

# Press release: Statement on the proposed Sky plc / 21st Century Fox Inc. merger

**In a statement issued today, the Culture Secretary said:**

Today I can confirm that following my intervention in the proposed acquisition of Sky plc by 21st Century Fox Inc., I have received reports from Ofcom on two public interest grounds, and the Competition and Markets Authority (CMA) on jurisdiction, as set out in the European Intervention Notice (EIN) issued on 16th March 2017.

In addition, Ofcom has provided me with a copy of its separate fit and proper assessment which it carried out in accordance with its duty under the Broadcasting Acts 1990 and 1996, and which it confirmed on the 16th March would be considered within the same timeframe as the public interest assessment.

The EIN issued on 16th March required Ofcom to assess and report to me on two public interest grounds: 1) the need for there to be a plurality of persons controlling media enterprises; and 2) for those carrying on or in control of such enterprises to have a genuine commitment to the attainment of broadcasting standards objectives. It also required the CMA to report to me on jurisdiction.

The reports were originally due on the 16th May and, on the 21st April, I extended this deadline to 20th June in light of the announcement of the General Election.

The decision before me now, which I am required to take acting in a quasi-judicial capacity, is whether – taking account of the specified public interest grounds – it is, or may be the case, that the merger operates, or may be expected to operate, against the public interest and therefore whether or not to refer for a fuller phase 2 investigation by the CMA. I will consider these reports in detail before coming to an initial view on whether or not I am minded to refer the merger.

I will aim to make my initial ‘minded to’ decision, publish the CMA and Ofcom public interest reports – in line with the requirements under the Enterprise Act 2002 – and return to Parliament to make an oral statement by Thursday 29th June. There will then be an opportunity for representations to be made before I take a final decision.

In the meantime, given the ongoing quasi-judicial nature of this process, I am unable to comment substantively on the matter of this case. My priority remains – as it has throughout this proposed merger – to make my decision independently, following a process that is scrupulously fair and impartial, and as quickly as possible.

## Notes to Editors

1. The Culture Secretary intervened in the proposed acquisition of Sky plc by 21st Century Fox by issuing a European Intervention Notice (EIN) on Thursday 16th March. The EIN specified that reports on two public interest grounds by Ofcom and on jurisdiction by the CMA, should be submitted by Tuesday 16th May.
  2. On 21st April the Culture Secretary extended this deadline to Tuesday 20th June due to the announcement of the General Election.
  3. The reports from the CMA and Ofcom to the Culture Secretary will be published on our website by Thursday 29th June. Ofcom's separate fit and proper assessment will be published by them (on the same timetable).
  4. All the received representations and statements detailing the process and requirements up till this point are available on the [DCMS website](#).
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## News story: Hepatitis A among gay and bisexual men

Public Health England (PHE) is urging gay and bisexual men to take extra precautions against infection of hepatitis A, as cases are increasingly reported in the community. Those attending World Pride in Madrid are encouraged to visit their genitourinary medicine (GUM) clinic to request the vaccine.

Those not travelling to World Pride are advised to ask about vaccination at their next sexual health check-up.

Hepatitis A is a highly infectious virus causing inflammation of the liver, with symptoms including vomiting, diarrhoea and a flu-like illness. While it can be transmitted through food or water contaminated with faeces, the recent cases among men who have sex with men (MSM) are believed to have been spread through oral or anal sex.

Those most at risk are MSM with multiple partners, while some cases have been linked to those visiting Spain and other European countries.

Cases are more prevalent in London. However, as people travel within the UK or further abroad this summer, it is feared more will be exposed to the virus.

Dr Mary Ramsay, Head of Immunisation at PHE, said:

Hepatitis A among gay and bisexual men is significantly higher than usual, making it important to take extra care – especially if travelling to other countries. MSM and bisexual men are at highest

risk and should ask about the hepatitis A vaccine next time they visit a GUM clinic.

The Spanish government has asked those attending the World Pride event in Madrid to get protected but there are some vaccine shortages locally. Therefore, those intending to travel should ask at their GUM clinics before they leave.

For those not vaccinated, infection can be avoided through careful hygiene during and after sex. The advice is to:

- wash your hands after sex (ideally buttocks, groin and penis too)
- use protection for fingering, rimming and fisting
- change condoms between anal and oral sex
- avoid sharing sex toys

Hepatitis A is usually mild, although it can last for several weeks and in some cases requires hospitalisation.

PHE is working with partners including Terrence Higgins Trust to raise awareness of the preventative measures, as well as symptoms of hepatitis A, to avoid further spread of the virus.

Cary James, Head of Health Improvement at Terrence Higgins Trust, said:

We're concerned about the outbreak of hepatitis A, a virus which affects the liver. Gay and bisexual men are particularly affected so we would urge them to follow PHE's advice around vaccination, be aware of the symptoms and follow the prevention advice.

By following these easy steps, you will stay protected and can enjoy a safe, healthy and happy Pride season.

Symptoms of Hep A can include:

- a short, mild, flu-like illness
  - nausea and vomiting
  - diarrhoea
  - loss of appetite
  - weight loss
  - jaundice (yellow skin and whites of eyes, darker yellow urine and pale faeces)
  - itchy skin
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## **Press release: Cabinet meeting statement: 20 June 2017**

In this morning's Cabinet meeting, ministers discussed upcoming Parliamentary business, including tomorrow's Queen's Speech which heralds an historically important two-year session to help deliver the legislation for a successful Brexit.

Ministers also discussed the awful events of the past week. The Prime Minister expressed her appreciation of the police and emergency services for their bravery and professionalism.

