

APPENDIX 1

(Referred to in paragraph 1)

**Reference to the Monopolies Commission
under Section 8 of the Monopolies and Mergers Act 1965**

'Tottenham & Edmonton Weekly Herald'

'Wood Green, Southgate & Palmers Green Weekly Herald'

'Enfield Weekly Herald'

Whereas on 25th September, 1967, the Board of Trade received an application for their consent under section 8(1) of the Monopolies and Mergers Act 1965 to the transfer of three newspapers owned by Crusha and Son Limited, namely the 'Tottenham & Edmonton Weekly Herald', the 'Wood Green, Southgate & Palmers Green Weekly Herald' and the 'Enfield Weekly Herald', to Thomson Newspapers Limited: And whereas by virtue of subsection (3) of the said section 8 the Board of Trade are required to refer the matter of the proposed transfer to the Monopolies Commission for investigation and report so far as it relates to the 'Tottenham & Edmonton Weekly Herald':

Now, therefore, the Board of Trade in pursuance of the said section 8(3) hereby refer to the Monopolies Commission for investigation and report the matter of the proposed transfer of the three newspapers hereinbefore mentioned.

Dated 10th October 1967

(signed) F. W. GLAVES-SMITH
An Under Secretary of the Board of Trade

APPENDIX 2
(Referred to in paragraph 27)

Crusha and Son Ltd.

Sales and advertisement revenue, profits and profit rates for the five years ended 31st December 1966

| | 1962 | 1963 | 1964 | 1965 | 1966 |
|--|---------|---------|---------|---------|---------|
| | £ | £ | £ | £ | £ |
| Sales and advertisement revenue | | | | | |
| Printing sales | 45,281 | 45,744 | 47,301 | 44,358 | 46,408 |
| Herald advertisements | 132,978 | 137,819 | 173,076 | 199,510 | 201,782 |
| Herald sales | 24,701 | 24,788 | 24,410 | 24,538 | 24,558 |
| Sundry sales | 568 | 597 | 763 | 717 | 587 |
| Totals | 203,528 | 208,948 | 245,550 | 269,123 | 273,335 |
| Trading profit, after deducting all costs | 53,501 | 57,510 | 79,953 | 98,081 | 99,202 |
| Income from investments and deposits | 5,604 | 5,928 | 6,582 | 8,084 | 11,263 |
| Total profit | 59,105 | 63,438 | 86,535 | 106,165 | 110,465 |
| Trading profit as percentage of trading capital employed* | 44% | 44% | 56% | 62% | 57% |
| Total profit as percentage of total capital employed† | 25% | 24% | 30% | 31% | 28% |

* Trading capital employed consists of fixed assets (freehold property, plant, machinery, etc) and net current assets.

† Total capital employed consists of trading capital plus investments and deposits.

Note: Crusha has two wholly-owned subsidiaries (Warrington & Co. Ltd and F. J. Glindon Ltd) both of which trade on only a small scale. We have included the shareholdings in and indebtedness of the subsidiaries in trading capital employed; dividends received from one of the subsidiaries by Crusha have been added to Crusha's trading profits. In the five years 1962-1966 the dividends (gross) varied between £1,200 and £1,500.

APPENDIX 3 (Part 1)
(Referred to in paragraph 37)

The Thomson Organisation Ltd.

