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PRIME MINISTER

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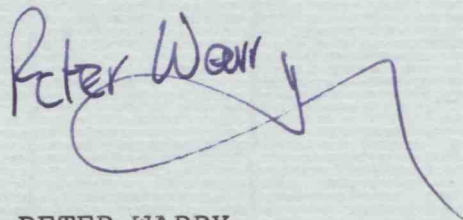
TAPE LEVY

Putting a levy on video and audio tapes is unlikely to be popular except with the commercial pressure groups seeking it. It is the worse for also being morally indefensible: transferring money to a rich record industry from innocent consumers purely because some (albeit a majority) use them to breach copyright. Nor does the Government look very clever, having in the previous Green Paper ruled out exactly the option it now puts forward.

The whole area of intellectual property is in urgent need of action; Robin Nicholson published his Green Paper in December 1983. Audio and to a lesser extent video copying is important, but is immaterial in the totality of industrial intellectual property, and it would seem unfortunate that our first move should be in such an ephemeral area and on such weak grounds.

The EC may well legislate in this area so it would be prudent to let them take the initiative and bear the odium.

If, however, H hold firmly to their views then we could not propose that you should go to the barricades on this issue.



PETER WARRY