

NI Group Limited  
F Michel  
Second Statement  
21 May 2012

**IN THE MATTER OF THE LEVESON INQUIRY INTO THE CULTURE, PRACTICES  
AND ETHICS OF THE PRESS**

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**SECOND WITNESS STATEMENT OF  
FREDERIC MICHEL**

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- 1** I will comment in this statement, as requested, upon the communications which I had with government representatives in the Department for Culture, Olympics, Media and Sport ("DCMS"), No.10 Downing Street, The Department for Business, Innovation and Skills ("BIS") and the Treasury in the period June 2010 to July 2011.
- 2** As I set out in my statement dated 18 April 2012, I joined News Corporation in May 2009 as Director of Public Affairs, Europe and was promoted to my current role as Senior Vice-President of Government Affairs and Public Policy in Europe in December 2011.
- 3** As I have already explained, my role, similar to my equivalents in any multi-national corporation, is to lead regulatory and public policy efforts for News Corporation's businesses across Europe. These businesses include our European based businesses, such as Sky Italia, News International, Fox Turkey and our investments in BSkyB and Sky Deutschland, as well as our US based businesses that operate in Europe, such as Fox, HarperCollins and Dow Jones.
- 4** I act as a central point, liaising with the public affairs executives in each of the subsidiary companies and assisting them in escalating any important local issues to group and European level where appropriate. I also coordinate public affairs activities across the group and represent News Corporation's group interests.
- 5** In representing the subsidiary businesses and the group as a whole I engage with the European Commission and European Parliament and with national governments as well as with the wider policy community, by which I mean industry experts, think tanks, pressure groups, members of national parliaments, NGO's, trade associations and similar actors.
- 6** My role in the UK, as in other European countries, includes identifying UK policy issues and concerns and coordinating responses across News Corporation's markets and teams. I also advocate for the business interests of News Corporation with relevant government

ministries and shadow ministries as well as with individual Members of Parliament, task forces, trade associations and think tanks. I promote and seek support for News Corporation's key commercial objectives in the UK media sector.

- 7** Matters which I address include sector related issues such as regulation as well as broader policy issues affecting the media. I also address wider, non sector specific issues such as taxation, the UK growth agenda and climate change.
- 8** I also represent News Corporation in relation to the UK government's actions in international markets, for example in relevant government activities in key regions such as the efforts to develop media skills in India. We also sometimes seek assistance from government in dealing with critical business issues in other international markets such as the blocking of our Farsi channel in the Middle East.
- 9** I seek to achieve this both by facilitating the interaction of News Corps executive management with policy makers across all parties and through my own contact with relevant individuals. In the latter case, it is an integral part of my role to keep News Corporation's executive management informed and abreast of all discussions and interactions that I have.
- 10** In order to carry out my function I have obviously established ongoing working relationships with individuals in all of the entities I describe above, which include relevant government departments and members of the opposition. In my contacts with government I mainly deal with special advisers or senior civil servants, with some contact with junior ministers from time to time. I have sought to develop and maintain a reasonable level of contact with ministers within DCMS as the government department responsible for our sector. Beyond that, while I might organise contact and meetings with cabinet ministers, they would engage with senior News Corporation management, not with me.
- 11** Some of my communications with government departments are essentially administrative, for example where I am arranging meetings between ministers and News Corporation executives. Others are more substantive, for example identifying relevant issues and suggesting agendas for meetings or calls, or offering or providing input on relevant policy issues.
- 12** I have been asked specifically to comment on my communications with representatives of the four departments of government set out above in the period June 2010 to July 2011. I have already dealt with communications with Jeremy Hunt and Adam Smith of DCMS relating to the BSkyB bid in my statement dated 18<sup>th</sup> April of this year. I was, of course, also dealing with many other individuals in this period about a number of different issues.

- 13** Issues which I discussed with the offices of the Prime Minister and the Deputy Prime Minister included the Hargreaves intellectual property review, the Indian Trade Mission, the Big Society campaign and digital innovation.
- 14** The people with whom I communicated in these offices over this period were: Rohan Silva, Special Adviser to David Cameron; Andy Coulson and Craig Oliver, Directors of Communications for David Cameron; Steve Hilton, Senior Adviser to David Cameron; Gabby Bertin, Press Officer to David Cameron; Tim Colbourne, Special Adviser, No.10; Lena Pietsch, Director of Communications for Nick Clegg; and Jonny Oates, Chief of Staff to Nick Clegg.
- 15** In respect of the office of the Deputy Prime Minister , I would like to make a minor correction to the document prepared by Linklaters dated 12<sup>th</sup> April 2012 attached to exhibit KRM18. References to Mr Clegg in the email dated 21<sup>st</sup> December 2012 are in fact based on contact with Lena Pietsch and not with Jonny Oates.
- 16** Issues other than the BskyB bid that I raised with DCMS in this period included internet piracy, local TV networks, the Hargreaves intellectual property review, and the Communications Bill.
- 17** At DCMS, as well as Adam Smith and Jeremy Hunt, I dealt with: Jon Zeff, Director of Media; [redacted] [redacted] to Jeremy Hunt; and Ed Vaizey, Minister for Culture, Communications and Creative Industries.
- 18** At the Treasury I communicated with Rupert Harrison, Chief of Staff to George Osborne. Issues which I recall dealing with were the BskyB bid, VAT on Newspapers and the Hargreaves Review.
- 19** Issues addressed with BIS included the BskyB bid and matters such as the skills agenda, the creative industries, the India/UK Trade Initiative, and the BIS growth review.
- 20** At BIS I spoke with Giles Wilkes, Special Adviser to Vince Cable; [redacted] a BIS official; [redacted] Permanent Secretary; Nick Hillman, special Adviser to David Willetts; and [redacted] a BIS official.
- 21** While I appreciate that the Inquiry is now focusing upon my communications with these departments, I should make clear that my job required me to communicate with any department of government that dealt with matters relevant to the business of News Corporation.
- 22** Such communications were by various means including telephone, SMS message, email and face to face meetings. As well as one to one communications, I also took part in and facilitated News Corporation's participation in formal submissions to government and round table discussions including other industry representatives. I would also provide what I felt

was useful information to my contacts including briefings, copies of speeches by News Corporation executives and relevant policy submissions and memoranda.

I believe that the facts stated in this witness statement are true.

Signed ....



Dated .....

21/05/2012