

Terms of the market investigation reference

Ofcom, in exercise of its powers under sections 131 and 133 of the Enterprise Act 2002 (the Act) hereby makes a reference to the Competition Commission for an investigation into the supply and acquisition of **Subscription Pay TV Movie Rights** and into the wholesale supply and acquisition of **packages including Core Premium Movies channels**.

Ofcom has reasonable grounds for suspecting that a combination of features of the market or markets in the UK in which the **Subscription Pay TV Movie Rights** and **packages including Core Premium Movies channels** are supplied and acquired prevents, restricts or distorts competition in connection with the supply of these rights and the supply of packages including Core Premium Movies channels in the UK.

(signed) STUART MCINTOSH
Ofcom Competition Partner and Executive Board member
4 August 2010

Definitions

For the purposes of this reference:

“**Core Premium Movies channels**” means Sky Movies channels.

“**Major Hollywood Studios**” means the members of the Motion Picture Association of America and their wholly owned or controlled subsidiaries.

“**Subscription Pay TV Movie Rights**” means the intellectual property rights licensed by the Major Hollywood Studios, which:

- i) permit the exhibition of movies on broadcast channels and/or Subscription Video on Demand Services in the UK; and
- ii) relate to the first period during which movies are licensed for exhibition on subscription broadcast channels or Subscription Video on Demand Services.

“**Subscription Video on Demand Services**” means video on demand services for which a subscription fee is levied.

“**Ofcom**” means The Office of Communications.

“**Packages including Core Premium Movies channels**” are packages including at least one “Core Premium Movies channel” and which may include other products or services, including but not limited to subscription video on demand services.

“**Sky Movies channels**” means those television broadcast channels offered by Sky for wholesale and retail, which wholly or mainly comprise movies, and for which a subscription fee is levied that is not associated with the provision of channels wholly or mainly comprising non-movies content.