C

ncta

National
Cable Television
Association

CABLE: THE LOCAL COMMUNICATOR

9400 American communities are served by 4000 cable systems. In many instances, local groups, governments or individuals find unique uses for cable channels in response to the needs in their community.

Sun-Democrat
Paducah, KY
March 29, 1978

Do-your-own TV promoted

By STEVE WINGFIELD
Sun-Democrat Staff Writer

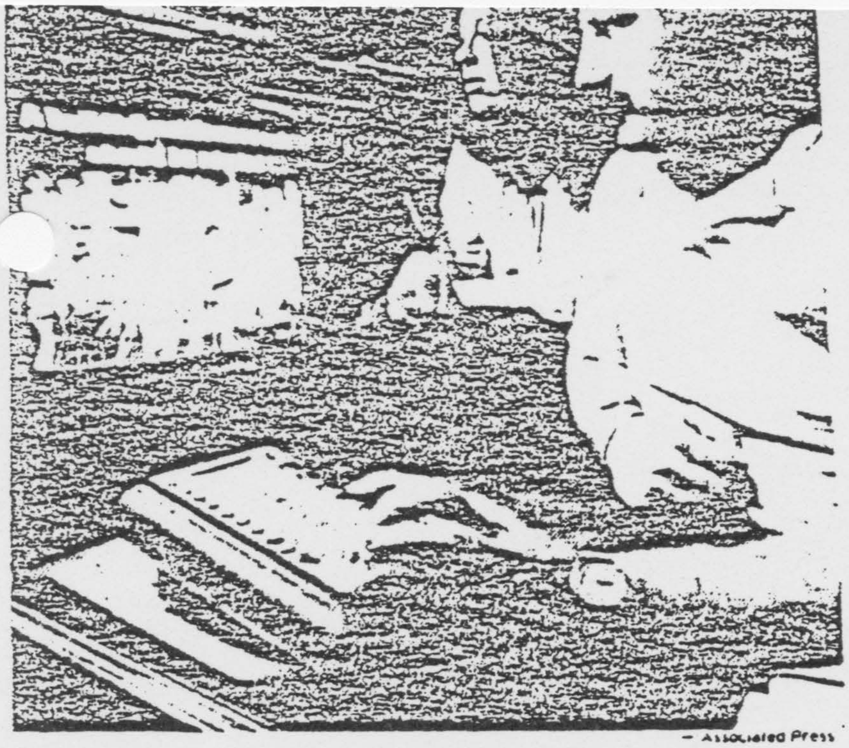
A workshop showing people how to prepare their own television messages for use on Paducah's cable TV system is planned for April 20-22.

The free workshop will acquaint participants with ways

will be assisted by others from the arts commission.

"What it would do for you is you would learn how the equipment works first," Dunn said at a meeting of the "Access Channel Planning Committee" Tues-

The Miami Herald
Miami, FL
July 15, 1978



— Associated Press

Ohio Couple Responds to TV Question
... they vote by using control panel buttons

City Meeting Held Over Cable TV

UPPER ARLINGTON, Ohio — (AP) — Many residents of this affluent Columbus suburb attended a city meeting while sitting at home. They were part of what was billed as the first public meeting via two-

The system, begun in the area last December and dubbed QUBE, allows customers to use a control device to give yes or no answers to questions posed on the screen. Answers are electronically recorded and tabulated in QUBE studios and responses can immediately follow the question on the screen.

Arlington officials turned to QUBE after getting little response to a voluminous printed proposal for revitalizing the older part of town. QUBE officials put together a half-hour program of information on the proposal and for 12 days before the meeting showed it on various channels more than 100 times. They estimated more than 10,000

News Chronicle
Thousand Oaks, CA
April 6, 1978

Public has access to television to publicize events, programs

Local schools, organizations and individuals interested in publicizing events and programs via public access television may do so by contacting Rosemarie Wittig, public access television coordinator for Conejo Future Foundation.

Classes in video instruction, loan of equip-

materials relating to different types of employment. Two local schools, Lindero Canyon School and Sequoia Intermediate School, produce their own programs for viewing on a regular basis.

Programs "in the works" include Conejo Valley Days coverage, a children's anima-

Schenectady Gazette
Schenectady, NY

Want to Be a TV Star?—

Ch. 16 Puts 'Amateurs' in Limelight

By JIM McGUIRE
Gazette Reporter

The opportunity to actualize your fantasies, and, in a way, switch places with stars like Walter Cronkite, Woody Allen, or even the Galloping Gourmet, has come out of Schenectady's own public television station, Access Channel 16.

* * *

Every weekday at 11:30 a.m. and 7 p.m., amateurs appear

These and other shows combine to bring a new universe to the screen each day. On channel 16 it may be amateur night, but many of these amateurs cannot be identified as much.

Broadcast out of the McClellan Street studio, "Schenectady" is the brainchild of Klompas, who said, it sprang

The importance of efficiency became apparent at the outset of the present run. During the first weeks, defective video tape wiped out three of the five scheduled shows. In the second week, only one show bit the proverbial dust, and Klompas says, it seems as though now most of the bugs have been

Jackson Citizen Patriot
Jackson, MI
February 5, 1978

Community program returns to cable TV

By JO GRIFFIN
Citizen Patriot TV Writer

Community oriented programming on cable television is returning to Jackson.

Project Video, a CETA-funded program working through the Jackson County Intermediate School District, will air its first series Feb. 6 through Feb. 13 on channel 8 (Continental Cable) and by the intermediate school district. It is geared to help children, mainly those from birth to 5 years old who have hearing, speech, visual, mental or emotional handicaps.

Interviewed by Connie Miller, speech pathologist, a panel of Jackson area doctors, social workers, special education teachers and parents of handicapped

News Herald
Franklin, PA
February 3, 1978

Two major changes due for local TV cable

OIL CITY - Two major changes are scheduled for subscribers to the local television cable system according to officials of Sammons Communications System. Neither of the changes involves the recently announced monthly rate increase, it was stated.

Beginning next Monday, five

Sammons' only responsibility under FCC regulations is to provide a channel and facilities for transmitting taped programs. Sammons also is providing cameras, related equipment, and a studio where some local programs may be taped.

Sterling said that Sammons is not to be responsible for the

The remaining three half-hour programs will be of interest to residents elsewhere, and the shows are currently being telecast over Community 6 serving Franklin. These shows include: "Out and About," a talk show, "Prime Times," produced by the Area Agency on Aging, and "Morning Glory," a show out

Press-Merit
Malden, MO
March 30, 1978

Bernie to Telecast Local Programs On Cable TV Beginning April 1

by David Black

When the FCC authorized the first commercial TV beginning on July 1, 1941, it might be safe to assume that many Bernie citizens were skeptical of even the possibility of having a television set in their home. A suggestion by someone that Bernie might have their own channel could have been more absurd then . . . but not today.

