



Media Reform Coalition – Submission to Ofcom public interest test on the potential merger situation in relation to Telegraph Media Group

December 2023

Executive summary

1. The potential acquisition of Telegraph Media Group (TMG) by RedBird IMI raises serious and significant public interest concerns. RedBird IMI is majority owned and ultimately controlled by Sheikh Mansour bin Zayed al-Nahyan, vice president of the United Arab Emirates and a senior Emirati royal. The UAE holds a shameful record of human rights abuses, restrictions on press freedom and attacks on civil liberties. In taking ownership of the Daily Telegraph, the Sunday Telegraph and The Spectator magazine, RedBird IMI and Sheikh Mansour would hold operational control over publications with a major influence on the news and political agenda in the UK. The proposed change in ownership is therefore likely to lead to increasing restrictions on free expression of opinion, an undermining of editorial independence and a worsening in editorial standards at these titles. This is not a simplistic question of nationality, but of evidenced abuses of power and persistent restrictions on press freedom that would be no less concerning pertaining to an individual or group from any country.
2. The acquisition is also likely to worsen the limited diversity of views in the national press, and will entrench an already excessive level of concentrated media ownership in the UK. With ultimate ownership of the TMG titles falling to Sheikh Mansour, there would continue to be an insufficient plurality of persons with control of British media outlets. Media ventures owned by RedBird IMI have been subjected to brazen editorial interference, censoring and closure after publishing reports critical of the UAE. Sheikh Mansour's global investments in major sports franchises and global consumer brands have similarly been accused of helping to launder the international reputation of the UAE government through 'sportswashing', 'greenwashing' and 'newswashing'.
3. Even lacking clear details in the public domain, the additional assurances offered by RedBird IMI's chief executive Jeff Zucker would be wholly inadequate to mitigate the clear public interest concerns arising from the proposed acquisition. The UK has a long history of large media corporations offering notoriously flimsy behavioural undertakings and functional separation measures to deflect stronger regulatory interventions. Zucker's suggestion of a contract restricting RedBird IMI's role to merely a "passive" partner is indistinguishable from these kinds of past undertakings, which have almost always been ignored or have clearly failed to prevent the initial situation of concern from occurring.

4. **Ofcom should recommend to the Secretary of State that the potential acquisition requires a more comprehensive ‘Phase 2’ investigation by the CMA, highlighting the clear risk to both public interest considerations raised in the intervention notice.**
5. **Ofcom should also take this opportunity to conduct an extensive review of the state of UK media plurality, using the Telegraph and Spectator titles as a pertinent case study. This review should assess the extent to which the continuing high levels of concentrated media ownership have significantly limited the diversity of views available to UK citizens, and examine how dominant players in traditionally distinct media markets are able to significantly influence cross-media agenda-setting through the increasing convergence of offline and online news outlets.**

Free expression of opinions in newspapers

6. International Media Investments (IMI), the principal financial partner in the RedBird IMI venture, is a direct threat to press freedom in the UK. The company is controlled by Sheikh Mansour, and its media holdings are directly connected to and influenced by the government of the United Arab Emirates. The UAE holds a shameful record of human rights abuses, restrictions on press freedom and attacks on civil liberties. The country is currently ranked 145th out of 180 countries on the World Press Freedom index, with Reporters Sans Frontier citing extensive government censorship of journalists, state control of media and harassment of journalists as key features of the Emirati media system.¹ RSF highlights the expectation for self-censorship in relation to coverage of the ruling House of Nahyan, of which Sheikh Mansour is a senior figure. The group reports that “any criticism of its [the House of Nahyan] members is condemned and seen as a lack of loyalty”, with journalists subjected to intense online surveillance and risking lengthy prison sentences. A 2022 review by the US State Department similarly reported that editors and journalists in the UAE “commonly practiced self-censorship due to fear of government retribution, particularly since most journalists were foreign nationals and risked deportation”.²
7. Amnesty International and Human Rights Watch report that at least 26 prisoners are held in UAE prisons because of peaceful political criticism, while a further 55 dissidents, lawyers and human rights defenders remain in extended detention for vague and arbitrary charges, with confessions alleged to have resulted from torture by state authorities.³ The rights of women and refugees in UAE are widely considered to be wholly incompatible with international conventions, while UAE law criminalizes same-sex relationships and schools are instructed by the government to refrain from discussion gender identity and LGBT issues. Discrimination and suppression are supported by the state media authorities, which in 2023 banned an international film release for depicting a same-sex kiss. Amnesty International further notes that the UAE’s Code on Crimes and Punishments “criminalizes most transmission of governmental information” and threatens five years imprisonment for damaging the reputation of the state of “its founding leaders”.

