

Prime Minister

Do you want me to
write as suggested?

REC

15/1

PERSONAL AND CONFIDENTIAL

PRIME MINISTER

15 January 1988

I would rather

have a word with B.G. first

The Rank Organisation and Pay-TV

Recently I met the Chief Executive of the Rank organisation and the Director in charge of films, video etc.

Two interesting points emerged.

Costs of Satellite TV and a Fifth Channel

First, the costs of additional terrestrial broadcasting (Fifth Channel, Sixth Channel etc) are almost certain to be considerably cheaper to the consumer than those of satellite broadcasting. Even before the Fifth Channel was mentioned as a possibility Rank had been invited to join BSB - the medium powered satellite due to start next year - but had declined.

They claim that the cost per household of installing equipment to receive the new channels is roughly as follows:

Extra terrestrial channels

UHF

£40 —

VHF (decoder, converter and aerial)

£90 —

Satellite (dish, decoder)

BSB

£200-250

Astra

£400

The BSB figure is confirmed by BSB.

Standards and Extra Channels

Second, they were very clear, and made no bones about the fact, that standards (regarding sex and violence) on television would decline following the introduction of extra channels. Investment in extra terrestrial channels is profitable because it can show premium television (films, major sporting events etc).

In these films the content of sex and violence would be greater than shown at present and would be more appropriately classified under the British Board of Film Censors. They were under no illusion that the success of Canal-Plus in France was due in no small measure to the soft-porn films they showed late at night.

They went on to claim that in their judgement this would be perfectly acceptable within our society; first because individuals would have to pay extra for it; and second because it would be very easy to attach a parental key to the fitting for a new channel, so that children could be excluded from watching it by their parents, if their parents so wished. They also said that it would be easier to control the content of terrestrial rather than satellite channels in terms of hard porn, unacceptable violence etc.