Newingham said Jack McGowan and Wayne Waltrip will be working as Master of Ceremonies and cameraman respectively. McGowan and Waltrip will be newcomers to the visual field, but both have faced the problems of learning a new media with patience and determination.

McGowan said, "This will be my first

various other essentials, all amounting to about a $10,000 investment.

Mayor Woods said the proposed air time is approximately from 6:30 a.m. to 7:30 a.m. and the broadcast will be live in the morning and taped replays for the weekends or afternoons. Most programs will be run about 45 minutes.

Also, the committee has emphasized

News
Beloit, WI

Hey, you wanna be a television star?

By PETE TITTL
Daily News staff writer

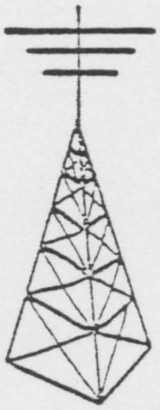
BELOIT — Did you say you always wanted to be a TV star? Do you think some problem needs public attention and you'd like to be the Walter Cronkite of Beloit? Or maybe your group just needs publicity for an upcoming event.

There's an opportunity for Stateline area residents to use an open forum procedure called Public Access. This

If you let the cable company produce the broadcast, you get the first five minutes free, but must pay $50 per hour after that.

If a person wants to produce their own program, there is no time restriction. Any Beloit adult can borrow the equipment, which is stored at the library. Ms. Bredeson can train the person to operate the equipment in a few minutes, and the equipment is loaned for a three-day period.

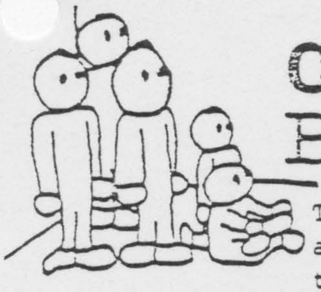
Division of Continuing Education
Administration Building
1700 Mishawaka Avenue
South Bend, Indiana 46615



cablenewsletter

IUSB's Division of Continuing Education and Indiana's Commission for Higher Education, funded by Title I, Higher Education Act of 1965, providing community information through "The Citizen and The Cable" project. (219) 237-4169

Volume
Number
February 19



CITIZEN & CABLE Access Broadcasts Premier March 22

Three Cheers-a major break-through in our area's broadcast potential is in the offing! Regularly scheduled local access programming through THE CITIZEN AND THE CABLE is slated to begin Wednesday, March 22. And, with the cooperation of Indiana Cablevision, the majority of these weekly broadcasts will be repeated on Saturday of the same week at 2:00 p.m.

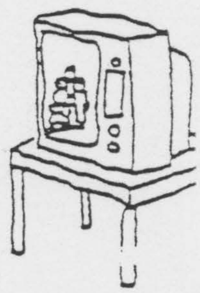
Premiere programs for the access broadcasts will be:

3/22 6:00 p.m.
"Body Maintenance - An Owner's Manual" and "How to Talk to Your Children About Health"
Repeat broadcast on 3/25, 2:00 p.m.

3/29 6:00 p.m.
"Speak-out on Women and Finance"
Repeat broadcast on 4/1, 2:00 p.m.

These weekly broadcasts of local access programming represent a small but important step to full utilization of the access channel.

Several members of THE CITIZEN AND CABLE'S Task Force should be recognized for their involvement with the project. Mr. Robert Laven, Mr. Harry Kevorkian, Mrs. Peggy Carberry, Mr. Hugh Warren and Mrs. Nancy Kommers are developing strategies for increased awareness of access programming. One of the planned projects is to send mailings to all current cable subscribers alerting them to the upcoming access programs.



MORE NEWS INSIDE..........

Star & Herald
Dwight, IL
January 26, 1978

Trustees Approve Contract For Cable TV Storm Warning System

After a long negotiating period the village board of trustees entered into a contract with Sammons Communications to set up a storm warning system over Dwight's TV cable system.

UPDATE:

The system was energized in April. By dialing a special telephone number, the emergency automatic alert system can be tripped at several possible government locations: fire stations, U.S. Weather Bureau, civil defense offices. This telephone number blanks all the channels on the cable system and gives an audio message of approaching severe weather.

Reporter
Castro Valley, CA
February 23, 1978

Seniors boast 'first-in-the- nation' TV show

By VIRGINIA DEGNER

Castro Valley's cable television station, under the direction of the Castro Valley Adult School, can boast of a "first-in-the nation" television show, by and for senior citizens.

The one-hour show is called "Caring" and focuses its programming on the older adult.

technical engineer of channel 3, Dave Lezynski. That group now forms the core of the "Caring show. New people are always welcome to join the workshop, of course." Bathurst said.

The "Caring" crew run the camera, act as floor director, program coordinator, host the interviews, give the inspirational talks and

Reading senior citizens ee themselves on TV

The Dallas Morning News
Dallas, TX
July 14, 1978

By GREGORY JAYNES

READING, Pa. — No one is out because it is so hot. Gauzy heat hangs at knee level on the streets. Children are in their homes watching cartoons

THE PAUCITY OF funds can be seen in the makeshift sets. There are three studios: one in a recreational place called Horizon Center, a second in Kennedy Towers, a high-rise for the elderly, and a third in the Hensler-Glenside

attorney, a public defender and a prison warden are the guests. Home viewers call in to ask questions. When the viewers at the other centers call in, their faces are shown on a split screen alongside those of the panelists.

THE NEW YORK TIMES
April 13, 1978

TV Lets Homes Boo, Buy, Vote

By LES BROWN

Special to The New York Times

COLUMBUS, Ohio—There are two kinds of people in this city—those on the west side of the Olentangy River who can get the Qube, and those oi the other side who cannot. As time goes on, this could make an increasing difference in how the two halves live.

Meanwhile, during the next year or two, the 105,000 households that have access to the Qube—a new form of cable television that permits the viewer to participate—will be determining, by their acceptance or rejection of it, whether it is the television of the future or merely a passing marvel like 3-D movies.

Qube is Warner Cable Corporation's trade name—said to be "just a catchy made-up name," not an acronym—for a system that marries the computer to bidirectional cable, a type that carries signals from the television set as well as to it. Vital to the system is a piece of home equipment, a small console resembling a calculator, that is attached to the television set and enables the viewer to interact with a program by sending responses to the central computer. It also provides 30 channels of programming.

Buying Programs

With this device, the viewer can take prt in opinion polls, participate in competitive quiz-show games, rate performances in amateur shows, express his views on an issue tothe Mayor of Columbus and purchase books or other items.

But more important, from Warner's point of view, the console permits the viewer to buy programs on special premium channels—movies, concerts and operas, sporting events and college courses—for prices ranging from $1 to $3.50.