¹ RSF, [‘World Press Freedom Index – United Arab Emirates country profile’](#), 2023.

² US Department of State, [‘2022 Country Reports on Human Rights Practices: United Arab Emirates’](#).

³ Amnesty International, [‘United Arab Emirates country profile’](#), 2023; Human Rights Watch, [‘Joint statement – UAE: Release all those unjustly imprisoned before COP28’](#), 15 August 2023.

8. These constraints on free expression and civil liberties are central to the functioning of the UAE government, in which Sheikh Mansour is a leading and active figure. IMI has recently demonstrated a clear objective of censoring journalists and preventing open, critical reporting of the UAE government at its own news titles. In September 2022 the newspaper Al Roeya, owned by IMI and Sheikh Mansour, published a story on rising gas prices in the UAE. AP reported that following publication of the article, journalists were “suspended from work and faced extensive questioning from IMI and Al Roeya representatives and lawyers about every step and person involved in the story’s creation, editing and publication”.⁴ IMI subsequently declared the dissolution of the paper, resulting in mass layoffs of journalists and newspaper staff.
9. UAE state officials have also sought to restrict and censor international media coverage of the UAE government and Emirati royal families during the recent Conference of Parties (COP) in Dubai. A ‘Media Content Standards’ notice issued by the UAE Media Regulatory Office⁵ instructed reporters to refrain from publishing or circulating anything that “could offend directly or indirectly the ruling regime of the State”, “could be offensive to the national unity and social cohesion” or would risk “straining the State relations with other sisterly and friendly countries”.
10. The Telegraph titles have already shown a strong inclination for self-censorship in relation to coverage of foreign state actors and powerful corporations. In 2007 the Daily Telegraph began distributing copies of the Russia Beyond supplement, provided via a sponsored content deal with the Russian state-owned newspaper Rossiyskaya Gazeta. This supplement was widely viewed as ‘soft power’ propaganda by the Russian state, featuring articles praising the role of Russian oligarchs in western economies, dismissing criticism of Russia’s suppression of opposition parties, and downplaying accusations of Russian-backed separatists’ role in the 2014 MH17 incident.⁶
11. In 2015 the former Telegraph journalist Peter Osborne described the paper’s scant coverage of the HSBC banking scandal as “a fraud on its readers”, claiming that reporting on HSBC’s involvement in money laundering was blocked by the paper’s executives because the bank was considered too important as an advertiser.⁷ Shortly after this, the Telegraph began publishing the China Watch supplement, produced by a Chinese state-run newspaper and funded by the Chinese government. During this sponsorship the paper regularly ran editorials celebrating state visits by Chinese officials and promoting closer economic relations with China, and later publicised pseudoscientific claims about Coronavirus through links to articles by People’s Daily Online (featured on the Telegraph website).⁸
12. Sponsored content has lamentably become a common practice for many newspapers, yet TMG has demonstrated a willingness to promote state-backed content aimed at cultivating soft

⁴ Associated Press, [‘Mass firings at UAE newspaper raises questions of censorship’](#), 13 September 2022.

⁵ Official copies of the document were deleted but an archived copy is preserved:
<https://www.documentcloud.org/documents/24143896-media-content-standards>

⁶ Slate.com, [‘Hail to the Return of the Motherland-Protecting Propaganda!’](#), 30 August 2003; Guardian/Roy Greenslade, [‘Telegraph to continue publishing Russian propaganda supplement’](#), 29 July 2014.

⁷ Open Democracy/Peter Osborne, [‘Why I have resigned from the Telegraph’](#), 17 February 2015; Reuters, [‘Self-censoring scandal at newspaper roils UK press landscape’](#), 20 February 2015.

