

TRINITY MIRROR PLC RESPONSE TO
DCMS QUESTIONS OF 11 APRIL 2018

This note sets out the response of Trinity Mirror plc ("**Trinity Mirror**") to DCMS's questions dated 11 April 2018 in relation to Trinity Mirror's acquisition of the publishing assets of Northern and Shell Media Group Limited (the "**Transaction**"). The seller is referred to below as "**Northern & Shell**". The publishing assets of Northern & Shell acquired by Trinity Mirror are referred to below as "**Express Newspapers**".

This note is intended to assist the Secretary of State's consideration of the public interest considerations relating to the Transaction. Trinity Mirror considers that there can be no doubt that it is committed to the maintenance of editorial independence and a plurality of viewpoints within all of its titles, including the Express Newspapers titles post-Transaction.

It therefore considers that the Transaction will not operate against the public interest and, accordingly, there is no reason for the Secretary of State to issue an intervention notice.

Trinity Mirror's public statements and actions have consistently demonstrated that it understands the need for and values accurate presentation of news in newspapers, free expression of opinion in newspapers and plurality of views in newspapers. It has given a number of explanations of its policies, processes and structures to regulators and investors. These explanations were provided under legal obligations ensuring the truth of the statements.

All of these explanations are consistent with and underpinned by Trinity Mirror's actions. Unlike some newspaper publishers, Trinity Mirror is a listed company, with no controlling or material shareholder(s) who might seek to influence content or editorial direction. It has no political agenda.

Before the Transaction, Trinity Mirror had a portfolio of over 150 local, regional and national newspapers and more than 80 websites. These titles represent very different views (including social, economic and political views) and are aimed at very different readerships. Trinity Mirror has not interfered in these titles' editorial lines or independence. On the contrary, the variety of such voices, protected by strong editors, is the essence of what Trinity Mirror has to offer to its readers; maintaining this variety is straightforward business sense, as well as the right thing to do.

A. ***The policies, processes and structures Trinity Mirror has in place concerning the maintenance of a plurality of viewpoints within all the national titles now owned by Trinity Mirror as a result of the Transaction***

1. Trinity Mirror is committed to maintaining a plurality of viewpoints within all of its titles, including its existing national titles and the recently acquired Express Newspapers national titles. Trinity Mirror does not influence the content, politics or agenda of any of its titles, and has consistently made this clear in its actions and statements to regulators and investors, as set out in more detail below. In the interests of consistency, these explanations of the relevant policies, processes and structures are set out below.

CMA Merger Notice in respect of the Transaction

2. Trinity Mirror submitted a Merger Notice to the Competition and Markets Authority ("**CMA**") on 10 April 2018, to enable the CMA to carry out its competition review of the Transaction. Trinity Mirror set out its policies, processes and structures concerning the maintenance of a plurality of viewpoints in its newspapers in the Merger Notice.
3. The Enterprise Act 2002 places a legal obligation on Trinity Mirror regarding the accuracy of the information provided in the Merger Notice, subject to criminal penalties under section 117 of the Enterprise Act 2002.¹ The Merger Notice contains a signed statement of truth by Simon Fox (CEO of Trinity Mirror) confirming that, to the best of his knowledge and belief, the information given in response to the questions in this Notice is true, correct, and complete in all material respects.
4. The Merger Notice states as follows.

"Trinity Mirror is committed to accurate presentation of news and freedom of expression in its newspapers. Trinity Mirror does not influence the content, politics or agenda of any of its titles. Its editorial policy relates to the editorial policies and procedures in place to maintain accurate presentation of news and freedom of expression.² Each Trinity Mirror newspaper title has its own editor (except for some titles covering very small contiguous areas, which may instead share an editor). The decision of which stories to cover lies with the editor of the relevant Trinity Mirror title. Editors carry ultimate responsibility for providing appropriate content in their newspapers and websites, and they are free to edit without interference from the Board of Trinity Mirror. All national newspaper title editors and editors-in-chief then report to the Trinity Mirror Nationals editor-in-chief who has the key responsibility for maintaining editorial independence and who reports only to the chief executive officer. [...]"

Each Target [Express Newspapers] title will continue to have its own editor, who is responsible for setting the content and politics of the title.

It is in Trinity Mirror's commercial interest to retain the range of views represented by its titles and their associated readerships. Trinity Mirror's portfolio contains over 150 local/regional and national titles and more than 80 websites which represent different views (including social, economic and political views) for historical reasons and are aimed at different readerships. Readers expect titles to cover different stories based on those different views. Maintaining the existing readership of a newspaper title is necessary to maintain its circulation and cover price revenues. Given the two-sided nature of newspapers, it is also relevant to maintaining its advertising revenues, as advertisers choose to advertise in Trinity Mirror titles because they want to reach the different readership of each title. [...]"