"This is not television, It is not even cable television as we know it," remarked Gustave M. Hauser, chairman and chief operating officer of Warner Cable. "It is the next step, a supermarket of electronic services."

Warner Cable, a subsidiary of Warner Communications, thusfar has bet $20 million and four years of research and development that the Columbus market test will succeed. Some of the company's officials believe the system has the potential of becoming a new major utility in this country, comparable in importance to the telephone.

Records Viewing

er swerysixseconds, the Qube computer sweeps the subscribing households. It is thus able to record what each home is watching at any moment and how each responds in an interaction activity.

The results of opinion polls are computed and flashed on the screen in less than a minute. Charity actions have involved spirited bidding and generally have gone smoothly. The commercials for Readmor bookstores take orders for a featured book over the two-way cable, although each order is checked by phone because children enjoy pushing the response buttons.

Attempts by retail stores to sell clothing on the Qube have not gone so well, however, because they required answers to too many questions: size, color and quantity.

Qube subscribers voted differently from the motion picture industry for the Academy Awards. "Star Wars" won as movie of the year in Columbus, and Woody Allen drew a blank in all the categories for which he was nominated.Still, his Oscar-winning film, "Annie Hall," racked up a huge sale on Qube the night after the awards.

Other Applications

There is nothing new about the joining of computers and two-way cable television. Experiments have been conducted with the technology for at least two decades, and it has had limited application i medical, educational and governmental institutions.

An interactive two-way cable system financed by foundation grants, hs been in operation for severa years in Reston, Va., and last year the Japanese Government istalled a system similar to Qube experimentally in Tama New Town, Japan.

Wha t is different and new about Qube is that it is the first fully commercial use of the technology, one that is attempting to measure its value in the marketplace.

In four months of operation, Qube has enlisted 13,000 subscribers, a number that is still far short of what is needed for profitability. But interviews withseveral of the subscribers, and the instant program "ratings" provided by the Qube computer, indicate a high degree of enthusiasm in Columbus for what the system provides.

Daily Journal
Los Angelos, CA
February 2, 1978

Here's Johnny (Ferraro)

Cable TV Reviews of Council Actions Eyed

By Mary Ann Milbourn-Smith

One of these days soon, when you turn on the television set and hear the familiar "Here's Johnny," it may not be the Johnny Carson Show you are watching.

Instead, it could be Los Angeles City Council Clerk Charles Port

people without Theta Cable service can see the programming.

Initial costs will include $2,000 for equipment rental and installation, $1,500 for three color TV monitors and $7,500 for personnel.

The studio will be in the West Los

Transportation Department, said it was first necessary to determine if there was any public interest in government programming.

"We don't know if there is viable interest by the public or not," said Russell. "So we are going to take it

National Cable Television Association

TAKING TECHNOLOGY TO SCHOOL

In many schools around the country, electronic technology is as familiar as the traditional blackboard. Both students and teachers use television cameras in many phases of learning. Local cable channels let them share their efforts with other schools and the community.

NATIONAL CABLE TELEVISION ASSOCIATION • 918 SIXTEENTH STREET, N.W. • WASHINGTON, D.C. 20006 • (202) 457-6700

The Arizona Daily Star
Tucson, Arizona
November 29, 1977

Nogales High readies new TV studio

By TOM BEAL
The Arizona Daily Star

2 NOGALES, Ariz. — Bruce Tucker and his media classes at Nogales High School have an ambitious goal.

After they move into their professionally designed studio next semester, their next task will be adding two new channels to the Nogales cable television system.

ready to shoot me," said Tucker, who has staged everything from game shows to bullfights in the room.

His class has also managed to silence the electric typewriters of the secretarial students 14 times by shorting out the wiring in the building. "They (the other teachers) are

Free Press
Quakertown, PA
April 6, 1978

Teacher: 'The media center gives students a chance to learn in a different way'

By J[illegible]a Litvin
Free Press Correspondent

A ninth grade student at Pennridge Senior High School realized his dreams of acting as an emcee and Pennridge cable television viewers got to watch.

Bart Reynolds not only got to emcee his first dance show, but he also wrote the script and was in

jackets with patches with the News Scene logo.

"The students will gather the news in the community," Warner said.

"At 7 p.m. they will present a five minute news show on community events. The show is keyed into a new school course called "Family Living and

Wyoming State
Cheyenne, WY
February 23, 1978

School District Airs News on Cable Channel 12

Laramie County School District No. 1 has been programming educational news and topics of local interest on Channel 12 since January, with favorable

Record
Port Jefferson, NY
March 23, 1978

Students 'Eye' the Town

By BARBARA FITCH

Students from Earl Vandermeulen High School were on the scene at Tuesday evening's Brookhaven town board meeting, recording the event for cablevision airing. Their presence was but one example of how local students are using their skills to provide a public service to the community.

"We're offering them the glory of being on T.V.," said Tom Dargan, television coordinator for the

system, but this was the first they had done for cablevision.

"I look forward to seeing it on cablevision—I hope it looks good," said senior Jeff Schmidt, the director.

"We just previewed part of it—the quality looked good. Now it'll be interesting to see what cablevision will do with the quality," said Richard Gebbardt, the club's technical director.

Schmidt, assistant director Lisa Drucker and

Journal
Beaumont, TX
January 26, 1978

Fire department using video

The Beaumont Fire Department is going into the television business in an effort to provide more advanced training for firefighters.

The department has acquired the necessary equipment to broadcast training and educational programming to

Catholic Light
Scranton, PA
March 9, 1978

'Spectrum'

Marywoodians Present Newscast on Cable TV

Scranton—It's five minutes before air time and the newsroom staff is rushing about making last adjustments, positioning cameras, checking the mikes and reading the last bits of news pouring forth from the AP wires.

of this live newscast, Instructor Lipsky is enthusiastic about the future of this program as well as the introduction of additional live programs on the campus. Currently under discussion are live call-in interview pro-

Northwestern
Oshkosh, WI
January 9, 1978

Cable TV offers series on pre-school training

Telecasts on the Early Childhood Outreach Program will begin Tuesday in Oshkosh, Neenah and Menasha and will run for seven weeks.

The programs are de-

ity of Wisconsin-Oshkosh. Dr. Harris Liechti, associate professor of speech and director of television services, is producer of the series.