Daily and Sunday Newspapers

| | <i>Newspaper</i> | <i>Class</i> | | | <i>Circulation for half-year to June 1966</i> | <i>Circulation for half-year to June 1967</i> |
|-----------------|---|--------------|---------|--------|---|---|
| | | Morning | Evening | Sunday | | |
| national daily | The Times | M | | | 273,148 | 334,143 |
| national Sunday | The Sunday Times | S | | | 1,360,320 | 1,511,948 |
| local Sunday | Sunday Sun (Newcastle) | S | | | 252,849 | 260,006 |
| local dailies | The Press & Journal (Aberdeen) | M | | | 104,032 | 105,229 |
| | Evening Express (Aberdeen) | E | | | 74,347 | 75,090 |
| | The Journal (Newcastle) | M | | | 114,916 | 113,472 |
| | Evening Chronicle (Newcastle) | E | | | 245,087 | 249,514 |
| | Evening Gazette (Middlesbrough) | E | | | 119,362 | 123,191 |
| | Sporting Chronicle | M | | | 99,742 | 98,773 |
| | Evening Star (Burnley) | E | | | 29,752 | 30,418 |
| | Lancashire Evening Telegraph (Blackburn) | E | | | 71,043 | 72,110 |
| | Western Mail (Cardiff) | M | | | 103,006 | 104,351 |
| | South Wales Echo (Cardiff) | E | | | 154,671 | 156,903 |
| | Belfast Telegraph | E | | | 215,070 | 219,874 |
| | The Scotsman | M | | | 72,865 | 73,092 |
| | Edinburgh Evening News & Dispatch | E | | | 165,868 | 165,899 |
| | Evening Post (Reading) | E | | | 25,115* | 40,590 |
| | Evening Post (Luton) | E | | | | launched September 1967 |
| | Evening Post (Watford) | E | | | | launched October 1967 |

*May 1966

APPENDIX 3 (Part 2)
(Referred to in paragraph 37)

The Thomson Organisation Ltd.

Weekly Newspapers *

| <i>Newspaper</i> | <i>Circulation for half-year to June 1966</i> | <i>Circulation for half-year to June 1967</i> |
|---|---|---|
| Lancashire County Express series (3 papers) | 9,771 | 11,400 |
| Stockport Express series (2 papers) | 36,285 | 33,992 |
| Macclesfield Express | 18,319 | 18,659 |
| Salford City Reporter | 22,071 | 22,614 |
| Merthyr Express series (3 papers) | 26,059 | 26,345 |
| Pontrypridd Observer series (4 papers) } | 33,721 | 33,827 |
| Rhondda Leader series (2 papers) } | | |
| Glamorgan Gazette | 18,608 | 18,731 |
| Neath Guardian (2 papers) | 18,829 | 19,542 |
| Aberdare Leader | 15,350 | 15,490 |
| South Wales Gazette | 3,858 | 3,993 |
| Ballymena Times (formerly Ballymena Weekly Telegraph) ... | 9,783 | 11,111 |
| East Antrim Times | 14,950 | 15,732 |
| Chester Chronicle (3 editions) | 24,148 | 30,720 |
| Crewe Chronicle/Nantwich Chronicle | 30,523 | 31,126 |
| Northwich/Middlewich & Winsford Chronicle | 9,309 | 9,432 |
| Flintshire County Herald | 6,828 | 6,764 |
| Wokingham, Bracknell & Ascot Times... .. | 13,998 | 13,752 |

* Seven weekly newspapers (listed in the footnote to paragraph 37) are published by Highland Printers Ltd.

APPENDIX 4

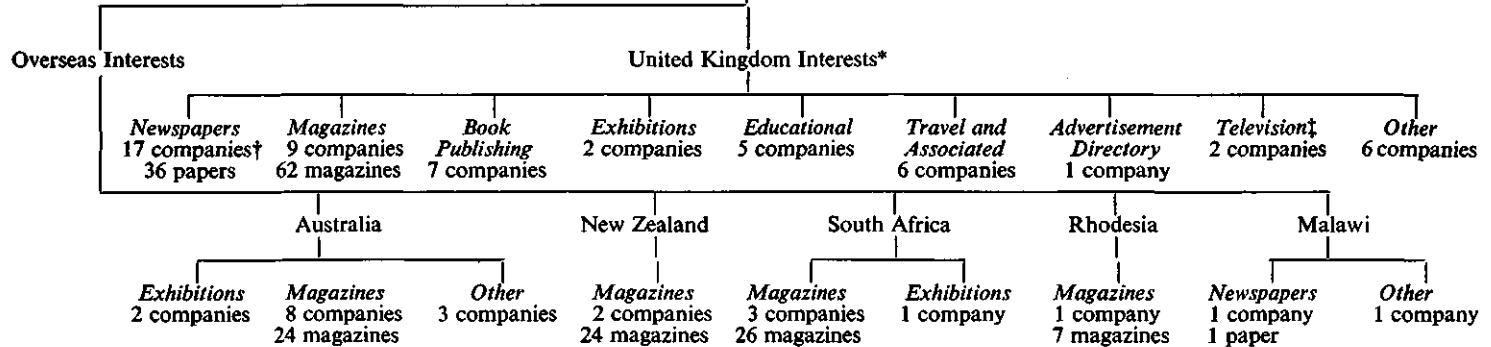
(Referred to in paragraphs 39 and 44)

