



Minutes of Meeting of the Authority of Broadcasting Authority of Ireland

Date 16/03/2016 **Time:** 11.00am **Venue:** BAI Offices

Minutes

Attendance

Authority: Pauric Travers (Chairperson), Maeve McDonagh, Alan McDonnell, Grace Smith, Mary Curtis, Seán Ó Mórdha, Rosemary Day

Executive: Michael O’Keeffe, Celene Craig, Aoife Clabby (Secretary), Ciarán Kissane, Nuala Dormer.

Apologies: Denis Wolinski

Recused: *Authority member Seamus Martin declared an interest in the item for discussion and consequently, did not attend the meeting.*

1. Codes, Rules and Policy

2.1 Media Merger Examination: Independent News & Media plc and CNML Limited

At the outset of the meeting, Members of the Authority were given a presentation by Mr. Rob Kenny and Mr. Tim Suter, representatives of Communications Chambers, who had been appointed by the BAI to prepare a report on the impact of the proposed acquisition of CMNL Limited ('Celtic Media') by Independent News and Media Holdings (Ireland) Limited ('INM') on the plurality of media in the state, as defined in the Competition and Consumer Protection Act 2014 ('the 2014 Act').

The presentation focussed on a range of issues including:

- The locus of assessment for the specific transaction;
- The issues arising from the proposed transaction, including a comparative analysis of the findings of Communications Chambers and those of the Advisory Panel appointed by the Minister for Communications, Climate Action and Environment;
- A consideration of the conditions to approval, as advocated by the Ministerial Advisory Panel and Communications Chambers respectively. In this regard, Communications Chambers drew the Authority's attention to the framework within which the proposed transaction must be assessed, in particular the relevant criteria, as outlined in the 2014 Act, and the Department's Guidelines on Media Mergers and the articulated role for the BAI;

Following the presentation, the Authority engaged in lengthy and detailed discussion with Communications Chambers in relation to various aspects of their report including:

- The issue of domains and the locus of assessment. The interconnection of issues at national, regional and local level, together with the impact of technology on the availability of local content was acknowledged.



- Sources of, and access to, news and current affairs content at national, regional and local levels and the potential impact of the proposed transaction;
- The financial aspects of the proposed transaction, including a consideration of the future viability of the CMNL titles given the overall challenges being faced by the local newspaper sector;
- Any proposed conditions attaching to the approval of the proposed transaction, their proportionality and the rationale for their attachment,
- the submissions of the undertakings;
- Communications Chambers perception of the sufficiency of information available to conduct the review;
- Various challenges impacting the media sector in Ireland and existing business models, in the contexts of sustainability, diversity and plurality.

Having concluded its discussions, the Authority was satisfied that at an overall level the proposed acquisition of CMNL Limited by Independent News and Media Holdings (Ireland) Limited does not run contrary to the public interest in protecting plurality of media in the state and therefore should be permitted but with conditions. In reaching its decision, the Authority noted that:

- While the proposed transaction would reduce diversity of ownership and control of media businesses in the state, it could not be deemed to be significant in the context of the relevant media sectors impacted and their relative market shares;
- The impact on the diversity of news and current affairs content and cultural interests was limited;
- The proposed transaction should enhance the financial viability of the CMNL titles in the medium term;

Having determined that it would recommend to the Minister that the proposed acquisition should be approved, the Authority then went on to consider what conditions should attach to the proposed approval. In this regard, the Authority considered the report provided by Communications Chambers and its discussions with them, the report of the Advisory Panel, the submissions of the undertakings and the additional commitments made by INM, detailed in the submission of the Joint Oireachtas Committee. It was noted that these additional commitments echoed some of the desired safeguards articulated by the Advisory Panel in its report and the Authority in its discussions.

Following detailed discussion, it was agreed that the draft BAI Report should contain recommendations for conditions in the following areas:

- Commitments in relation to post-transaction governance and management structures for the CMNL titles;
- Commitments in relation to terms and conditions of existing CMNL staff;
- Commitments in relation to the 'offer for sale' of any of paid-for CMNL titles, in the event of their closure by INM.



The Authority then went on to consider and approve the proposed structure of the draft BAI Report. It was agreed that the draft report would be circulated for consideration and decision by the Authority in advance of its meeting on Thursday 23rd March.

2. Date of Next Meeting

The next meeting of the Authority will be held on the 23rd March at 11am in Harbour Hotel, Galway.

A handwritten signature in blue ink that reads "Pauric Travers". The signature is written in a cursive style.

**Professor Pauric Travers,
Chairperson.
27th April, 2017.**