

# Fox looks to wrap up Sky takeover in UK, hand over to Disney

December 14 2017, by Danica Kirka

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This Friday, July 25, 2014, file photo shows a view of the headquarters of the Italian Sky television broadcaster in Milan, Italy. Disney announced Thursday, Dec. 14, 2017, that it is buying a large part of Fox. Under the deal, Disney will get at least a 39 percent stake in European satellite-TV and broadcaster Sky. Fox is hoping to acquire the remainder of Sky before the deal closes, giving Disney full control. (AP Photo/Luca Bruno, File)

21st Century Fox said Thursday it will still try to complete its 11.7

billion pound (\$15.4 billion) takeover offer for Sky, a move that would hand the major European broadcaster over to Disney as it in turn buys most of Fox.

Sky is based in London but has strong news and pay-TV operations across Europe, and is particularly prized for its sports broadcasting operations, including the English Premier League soccer matches.

Fox, controlled by Rupert Murdoch's family, has faced hurdles in trying to buy the 61 percent of Sky it doesn't already own. But it said Thursday that it remains confident that Britain's competition regulator and government will approve the Sky [takeover](#) by the expiration of the offer on June 30, 2018.

The takeover values Sky at 18.5 billion pounds.

"Assuming 21st Century Fox completes its acquisition of Sky prior to closing of the transaction, The Walt Disney Company would assume full ownership of Sky, including the assumption of its outstanding debt, upon closing," the companies said in a statement.

Disney is buying much of Fox for about \$52.4 billion in stock, including film and television studios and cable and international TV businesses.

Britain's competition regulator is conducting an investigation into whether Fox's bid for Sky would give Murdoch and his family too much control over the country's news media.

Culture Secretary Karen Bradley asked the Competition and Markets Authority to evaluate the takeover in September, taking a look at Fox's commitment to broadcasting standards and the deal's impact on media plurality in the U.K.

Her decision touched off a six-month investigation, bringing renewed attention to the mogul's holdings and efforts to consolidate his empire. With Murdoch already owning the Sun and The Times newspapers, there are concerns that he and his company would wield too much power in Britain.

But the regulator will also look at a variety of other issues to determine whether the merged entity would have a "genuine commitment to broadcasting standards objectives." Among these are allegations that 21st Century Fox's board failed to recognize that sexual harassment was a problem until a Fox News anchor took the issue to court, according to a Sept. 12 letter to the company from the Department for Digital, Culture, Media and Sport, which Bradley heads.

One question raised by Disney's takeover of Fox is whether it could make it easier for British regulators to approve the takeover of Sky, knowing that it would not remain within Murdoch's stable of news operations.

Longtime Murdoch critic Tom Watson said Disney had to take care not to let the "toxic corporate culture we have seen in the Murdoch empire to contaminate their business and tarnish their reputation"

"This is the end of an era for the Murdochs who after decades of aggressive empire expansion are now in retreat," he said.

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