



British Broadcasting Corporation, Broadcasting House, London W1A 1AA
from the Chairman, George Howard

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16th January 1981

My dear Margaret

I promised to let you have brief papers on Satellites and on our services to Francophone Africa. These I now enclose.

We have sent lengthier papers to the Home Office on D.B.S. (Direct Broadcasting by Satellite); this note is designed to show you why we should press ahead with making up our minds on what we should do.

So far as the External Services note is concerned, you will see that listening figures for Franco-phone Africa are difficult to obtain, though an extrapolation of those which we do have would show a very considerable audience; I would, of course, be the first to admit that this is an entirely unscientific method of getting at a listening figure.

Yours ever

George

The Rt. Hon. Mrs. Margaret Thatcher, M.P.,
Prime Minister,
10, Downing Street,
London,
S.W.1.

BBC EXTERNAL SERVICES

1. The capital cost of a relay station in Hong Kong to serve China would be £5.8 to £6.5 million, depending on the site.
2. The annual cost of the French Service to Europe is £274,000; that of the total service - to both Europe and Africa - is £820,000. In fact, it would not be possible to save all this by closure of the French Service since one fifth (£162,000) represents transmission costs and we could not contemplate leaving transmitters idle. We are desperately short of such hardware and would immediately attempt to convert the transmitters for use for other West European or African languages.

The latest Market Research survey for France and Belgium gave us regular audiences of 470,000 (with a total audience approaching 2 million on occasion). Listening is concentrated among opinion-formers and the better educated.

When Anglo-French problems have arisen in the past - for example, the fishermen's dispute, lamb, the 'apple war' and, most especially, the question of a more equitable EEC budget - Britain's case received very little airing in the French media, and hardly a single sympathetic analysis. The British point of view was fully explained on the BBC French Service and a number of listeners, among them a Sorbonne professor of political science, wrote in to remark on the facts and views they had heard.

The French Service also broadcasts to more than 20 African countries, with a total population of nearly 160 million, where French is either the official language or is widely spoken among the better-educated people. Audience research is particularly difficult to organise in Africa but a recent survey in the Ivory Coast gave us a regular audience of 100,000 with a total audience of 150,000. (The population of the Ivory Coast is 7,613,000, while the rest of Francophone Africa has a population of 151,086,000.) The increasing importance of the Service - often seen by Africans as the only bridge between them and Britain - is stressed by requests from African leaders to visit the French Service or to be interviewed by it (visitors in past months have included the Foreign Ministers of Togo and Mali and the Archbishop of Bangui; interviews were given recently by the Prime Minister of Zaire, the Presidents of Gabon and of the Central African Republic, the Prime Minister of Tunisia, etc.) We also know that regular listeners include people like President Mobutu of Zaire and ex-President Senghor of Senegal.

BROADCASTING SATELLITES - A NEED FOR A DECISION

The Broadcasting Satellite Conference held in Geneva in 1977 agreed a plan for Europe, USSR and Africa in which orbit positions and frequencies were assigned for each country. With few exceptions, every country in Europe and Africa was assigned five frequency channels, each channel being suitable for one television programme.

SATELLITE PLANS

France and Germany

France and Germany withdrew their support for the European Space Agency satellite project in 1979 and agreed that they would cooperate in building two satellites, one for each country, each capable of transmitting on three channels. The satellites themselves will be built by Messerschmitt-Bolkow-Bohm in cooperation with Aerospatiale.

They are intended to be launched by the Ariane launcher, which is largely a French development, though carried out within the framework of the ESA. It is proposed that two channels will carry television and the third a multiplex of sound programmes using digital modulation. It is forecast that the German satellite will be launched in 1983 with the French in 1984.

Scandinavia

NORDSAT is the joint body set up to exploit a beam whose coverage embraces Norway, Sweden, Denmark and Finland. They hope to include transmissions for Iceland, Faroes, and Greenland. They will transmit television and sound radio programmes. It has recently been reported that Sweden may withdraw from NORDSAT in favour of their own satellite.

Luxembourg

Another European country which has been reported to be actively investigating satellite broadcasting is Luxembourg. This would have a large audience for commercial French, Dutch and German programmes in an area extending some 200 to 300 km around Luxembourg. The limited size of the Luxembourg beam makes direct broadcasting to any part of the UK impractical in terms of individual reception; even in the extreme south-east of England a large aerial will be required for reception. In any case, Luxembourg have stated that they have no present intention of broadcasting in English.

Switzerland: TELSAT

A commercial consortium have proposed to the Swiss Government that they radiate five programmes on the Swiss satellite with a possible starting date of 1984/5.

TECHNOLOGY

The technology for providing direct broadcasting satellites is feasible but not yet proved in practice. The satellite must transmit much stronger signals than the earlier communication satellites and this will require major changes in satellite design.

They will have to be much larger, have larger transmitting aerials and hence large rockets for the launch. The main problem is the cost of launching and manoeuvring a satellite; this is estimated at one hundred million pounds.

Satellite plans are based on the assumption that viewers within the main service area will need a dish antenna approximately 1 metre in diameter. The estimated cost of this and the converter is between £150 and £300. The high frequencies used from a satellite must be converted down to the UHF band to be accepted by standard television sets.

ED FOR A DECISION

British Aerospace need a decision now, if there is to be a 2-channel satellite in operation by 1984 or a 5-channel satellite by 1985/86.

British Aerospace has the technology to compete for broadcasting satellites in a market which is estimated around £4,000,000,000 over the next two decades, particularly in China and the emerging Third World countries. Clearly an order for a UK satellite would assist their overseas sales drive.

But with many European countries moving ahead the UK could miss the chance of this large industrial market for manufacture of broadcast satellites. The need to make a decision now has been emphasised by the delay in the American space shuttle. Only a few Ariane rocket launches are planned and satellite launches have to be booked at least three years ahead.

France and Germany are hoping for a 30% share in the market. With their satellites planned for 1983 and 1984 the lead they achieve could put British Aerospace at a serious disadvantage.

There is a further opportunity for British industry in the receiving equipment required by the domestic consumer. It is estimated that if half the 18 million television licence-holders equip themselves for satellite reception, the market in the UK alone is in the region of £250,000,000. It is clearly important for British industry to develop this equipment for the large domestic and export markets.

If we do not have a domestic market for satellite television reception by the mid 1980s it is unlikely that we will have any television receiver industry in the UK by the end of the decade.

A decision is needed now if the UK is to have a DBS service by the mid-80s. If it is delayed, many financial, industrial and broadcasting opportunities will be lost.

The Home Office is conducting a comprehensive study of these questions and as a contribution to this the BBC has submitted a detailed paper on satellite broadcasting.

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