretary of State understands that Sky and ITV could in the future have financial incentives to consolidate in a way which she believes may exacerbate the risks to news media plurality. It has been reported that Sky News is making losses of up to £[redacted] a year. Similarly, Sky and ITV acknowledge that ITV is currently under "[redacted]" and, along with other public service broadcasters (PSBs), is facing challenges in sustaining the investment required to continue to deliver against its PSB remits. A purpose of the proposed acquisition is to enable ITV to benefit from economies of scale to enable its spending on original content and news and Sky states that it has identified approximately £200 million in annual cost synergies that would be realised within three years of the deal closing.

As part of the deal, Sky would acquire a 20% shareholding in ITN which provides national news programming for ITV, Channel 4 and Channel 5. In their representations to the CMA, industry participants have expressed concerns that Sky's shares in ITN may give it an excessive degree of influence over news supplied by the PSBs, creating additional risks around the need for a sufficient plurality of views in UK markets for broadcast news. The Secretary of State accepts that a 20% shareholding would not automatically give Sky material influence over ITN's policy, and Sky claims that ITV's relationship with ITN is protected by a News Services Agreement, [redacted] Nevertheless the Secretary of State considers that the commercial arrangements of the entire deal (Sky's stake in ITN, Sky's ownership of ITV, ITV's contract with ITN) are complex and therefore it would be appropriate to ask Ofcom and the CMA for their expert view on whether taken together, the arrangements could additionally reduce the plurality of views in news media by giving Sky an ability to influence Channel 4 and Channel 5 News.

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[8] https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-2-6-weeks/220700-the-future-of-media-plurality-in-the-uk/responses/itv-plc?v=200225. According to BARB data for 2025, BBC accounted for 57% to 66% of news and current affairs viewing minutes across England, Wales, Scotland and Northern Ireland; ITV accounted for 15% to 30% across these nations, and Sky accounted for 3% to 6%. These figures represent each broadcaster's share of total news and current affairs viewing minutes consumed in each nation.

[9] According to Ofcom's 2026 News Report 90% of 75+ and 87% of 65-74 age brackets access news in broadcast and broadcast video on demand formats.

3. **The need, in relation to every different audience in the United Kingdom or in a particular area or locality of the United Kingdom, for there to be a sufficient plurality of persons with control of the media enterprises serving each audience.**

The Secretary of State notes that Ofcom has previously defined plurality as: "ensuring there is a diversity in the viewpoints that are available and consumed, across and within media enterprises; and preventing any one media owner, or voice, having too much influence over public opinion and the political agenda".[10]

The proposed acquisition would combine the UK's largest commercial broadcasters, concentrating ownership in relation to linear broadcasting. BARB figures indicate that a combined Sky/ITV would have an audience reach equivalent to the BBC's and on a par with that of all other broadcasters combined, and would command one-third of linear minutes viewed.[11]

While UK audiences of linear television are able to access content from a variety of channels, the Secretary of State considers it possible that the acquisition may lead to an insufficient plurality of persons with control of broadcasting enterprises serving UK audiences. The combined Sky/ITV entity, by virtue of its sizable audience share, would acquire significant influence over the narrative and perspectives presented in broadcast content to UK audiences. Attempts to consolidate its operations could lead to an overall reduction in diversity of those perspectives and narratives available in UK content overall.

The Secretary of State has a particular concern in relation to audiences of sports content. Sport is predominantly consumed by UK audiences on linear channels. It is usually watched at the exact time it is aired and not on replay. Sky currently dominates the provision of sport broadcasting. BARB data shows that in 2025, Sky held a 44% share of all live linear sports viewing. ITV is the primary commercial home for free live sport. Its sports broadcasting made up a 16% share of all live linear sports viewing.[12]

It is estimated, based on BARB 2025 figures, that the combined Sky/ITV entity would command 60% of all live linear sports viewing in the UK, pushing the BBC (with a 26% share of weekly live linear sports viewing) into a distant second place. The concentration of ownership in this area could lead to a single commercial entity having significant influence over national sports coverage, editorial framing of major sporting issues, public access to shared national sporting events and on the availability of free-to-air sport for certain UK audiences. Sky says that it does not currently plan to reduce free to air sports programming,

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[10] Ofcom advice to SoS on plurality, October 2011: Measuring media plurality

[11] In 2025, Sky and ITV's combined weekly linear broadcast output reached 54% of the population (35 million viewers), commanding roughly 32% of all linear viewing share. ITV's average weekly audience reach for linear viewing was 29 million (44% of the population) and Sky's was 23 million (36%). The BBC reached 58% of the population (37m viewers), and had 32% of the linear viewing share. All other broadcasters combined had a weekly audience reach of 55% of the population (36m viewers) and a 34% share of linear viewing minutes. Viewing data Barb

[12] BARB data also shows that sports broadcasting on Sky reached 13.80% of the UK population and ITV's sports broadcasting reached 12.3% of the UK population on a weekly average basis. To note, the BBC reached 18.41% of the population (BARB).

but if circumstances were to change, a disproportionate impact could be felt by viewers who cannot afford pay TV packages.