On Grenfell Tower, the Secretary of State for Communities and Local Government updated Cabinet on the efforts to ensure everything is being done to help victims' families and other survivors, as well as looking ahead to the longer-term recovery effort. On the tragic incident at Finsbury Park, the Prime Minister and Home Secretary discussed the importance of ongoing government work in reviewing its Counter Terrorism Strategy and ensuring that police and security services have the powers they need.

The Chancellor of the Exchequer provided Cabinet with an update on the economy and public finances, emphasising the underlying strengths of the UK economy and setting out the importance of making the case for a market economy, sound money and growth as well as prioritising rising productivity.

The Secretary of State for Northern Ireland also provided an update to progress on talks to restore power-sharing institutions.

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## **News story: The AAIB has sent a team to Hertfordshire.**

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## **Press release: Lighting company fined**

## £2.7 million for restricting online prices

The National Lighting Company (NLC) supplies light fittings to a range of retailers who then sell them on. After a detailed [investigation](#), the Competition and Markets Authority (CMA) found it imposed a minimum price on online sellers, who then had to retail goods at, or above, this price.

This kind of illegal practice, known as resale price maintenance (RPM), means customers miss out on the best possible prices and cannot shop around for a better deal on that supplier's products.

NLC, which tried to avoid detection by not committing agreements to writing, has been fined £2.7 million for breaking competition law. The fine covers violations in relation to its Endon and Saxby brands and includes an extra penalty because the company ignored an earlier warning letter from the CMA. A warning letter may be sent when the CMA has reasonable grounds to suspect anti-competitive behaviour. It is not a formal allegation but must be taken seriously and requires a considered response.

The CMA has today sent a number of warning letters to other suppliers in the light fittings sector where there are reasonable grounds to suspect they may also be engaging in RPM.

To help stamp out resale price maintenance, the CMA has also today re-issued its advice to help businesses stay on the right side of the law. This includes an [open letter](#) on RPM, a [film on RPM](#) and [case studies](#) that explain how other businesses have ended up breaking the law.

Ann Pope, CMA Senior Director, Antitrust, said:

"This decision should act as a warning to companies that resale price maintenance is illegal and that warning letters issued by the CMA are to be taken seriously and not to be ignored.

"The digital economy is booming and with so many businesses operating online it is vital that fair competition is maintained across all sectors. The CMA wants to ensure consumers get a fair price and a good deal.

"That can only happen when retailers are free to set their own prices."

### **Notes for editors**

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.

2. The Chapter I prohibition of the Competition Act 1998 covers anti-competitive agreements, concerted practices and decisions by associations of undertakings which have as their object or effect the prevention, restriction or distortion of competition within the UK or a part of it and which may affect trade within the UK or a part of it. Similarly, Article 101 of the Treaty on the Functioning of the European Union (TFEU) prohibits such anti-competitive agreements, concerted practices and decisions by associations of undertakings which may affect trade between EU member states.
3. The CMA has produced a series of [animated videos](#) explaining the main principles of competition law and how they affect small businesses.
4. Any business found to have infringed the Competition Act 1998 could be fined up to 10% of its annual worldwide group turnover. In calculating financial penalties, the CMA takes into account a number of factors including seriousness of the infringement(s), turnover in the relevant market and any mitigating and/or aggravating factors.
5. The infringement decision, which was published today, was addressed to the following companies which the CMA found were directly involved in the infringements and/or are liable as parent companies of the companies directly involved in the infringements:
  - Saxby brand: Poole Lighting Limited, Saxby Lighting Limited and their parent company, The National Lighting Company Limited.
  - Endon brand: Poole Lighting Limited, Endon Lighting Limited and their parent company, The National Lighting Company Limited
6. The CMA has not imposed penalties on any retailer. This is because the CMA has applied Rule 10(2) of its Competition Act 1998 Rules, according to which it may address its infringement decision to fewer than all the persons who were party to the relevant agreements. Whilst the CMA has decided only to impose a penalty on the supplier in this case, retailers should be aware that they can also be fined for entering into RPM agreements with suppliers.
7. NLC's fine was increased for ignoring the CMA's warning letter. However, it also benefited from a 30% reduction to the fine because it applied for and was granted leniency. An additional 20% reduction was applied because NLC voluntarily entered into settlement with the CMA. The fine also included a small reduction as a result of NLC agreeing to implement a comprehensive compliance programme.

8. The CMA may send warning or advisory letters to businesses where it has concerns that they may be harming competition in their market sector. Receiving a warning letter does not mean that a company has broken the law. See '[Warning and advisory letters: essential information for businesses](#)' for further information.
9. Any businesses that have concerns about RPM or other anti-competitive behaviour can contact the CMA by email ([general.enquiries@cma.gsi.gov.uk](mailto:general.enquiries@cma.gsi.gov.uk)) or by phone (020 3738 6000).
10. The CMA currently has 12 ongoing cases open under the Competition Act 1998.
11. For more information on the CMA see our [homepage](#), or Twitter account [@CMAgovuk](#), or [Flickr](#), [LinkedIn](#) and [Facebook](#) pages. Sign up to our [email alerts](#) to receive updates on Competition Act 1998 and civil cartels cases.
12. Information on this investigation, including the non-confidential decision, can be found on the [case page](#).
13. Enquiries should be directed to Rebecca Cassar ([rebecca.cassar@cma.gsi.gov.uk](mailto:rebecca.cassar@cma.gsi.gov.uk), 020 3738 6633).