All Trinity Mirror and Target titles and editors apply the Independent Press Standards Organisation Editors' Code of Practice."

¹ A person who commits an offence under this section of the Enterprise Act 2002 is liable on summary conviction to a fine, and on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both.

² See, for example, Trinity Mirror's editorial policies attached at [Annexes 1 and 2](#).

Submissions to CMA in relation to the anticipated acquisition by 21st Century Fox, Inc of Sky Plc

5. As the Secretary of State will be aware, the CMA is currently investigating the anticipated acquisition of Sky Plc by 21st Century Fox, Inc on the grounds of media plurality and a genuine commitment to broadcasting standards. In the context of that investigation, the CMA has asked a number of questions of Trinity Mirror relating to media plurality (including editorial policies). Trinity Mirror's responses to the CMA are directly relevant to the questions of DCMS and are set out below.³
6. In responding to the CMA's questionnaire, Trinity Mirror was under a legal obligation under the Enterprise Act 2002 in relation to the accuracy of the information provided to the CMA, subject to criminal penalties under section 117 of the Enterprise Act 2002.
7. Trinity Mirror gave the following explanation.

"The decision of which stories to cover lies with the editor of the relevant Trinity Mirror title. Each Trinity Mirror title has its own editor, except for some titles covering very small contiguous areas, which may instead share an editor. In addition, in some areas a regional editor-in-chief oversees several editors. All editors and regional editors-in-chief then report to the relevant division's⁴ editor-in-chief who has the key responsibility for maintaining editorial independence and who reports only to the chief executive officer.

Stories are chosen based on the editors' view of their relevance to the readership of the relevant title (taking into account its demographic make-up) and the expected level of interest which the story will generate. Editors are also guided by their own titles' brand strategies (relating to the image and audience targeted by the relevant titles). These principles apply to Trinity Mirror's local/regional print newspapers, national print newspapers and websites.

Additional considerations taken into account by editors depending on the type of title are set out below.

(a) Trinity Mirror's local/regional newspapers are intended to have wide appeal to people from a range of ages, beliefs and backgrounds. Therefore, the content is inclusive and broadly reflects the composition and interests of the communities served by the relevant title. In general, these products are intended to be read by whole families, and their editorial content, tone and style reflect this.

(b) Local/regional titles' online content is generally broader than their print content and focusses on reader engagement.

(c) Story selection in Trinity Mirror national titles (print and digital) differs from its local/regional titles in that the titles may also take a political stance (eg The Mirror takes more of a left-leaning political position on issues). This is reflected in the choice of stories as well as the angle and tone adopted and the campaigns run.

All Trinity Mirror titles and editors apply the Independent Press Standards Organisation Editors' Code of Practice.⁵ [...]

³ Response of 18 October 2017.

⁴ Trinity Mirror Regionals, Trinity Mirror Nationals, Trinity Mirror Scotland.

⁵ The Editors' Code of Practice ("**Code**") sets out the rules that newspapers and magazines regulated by the Independent Press Standards Organisation ("**IPSO**") have agreed to follow. The Code is designed to ensure that the

Trinity Mirror's brand strategies and editorial policies provide a framework within which editors and their teams operate but are not prescriptive regarding the choice of content or prominence given to it. The ordering and presentation of news and current affairs content are the editors' decision.

Editors give prominence to the strongest and most important stories of the day, from the perspective of their readers' interests. They also ensure a balance between news and human interest stories, and aim to maintain the appropriate tone of voice. Over the course of a typical week, editors will try to ensure that a variety of news content is presented on the front page in order to keep each edition looking fresh and to provide newsstand appeal. Editors hold at least one news conference per day with their senior staff to discuss the news agenda and to agree the running order for the next day's print edition. [...]

The Trinity Mirror Board does not influence the content, politics or agenda of any of its titles. Trinity Mirror's editorial policy relates to the editorial policies and procedures in place to maintain accurate presentation of news and freedom of expression. Editors carry ultimate responsibility for providing appropriate content in their newspapers and websites, and they are free to edit without interference from the Board of Trinity Mirror.

Trinity Mirror's portfolio contains circa 150 local/regional and national titles and more than 80 websites which represent different views (including social, economic and political views) for historical reasons and are aimed at different readerships. Readers expect titles to cover different stories based on those different views.