Evening News
Bridgeton, NJ
March 27, 1978

High School Producing Television Programs

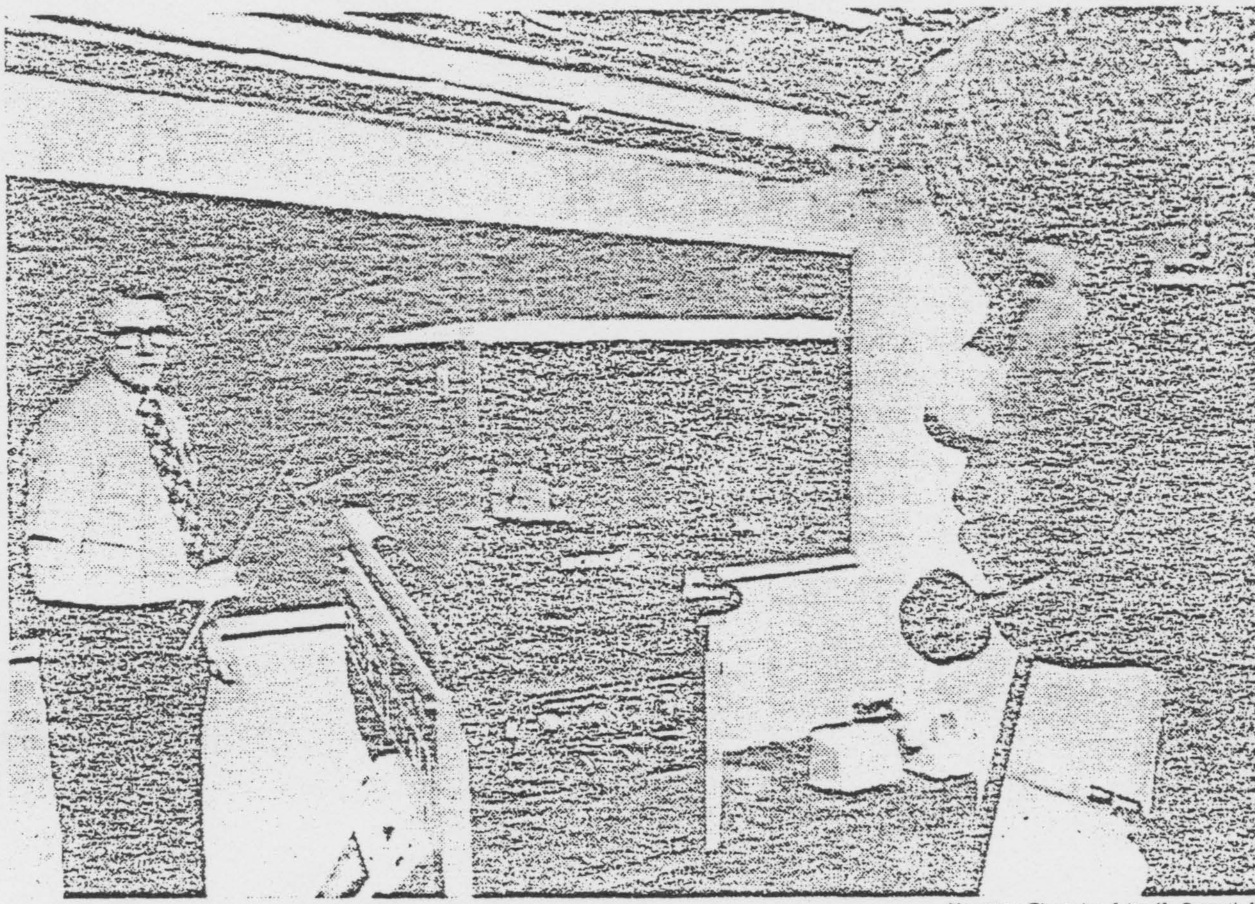
By MITCH MENDELSON

Tired of "Welcome Back, Kotter" and "The Waltons?"

Try tuning in on the third grade class play at Cherry Street School.

The high school television studio will produce all of the programs, Filler says, and they will be broadcast from a small "origination point" in the junior

Newsday
Garden City, NY
April 4, 1978



Newsday Photo by John H. Cornell Jr.

Ted Goldstein, 17, operates the camera while teacher Donald Holquist explains a problem.

When TV and homework mix

Gary Assa, 12, of Plainview was having trouble with his math homework last night. So, as harried students have been doing for years, he decided to deal with it by turning on television.

But, this was not a cop-out. And it didn't even

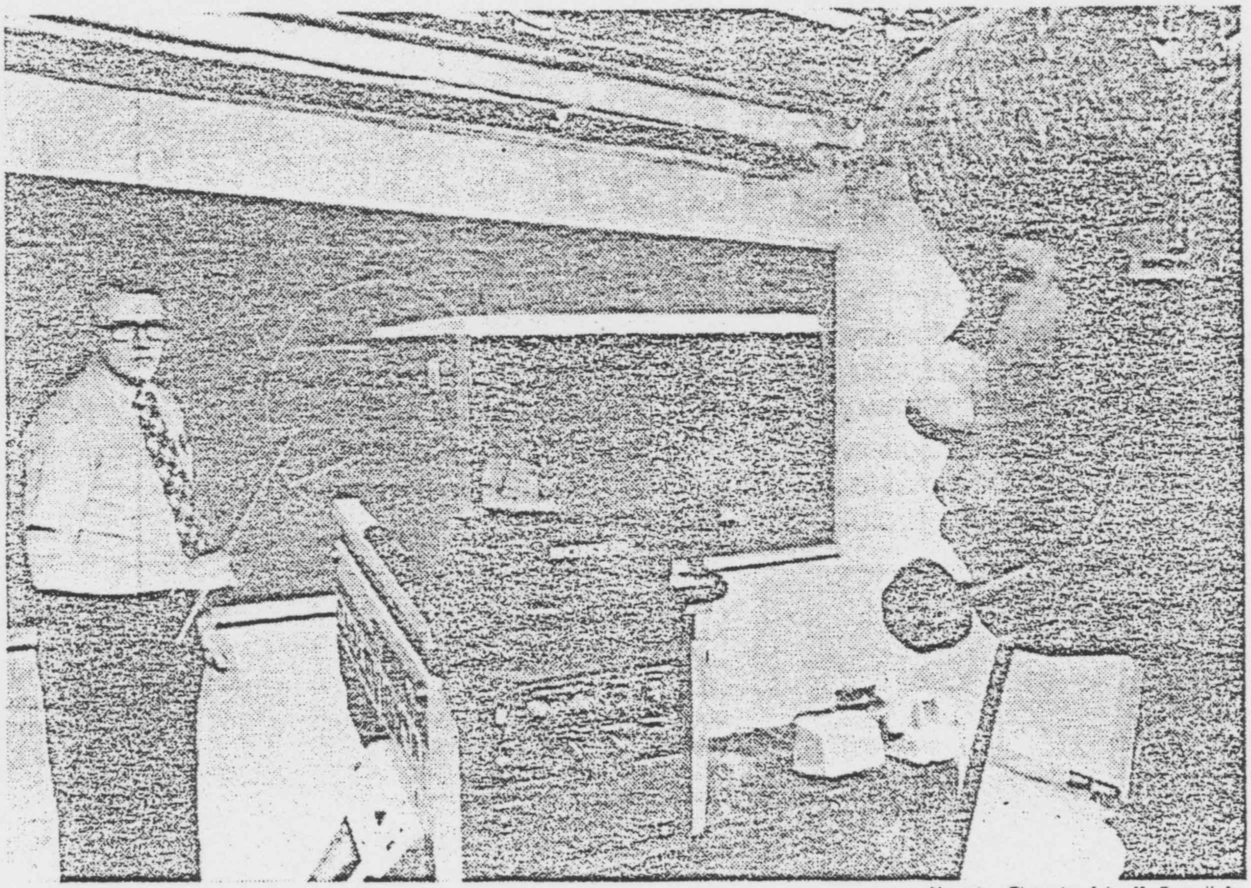
the program, and then watch as the teacher worked out and explained the solution on a blackboard. Before the night was over, Cablevision spokesmen said, about 50 students had called in, with about a third of that number getting help on the air.