⁸ BuzzFeed, [‘A British newspaper has given Chinese Coronavirus propaganda a direct line to the UK’](#), 8 April 2020.

power through an influential British publication, and consequently appears all too eager to self-censor critical reporting should it jeopardise lucrative commercial deals. RedBird IMI and Sheikh Mansour's wider portfolio both hold significant investments in a range of international media outlets, global sports franchises, fossil fuel companies and major consumer brands, which are likely to benefit from favoured access to lucrative advertising and sponsored content deals at TMG titles. With the financial sustainability of the Telegraph and The Spectator likely to increasingly depend on investment from any new owners, there is a material risk that free expression of opinion would be seriously curtailed in relation to open, critical reporting on the UAE or UAE state-backed ventures.

13. The potential acquisition could have a particularly damaging impact on free expression of views in relation to the Telegraph's expanding role in sports journalism. City Football Group, majority owned by Sheikh Mansour, owns twelve major association football clubs around the world, including men's, women's and youth teams at Manchester City, Girona, New York City FC, Mumbai City and Melbourne City. Amnesty International and Human Rights Watch have widely criticised the UAE and other Gulf states for their attempts to 'sportswash' their international reputations, investing billions of pounds in global sports franchises through a variety of shell companies, dubious tax arrangements and sponsorship deals with state-backed companies.⁹ Manchester City is currently under investigation for persistent breaches of UEFA financial fair play (FFP) rules, including allegations that the club disguised direct payments from Mansour as commercial sponsorships by Emirati-owned companies.¹⁰ Any assessment of the potential RedBird IMI acquisition must take into account the clear incentive for a new proprietor to limit critical publicity of their financial activities, and how corporate campaigns like 'sportswashing' could be institutionalised through manipulation of sports coverage or restrictions on investigative reporting by journalists working for TMG titles.

Accurate presentation of news

14. The Telegraph titles and The Spectator magazine already have a poor track record in adhering to editorial standards, especially in relation to the accurate presentation of news. Over the five-year period from 2018 to 2022, just under 70% of all public complaints made to the Telegraph were related to Clause 1 of the IPSO Editors' Code, concerning the publication of "inaccurate, misleading or distorted information or images". During this same period, IPSO upheld 15 accuracy complaints against the Telegraph, including on articles that featured inaccurate reporting on scientific understanding of Coronavirus, misrepresentation of public polling data and significantly misleading coverage of international greenhouse gas emissions.¹¹ A further 16 accuracy complaints were 'resolved through mediation', meaning the publication was effectively able to dodge official censure by IPSO by negotiating a remedy with the complainant, even when the original published content (which typically remains available in

⁹ Amnesty International, ['Saudi Arabia wants to do this deal with the Premier League as a PR tool to help cover up its abysmal human rights record'](#), 24 April 2020; Human Rights Watch, ['Can a jailed UAE activist become a mascot for Manchester?'](#), 19 April 2018.

¹⁰ Guardian, ['Premier League charges Manchester City over alleged financial rule breaches'](#), 6 February 2023.

¹¹ See IPSO adjudications [11054-20 \(Buchanan v Telegraph.co.uk\)](#), [06056-19 \(Baked v The Daily Telegraph\)](#) and [04034-18 \(Ward v The Daily Telegraph\)](#).

the public domain and unremedied throughout the period of complaint) was otherwise likely to have been found in breach of the Code.¹²

