

# **Completed acquisition by Immediate Media Company Bristol Limited of certain assets of Future Publishing Limited**

## **Consent to certain actions for the purposes of the undertakings given by Immediate Media Company Bristol Limited to the Competition and Markets Authority pursuant to section 73 of the Enterprise Act 2002 (the Undertakings)**

Under paragraph 9.1 of the Undertakings save for written consent by the Competition and Markets Authority (CMA), provision was made that Immediate Media Company Bristol Limited and Immediate Media Company Limited (together 'Immediate Media') will minimise as far as possible any risk of loss of competitive potential of the Divestment Businesses. Terms defined in the Undertakings have the same meaning in this letter.

### **Application of the Order**

The Undertakings are intended to keep separate the relevant businesses of Immediate Media and the Divestment Businesses. In this case, the Undertakings will only apply to those parts of the Immediate Media business which are involved in the Immediate Media Women's Special Interest division, and the genealogy business within the Specialist division.

The CMA has agreed that Immediate Media may carry out the following actions, in respect of the specific paragraphs (where appropriate):

#### ***Paragraphs 9.1(a) and 9.1(f)***

Pending completion of the divestment of the Divestment Businesses to the satisfaction of the CMA in accordance with the provisions of the Undertakings (the Specified Period), Immediate Media is permitted to operate the Divestment Businesses under the Immediate Media name. For the avoidance of doubt, this derogation applies to the use of the Immediate Media name and contact details (such as address, email contact and/or telephone number) and allows for business correspondence to be on Immediate Media branded documentation, but does not

include the use of Immediate Media branding or design in any print, digital title or website of the Divestment Businesses. Given that [X].

**Paragraphs 9.1(a), 9.1(b), 9.1(c), 9.1(i), 9.1(j) and 9.1(l)**

[X]:

During the Specified Period in order to ensure that the Divestment Businesses are effectively managed as a going concern, [X]<sup>1</sup> is permitted to take strategic level decisions for the purpose of maintaining the value of the Divestment Businesses. In order to facilitate this role, [X] is permitted during the Specified Period to see confidential information produced by both Immediate Media and the Divestment Businesses.

This derogation is given on the basis that, during the Specified Period, [X] will not, other than in accordance with paragraph 9(l) of the Undertakings or approved by the CMA in this consent letter, or in a future consent letter:

- (a) disclose to any employees or directors of Immediate Media Confidential Information relating to the Divestment Businesses; or
- (b) disclose to any employees or officers of the Divestment Businesses any Confidential Information relating to Immediate Media.

This derogation is given on the basis that, during the Specified Period, [X] will:

- (a) operate on a basis which requires him to use all information in relation to the Divestment Businesses only as strictly necessary;
- (b) ensure that any Confidential Information related to the Divestment Businesses and Immediate Media respectively, and which is received or held by him in electronic format, is maintained in separate IT files and directories and will not be integrated; and
- (c) dispose of any relevant Confidential Information in his possession at the end of the Specified Period.

---

<sup>1</sup> [X]

## **Paragraphs 9.1(a) and 9.1(l)**

### *Financial and accounting information*

During the Specified Period in order to ensure that the CEO and directors of Immediate Media are able to properly fulfil their supervisory duties as directors, specified senior directors/executives of:

- (a) Immediate Media Company Bristol Limited;
- (b) Immediate Media Company Limited; and
- (c) Vancouver Topco Limited

will receive the following information from the Divestment Businesses, restricted to information and analysis carried out at an overview level and above:<sup>2</sup>

- (a) A standard monthly financial pack.<sup>3</sup>
  - (i) The information on the Divestment Businesses included in the monthly financial pack is limited to:<sup>4</sup>
    - 1. [REDACTED];
    - 2. [REDACTED];
    - 3. [REDACTED]; and
    - 4. [REDACTED].
- (b) A monthly 'CEOs' Report to the Board.<sup>5</sup>
  - (i) The information on the Divestment Businesses figures included in the 'CEOs' report is limited to:
    - 1. [REDACTED]; and
    - 2. [REDACTED].

---

<sup>2</sup> For completeness, [REDACTED].

<sup>3</sup> [REDACTED]

<sup>4</sup> [REDACTED]

<sup>5</sup> [REDACTED]

Access to the CEO's Reports will be limited to the members of the Immediate Media Company Bristol Limited, Immediate Media Company Limited and Vancouver Topco Limited boards and the company secretary and acting company secretary of each company. The members of each board have agreed that they:

- (a) will not share any of the information provided by the Divestment Businesses in relation to this section to any person other than a board member or company secretary / acting company secretary of one of these companies; and
- (b) will ensure that any records or copies of such information are returned or destroyed where necessary.

