

Foreign and Commonwealth Office

London SW1A 2AH

4 April 1986

Dear Charles

No action dor us, for the time

Direct Broadcasting by Satellite (DBS)

Since you discussed with Robert Culshaw your letter of 26 March on DBS, the Home Secretary has agreed to Sir Geoffrey Howe's suggestion that an inter-departmental committee should be set up to examine the full range of possibilities for a United Kingdom DBS Service. We now await a response from the Secretary of State for Trade and Industry. We shall discuss the modalities of this with the Cabinet Office as soon as we have confirmation that Mr Channon is also now content with Sir Geoffrey Howe's proposal.

The subject will clearly remain important. I therefore enclose a background paper prepared in the FCO which sets out British interests, as the Foreign Secretary sees them, in the field of TV broadcasting by satellite.

To amplify briefly: the keypoint is that the Foreign Secretary is concerned that a UK DBS Service should have a wide European coverage. He believes that such a service would be more attractive commercially, and there is evidence that some sections of industry agree. Our competitors certainly think so. France and the Federal Republic are to launch DBS Services with European coverage, and Mr Robert Maxwell has an English language channel on the French satellite.

Under international arrangements dating from 1977, the United Kingdom has been allocated a DBS Satellite slot at 31°W. This provides coverage mainly in the UK, with minimal overspill. France, FRG and others have positions at 19°W. This gives wide European coverage, including the United Kingdom. We believe that options are open to us, through international negotiation, to seek collaboration eg with the Netherlands, Belgium or Luxembourg, who have been allocated 19°W but are unlikely to make any or full use of it. Alternatively we could seek to alter the angle of the 31°W beam to extend to Europe.

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These are some of the issues which could usefully be discussed in the new committee. Its establishment would not delay progress on setting up the proposed UK DBS Service, for which the IBA published an advertisement for contractors on 2 April. But its discussions could reveal opportunities for making that service even more beneficial to British interests.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq PS/10 Downing Street



British Interests in the Field of TV Broadcasting by Satellite

1. Technical

- (a) To promote British research and development of electronics and communications equipment, including the development in the longer term of HDTV;
- (b) To pursue agreement in the European Community on the adoption of a common European transmission standard, preferably the MAC family including C-MAC;

2. Commercial

- (a) To promote sales of British hardware for the domestic,
 European and other markets in the consumer
 electronics, aerospace and information technology
 industries, bearing in mind the employment
 implications;
- (b) To alert UK programme-makers to export opportunities presented by the new technology;
- (c) To promote sales of British programme material to broadcasting companies in Europe and to encourage overseas television companies to consider the UK as a major source of supply;
- (d) To examine current copyright and performing rights problems to prevent their acting as a constraint on sales of UK material or against the interests of UK performers.



3. Information/Cultural/Educational

- (a) To ensure that British news and comment is carried on television overseas;
- (b) To ensure the greatest possible volume of <u>high</u> <u>quality</u> British programmes are shown on television overseas;
- (c) To ensure that opportunities are taken to use the new technological developments to promote Government policy;
- (d) To encourage collaboration between UK television companies/news agencies/BTA/BOTB/COI to ensure the widest possible dissemination of news about Britain;
- (e) To ensure that every opportunity is given to encourage the teaching and spreading of the English language by television;
- (f) To investigate the scope for using the new technology for educational purposes, including its implications for the Open University.

4. Political

- (a) To encourage freedom of information across frontiers and the availability of British TV Channels and programmes in Europe;
- (b) To encourage the development of a harmonious broadcasting system in Europe without undue regulation;



- (c) To examine the case for collaboration with other European countries for a UK DBS satellite position of 19°W;
- (d) To consider the possibility of negotiations with our European allies and with the ITU on the desirability of amending the WARC '77 agreement to give any UK DBS satellite a more equitable "footprint" commensurate in size and position with that enjoyed by France and Germany.