

Broadcasting France PR 2

PRIME MINISTER

7 October 1988

BROADCASTING: SIR JEFFREY STERLING'S VIEW

pp on Pr 6.

My own comments are as follows:

1 The Third Force

I very much support his view of the need for a third force in terrestrial television which will provide real competition to BBC and C3. I also see considerable merit in combining C4 and C5 in a private company. The real advantage is the likely increased market share from being able to schedule two channels. This is a far better result for the system as a whole than having C4 owned by the ITC. If C4 and C5 were combined, C4 would still be protected by:

- a) a clearly defined remit,
- b) ITC having a responsibility to ensure the remit was kept,
- c) a separate board for C4 within the private holding company, possibly with say two non-executive directors appointed by the ITC.

2 Yes. Television companies should be given access to BT fibre optic network.

3 Yes. Retain maximum flexibility in new statutory framework.

4 Tendering

Very difficult to keep out someone like Robert Maxwell if he

sells his newspaper interests. Another reason for ensuring that the chairman and members of ITC are first class.

5 BSB. I agree - it certainly looks an uphill task for Holdsworth.

6 Advertising. Jeffery Stirling is right to argue that in a more competitive world advertisers will be able to demand a more specific placing of adverts. While however this may raise quality in some cases; it may equally produce rubbish in others. Difficult to predict the net result.

7 Idea on vesting is interesting. Needs to be worked up.

8 Agree. The best way of tackling the BBC is indirectly.

9 John Birt as Chairman of IBA. Great integrity and very professional but very bad at handling people. Not an obvious chairman. Others from within the system would be better, eg Christopher Bland LWT.

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