Donald Holquist, a Baldwin High School math

in writing."

—Irving Long

Newsday
Garden City, NY
April 4, 1978



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—Irving Long

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FCC Regulation

late 1940's	cable systems began operation
pre- 1962	no federal regulation of cable
1962-1965	*ad hoc* regulation by imposition of non-duplication requirements in microwave grants
1965-1966	**First Report and Order:** regulation of microwave served cable systems, requiring non-duplication protection.
1966-1968	**Second Report and Order:** regulation of all cable systems, requiring: a. non-duplication protection b. no new distant signals in major markets without hearing
1968	Interim regulations: freeze on cable development in major markets
1972	**Cable Television Report and Order:** regulation of all cable systems with intent of opening major markets and promoting cable growth: a. up to 3 distant independents in major markets and 1 in minor markets. b. leapfrogging restrictions. c. simultaneous non-duplication d. syndicated exclusivity in major markets
post 1972	Gradual deregulation allowing additional distant programming. a. leapfrogging rules eliminated b. specialty stations allowed c. network non-duplication modified
1977	**Economic Inquiry** instituted to evaluate cable regulation.

ISSUES IN BROADCAST/CABLE COMPETITION

Regulation of cable television by the FCC has been based on cable's supposed impact on over-the-air broadcasting. The FCC admits that previous regulation has been based on an "intuitive model" of cable's impact, which assumed, without evidence, that the increased viewing options available on cable would cause a decline in local station audience, a corresponding loss of revenue and an eventual decline in local station service, particularly local programming. The resulting policy has been to shelter broadcasting by denying consumers access in competitive service offerings instead of encouraging competition between broadcasting and cable.

I. ECONOMIC INQUIRY

In June, 1977, the FCC announced an inquiry into the economic relationship between cable and over-the-air television, noting that over the past 12 years regulation has been based on certain "assumptions" of unsubstantiated validity.

Comments in the Inquiry were filed by cable interests and broadcast interests on March 15, 1978, and reply comments were made May, 1978. The FCC now has the option of either dismissing the Inquiry entirely, or filing a rulemaking in response to the Inquiry's findings.

Summary of NCTA Comments in the Economic Inquiry

The primary Commission interest in this Inquiry was noted to be a determination of the impact of cable television on local broadcast station operation. The Commission admits that previous regulation has been based on an "intuitive model" of cable's impact, which assumed, without evidence, that the increased viewing options available on cable would cause a decline in local station audience, a corresponding loss of revenue and an eventual decline in local station service, particularly local programming.

The information submitted by the NCTA in these comments demonstrated that this "intuitive model" is a totally inaccurate representation of the relationship between cable and broadcasting.

The research submitted by NCTA provided a definitive, substantive statement on the relationship of cable television to broadcasting and the degree to which Federal intervention is legitimate.

NCTA submitted that:

1. Restriction of cable television development through regulation of signal carriage is completely unwarranted. All regulations governing the number and type of television signals carried on cable television systems should be eliminated.

2. There is no evidence that restriction on cable television is necessary to protect the broadcast or programming sectors of the public interest. Research undertaken by NCTA completely refutes the Commission's "intuitive model", showing that:

   a. Audience loss due to cable is minimal, averaging less than 8%.

   b. UHF stations, particularly independents, benefit through the increased audience levels resulting from cable.

   c. The assumption of a direct one-to-one relationship between audience and revenue is completely invalid.

   d. Local broadcast programming is the least vulnerable to any assumed impact from cable since it delivers higher revenue per viewer and per minute compared to other programs.

   e. Cable competition will, contrary to the assumptions of the static "intuitive model", have a positive impact on broadcasting by forcing them to make a greater effort to serve the public.

3. Cable development, particularly in the major(Top 100) television markets, has been seriously inhibited by the Commission's regulatory program. Cable system development in the major television markets* during the years 1972-1977 accounts for

---

*It should be noted that the 100 major television markets account for 86% of all television households.

only 12% of total industry growth during the period.

4. Relaxation or elimination of restriction of signal importation would provide an environment conducive to cable development, both in new markets and through expansion in existing markets. This would result in a diversity of choice in new markets and would enhance the public interest. New major market cable systems must achieve a 50% subscriber penetration rate in order to ensure financial viability. Mature systems in major markets have achieved only an average penetration rate of slightly over 30% carrying the full quota of distant signals authorized under current FCC regulations.

In view of these findings, NCTA submits that elimination of all regulations serving to specify the number and type of signals (or programs) carried by cable television systems is warranted. Regulation must be based on hard economic evidence that absent such restriction, the public would be harmed. No such evidence exists and, as a result, current regulation of cable television harms broader public interest considerations by unnecessarily restricting freedom of choice.

II. SIGNAL CARRIAGE LIMITATIONS

BACKGROUND:

The importation of distant television signals by a cable operator is viewed as a threat to the market control enjoyed by the conventional broadcaster. While other justifications are often cited, FCC regulations limit the number of signals a cable system can carry so as to limit the cable system's competition with the broadcaster.

The Commission's rules limiting the number of distant signals a cable operator may import have erected regulatory barriers protecting the broadcast television industry and distorting the degree of market concentration to the detriment of competition, the public, and the newly developing cable industry. The FCC, when considering regulation, has continually required the cable industry to prove that a change in regulation benefiting the industry will not impact at some future time on broadcast television stations "competing" in the same market. Not only have these rules generally not been implemented in the public interest, the Federal Communications Commission has promulgated limitations on distant signals without actually determining that there would be a loss of service to the public or that this loss is critical to an adequate level of service. Such rules have protected the established broadcaster in the larger and more profitable television markets where there seems to be less need for such protection.

Cable: From Complementary to Conflicting Interests

Community antenna service began in the late 1940's and was accepted enthusiastically by the broadcast industry as a complementary service which improved television reception. In the 1950's, however, cable television systems began to "import" distant broadcast signals via microwave relay systems. The importation of these competing, and thus "threatening", distant signals provided the impetus for cable regulation.