15. Despite mainly publishing political commentary, The Spectator was also found to have breached Clause 1 of the Editors' Code four times between 2018 and 2022, including one article which featured an unsubstantiated claim presented as fact that Covid was "killing millions worldwide".¹³
16. The Telegraph also regularly publicises inaccurate and misleading articles denying man-made climate change, criticising green reforms and laundering climate skepticism. Analysis by DeSmog has found that over a six month period, 85% of Telegraph editorials on environmental issues attacked climate policies, questioned the international scientific consensus on anthropogenic climate change and ridiculed environmental campaign groups.¹⁴ By regularly omitting or misrepresenting scientific information, presenting opinionated claims as factual assertions and disguising statements from anti-scientific fossil fuel lobbying groups as 'expert' analysis, the Telegraph has played a leading role in amplifying inaccurate and misleading coverage of the climate crisis in the UK.
17. Given the extensive UAE investments in continued fossil fuel use and the state's efforts to hamper a global green energy transition, the transfer of TMG to RedBird IMI ownership is likely to only amplify the Telegraph's campaign of denialism and misdirection on climate change.¹⁵ A change in ownership is clearly not going to improve the Telegraph's long-established pattern of inaccurate reporting on climate change, especially if that owner holds a major vested interest and has already demonstrated its own pattern of misreporting, censorship and 'greenwashing' of dubious UAE initiatives.¹⁶
18. The Telegraph and The Spectator are voluntarily 'regulated' by IPSO, the self-regulatory body established and operated by the national newspaper industry. IPSO is demonstrably not independent of either the press industry or politicians, and its structures help entrench the political influence and unaccountability of newspaper proprietors at the core of the UK press.¹⁷ TMG's previous owners, the Barclay brothers, played a pivotal role in rubbishing the findings of the Leveson Inquiry and establishing IPSO as a breakaway regulator that does not comply with Leveson's recommendations for independent self-regulation of the press.¹⁸
19. In taking ownership of the TMG titles, RedBird IMI would be in a similarly powerful position to exploit the industry's pressure over IPSO and maintain the ineffective non-regulation of press standards in the national press. Given the clear precedent of IMI exercising direct editorial control and censorship of its titles, there is a further risk that any breaches upheld by IPSO against TMG titles would prompt RedBird IMI to withdraw from IPSO membership, and institute its own system of in-house regulation. An in-house regulator would clearly be

¹² Wragg, P and Chivers, T. (2021) [An analysis of IPSO rulings across the year 2020](#).

¹³ See IPSO adjudication [12355-20 \(Coleman v The Spectator\)](#).

¹⁴ DeSmog, ['Revealed: Scale of The Telegraph's climate change propaganda'](#), 23 November 2023.

¹⁵ Telegraph, ['The West has been the real loser at COP28'](#), 12 December 2023; Telegraph, ['COP28 summit on verge of failure after UAE abandons fossil fuel pledge'](#), 11 December 2023; Reuters, ['As fossil fuel rift delays COP28, Arab energy leaders say oil here to stay'](#), 12 December 2023.

¹⁶ Guardian, ['COP28 president's team accused of Wikipedia greenwashing'](#), 30 May 2023.

¹⁷ Hacked Off, ['The failure of IPSO'](#), September 2015.

¹⁸ Media Reform Coalition/CEU Democracy Institute, ['Media Influence Matrix: United Kingdom'](#), November 2021.

even more captured and ineffective than IPSO in upholding basic editorial standards, and would be tailor-made to allow the titles to avoid or ignore complaints relating to the accuracy of its coverage concerning the UAE, IMI or Sheikh Mansour.

20. In evaluating the public interest consideration on the need for accurate presentation of news, Ofcom will need to recognise the existing state of ineffective press self-regulation in the UK newspaper industry. Ofcom should not take it for granted that membership of IPSO is any guarantee of high editorial standards, accurate reporting or effective complaints handling. Ofcom will also have to evaluate in detail the history of editorial standards of IMI-held titles, and carefully consider the extent to which RedBird IMI's dubious corporate approach to accuracy and editorial independence has the potential to increase pressure on TMG editors and journalists to under- or mis-report factually on IMI holdings, Sheikh Mansour and the UAE.

