

CCBA



Treasury Chambers, Parliament Street, SW1P 3AG
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6 July 1987

The Rt. Hon. Douglas Hurd MP
Secretary of State for the Home Office

John Major

BROADCASTING: SUBSCRIPTION TELEVISION AND DBS

Thank you for sending me copies of your minute of 29 June and 1 July to the Prime Minister. I have also seen her reply and Lord Young's comments on the first of these.

I have no difficulties with a publication date of 9 July for the CSP International study and look forward to seeing a presentation from them in due course.

I am glad to see that BSB have not maintained their claim for all five DBS channels. I agree with you that it would be unreasonable to extend their "free run" of DBS to five years. But by suggesting that there is a two or three year lead time to set up a DBS station once the channels are awarded, are you not ruling out the possibility of awarding a contract in advance to commence once BSB's first three years are over? It might be better not to imply that three years before an award necessarily means five years before a new station is established, although I see that it may well mean that in practice.

I also agreed with you that nothing can be said to Lord Blakenham which might tie our hands or throw our commitment to competition in doubt. I think it would be helpful if you restated that commitment before going on to say that we will of course consider the impact on present services of any changes. It is possible to make too much of the risks attaching to BSB, and we should be clear that the establishment of BSB's DBS service is just a step towards the free broadcasting market, and not an end in itself.

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

Nigel Lawson

NIGEL LAWSON

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