After several FCC orders (including, among other things, a freeze on the importation of signals into major markets) and ensuing court challenges, the present set of signal carriage rules was adopted in 1972. The main elements of the rules are to (a) limit the number of distant signals that a cable system may carry (depending on the size of the market and the number of local signals available), and (b) provide extensive non-duplication protection to the syndicated (non-network) programming of local stations (discussed in subsequent section of this material).

1972 Signal Carriage Limitations

Clearly, the key provision of the 1972 rules applicable to this discussion is the limitation on the number of distant signals that a cable system may carry. These rules divide television markets into three categories: 1-50, 51-100, and 101 on.

In the top-50 markets, cable systems are limited to importing signals up to a complement that, including local signals, will provide three networks and three independents.

In markets 51-100, cable systems are allowed to import signals up to a complement of three networks and two independents.

In the small markets, cable systems are limited to a three network and one independent complement.

Justification of Signal Carriage Limitations

Signal carriage limitations are nearly always justified in terms of "protecting" the struggling new UHF stations. After careful examination, however, the staff of the House Communications Subcommittee in 1976 found that independent TV stations are not currently being hurt by cable television and that, in fact, cable should <u>help</u> non-network UHF stations through the seventies. A recent $220,000 study conducted by the prestigious Rand Corporation for the FCC found that cable will have "only a slight negative impact" on the growth of UHF stations.

Stripping away the hiding-behind-UHF's apron-strings arguments, the House Subcommittee Staff Report concluded, "The guiding logic of the FCC's distant signals rules is economic protectionism."

The House Subcommittee Staff Report further observed:

> Cable proposed to bring distant independent signals to communities with full network services. This threatened the large profits of the television broadcasters in thse markets, since it would undermine the artificial scarcity upon which those profits are based, and the broadcasters reacted with all-out opposition to this new form of cable.
>
> * * * * * *
>
> That opposition could not be expressed in terms of a clear and present danger to the extremely profitable UHF broadcaster in these large markets. Rather, it stressed . . . that cable would endanger the struggling new UHF independent stations.

<u>Recent Developments</u>

In November, 1978, the FCC announced a major change in its distant signal waiver policy. Until then, if a cable system wanted a waiver to carry more distant signals than the rules allowed, it had to prove two things:

1. That the additional signal(s) would not harm local broadcasters (the burden was entirely on the cable operator), and

2. That the situation was unique.

The new procedure does two things. First, it eliminates the requirement that "uniqueness" be shown. Second, once the cable operator presents a good case that there will be no impact on local broadcasting, the burden shifts to the broadcaster to prove the need for protection.

This decision is a move in the right direction; however, it will only affect individual waiver requests.

III. PROGRAM EXCLUSIVITY

BACKGROUND:

The same conclusion which was drawn to explain the distant signal limitations can be drawn to explain the exclusivity rules. To wit: The guiding logic behind the rules is economic protectionism.

The purpose of the exclusivity rules is to enable conventional broadcasters to avoid competition from a television system which operates via a cable in lieu of over-the-air.

While the 1972 FCC rules limit the importation of distant signals, they also diminish the value and marketability of the few distant signals allowed.

Once again, competition is being thwarted by regulation in order to perpetuate a broadcast monopoly and with no factual basis to support the alleged harm to the local station.

1972 Exclusivity Rules

In the top 50 markets, a cable system may not import any syndicated (non-network) programming for one year from the date it is first sold anywhere in the country. In addition, the cable system may not import any syndicated program which is under contract to a local television station for the life of that contract.

In markets 51-100, cable system importation of syndicated programming is subject to contractual provisions between syndicators and local stations:

* Off-network series receive one year's protection from first showing.

* First-run series receive two years.

* First-run non-series and feature films receive two years from first availability.

* Other programs receive one day protection after first non-network broadcast in the market for one year from date of purchase, whichever comes first.

In the small systems (101 and up) there are no exclusivity requirements.

Network Non-Duplication Rules

First established in 1965, the network non-duplication rules require cable systems to black out all network programs on an imported station whenever these programs are broadcast simultaneously on a local station.

New Studies

A recent study done by the national audience firm, A. C. Neilsen, confirms NCTA findings of minimal cable impact on local broadcast audiences.

The A. C. Neilsen study, designed to measure the audiences received by Madison Square Garden sporting events, yielded extensive data on cable impact on local broadcast stations. Joseph Ostrow, Senior Vice President and Director of Communications for Young & Rubicam, commented: "On the basis of the information we now have available, we believe it is time to stop shackling cable with broadcast protectionism. We have discovered that cable not only does not hurt broadcasters but frequently helps them."

ncta
National Cable Television Association
news

March 16, 1978

FOR IMMEDIATE RELEASE
Contact: Lucille Larkin

NEW MARKET DATA SHOWS FCC CABLE RULES GROUNDLESS; CONSUMERS SUFFER FROM BROADCAST OVERPROTECTION

Consumers are denied the benefits of cable television for no purpose since federal regulations restricting cable are not essential to protect local broadcast service, the National Cable Television Association concluded in comments submitted to the Federal Communications Commission.

The comments were transmitted to the FCC in conjunction with its current inquiry into the economic relationship between television broadcasting and cable television.

Cable systems offer the ability to expand consumer viewing choices by importing distant television signals by microwave or satellite. Since 1966, however, the FCC has limited diversity in cable programming by restricting the number of distant signals a cable system may import and by requiring that much of the programming on those signals be blacked out.

FCC cable regulations have been based on the assumption that cable television poses a competitive threat to continuing service by local broadcast stations, and have been designed to protect broadcasters.

The NCTA comments show, however, that local broadcast stations

National Cable Television Association • 918 Sixteenth Street, N.W. • Washington, D.C. 20006 • (202) 457-6700

lose an average of less than eight percent of their audience to cable television. This is the conclusion of a nationwide study of the 109 markets with over 33 percent cable penetration. The comments also noted that there is no evidence that loss of audience produces an equal loss of station revenue.

"Restriction of cable television development by limiting the signals cable may carry does nothing more than curb consumer's viewing choices," NCTA President Robert L. Schmidt said in releasing the comments. "The stated purpose of the FCC cable regulations has been to protect continuing service by local broadcasters, but our research shows that cable poses no threat to broadcasters' ability to serve the public. Cable competition may in fact result in improved broadcast services."

The NCTA comments reach two principal conclusions:

+ Restriction of cable television development by limiting the signals carried is completely unwarranted, curtails consumer viewing choices, and should be eliminated.

+ No evidence exists that restriction on cable television is necessary to protect the broadcast or programming sectors, or the public interest.

