

APPENDIX 1.1
(referred to in paragraphs 1.1, 2.1, 3.2 and 3.3)

The references and background

1. On 12 March 1999 the Department of Trade and Industry sent to the MMC the following references:

Whereas the Secretary of State received on 3 March 1999 an application, which was amended by letters dated 8, 10 and 11 March 1999, for his consent under section 58 of the Fair Trading Act 1973 ("the Act") to the transfer to Trinity plc ("Trinity"), a newspaper proprietor, of the newspapers specified in the Schedule hereto, of the assets necessary for the continuation of those newspapers as separate newspapers and of plant and premises used in their publication;

Whereas the average circulation per day of publication (calculated in accordance with section 57(3) of the Act) of the newspapers specified in the Schedule hereto together with that of the newspapers of which Trinity is already a newspaper proprietor amounts to 500,000 or more copies;

Now, therefore, the Secretary of State in exercise of his powers under section 59 of the Act, hereby refers the matter of the proposed transfers to the Monopolies and Mergers Commission ("the Commission") for investigation and report on whether any of the transfers in question may be expected to operate against the public interest.

The Commission shall report on this reference within a period ending on 11 June 1999.

12 March 1999

(signed) ANN EGGINGTON
*An official at the Department
of Trade and Industry*

Whereas the Secretary of State received on 4 March 1999 an application, which was amended by letters dated 8, 10 and 11 March 1999, for his consent under section 58 of the Fair Trading Act 1973 ("the Act") to the transfer to Regional Independent Media Holdings Limited ("RIM"), a newspaper proprietor, of the newspapers specified in the Schedule hereto, of the assets necessary for the continuation of those newspapers as separate newspapers and of plant and premises used in the publication;

Whereas the average circulation per day of publication (calculated in accordance with section 57(3) of the Act) of the newspapers specified in the Schedule hereto together with that of the newspapers of which RIM is already a newspaper proprietor amounts to 500,000 or more copies;

Now, therefore, the Secretary of State in exercise of his powers under section 59 of the Act, hereby refers the matter of the proposed transfers to the Monopolies and Mergers Commission ("the Commission") for investigation and report on whether any of the transfers in question may be expected to operate against the public interest.

The Commission shall report on this reference within a period ending on 11 June 1999.

12 March 1999

(signed) ANN EGGINGTON
*An official at the Department
of Trade and Industry*

List of titles to be transferred to which the applications relate

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| <i>Ashby Echo</i> | <i>Racing Post Weekender</i> |
| <i>Bedworth Echo</i> | <i>Rugby Evening Telegraph</i> |
| <i>Bedworth Evening Telegraph</i> | <i>Scottish Mirror</i> |
| <i>Birmingham Evening Mail</i> | <i>Shepshed Echo</i> |
| <i>Birmingham Metro News</i> | <i>Solihull Evening Mail</i> |
| <i>Black Country Evening Mail</i> | <i>Solihull News</i> |
| <i>Brackley Post</i> | <i>Solihull Times</i> |
| <i>Burton Trader</i> | <i>Spalding Post</i> |
| <i>Cannock Chase Post</i> | <i>Sports Argus</i> |
| <i>Chase Sunday Post</i> | <i>Stamford Herald & Post</i> |
| <i>Coalville Echo</i> | <i>Stapleford & Sandiacre News</i> |
| <i>Corby Herald & Post</i> | <i>Sunday Mail</i> |
| <i>Coventry Citizen</i> | <i>Sunday Mercury</i> |
| <i>Coventry Evening Telegraph</i> | <i>Sunday Mirror</i> |
| <i>Daily Record</i> | <i>Sunday People</i> |
| <i>Derby Trader</i> | <i>Sutton Coldfield News</i> |
| <i>Derry Journal</i> | <i>Tamworth & North Warwickshire Times</i> |
| <i>East Belfast News</i> | <i>The Birmingham Post</i> |
| <i>Evening Telegraph (For Leamington, Warwick, Kenilworth & Stratford)</i> | <i>The Burntwood Post</i> |
| <i>Harborough Herald & Post</i> | <i>The Glaswegian (North, South and Central editions)</i> |
| <i>Hinckley & South Leicestershire Herald & Journal</i> | <i>The Hinckley Times</i> |
| <i>Journal Extra</i> | <i>The Lichfield Post</i> |
| <i>Kettering Herald & Post</i> | <i>The Mirror</i> |
| <i>Long Eaton Advertiser</i> | <i>The News of Willenhall, Wednesbury & Darlaston</i> |
| <i>Long Eaton Trader</i> | <i>The News of Wolverhampton</i> |
| <i>Loughborough Echo</i> | <i>The Pink</i> |
| <i>Loughborough Echo Trader Xtra</i> | <i>The Rugeley Post</i> |
| <i>Midweek Pink</i> | <i>The Sporting Life</i> |
| <i>News Letter (Belfast and Ulster editions)</i> | <i>The Sporting Life Weekender</i> |
| <i>North Down News</i> | <i>The Stafford Post</i> |
| <i>Northampton Herald & Post</i> | <i>The Trader (Ilkeston & Ripley)</i> |
| <i>Nuneaton Evening Telegraph</i> | <i>The Trader incorporating the Long Eaton Herald & Post</i> |
| <i>Nuneaton Weekly Tribune</i> | <i>The Wharf</i> |
| <i>NuNews</i> | <i>Towcester Post</i> |
| <i>Oundle Herald & Post</i> | <i>TV Tribune</i> |
| <i>Peterborough Herald & Post</i> | <i>Walsall Observer</i> |
| <i>Property News</i> | <i>Wellingborough & Rushden Herald & Post</i> |
| <i>Racing Post incorporating The Sporting Life</i> | <i>Wot's Wot!?</i> |

