



## Treasury Chambers, Parliament Street, SWIP 3AG

The Rt Hon David Waddington, QC MP Secretary of State for the Home Department Queen Anne's Gate LONDON SW1H 9AT

November 1990

Jeac Sail,

BROADCASTING OWNERSHIP ?

Your letter of 1 November proposed dispensing with the contiguity rule while increasing the number of areas designated as large from six to nine.

I am content to see the contiguity rule abolished in order to increase competition for franchises and maximise the chances that economies of scale will be achieved. But increasing the number of Channel 3 licences designated as large would have the opposite effect. Overall your proposals would rule out more combinations of ownership than previously envisaged. I doubt we need do this and suggest not more than the original six of fifteen Channel 3 licence areas should be designated as large.

I am copying this letter to the Prime Minister, other members of MISC 128 and to Sir Robin Butler.

RICHARD RYDER