It is in Trinity Mirror's commercial interest to retain the range of views represented by its titles and their associated readerships. Maintaining the existing readership of a newspaper title is necessary to maintain its circulation and cover price revenues. Given the two-sided nature of newspapers, it is also relevant to maintaining its advertising revenues, as advertisers choose to advertise in Trinity Mirror titles because they want to reach the different readership of each title."

Circular to Shareholders in respect of the Transaction

8. Trinity Mirror has provided further confirmations of its commitment to a plurality of views and editorial independence in its newspapers to the market in its Circular to Shareholders dated 9 February 2018⁶. As a listed company, Trinity Mirror was required to produce a Class 1 Circular in respect of the Transaction under the Listing Rules of the Financial Conduct Authority. The Board of Trinity Mirror approved the contents of the Circular.
9. Again, there are serious consequences relating to the accuracy and completeness of the information contained in the Circular. As a result (and as is customary), a detailed verification process was undertaken by Trinity Mirror's solicitors (Norton Rose Fulbright LLP), requiring the Board of Trinity Mirror to verify every statement in the Circular.
10. On that basis, the Circular states as follows.

competing rights of freedom of expression and other rights of individuals, such as privacy, are maintained. The Code is enforced by IPSO. Editors and publishers are required to apply the Code to editorial material in both printed and online versions of their publications, and must ensure it is observed rigorously by all editorial staff and external contributors, including non-journalists. The Code is available at <https://www.ipso.co.uk/editors-code-of-practice/>.

⁶ The Circular is available at: [http://www.trinitymirror.com/images/MattTrinity_Mirror_Circular - Notice of General Meeting 1.pdf](http://www.trinitymirror.com/images/MattTrinity_Mirror_Circular_-_Notice_of_General_Meeting_1.pdf)

"Trinity Mirror's brands have a long heritage of being trusted sources of news and information, with our editorial conviction and high standards of journalism providing audiences with timely information and opinion across multiple platforms. [...]"

The Enlarged Group [Trinity Mirror group post-Transaction] will be able to improve its editorial propositions by reducing duplication, sharing content across the Enlarged Group⁷ and widening the breadth of our coverage with larger combined teams. [...]"

We will retain the distinct editorial propositions of each of the four national newspaper sites to ensure that each has its own editorial and audience focus [...]"

Trinity Mirror management has experience of operating a large stable of different news brands under a single combined management structure. There will be no reduction in media plurality following the Acquisition as each newspaper brand will continue with its current editorial positioning, ensuring that it continues to present the editorial content to which its readers and advertisers are accustomed. Trinity Mirror currently operates over 100 news brands and Trinity Mirror's policy is that each is free to take its own editorial position on politics and current affairs, bearing in mind the opinions of their readers. Trinity Mirror does not interfere in the editorial positions of its titles, which remain firmly the responsibility of the individual titles' editors and their senior editorial teams."⁸

Circular verification process

11. As explained above, the Board of Trinity Mirror was required to confirm the accuracy of every statement in the Circular, through a detailed verification process undertaken by Norton Rose Fulbright LLP.
12. During this verification process, the Directors of Trinity Mirror confirmed that:
 - (a) the Express Newspapers titles have a different editorial proposition to the Trinity Mirror titles and Trinity Mirror will ensure each title retains its unique positioning;
 - (b) each newspaper brand will continue with its current editorial positioning, ensuring that it continues to present the editorial content to which its readers and advertisers are accustomed;
 - (c) it is Trinity Mirror's policy that each news brand is free to take its own editorial position on politics and current affairs; and
 - (d) Trinity Mirror does not interfere in the editorial position of its titles.
13. An extract of the verification notes is attached at Annex 3. Please note that these are extremely confidential to Trinity Mirror.

Public statements

14. Consistent with its policies explained to regulators and investors, Trinity Mirror reiterated its commitment to the maintenance of a plurality of views and editorial independence

⁷ For the avoidance of doubt, the reference to "sharing content" is a reference to content which overlaps and is not unique to each brand's positioning (such as sports, lifestyle, celebrity and TV). It does not refer to the core, differentiated content of the titles.

⁸ See pages 8-10.

publicly. For example, speaking to The Guardian following the announcement of the Transaction, Simon Fox said:

*"The Mirror is not going to go right-wing and the Express is not going to go leftwing [...] They will absolutely all have editorial independence. Decisions on what goes into each title will be entirely down to the editors."*⁹

15. These principles apply to Trinity Mirror's local/regional print newspapers, national print newspapers and websites. They will also apply to the Express Newspapers titles. Trinity Mirror has no intention of changing its policy in relation to maintaining a plurality of viewpoints in relation to any of its titles.
16. Given all of the above, there can be no doubt that Trinity Mirror is committed to maintaining a plurality of viewpoints within all of its titles, including in the national titles now owned by Trinity Mirror as a result of the Transaction, and that it has the necessary policies, processes and structures in place to achieve this.