2. On 27 May 1999 the Department of Trade and Industry sent to the Competition Commission the following references:

Whereas the Secretary of State received on 25 May 1999 an application for his consent under section 58 of the Fair Trading Act 1973 ("the Act") to the transfer to Trinity plc ("Trinity"), a newspaper proprietor, of the newspaper specified in the Schedule hereto, of the assets necessary for the continuation of that newspaper as a separate newspaper and of plant and premises used in its publication;

Whereas the average circulation per day of publication (calculated in accordance with section 57(3) of the Act) of the newspaper specified in the Schedule hereto together with that of the newspapers of which RIM is already a newspaper proprietor amounts to 500,000 or more copies;

Now, therefore, the Secretary of State in exercise of his powers under section 59 of the Act, hereby refers the matter of the proposed transfer to the Competition Commission (“the Commission”) for investigation and report on whether the transfer in question may be expected to operate against the public interest.

The Commission shall report on this reference within a period ending on 11 June 1999.

27 May 1999

(signed) ANN EGGINGTON
An official at the Department
of Trade and Industry

SCHEDULE

Belfast News

Whereas the Secretary of State received on 25 May 1999 an application for his consent under section 58 of the Fair Trading Act 1973 (“the Act”) to the transfer to Regional Independent Media Holdings Limited (“RIM”), a newspaper proprietor, of the newspaper specified in the Schedule hereto, of the assets necessary for the continuation of that newspaper as a separate newspaper and of plant and premises used in its publication;

Whereas the average circulation per day of publication (calculated in accordance with section 57(3) of the Act) of the newspaper specified in the Schedule hereto together with that of the newspapers of which RIM is already a newspaper proprietor amounts to 500,000 or more copies;

Now, therefore, the Secretary of State in exercise of his powers under section 59 of the Act, hereby refers the matter of the proposed transfer to the Competition Commission (“the Commission”) for investigation and report on whether the transfer in question may be expected to operate against the public interest.

The Commission shall report on this reference within a period ending on 11 June 1999.

27 May 1999

(signed) ANN EGGINGTON
An official at the Department
of Trade and Industry

SCHEDULE

Belfast News

3. The titles listed in the schedule to the terms of the reference made to us on 12 March 1999 include the Belfast edition of the *News Letter*, the *East Belfast News*, the *Racing Post Weekender*, the *Long Eaton Trader* and *The Trader incorporating the Long Eaton Herald and Post*. The Belfast edition of the *News Letter* and the *East Belfast News* were discontinued in May 1999 when the *Belfast News* was launched. The *Racing Post Weekender* is a national weekly title and hence is not a newspaper within the meaning of section 57 of the Fair Trading Act 1973. The *Long Eaton Trader* and *The Trader incorporating the Long Eaton Herald and Post* are one and the same title.

4. On 1 April 1999 the MMC was dissolved and its functions transferred to the Competition Commission by section 45 of the Competition Act 1998.

5. The composition of the Group of members responsible for the present investigation and report (before and after 1 April 1999) is indicated in the list of members in the preface.

6. Notices inviting interested parties to submit evidence to the Commission were placed in *The Press Gazette*, the *Yorkshire Post*, the *Belfast Telegraph*, the *Derry Journal*, the *News Letter* (Belfast and Ulster editions), the *Londonderry Sentinel*, *The Irish News*, the *Daily Record*, the *Sunday Mail*, the *Paisley Daily Express*, the *Birmingham Evening Mail*, the *Coventry Evening Telegraph* and on the MMC and subsequently the Competition Commission web site.

7. In addition we sought evidence from Government departments, local authorities, organizations in the newspaper industry, trade unions and other interested parties.

8. Written evidence was received from a number of organizations and individuals whose views are summarized in Chapter 6.

9. Two hearings were held with Trinity and one each with Mirror Group and RIM. Hearings were also held with *The Irish News*, New Century Holdings Limited, the British Association of Journalists, the Graphical, Paper & Media Union, the National Union of Journalists, Mr David Montgomery and a leading advertising agency.

10. The Group, accompanied by staff, visited Mirror Group's offices and operations at Canary Wharf and Belfast, and Trinity's offices and operations in Belfast.

11. Some of the evidence obtained in the course of our inquiry was of a confidential nature and our report contains only such information as we consider necessary for an understanding of our conclusions.

12. We should like to thank all those who helped us in our inquiry, particularly Mirror Group, Trinity and RIM and those parties that gave oral evidence.