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BY EMAIL

July 7, 2014
File No.: 038211.1138

Mr. Joseph LaRose
Deputy Registrar
The Competition Tribunal
Thomas D'Arcy McGee Building
Suite 600 – 90 Sparks Street
Ottawa, ON
L1P 5B4

COMPETITION TRIBUNAL TRIBUNAL DE LA CONCURRENCE	
FILED / PRODUIT	
July 7, 2014 CT-2014-005	
Jos LaRose for / pour REGISTRAR / REGISTRAIRE	
OTTAWA, ONT	# 1

Dear Sir,

Re: The Commissioner of Competition v. Transcontinental Inc.

Please accept this letter from the Respondent Transcontinental Inc. (“**Transcontinental**”) as an application, on consent of the parties, to vary and restate the Consent Agreement (the “**Consent Agreement**”) between Transcontinental and the Commissioner of Competition (“**Commissioner**”), pursuant to section 106(1)(b) of the *Competition Act*. Section 62 of the Consent Agreement also provides that either Transcontinental or the Commissioner may apply to vary the Consent Agreement under section 106 of the *Competition Act*.

A draft order is attached as Appendix “A”. The consent of each of Transcontinental and the Commissioner is attached as Appendix “B”.

Capitalized terms used in this letter and not otherwise defined have the meanings specified in the Consent Agreement.

The Consent Agreement, as registered on May 28, 2014, contemplates that the Divestiture Sales Process set out in the Consent Agreement will apply to 34 weekly newspapers in Quebec, known as the Divested Newspapers. Two of these 34 newspapers are *Le Courrier du Saguenay* and *Le Réveil*, which are directly competing weekly newspapers within the Saguenay region of Quebec. The Divestiture Sales Process as it relates to Saguenay is therefore different from the Divestiture Sales Process as it relates to other regions of Québec, where, as general matter, only *one out of two* competing newspapers are part of the Divestiture Sales Process, but not *both*.

The parties agree that *Le Réveil* will remain a Divested Newspaper. However, the parties further agree that it is not necessary to also offer *Le Courrier du Saguenay* for sale in order to remedy a substantial lessening of competition and that it should be removed as a Divestiture Paper.

This variation to the Consent Agreement will make the Divestiture Sales Process as it relates to Saguenay more consistent with the Divestiture Sales Process as it relates to other regions of Québec, where, as general matter only one out of two competing newspapers are part of the Divestiture Sale Process (but not both). The Divestiture Sales Process set out in the Consent Agreement will continue to apply to 33, rather than 34, Divested Newspapers.

Both parties consent to this variation. In light of the fact that the Divestiture Sales Process is currently underway, the parties request that the Competition Tribunal order the requested amendment as soon as possible.

Yours truly,

Lawson A.W. Hunter, Q.C. (counsel to
Transcontinental Inc.)

cc: Steve Sansom and Esther Rossman, *Competition Bureau Legal Services*

APPENDIX A

COMPETITION TRIBUNAL

Reference: The Commissioner of Competition v. Transcontinental Inc.

File No.: CT-2014-004

Registry Document No.:

IN THE MATTER OF the Competition Act, R.S.C. 1985, c. C-34, as amended, and the Competition Tribunal Rules, SOR/2008-141;

AND IN THE MATTER OF the proposed acquisition by Transcontinental Inc., or a wholly-owned affiliate thereof, of all of the shares of 8706182 Canada Inc., thereby resulting in the acquisition of the weekly newspaper publishing business carried on in Quebec by Quebecor Media Inc., consisting of 74 weekly newspapers including web, mobile and printed formats, regional offices and prepress hubs located in Rimouski, Saint-Georges and Val-d'Or (the "**Transaction**");

AND IN THE MATTER OF the filing and registration of a Consent Agreement pursuant to section 105 of the Competition Act;

AND IN THE MATTER OF an Application pursuant to section 106(1)(b) of the Competition Act.

BETWEEN:

THE COMMISSIONER OF COMPETITION

Applicant

- and -

TRANSCONTINENTAL INC.

Respondent

Decided on the basis of the written record.

Presiding Judicial Member:

Date of Order:

Order signed by:

ORDER ALLOWING AN APPLICATION UNDER PARAGRAPH 106 OF THE COMPETITION ACT TO VARY A CONSENT AGREEMENT

[1] FURTHER to the Consent Agreement filed on May 28, 2014 by the Commissioner of Competition ("**Commissioner**") in relation to the Transaction;

[2] AND FURTHER to an Application made on consent pursuant to section 106 of the Competition Act, R.S.C. 1985, c. C-34 ("**Act**"), by Transcontinental Inc. and the Commissioner, to vary the Consent Agreement;

[3] AND UPON considering the Application, and the information and the reasons set out therein for the variation of the Consent Agreement;

[4] AND UPON being satisfied with the reasons and information provided;

[5] AND UPON noting that the amendment of the Consent Agreement is on consent but is nevertheless a discretionary matter for the Tribunal;

THE TRIBUNAL ORDERS THAT:

[6] The Consent Agreement be and hereby is varied by removing *Le Courrier du Saguenay* from Schedule A2 of the Consent Agreement.

DATED at Ottawa, this ____ day of July 2014

SIGNED on behalf of the Tribunal by_____

COUNSEL:

For the applicant:

The Commissioner of Competition
Steve Sansom and Esther Rossman

For the respondent:

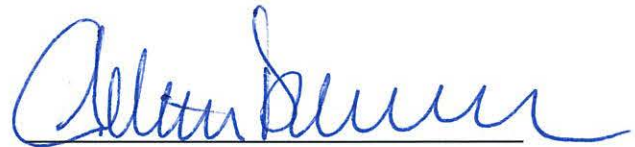
Transcontinental Inc.
Lawson A.W. Hunter and Michael Kilby

APPENDIX B

CONSENT

Transcontinental Inc., the Respondent to the Consent Agreement registered in respect of matter CT-2014-004, consents to an order by the Competition Tribunal in the form of the amendment to the Consent Agreement enclosed herewith as Appendix A to this letter.

Dated at Montreal, Quebec this 7th day of July, 2014



Christine Desaulniers
Chief Legal Officer and Corporate
Secretary
Transcontinental Inc.
1 Place Ville Marie Suite 3315
Montreal, QC, H3B 3N2

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CONSENT

The Commissioner of Competition, the Applicant to the Consent Agreement registered in respect of matter CT-2014-004, through his counsel, consents to an order by the Competition Tribunal in the form of the amendment to the Consent Agreement enclosed herewith as Appendix A to this letter.

Dated at Gatineau, Quebec this 1st day of July, 2014



Esther Rossman
Counsel
Competition Bureau – Legal Services
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Counsel for the Commissioner of
Competition