12 May 1989

PRIME MINISTER

MISC 128: BROADCASTING OWNERSHIP

The proposed draft announcement by the Home Secretary reflects closely the discussion in a previous meeting on the subject and should be accepted subject to two caveats.

One issue is the restriction on newspaper holdings in non-terrestrial channels, and in particular DBS. The Home Office have made great play of the contrast between DBS and other satellite channels (eg Astra). David Young is quite right to insist that because we treat DBS as more like terrestrial broadcasting, similar ownership rules should apply. This is a fair point though I doubt if it will make much difference in practice.

Another issue, which is not dealt with in his minute is the policy on take-overs which the IBA will pursue between now and the time when the new ownership rules come into force, January 1992. This needs clarification. Hopefully take-overs will be permitted as soon as possible.

Recommendation

Agree to this proposed draft but suggest changes to ownership of DBS and also ask him to clarify the take-over regime which will be in force after the announcement.

BRIAN GRIFFITHS

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