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Treasury Chambers, Parliament Street, SWIP 3AG 01-270 3000

Rt Hon Douglas Hurd MP Home Secretary Home Office 50 Queen Anne's Gate LONDON SW1

10 July 1987

Dear Home Secretary

NBM.

BROADCASTING: DBS

Thank you for sending me a copy of your minute of 9 July to the Prime Minister on your reply to Lord Blakenham.

I am content with the way you propose to cover the question of our policy of greater competition in broadcasting.

Your paragraph on the moratorium does not allow for the possibility which I suggested in my letter of 6 July of awarding a contract in advance of the three year period of grace so that the channels could come into operation soon after the end of the period. I hope you would feel able to amend the first sentence of your paragraph to read "I am happy to repeat that we would not allocate the additional two channels until BSB had been operational for at least three years", and drop the final sentence.

I am copying this letter to members of MISC 128 and also to Sir Robert Armstrong.

Yours sincerely Courty Rydins

PP NIGEL LAWSON

(Approved by the Chancellar and signed in his absence)

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