***Paragraphs 9.1(a), 9.1(h) and 9.1(l)***

During the Specified Period, in order to ensure that the value of the Divestment Businesses is maintained, the Divestment Businesses will be permitted to move a counterparty who is not subject to an appropriate formal contract onto the standard terms and conditions of Immediate Media or any specific set of Immediate Media terms and conditions considered appropriate. For the avoidance of doubt, this permission does not convey any right for Immediate Media to impose any conditions on the decisions made by the Divestment Businesses in relation to these counterparties.

***Paragraphs 9.1(a), 9.1(g), 9.1(h) and 9.1(l)***

During the Specified Period in order to ensure that the Divestment Businesses are maintained as a going concern and that the value of the Divestment Businesses are maintained, the Divestment Businesses will be permitted to maintain distribution and subscription arrangements in place with Immediate Media group.

***Paragraphs 9.1(a), 9.1(f) and 9.1(l)***

During the Specified Period in order to ensure that the Divestment Businesses are maintained as a going concern and that the value of the Divestment Businesses are maintained, Immediate Media will be permitted to provide and/or procure IT systems, telecoms, and webhosting for the Divestment Businesses. The Divestment Businesses will also be permitted to make use of the software packages used by Immediate Media.

In particular, Immediate Media will be permitted to import onto and/or maintain Immediate Media software packages and IT systems the following:

- (a) Databases of the Divestment Businesses' subscribers.
- (b) Databases of the Divestment Businesses' individual customers.
- (c) Databases containing the details of billing of the Divestment Businesses' advertisers.

Immediate Media have given the CMA assurances that information barriers will be maintained between the information contained in the transferred databases and Immediate Media's information.

[X].

***Paragraphs 9.1(a) and 9.1(l)***

During the Specified Period in order to ensure that the Divestment Businesses are maintained as a going concern and that the value of the Divestment Businesses are maintained, Immediate Media will be permitted to undertake accounting, payments, invoicing and banking for the Divestment Businesses.

The specific accounting tasks are as follows:

- Accounting entries.
- Financial postings of subscription and newstrade revenues.
- Preparation of management accounts and reported results of operations of the Divestment Businesses by title.
- Preparation of business information for the employees of the Divestment Businesses.

[X] (management accountants) in the Immediate Media central accounts team will be dedicated to carrying out these activities for the Divestment Businesses.

The specific payment tasks are as follows:

- Preparing invoices and orders for payments.
- Recording costs against specific Divestment Businesses titles.

[X] (accounts payment clerk) in the Immediate Media central accounts team will be dedicated to carrying out these activities for the Divestment Businesses.

The specific invoicing tasks are as follows:

- Origination of ad booking and sundry sales.
- Invoices for advertising and sundry sales.
- Cash collection, credit and account management.

[X] (credit controller) in the Immediate Media central accounts team will be dedicated to carrying out these activities for the Divestment Businesses,

The specific banking tasks are as follows:

- Authorising cash movements via Immediate Media's bank accounts.
- Posting of cash movements.

All members of Immediate Media's accounts and administration staff will be granted access to the above information to ensure smooth business operations. All members of staff have agreed not to pass on, save where otherwise permitted by other derogations, information relating to the Divestment Businesses to other employees of Immediate Media and not to pass on, save where otherwise permitted by other derogations, information relating to Immediate Media to other employees of the Divestment Businesses.

***Paragraph 9.1(a), 9.1(b) and 9.1(h)***

During the Specified Period in order to ensure that the Divestment Businesses are maintained as a going concern, Immediate Media will be permitted to provide and/or procure a number of services listed at footnote 6 below.<sup>6</sup>

***Paragraph 9.1(a), 9.1(b), 9.1(f) and 9.1(l)***

During the Specified Period in order to ensure that the Divestment Businesses are maintained as a going concern, Immediate Media will be permitted to provide certain back office functions to the Divestment Businesses. These are namely:

- human resources (including payroll) and pensions;
- legal and tax advice;

---

<sup>6</sup> These include: purchase of paper; printing and ancillary services provided by printers; bagging; packaging and finishing services; postage; acquisition of standard industry reports from third party monitoring services; copy chasing and production workflow management (including ad production where required by customers); photography and video studio services, and purchase of stock pictures from image libraries.

- health and safety;
- insurance; and
- working capital facilities.

**Nelson Jung**  
**Director, Mergers**  
**Competition and Markets Authority**  
**6 January 2015**