The Thomson Organisation Ltd.

Principal business interests in the United Kingdom and elsewhere

Companies registered in the United Kingdom

The Thomson Organisation Ltd



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Other Thomson business interests

Companies registered in Canada

| | | | |
|--|--|---|---|
| <i>Newspapers</i> 41 in Canada 36 in USA 1 in Thailand 7 in West Indies 2 in Guyana | <i>Television</i> 3 stations in Canada 1 station in Trinidad | <i>Radio</i> 5 stations in Canada 1 station in Trinidad | <i>Printing</i> 1 company in each of Scotland, Eire and India |
|--|--|---|---|

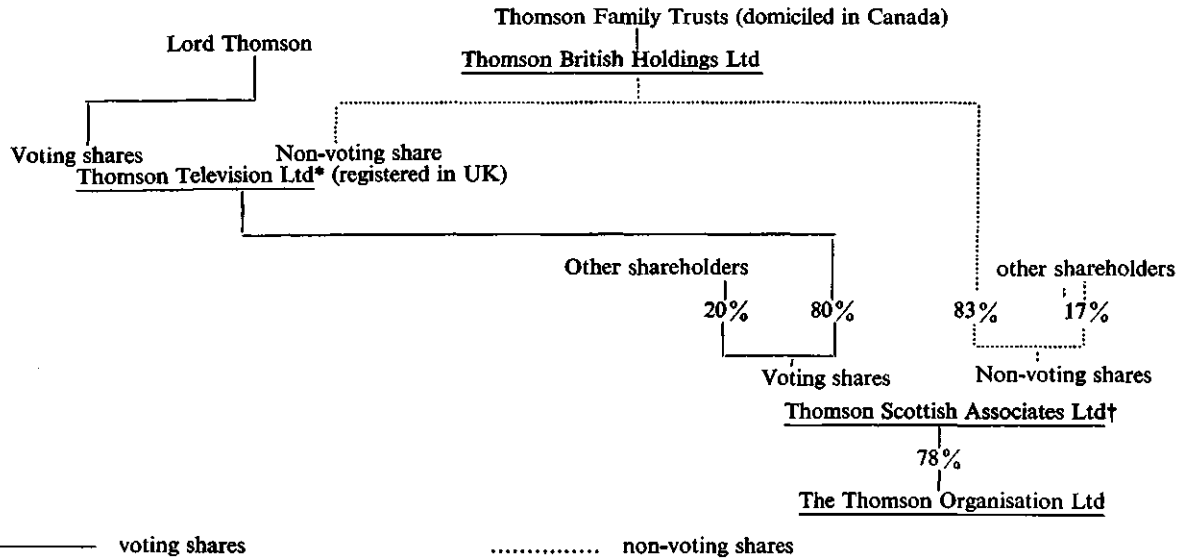
Notes: * Through their holding in Thomson Scottish Associates the Thomson interests operate seven newspapers in Scotland.

† One of these companies, Thomson Newspapers Ltd (a wholly-owned subsidiary), is the company referred to by the Board of Trade in the reference (see Appendix 1).

‡ Only one of these companies, Scottish Television Ltd, is a TV programme company, and this will cease to be a subsidiary as from mid-1968 (see paragraph 40). The other operates television overseas.

APPENDIX 5
 (Referred to in paragraph 44)

The Thomson Organisation Ltd.
Voting Control



* The voting shares in Thomson Television Ltd form 1 per cent of the par value of the total equity of the company.

