

CLB6



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19 June 1987

The Rt Hon Douglas Hurd CBE QC MP  
Secretary of State for the Home Dept  
Home Office  
50 Queen Anne's Gate  
LONDON  
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NBRN.

DBS

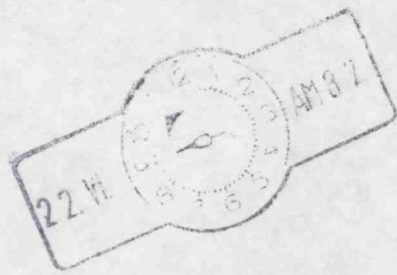
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Thank you for sending me a copy of your minute of 10 June to the Prime Minister.

I take it that you agree - as I do - with the IBA's decision not to give BSB the extra two channels. BSB's concern stems from the recent agreement that British Telecom would market the "Astra" channels in the UK as an off-air system. But BSB knew that "Astra" would be available when they made their original bid for the franchise, even if they did not know that BT would be marketing it. I would not wish to see the possibility of using the remaining two channels to set up a future competing British DBS service pre-empted by giving BSB the extra two channels now. Furthermore, if a five-channel franchise were available, it would have to be readvertised. BSB submitted the best bid for three channels, but they might not make the best bid for a five channel service.

I am copying this letter to members of MISC 128 and to Sir Robert Armstrong.

NIGEL LAWSON



BROADCASTING : DBS PT6.