UNNECESSARY RESTRICTION OF CABLE SERVICE TO CONSUMERS

The FCC's economic inquiry was launched last year by then-Chairman Richard Wiley, who said in announcing the proceeding that FCC cable regulations were based on "intuition" rather than "empirical evidence." The regulations are based on a hypothetical model of what would happen if cable were allowed to compete freely.

The model assumes, without evidence, that the increased viewing options available on cable would cause a decline in local station viewing audiences, a corresponding loss in revenue and eventually a decline in local station service, particularly in local programming.

Research included in the comments, based on an analysis of cable's impact on nationwide markets and an in-home diary survey commissioned by NCTA in five television markets representative of a variety of broadcast/cable environments, shows that:

1. Local broadcast stations lose little of their audience when cable is introduced because overall television usage increases. (Some UHF stations, often thought to be those most vulnerable to cable, actually registered an audience increase averaging 5.5 percent.)

2. A decline in viewing audience does not result in a direct and equal loss in local station revenues because revenues are influenced by other major factors, particularly market size, availability of advertising time and advertising demand.

3. Local broadcast programming is the least vulnerable to adverse cable impact because of its local popularity, and because it delivers higher revenue per minute per viewer than other programming. Local programs make up only 13 percent of a local station's program day, but they contribute 27 percent of station revenue.

"The FCC makes another key assumption in regulating cable," Schmidt pointed out today. "Somehow they believe that local broadcasters won't respond to competition -- that they will just sit back and take it instead of improving their programming and services to keep or expand their audience. That's simply ludicrous. There is a public good in healthy competition which should spur broadcasters to improve their service."

STUNTING CABLE GROWTH

The NCTA comments show that FCC signal carriage regulations play a key role in inhibiting cable's ability to serve consumers.

FCC regulations prescribe that systems located in the top 50 television markets are allowed a maximum of three distant signals from stations independent of network affiliation. Systems in the second 50 markets are allowed only two distant independent TV signals, and in other markets cable systems are allowed to carry only one distant independent signal -- including the one which may already exist in their market. In some cases, therefore, cable systems cannot import any signals.

A number of studies have shown that imported signals have a strong growth effect on cable subscriptions. NCTA's research shows that the FCC regulations have limited cable systems in the 100 major markets to only a 12 percent share of total industry subscription growth in the years between 1972 and 1977.

In addition, regulatory restrictions on programming make construction of new cable systems in many cities unthinkable. Estimates show that a new urban cable system must reach a 50 percent penetration of the viewing market to be profitable. Without the option to fashion diverse programming services, 50 percent penetration is difficult, if not impossible.

"Needless regulation simply limits viewing choices for consumers who already have cable, as well as for consumers who don't have the cable option in their cities," Schmidt said. "They are unnecessary to protect broadcasters.

"Regulations which do nothing more than limit consumer choices certainly don't promote the public interest by anyone's definition," he said.

ncta
National Cable Television Association
news

NR/72/78
May 15, 1978

FOR IMMEDIATE RELEASE
Contact: Lucille Larkin
Phil Clapp
(202) 457-6760

NCTA DISPUTES INDIVIDUAL BROADCASTERS' CLAIMS

OF CABLE IMPACT IN ECONOMIC INQUIRY REPLY

In a market-by-market analysis submitted today to the Federal Communications Commission, the National Cable Television Association disputed claims by individual local broadcasters that cable systems operating in their markets imperil their ability to serve the public.

The NCTA study was submitted in reponse to filings in the first round of the FCC's ongoing "Inquiry into the Economic Relationship Between Broadcasting and Cable Television." NCTA addressed arguments made by a representative sample of local broadcasters, one national network -- ABC -- and two of the three broadcasting trade associations which filed in the FCC proceeding.

The Association deferred its reply to comments by the National Association of Broadcasters, announcing that it has commissioned the consulting firm of Ernst and Ernst to review the NAB filing.

The Ernst and Ernst analysis will be submitted to the Commission in mid-June, NCTA said.

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In its own study filed today, NCTA pointed out that the local broadcast and ABC filings attempted to show large audience losses to cable in heavily penetrated markets, but failed to show that even those losses jeopardize local broadcast service.

"After allegedly 'proving' substantial audience loss," NCTA said, "broadcasters argue that there is a directly corresponding revenue loss and cutback in service, without providing any evidence to support the claim."

NCTA analyzed data submitted by a representative sample including six local broadcasters operating in various regions of the country. Despite claims of massive audience loss to cable systems, NCTA found, for example, that three local stations in the Greensboro/Highpoint/Winston-Salem, N.C., market increased their revenues 67.5% between 1971 and 1975, according to FCC financial data, in spite of cable service in the area.

In addition, NCTA found, many of the stations which claimed audience losses due to cable in reality suffer heavy competition from major market signals received off-air in their areas.

"All difficulties in these markets, whatever their cause, are blamed on cable," NCTA said.

Other stations which filed, NCTA pointed out, are in "small markets underserved by traditional broadcasting and therefore heavily penetrated by cable systems offering a broad range of

-more-

major market, grandfathered signals." These are potentially worst-cast situations where cable penetration has probably peaked, and yet none of these markets has suffered a loss of local broadcasting service.

The only network to file, ABC, argued that cable penetration in seven markets is responsible for losses of entire counties to more distant television markets, jeopardizing local service.

"Off-air, non-cable viewing of distant signals is quite heavy in most of the markets (ABC) studied," NCTA pointed out. "The fact that viewers, whether they be cable or non-cable, choose distant signals over local signals simply indicated that these signals are more popular," and that audience diversion would be substantial whether or not cable were present.

"Most of the broadcast parties filing presented no further data outside of that regarding audience fractionalization," NCTA said. "They seemed to rely quite heavily on the Commission's own 'intuitive model,' asserting that audience loss caused a directly equal loss in revenue and a cutback in service. No financial data was presented to support that assertation."

"There is no evidence that the public 'is being harmed or is likely to be harmed' due to cable," NCTA concluded. "All regulations which restrict cable television's ability to serve the public should therefore be eliminated."

# # #

ncta
National Cable Television Association
news

NR/1/79
January 3, 1979

FOR IMMEDIATE RELEASE
Contact: Lucille Larkin
Phil Clapp
(202)457-6760

ECONOMIC INQUIRY RECORD SHOWS NO CABLE THREAT

TO LOCAL BROADCAST SERVICE, NCTA PRESIDENT SAYS;

CABLE ASSOCIATION FILES EVALUATION OF NEW BROADCAST STUDY

The record compiled over the past year in the Federal Communications Commission's cable/broadcast economic inquiry "holds no evidence that expanded cable television services to consumers threaten the health or survival of local broadcasting," National Cable Television Association President Robert L. Schmidt said today in announcing the Association's further reply comments in the FCC proceeding.

