



# News Release

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## MOVIES ON PAY TV INVESTIGATION

### Issues statement and timetable

The Competition Commission (CC) has today published an issues statement and timetable for its investigation into movies on Pay TV. These can be found at:

[www.competition-commission.org.uk/inquiries/ref2010/movies\\_on\\_pay\\_tv/index.htm](http://www.competition-commission.org.uk/inquiries/ref2010/movies_on_pay_tv/index.htm).

Last month Ofcom announced its [decision](#) to refer the supply and acquisition of subscription Pay TV movie rights and the wholesale supply and acquisition of packages including core premium movies channels, to the CC for investigation. This reference follows a three-year study by Ofcom into the Pay TV market.

The terms of reference defined 'subscription Pay TV movie rights' as the intellectual property rights licensed by the six largest Hollywood studios for the first period during which movies can be exhibited on broadcast channels and/or subscription video on demand (SVOD) services in the UK. 'Core premium channels' were defined as Sky's movies channels.

The CC is now carrying out its own comprehensive investigation to see if any features of each relevant market prevent, restrict or distort competition and, if so, what action might be taken to remedy the resulting adverse effects on competition.

The issues statement identifies the key questions being addressed in the investigation. It does not imply that the Group has yet identified any competition concerns.

The purpose of the issues statement is to inform all interested parties about the key questions the CC will be examining so that they can focus their submissions on those key questions.

The CC is required to report by 3 August 2012, although it intends to complete the investigation in a shorter period if possible, and will publish its provisional findings in April next year.

The CC would like to hear from all interested parties about the issues statement in writing, by 5pm on 24 September 2010. To submit evidence, please email [moviesonpaytv@cc.gsi.gov.uk](mailto:moviesonpaytv@cc.gsi.gov.uk) or write to:

Inquiry Manager  
Movies on Pay TV  
Competition Commission  
Victoria House  
Southampton Row  
LONDON  
WC1B 4AD

### Notes for editors

1. The CC is an independent public body, which carries out investigations into mergers, markets and the regulated industries.
2. Under the Enterprise Act 2002, Ofcom can make a market investigation reference to the CC if it has reasonable grounds for suspecting that competition is not working effectively in that market.
3. The members of the Movies on Pay TV investigation are: Laura Carstensen (*Group Chairman* and *Deputy Chairman* of the CC), Robin Aaronson, Alexander Johnston, Peter Jones and Stephen Oram.
4. In its investigation, the CC is required to decide whether 'any feature, or combination of features, of each relevant market prevents, restricts or distorts competition in connection with the supply or acquisition of any goods or services in the United Kingdom or a part of the United Kingdom'. If so, then there is an adverse effect on competition and the CC will also consider whether this is resulting in a detrimental effect on customers such as higher prices, lower quality or less choice of goods or services. The CC will then decide whether the CC should introduce remedies to tackle the adverse effect on competition or detrimental effect on customers or whether the CC should recommend action be taken by other bodies to remedy the adverse effects on competition and, if so, what actions or remedies should be taken. If the CC finds that there is no adverse effect on competition, the question of remedies will not arise.
5. The Enterprise Act 2002 requires the CC to consult the main parties on its proposed decisions and it will also publish notice of its provisional findings on its website as required by its rules. Full details on the CC's guidelines for Market Investigation references are available on the CC website [www.competition-commission.org.uk](http://www.competition-commission.org.uk).
6. Enquiries should be directed to [Rory Taylor](#) or [Siobhan Allen](#) or by ringing 020 7271 0242.