

Prime Minister



M

20 April 1983

CABLE TELEVISION

I have seen the papers for Wednesday's meeting of E(TP). I am not attending but should be grateful if colleagues would consider the following.

The introduction of cable television has potentially far-reaching consequences for sport in the UK. My concern is

- that sport should continue to play its ever more important role as part of the social fabric (particularly in the inner cities) and of family life;
- for the well-being of sport itself;
- that the Government could come under strong political pressure if sport, and its role, is seen to suffer by the introduction of cable television.

Some governing bodies of sport already see the introduction of cable television as a means of increasing revenue - largely by increasing competition with channel television for the rights to broadcast sporting events. Greatest competition will be for the "major" events. In principle I welcome competition in this way; but there may be unwelcome repercussions in the specific case of sport which I urge my colleagues to consider.

A shift in the televising of (particularly "major") sports events to cable from channel television would

- at least in the early years, prevent the vast majority of families from watching these events on television. In the longer term, poorer families would be singled out for disenfranchisement. Yet it is particularly the less well off, the unemployed, those living in areas of urban deprivation, for whom sport has an important social role.
- Televised sport currently provides entertainment for the whole family. "Major" events particularly provide a focal point for families (and communities) for a far greater time than the event itself. Televised sport also encourages viewers, especially those with time on their hands to participate in their local clubs, soccer leagues and so on. This gives the unemployed a constructive activity, which can also build social responsibility and generate a community spirit.
- Dissuade business from continuing its current invaluable sponsorship of sport in view of dramatically reduced television audiences. It is, in my view, extremely unlikely that this loss would be matched by any extra revenue brought about by competition between cable and channel television. Again, this applies most critically to "major" sports events.
- For these reasons, bring the Government under attack from the viewers' organisations, from other pressure groups (including the politically motivated) and from sponsors. A combined assault would be vociferous and potentially very damaging politically. There would also be an outcry from those

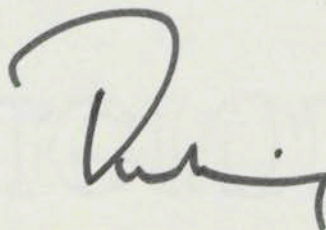
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members of the public who could not receive any "major" events carried solely by cable television.

I urge my colleagues to take account of these factors, which are probably unique to sport, and to agree to provide channel television with some form of exclusive rights to the "major" sports events. The White Paper seeks to do this, and has my support in doing so. In urging this stance, I recognise that it may bring about claims that we are fettering cable television and reducing free market competition; and that some of the governing bodies of sport may claim that their bargaining position has been prejudiced - short-sightedly in my view.

I also recognise that "major" will be open to interpretation. It seems right, however, to treat differently those events of national, widespread public interest, whilst ensuring that local, but no less interesting, events are available to cable television. No doubt officials could prepare suitable guidelines which might be the subject of consultation with sports bodies and sponsors (and others).

I am copying this to other members of E(TP), and to Sir Robert Armstrong.



TK

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cc N.O.

QUEEN ANNE'S GATE LONDON SW1H 9AT

27 April 1983

Dear Tom

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CABLE TELEVISION

I was most grateful for your minute of 20 April to the Prime Minister on the implications of cable television for sport. Your thoughts on the need to try and safeguard the great national sporting events for the ordinary television viewer (who in constituencies like mine is unlikely to have cable for many years, if ever) are very much in line with my own.

The draft White Paper paragraphs on pay per view and exclusive rights were endorsed by E(TP) and will, I believe, provide some measure of public reassurance in this very sensitive area. They will no doubt be the focus for further lobbying between now and the passage of the cable legislation and I am sure that it would be helpful if our officials kept in close touch. I understand that there is already good contact between the Broadcasting Department here and your Sports Branch.

I am copying this letter to the Prime Minister and the other copy recipients of your minute.

Tom
Water

- 3 MAY 1983