† The voting shares in Thomson Scottish Associates Ltd form 0.8 per cent of the par value of the total equity of the company.

APPENDIX 6
(Referred to in paragraph 45)

The Thomson Organisation Ltd.

Group financial statistics

| Years ended 31st December | 1961 | 1962 | 1963 | 1964 | 1965* | 1966 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | £,000 | £,000 | £,000 | £,000 | £,000 | £,000 |
| Net Assets Employed: | | | | | | |
| Current assets | 7,491 | 9,656 | 11,791 | 13,231 | 16,887 | 20,357 |
| Property, plant and trade investments | 16,367 | 19,174 | 21,983 | 25,760 | 27,501 | 29,009 |
| Copyrights and goodwill | 15,496 | 15,778 | 16,619 | 17,103 | 19,036 | 20,321 |
| TOTAL ASSETS | 39,354 | 44,608 | 50,393 | 56,094 | 63,424 | 69,687 |
| <i>Current and other liabilities</i> | 8,549 | 12,666 | 10,802 | 10,875 | 16,167 | 21,091 |
| <i>Provision for pensions</i> | 1,233 | 1,118 | 998 | 886 | 1,334 | 1,191 |
| NET ASSETS | 29,572 | 30,824 | 38,593 | 44,333 | 45,923 | 47,405 |
| Financed as follows: | | | | | | |
| Issued ordinary capital | 5,870 | 5,925 | 5,925 | 7,117 | 7,124 | 7,152 |
| Capital reserves | 1,587 | 1,754 | 1,707 | 4,425 | 4,418 | 4,503 |
| Retained group profit | 5,439 | 5,841 | 6,848 | 7,638 | 9,258 | 8,897 |
| TOTAL ORDINARY SHAREHOLDERS' | | | | | | |
| INTEREST | 12,896 | 13,520 | 14,480 | 19,180 | 20,800 | 20,552 |
| Issued preference capital | 9,500 | 9,500 | 9,500 | 9,500 | 9,500 | 9,500 |
| Minority interests in subsidiaries | 2,056 | 1,932 | 2,014 | 2,084 | 4,528 | 4,757 |
| Debenture stocks and loans | 2,742 | 3,002 | 9,569 | 9,402 | 9,381 | 10,471 |
| Deferred taxation | 2,378 | 2,870 | 3,030 | 4,167 | 1,714 | 2,125 |
| TOTAL FUNDS INVESTED | 29,572 | 30,824 | 38,593 | 44,333 | 45,923 | 47,405 |
| Sales | 29,520 | 33,862 | 40,869 | 44,570 | 54,204 | 62,985 |
| Trading profit | 4,777 | 4,667 | 5,369 | 6,711 | 6,974 | 7,588 |
| Depreciation | 648 | 695 | 798 | 903 | 1,024 | 1,412 |
| Profit for the year after taxation | 2,115 | 2,186 | 2,563 | 3,149 | 3,625 | 3,406 |
| Dividends: preference—less income tax | 818 | 818 | 818 | 818 | 789 | 112 |
| gross | — | — | — | — | — | 1,145 |
| ordinary —less income tax | 849 | 871 | 871 | 1,188 | 1,172 | — |
| gross | — | — | — | — | — | 1,502 |
| Cash flow—pence per Ordinary Share | 19·88d | 20·89d | 25·75d | 27·27d | 32·51d | 29·88d† |
| Earnings on Ordinary Shares—pence per share | 13·26d | 13·85d | 17·67d | 19·65d | 23·89d | 18·03d† |
| Dividend on Ordinary Shares—pence per share—less income tax | 8·82d | 8·82d | 8·82d | 10·02d | 9·87d | — |
| gross | — | — | — | — | — | 16·80d |
| Trading profit, as a percentage of total funds invested | 16·2% | 15·1% | 13·9% | 15·1% | 15·2% | 16·0% |

* Adjusted to take into account Corporation Tax at 40%

† After deducting gross preference dividends.

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