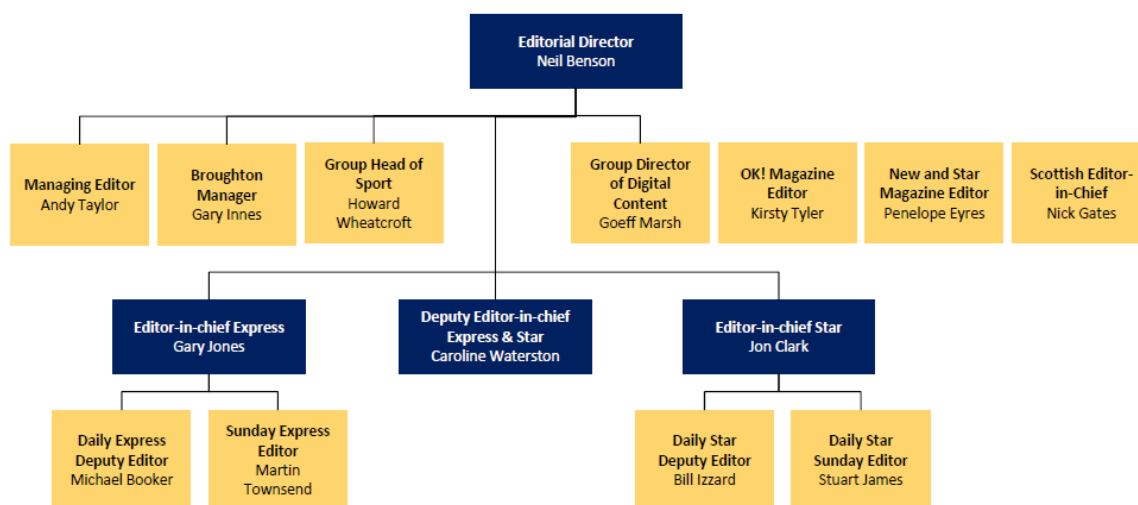
B. The policies, processes and structures Trinity Mirror has in place concerning the appointment of editors and the independence of editors, including details of any formal processes and constitutional structures Trinity Mirror has in place for protecting editorial independence, and how these would be applied in relation to the Express Newspapers titles being acquired

17. The explanations of Trinity Mirror's policies, processes and structures set out above also apply to editorial independence and are not repeated here.
18. Trinity Mirror is committed to protecting editorial independence within all of its titles, including its existing national titles and the recently acquired Express Newspapers national titles. As explained above, Trinity Mirror has an editorial structure in place to ensure that each national title has its own editor and that there is no interference from the Board of Trinity Mirror in the content, politics or agenda of any of its titles.
19. Editors are appointed by the Trinity Mirror group editor-in-chief, without any influence from the Board of Trinity Mirror.
20. As explained in detail above, Trinity Mirror's editorial policy relates to the editorial policies and procedures in place to maintain accurate presentation of news and freedom of expression.
21. All Trinity Mirror titles and editors apply the IPSO Code. The Code sets out the rules that newspapers and magazines regulated by IPSO have agreed to follow. It *"sets the framework for the highest professional standards that members of the press subscribing to the Independent Press Standards Organisation have undertaken to maintain. It is the cornerstone of the system of voluntary self-regulation to which they have made a binding contractual commitment."*¹⁰
22. The policies, processes and structures set out above will also apply to the Express Newspapers titles post-Transaction.

⁹ <https://www.theguardian.com/business/2018/feb/09/trinity-mirror-buys-express-star-127m-deal-richard-desmond-ok>
¹⁰ <https://www.ipso.co.uk/editors-code-of-practice/>

C. Further information concerning the appointment of Gary Jones and Jon Clark, and in particular details as to how any such policies, processes or structures would apply in relation to them

23. The Express Editor-in-Chief Hugh Whittow decided to retire and the Daily Star Editor-in-Chief Dawn Neesom decided to leave to pursue a freelance writing and broadcasting career (though remains involved in the Star titles as a columnist and interviewer). It was of course important to replace these senior editorial staff.
24. Gary Jones and Jon Clark were appointed to the positions of Editor in Chief – Express and Editor in Chief – Star, respectively, by Lloyd Embley (Group Editor-in-Chief of Trinity Mirror) with effect from 1 March 2018. Lloyd Embley did so after consideration of the experience and capabilities of candidates within Trinity Mirror and Express Newspapers.
25. Their responsibilities primarily cover the content of the respective publications, and the organisation of the editorial function to deliver this content.
26. The editorial structure within Express Newspapers is as set out below.¹¹ This is consistent with Trinity Mirror's editorial structure set out above: each Express Newspapers title and each content area has its own editor/deputy editor, with title editors reporting to an editor-in-chief, who reports to the editorial director. Each editor/deputy editor is responsible for the content of his or her title and all of the individuals below are responsible for maintaining editorial independence.