4. **The need for the availability throughout the United Kingdom of a wide range of broadcasting, on-demand programmes or both, which (when either is, or as the case may be, both are, taken as a whole), is of high quality and calculated to appeal to a wide variety of tastes and interests.**

The Secretary of State recognises that as a PSB, ITV has statutory duties to contribute to the public service remit for television, to meet specific licence obligations on independent, regional and original productions, and to maintain commissioning and programme policies.

Sky and ITV have publicly said that ITV and ITVX will remain free to air, with all ITV's PSB commitments continuing in full, including regional news and programming under the terms of the Channel 3 Licences until 2034, which Sky would acquire under the proposed acquisition. They have said that viewers will continue to enjoy the shows they know and that the combined business will deliver more sport free-to-air on ITV services than ever before. Sky and ITV have also said that a significant proportion of content on ITV will continue to be commissioned from independent producers.

As a PSB, ITV has statutory duties to contribute to the public service remit for television; to meet specific licence obligations on independent, regional and original productions; and, to maintain commissioning and programme policies. The Secretary of State notes that a significant amount of ITV's current content exceeds its quotas. If Sky and ITV adhere to the assurances set out above, the proposed acquisition could have a positive impact on the range of high-quality and varied broadcasting and on-demand programming available throughout the UK, including by enhancing ITV's ability to deliver its PSB remit. However, the Secretary of State is concerned that if they do not adhere to those assurances and instead engage in significant cost cutting, which causes them to consolidate, share content, fail to invest or to reduce commissioning, the proposed acquisition could lead to a reduction in the availability throughout the UK of a wide range of broadcasting or on-demand programming which, when taken as a whole is of high quality and calculated to a wide variety of tastes and interests.

The Secretary of State has also considered the potential impacts on broadcasting and on-demand programme services (ODPS) separately in relation to this public interest consideration and has the following concerns.

Broadcasting

The Secretary of State has a particular concern about regional news. ITV has PSB (licence) commitments to produce a certain amount of regional news and it has historically exceeded these. Representations made by industry participants to the CMA highlight the vital role of this news function including for democratic accountability. However, ITV reportedly regards its regional newsrooms as costly to maintain.[13] The combined entity, when seeking savings across a unified structure, could face commercial incentives to cut costs further through, for example, the merging or closure of regional newsrooms, and/or the sharing of content across them.

[13] ITV break-up talks spark alarm over local news

In addition, the Secretary of State has a particular concern about the potential impact of the proposed acquisition on STV and Everyone TV. STV, which is the Channel 3 licence holder for central Scotland and north Scotland, buys programming from ITV currently. There may be a risk that STV has reduced bargaining power against a larger entity or that a merged Sky/ITV may be less committed to STV (noting STV is an opportunity cost on ITV's business compared to if they broadcast directly in those regions of Scotland). If these risks materialise, STV could face challenges in sustaining its current commercial position, potentially affecting its ability to provide a range of high-quality broadcasting content for audiences across Scotland. Everyone TV, owned by the PSBs (BBC, ITV, C4 and C5), is the body running the main free to air TV platforms in the UK. Pursuant to the proposed acquisition, Sky will acquire a controlling 25% stake in Everyone TV. The Secretary of State considers it may be appropriate for Ofcom to examine the impact of the merger on STV and Everyone TV under this public interest consideration.

The Secretary of State is concerned that any negative impacts on the quality of regional news and or the range of content provided by STV could have detrimental impact on the availability throughout the UK of a wide range of broadcasting which, when taken as a whole, is of high quality and calculated to appeal to a wide variety of tastes.

ODPS considerations

Sky's ODPS portfolio relies on subscription pay-TV models, whereas ITV operates ITVX as a leading free, ad-supported commercial streaming platform. ITV is currently incentivised to keep ITVX as a free-to-access service, because the Media Act 2024 allows PSBs to fulfil their quotas under their PSB licences across digital platforms.

Sky and ITV may have incentives to streamline and consolidate their ODPS services for the reasons set out earlier in this letter. This gives rise to the possibility that free-to-air ITVX content may diminish and be put behind a paywall in the future. This could particularly affect those groups who are particularly reliant on free to air on-demand content, such as older people, lower-income groups, and people in rural areas. The Secretary of State is concerned that if this were to occur, there could be a diminution in the wide range of high-quality and varied ODPS programming available throughout the UK. Content which exceeds ITV's PSB quotas could be most at risk.

Conclusion

The Secretary of State considers she has reasonable grounds for suspecting that there are arrangements in progress, which, if carried into effect, will result in the creation of a relevant merger situation involving Sky and ITV. She is minded to believe that the public interest considerations specified in this letter may be relevant to a consideration of the proposed acquisition, and that the appropriate course is for her to receive reports from the CMA and Ofcom, before deciding whether to make a reference under section 45 for a more detailed consideration of these matters by the CMA.

You are invited to provide representations in writing in response to this letter. Any such representations should be sent to me by email by 9am on Tuesday 20th October 2026. The Secretary of State will consider these representations before taking a final decision on

whether or not to issue a public interest intervention notice in respect of the proposed acquisition.

Yours sincerely

[redacted]

[redacted]

Director, Media & International