Media plurality and diversity of opinion

21. Section 58(2B) of the Enterprise Act outlines a specified consideration for relevant merger situations on the basis of the need for “a sufficient plurality of views in newspapers” in the UK newspaper market. Section 58(2C)(a) similarly outlined a specified consideration on the need for “a sufficient plurality of persons with control of the media enterprises” serving every different audience in the United Kingdom. Although the public interest intervention notice issued by the Secretary of State does not engage these considerations, the proposed acquisition of TMG by RedBird IMI should nonetheless raise significant public interest concerns about the current state of limited diversity of opinion in the UK press and the dangerous levels of concentrated ownership across the UK media.
22. The UK national newspaper industry is operated by just six publishing companies, and the two largest publishers – DMG Media and News UK – control three-quarters of combined weekly newspaper circulation. Together with Reach Plc, these three companies accounted for 41% of the combined online reach of the UK's top 50 news websites in August 2023. UK online news traffic is dominated by the national newspaper publishers, who jointly comprise 61% of the combined reach of the top 50 news websites.¹⁹
23. These excessive levels of concentrated ownership have also resulted in a dangerously limited diversity of views represented by the national press. Right-wing titles with implicit or explicit support for the Conservative Party control three-quarters of national newspaper circulation, and account for one-fifth of the combined traffic of the top 50 news websites – far more than any titles or websites supporting other parties or left-wing political perspectives.
24. The proposed acquisition would only serve to entrench the existing state of dangerously concentrated media ownership in the UK, and would further restrict diversity of opinion by allowing a clear vested interest to gain material influence over major UK news titles. Although TMG represents a relatively small share of newspaper circulation, the Telegraph and Spectator titles are nonetheless significant outlets with sizeable online reach and established political influence. The Telegraph holds a 6% cross-platform retail news share and a 7% combined

¹⁹ Media Reform Coalition, [‘Who owns the UK Media? 2023 report’](#).

online reach amongst top news websites, and in October 2023 the paper's websites had an online audience of 13.8 million people.²⁰ Conservative MPs rate The Telegraph as their second most trusted newspaper (and trust it far more than the wider British public), and the paper frequently features op-eds and comment pieces from leading Conservative politicians and right-wing figures.²¹

25. Ownership of the Telegraph and The Spectator would clearly provide RedBird IMI with significant influence over the UK news agenda, both in print and online, and would enable UAE-backed executives to establish extensive connections with UK government figures and senior Conservative politicians. The Leveson Inquiry exposed in great detail the pervasive close relationships between politicians and the press, and recent years have demonstrated the on-going scale of private, off-the-record meetings with newspaper executives and proprietors that dwarfs politicians' meetings with any other branch of public life. The current Telegraph operation continues to enjoy intimate access to senior government ministers and Conservative politicians, and provides a prominent platform for right-wing opinion within the Conservative-dominated national press. There is little reason to believe its new owners would not seek to maintain and develop these high-level connections, and will almost certainly continue to use the TMG titles as an influential political outlet.²² This should be recognised as a serious public interest concern, especially in the run-up to a general election.
26. Even without statutory direction from the Secretary of State on additional public interest considerations, Ofcom should still take the opportunity presented by this merger situation to conduct an extensive review of the state of UK media plurality. This review should assess the extent to which the continuing high levels of concentrated media ownership have significantly limited the diversity of views available to UK citizens, and examine how dominant players in traditionally distinct media markets are able to significantly influence cross-media agenda-setting through the increasing convergence of offline and online news outlets.

Ineffectiveness of behavioural undertakings

27. The UK has a long history of large media corporations offering notoriously flimsy behavioural undertakings to deflect stronger regulatory interventions. The 1981 purchase by News International of The Times and Sunday Times was waved through by government ministers on the basis of undertakings provided in lieu of a more detailed investigation by the Monopolies and Mergers Commission. The undertakings provided by Rupert Murdoch pledged to protect "the editorial quality and integrity" of the two papers, codified in Articles of Association.²³ These articles stipulated that editors at the titles could only be removed by a majority agreement of the independent national directors, and that "editors will not be subject to instruction from either the Proprietor or the Management on the selection and balance of news and opinion".
28. Rupert Murdoch's extensive personal interference in the Times titles has been widely documented, particularly by Harold Evans who recalled being sent "a stream of memos asking

²⁰ Press Gazette, ["Top 50 UK news websites: October 2023"](#).

²¹ Press Gazette, ["MPs' most trusted news brands: FT and Times top the table"](#), 10 August 2023.

²² ByLine Times, ["Boris Johnson's Telegraph meetings leave no paper trail"](#), 22 June 2022.

