

dti

the department for Enterprise

cc: PA

The Rt. Hon. Nicholas Ridley MP  
Secretary of State for Trade and Industry

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

Department of  
Trade and Industry

1-19 Victoria Street  
London SW1H 0ET

Enquiries  
01-215 5000

Telex 8811074/5 DTHQ G  
Fax 01-222 2629

Direct line 215 5622  
Our ref NP1APS  
Your ref  
Date 8 March 1990

WRBPM

RACG  
8/1

Dear David

BROADCASTING BILL: TELETEXT

fluff

Thank you for your letter of 7 March about additional services.

As you know, our proposals in this area were designed to create a market in the spare capacity on broadcast signals which is a valuable and scarce commodity. Any limitation on the use to which the capacity can be put will naturally restrict the market. Nonetheless, I can understand your wish to reassure those concerned that they will lose access to a competitor to CEEFAX and, indeed, there may be advantage in ensuring that there is such a competitor. I am thus content to endorse your proposal, in particular that the size of the teletext allocation should be subject to the Secretary of State's approval. I would hope, however, that, at the time, you make it clear to the ITC that you would expect them to make a realistic estimate of the amount of spare capacity needed for a viable teletext service. In particular, I do not think we should accept an allocation higher than the 50% which the IBA put forward as a compromise.

I am also content with your proposal to widen the grounds on which the ITC can decline to renew additional service licences to allow them to allocate some spare capacity to the TV licensees for the purpose of enhancing the quality of their signals. It is impossible to predict what technological developments there will be in broadcasting over the next twelve years but this small extra degree of flexibility could be useful in enabling advanced transmission techniques to be adopted.



Recycled Paper

**dti**

the department for Enterprise

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

*Johnson*

*Answer*



Recycled Paper

BROADCASTING: Policy PT 8.

