

Press release: Statement on the proposed merger between Sky plc / 21st Century Fox Inc

On 5 June I made a statement to the House in which I set out my decision in relation to the proposed merger between 21st Century Fox and Sky.

I announced that having considered the CMA's report, I agreed with their findings on the public interest grounds and their finding that undertakings to divest Sky News to Disney or to an alternative suitable buyer could potentially remedy the adverse plurality public interest concerns identified.

I also noted that there remained a number of issues with the undertakings that had been offered and that these would require discussions between my officials and the parties in order to reach agreement on an acceptable form of the remedy.

Following the successful conclusion of these discussions and the resolution of these issues, I am today publishing updated undertakings offered by 21CF along with new undertakings offered by Disney for the divestment of Sky News to Disney.

These undertakings are offered on improved terms and will include:

- a commitment from Disney to operate and maintain a Sky News branded news service for 15 years rather than 10 years
- a restriction on Disney from selling Sky News for 15 years without the consent of the Secretary of State
- an extension of the funding commitment from 21st Century Fox from 10 years to 15 years
- an increase in the total funds available to Sky News, to at least £100m per year, with operating costs protected in real terms
- a formal commitment from Disney to preserve the editorial independence of Sky News

In my view, these revised undertakings meet the criteria that I set out to the House on 5 June and will help to ensure that Sky News remains financially viable over the long term; is able to operate as a major UK-based news provider; and is able to take its editorial decisions independently, free from any potential outside influence.

Under the legislation, I am required to consult formally for 15 days on the undertakings, which I propose to accept. Views as to whether these proposals are sufficient to remedy the adverse plurality public interest concerns raised by this merger are sought by 5pm on Wednesday 4 July 2018.