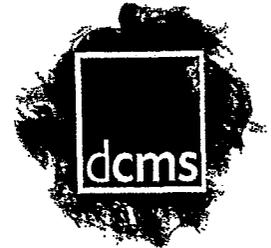




CMS 164661/DC

John Fingleton  
Chief Executive  
Office of Fair Trading  
2 – 6 Salisbury Court  
LONDON  
EC4Y 8JX



department for  
culture, media  
and sport

27 January 2011

*Dear John,*

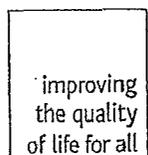
### **NEWS CORP/BSKYB PROPOSED MERGER: NEXT STEPS**

I announced on Tuesday that I intend to refer the above merger to the Competition Commission but, before doing so, will consider undertakings in lieu (UILs) offered by News Corporation which could have the potential to prevent or otherwise mitigate the potential threats to media plurality identified in the Ofcom report.

In accordance with Section 93 of the Enterprise Act, I am therefore writing to ask you to consult with both merging parties with a view to discovering whether those undertakings are in your view practically and financially viable, so that they would be acceptable to me. I would like you to let me know your view on this within 2 weeks, but I suggest my officials meet with you or your officials at the earliest opportunity to discuss an appropriate timetable.

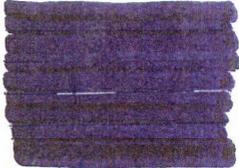
I have also written today to Ofcom to ask them for their advice on the potential impact of the UILs on the concerns they raised about media plurality in their report delivered to me on 31 December 2010. I have also asked that Ofcom provide any assistance you might require in considering the UILs.

I enclose a confidential version of Ofcom's report in order that you are aware of the issues which this merger raises, together with a draft of the undertakings offered by News Corporation. Whilst Ofcom are considering plurality issues, I would be grateful if you could consider if there are any practical issues which could undermine the operation of the undertakings and whether they would be effective over the medium



and long term. I understand that, of necessity, this will be a somewhat iterative process between the OFT, Ofcom, and my officials, as well as involving consultation with the merging parties who may agree to vary their undertakings to meet any specific concerns you raise.

*Yes*



**Rt Hon Jeremy Hunt MP**  
**Secretary of State for Culture, Olympics, Media and Sport**