27. For the avoidance of doubt, Trinity Mirror's policies, processes and structures set out in this note will apply to all Express Newspapers titles and editors, including Gary Jones and Jon Clark post-Transaction. On appointment, Gary Jones and Jon Clark received clear briefing from Lloyd Embley that they are required to maintain the Express Newspapers titles as clearly separate titles, with their own editorial stances, which are different to the Daily Mirror (and each other).

¹¹ Neil Benson is interim editorial director for Express Newspapers for the period of the CMA review and while the CMA initial enforcement order "hold separate" provisions are in place. In the longer term the intention would be that Lloyd Embley plays this role as group Editor-in-Chief, as for other Trinity Mirror titles.

D. Additional considerations

28. For completeness, Trinity Mirror considers that the Transaction will lead to no change to the overall range of views and distribution of voices available and consumed in the UK, for the following additional reasons.
- (a) Ownership of newspaper titles is not indicative of the number of voices. Many news sources may have more than one voice providing news content in the UK. Johnston Press has a portfolio of regional titles with their own editorial lines as well as the *i* which has very different content. The Daily Mail & General Trust has the Daily Mail and Mail on Sunday titles as well as the Metro which have different editorial stances and provide several voices. This is consistent with Trinity Mirror's own position set out above that its portfolio contains over 150 local/regional and national titles and more than 80 websites which represent different views (including social, economic and political views) and are aimed at different readerships. As a result, the Transaction will not lead to any reduction in the overall range of views and distribution of voices in the UK.
 - (b) There remains post-Transaction a number of national newspapers under different ownership and aimed at different readerships, offering a high degree of plurality. There is also a large number of voices providing news content in the UK, particularly on the internet. Ofcom recently identified at least 18 news sources at the wholesale level and at least 15 news sources at the retail level, as well as several intermediaries.¹² The CMA also concluded in its Provisional Findings Report on *Fox/Sky* that "*a large number of news sources are currently available to UK audiences, particularly online, despite recent reductions in the number of newspaper titles available.*"¹³
 - (c) The Trinity Mirror titles and the Express Newspapers titles have limited impact as news sources. Together they reach at most around 11% of the population, and rank behind the BBC, ITN, Fox/Sky & News Corp, and DMGT who each reach a much larger proportion of the population.¹⁴ Post-Transaction they together also will represent a very low proportion of total news consumption in the UK (at around 3%).¹⁵
 - (d) It is also worth noting that Trinity Mirror and Express Newspapers are only active in newspapers and online, and do not have any presence in TV or radio.

¹² Ofcom report to the Secretary of State "Public interest test for the proposed acquisition of Sky plc by 21st Century Fox, Inc" (20 June 2017), page 66 – Wholesale: BBC, ITN, Fox/Sky & News Corp, DMGT, Global, Guardian Media Group, Trinity Mirror, Bauer, Telegraph Media, Northern & Shell, Lebedev Foundation, BuzzFeed, Huffington Post, Johnston Press, Nikkei, Fox, Vice and others; Retail: BBC, Fox/Sky & News Corp, ITV, DMGT, Global, Guardian Media Group, Trinity Mirror, Channel 4, Bauer, Telegraph Media, Northern & Shell, Lebedev Foundation, Viacom and others; Intermediaries: Facebook, Google, Twitter and others. See also the CMA provisional findings report "Anticipated acquisition by 21st Century Fox, Inc of Sky Plc" (23 January 2018), paragraph 10.51.

¹³ CMA provisional findings report "Anticipated acquisition by 21st Century Fox, Inc of Sky Plc" (23 January 2018), paragraph 10.92.

¹⁴ On a cross-platform basis. CMA provisional findings report "Anticipated acquisition by 21st Century Fox, Inc of Sky Plc" (23 January 2018), paragraph 10.27.

¹⁵ CMA provisional findings report "Anticipated acquisition by 21st Century Fox, Inc of Sky Plc" (23 January 2018), paragraph 10.60.