



News Release

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OFCOM REFERS PAY TV MOVIES INVESTIGATION TO COMPETITION COMMISSION

Competition Commission invites evidence

Ofcom has announced today its [decision](#) to refer the supply and acquisition of certain pay-TV movie rights and the supply and acquisition of pay-TV packages including certain movie channels to the Competition Commission (CC) for investigation.

This reference follows a three-year study by Ofcom into the pay-TV market.

The CC will now carry out its own comprehensive investigation, to see if there are any features relating to the supply and acquisition of these rights and products which prevent, restrict or distort competition and, if so, what action might be taken to remedy them.

The CC is required to report by 3 August 2012, although it will aim to complete the investigation in a shorter period.

The CC will appoint members to its inquiry group. The group will begin by considering the evidence which Ofcom has already gathered through the course of its study. It is the CC's intention that the group will then publish an issues statement setting out the issues which it believes it needs to consider through the course of its investigation and interested parties will be invited to provide it with detailed submissions in response to this statement.

In the meantime, any interested party is invited to provide the CC with a summary of its views. Any such submissions should be received by 18 August 2010.

To submit evidence, please email 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, sectoral regulators such as Ofcom can make a market investigation reference to the CC if it has reasonable grounds for suspecting that competition for the supply or acquisition of certain goods or services is not working effectively.
3. In its inquiry, 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.
4. 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 the CC 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/rep_pub/rules_and_guide/pdf/cc3.pdf.
5. Enquiries should be directed to [Rory Taylor](#) or [Siobhan Allen](#) or by ringing 020 7271 0242.