**Enquiries to:** 

Antoinette Jackson

T: 01223 457001

E: antoinette.jackson@cambridge.gov.uk



BY EMAIL: cineworldcityscreen@cc.gsi.gov.uk ·

Competition Commission Victoria House Southampton Row London WC1B 4AD

6 June 2013

Dear Sir

## Proposed merger between Cineworld and Picturehouses

I have been made aware of the concerns of the Office of Fair Trading about the proposed purchase of Cambridge Arts Picturehouse by Cineworld.

The Cineworld chain has pledged to retain the identity of the Picturehouses chain and has the potential to invest in the organisation. Cambridge City Council believes that in this context the merger is a positive step for the city and locality's residents.

Whilst I note the concern of the OFT that the Cineworld chain might consider raising prices, I feel that the presence of competitors in the city such as the Vue cinema is likely to deter this and is very unlikely to put our local residents at risk of reduced choice or higher prices.

The Arts Picturehouse and Cineworld operate in very different markets in Cambridge and both have an important role to play in the respective arts and leisure facilities of the city. This continues to be proven by the continuing strong and diverse programme of films and events shown at the Picturehouse.

The Arts Picturehouse works with various educational partners in the city and their continuing support of an education officer as part of their audience development is valued by the Council. The work of the Cambridge Film Trust, Cambridgeshire Film Consortium and Cambridge Film Festival is highly valuable as it increases engagement by local residents in film and enhances the city's reputation.

I am concerned that the loss of this positive merger may jeopardise the opportunity to invest and improve in these programmes

Yours sincerely

Antoinette Jackson Chief Executive