²³ ["Evidence presented to the Leveson Inquiry"](#)

me to downplay or suppress news that was bad for the government”.²⁴ Andrew Neil, editor of the Sunday Times from 1983-94, also recalled his own experiences that Murdoch “does not regard himself as Editor-in-Chief of The Times or the Sunday Times, but he does regard himself as someone who should have more influence on these papers than anybody else”.²⁵ Evans claimed that Murdoch attempted repeatedly to circumvent his authority as editor, and Murdoch himself admitted he had at least exerted undue pressure on Evans in spite of the undertakings provided.

29. The resignation of Sunday Times editor James Harding in 2012 is another clear example of interference by News International management against both the letter and spirit of the 1981 undertakings. Harding himself alluded to having been forced out of his role by Murdoch, following the disagreements over the paper’s coverage of the phone hacking scandal²⁶ and Harding’s opposition to a merger of The Times and Sunday Times titles into a single paper – another element of the undertakings pledged in 1981. In 2022 after decades of direct personal interference in both editorial and managerial operations at the Times titles, wholly in spite of Murdoch’s pledge to protect editorial integrity and keep the titles separate, the Culture Secretary dissolved the 1981 undertakings – which Ofcom warned “would create the opportunity for greater proprietorial influence” and harm free expression and accuracy.²⁷
30. The 2007 purchase by News Corporation of Dow Jones and the Wall Street Journal also highlights the failure of behavioural undertakings to curb editorial interference in free expression and accurate reporting of news. The ‘Special Committee’ formed by the outgoing Bancroft family criticized News Corporation for failing to meet “the letter and the spirit” of Murdoch’s pledges to promote journalistic integrity, to maintain an independent editorial board and to retain existing WSJ staff.²⁸
31. In the current case of the RedBird IMI acquisition of TMG, CEO Jeff Zucker’s suggestion of a contract restricting RedBird IMI’s role to merely a “passive” partner is indistinguishable from these past undertakings, which have almost always been ignored or have clearly failed to prevent the kinds of proprietorial interference they were designed to prevent. In reality such undertakings have only ever served as a means to placate regulators and cautious shareholders. The creation of functionally separate boards or editorial guarantees are neither effective nor independent when the controlling party in a merger continues to hold corporate roles equal or superior to the ‘independent’ systems. Even lacking further details in the public domain, the additional assurances offered by RedBird IMI’s chief executive Jeff Zucker would be wholly inadequate to mitigate the clear public interest concerns arising from the proposed acquisition, and would be unlikely to mitigate against proprietorial interference in free expression or accurate presentation of news at TMG titles.
32. In assessing whether the proposed undertakings are sufficient to mitigate against public interest concerns, Ofcom should take as a starting point the success of stronger undertakings from cases such as the legal separation of Openreach from BT. The Openreach case highlights the of behavioural remedies and functional separations, like those proposed by RedBird IMI, to

²⁴ [Evidence provided to the Leveson Inquiry](#) p495

²⁵ [Communications Committee, 23 January 2008, HL 122-II 2007-08](#) p339

²⁶ <http://www.pressgazette.co.uk/james-harding-admits-he-was-pushed-out-times-editors-chair/>

²⁷ Guardian, [‘Ban on Rupert Murdoch’s interference in Times and Sunday Times ended’](#), 10 February 2022.

²⁸ <https://www.wsj.com/articles/SB120949854773153675>

meaningfully protect the independence of organisations from proprietorial influence. Ofcom’s 2016 Digital Communications Review found that BT had failed to adhere to the company’s behavioural undertakings provided in 2005 regarding the governance framework and operational independence of Openreach.²⁹ The report also noted that the behavioural remedies designed to “restrict the extent to which the wider interests of BT group influenced decisions made by Openreach” were ultimately “subject to the limits inherent in the wider BT corporate governance structure”.³⁰ Following legal separation of Openreach in 2017, Openreach customers—namely other telecoms companies who use the Openreach network—responded positively to the measures.

²⁹ [Ofcom \(2016\) Making communications work for everyone: Initial conclusions from the Strategic Review of Digital Communications](#)

³⁰ Ibid. p61 para 6.6