Schmidt characterized the latest evidence submitted to the Commission, a study of the relationship between a station's audience size and its potential advertising revenues prepared for the National Association of Broadcasters (NAB), and others as "a valuable piece of research so narrowly focused that it ignores the Commission's key questions about the cable/broadcast relationship."

"The study prepared by Charles River Associates is a professional and thorough piece of research," Schmidt said, "but it comes to only one narrow conclusion: that there is a relationship

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between the size of a broadcast station's audience and its gross advertising revenues.

"The study says nothing about the bottom line in the Economic Inquiry -- cable's impact on a local station's ability to continue to serve the public," he said.

The Commission initiated its "Inquiry into the Economic Relationship Between Broadcasting and Cable Television" in mid-1977, to test the basic assumptions on which it has based fifteen years of restrictive federal cable TV regulations. The Commission's "intuitive model" of cable TV's impact on local broadcasting supposes that increased cable viewing options -- particularly distant-city television signals -- would "fractionalize" local station audiences, cutting station advertising revenues severely, threatening the station's ability to continue providing local broadcast service.

"Broadcast filings earlier this year focused exclusively on audience fractionalization, but presented no substantive proof that new cable television services had 'siphoned' a significant amount of any broadcast station's audience," Schmidt said. NCTA research found that at worst in heavily penetrated markets, VHF stations might experience small audience losses but UHF stations would benefit from cable carriage."

Schmidt pointed out that a recent A.C. Nielsen study prepared for the advertising firm of Young and Rubicam yielded similar conclusions.

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"On the basis of the information we now have available, we believe it is time to stop shackling cable with broadcast protectionism," Young and Rubicam Senior Vice President Joseph Ostrow commented on the report. "We have discovered that cable not only does not hurt broadcasters, but frequently helps them."

"There has been no evidence of sizable impact on station audiences, which makes the Charles River findings of even less significance," Schmidt pointed out.

In addition, he said, the study's authors specifically limited the application of their own study, repeatedly emphasizing its narrow focus. For example:

> "FCC Question: How is local news programming affected by distant signal competition. . .
>
> CRA Response: We have nothing to say about this. It is a question not directly related to the audience-revenue relationship."

"Broadcasters have submitted no evidence that cable competition presents any threat to their ability to continue service," Schmidt said. "Even the CRA study does not touch on the questions of station profitability, the relationship between profitability and programming, and a station's potential reaction to cable competition," Schmidt said.

"There is still no reason to believe that free competition between broadcasting and cable television will result in anything but a greater variety of services to consumers," Schmidt said.

# # #

NEW FACTS ON OLD CABLE ISSUES

BURDEN OF PROOF — THE ARTEC DECISION

Under FCC regulation, whenever a cable system wanted to import a distant television signal beyond the limited number of signals permitted under the FCC rules, it had to apply for a special waiver. The cable operator had to provide documentation that carriage of this distant signal would not adversely impact the local broadcaster. This requirement put the cable system in the impossible position of having to prove a negative.

ARTEC is the Arlington, Virginia cable system that began building and operating in Arlington County last year. In order to be able to carry signals from Baltimore, which were available off air in some parts of its service area but which ARTEC was prohibited from carrying under FCC rules, ARTEC applied for the special waiver asserting that carriage of these signals would not harm local Washington broadcasters.

The FCC not only granted the waiver, but also, for the first time, reversed the burden of proof and required that henceforth, the broadcaster would have the burden of proving how he would be harmed by the new cable services.

This switching of the burden of proof from the cable operator to the broadcaster is a great step toward regulating cable in terms of its impact on the public, rather than its impact on the private interests of broadcasters.

IMPACT ON LOCAL BROADCASTING

Ever since cable operators began offering programming off the air, broadcasters have complained that unless the cable industry is restricted in terms of what it can offer, the local broadcaster would be so financially impacted by audience loss that local broadcast services would be curtailed or even suspended. This so-called "intuitive model" has been the basis for FCC regulation for the last 15 years.

The inquiry into the economic relationship between broadcasters and cable operators now underway at the FCC is intended to settle this argument once and for all — based on economic analysis instead of supposition.

A recent, unrelated, study by A.C. Nielsen for the advertising firm of Young & Rubicam quantified the impact of cable service on broadcasters. The study found that <u>cable does not have a negative impact on broadcast television</u>.

The Nielsen study, conducted in San Diego, Tulsa, Des Moines, and Hartford, Connecticut, concluded that importation of signals by a cable television operator does not cut into a local station's actual audience. In fact, what the study proves is that more people watch television when cable is offered, and that the local broadcaster maintains the same rating with cable as he would have had without it.

The cable industry expects that the results of the Economic Inquiry, to be presented by the FCC in the near future, will draw the same conclusion, thereby establishing a concrete basis for equitable cable regulatory policies.

SUPERSTATIONS

The "Superstation" term was born when independent television station WTCG (Channel 17) out of Atlanta began sending its programming, via satellite, to cable systems across the country. It is expected that four more independent stations will begin satellite programming in 1979.

Program producers charge that they will be hurt by the market penetration of these Superstations. They claim that local broadcasters won't pay top dollar for their programs if the same programs are available in the market via the Superstation.

The financial facts of WTCG present a different picture. In 1974, before WTCG went on the satellite, the rights to a particular United Artists film cost the station $800. In 1976, after Channel 17 went on the satellite, United Artists renegotiated the rights to that film for $1,000. Now in 1978, with 476 systems being served by WTCG on a full-time basis, the price for that same film is $5,000. Across the board, WTCG now pays an average of 50% more for product than it would if it were not on the satellite.

Thus the marketplace is functioning to offset any aberrations which the cable-satellite distribution may have caused. The increased Superstation copyright payments will offset the potential lost income to the producers.

COMPETITION EQUALS BETTER SERVICE

An example of how the consumer is the beneficiary in the competitive situation between cable and local broadcasting is what happened in the last year in Chattanooga, Tennessee.

Chattanooga has all three network-affiliated stations, plus one independent station. Not one of these stations operated on a 24-hour basis.

Two years ago, a cable television system was built in Chattanooga. Last spring, the system built a receive-only earth station, and via satellite, provided Chattanooga cable subscribers with Channel 17 out of Atlanta. Channel 17 operates 24 hours a day.

After Channel 17 came into the market, via cable, one of the three network stations started to provide 24-hour programming on Fridays and Saturdays.

Again, the end result is that in the competitive drive to provide more and diversified services, the consumer reaps the benefits.

CABLE TV NO LONGER SMALL BUSINESS?

Today there are approximately 14 million homes being served by cable television, or about 20% of the television households in the United States.

In the last ten years, the number of cable systems across the country has doubled — from 2,000 to 4,000. However, 70% of all cable systems serve 3,500 subscribers or less.

The FCC estimates 1977 cable television revenues at $1.2 billion, an increase of 34% from 1976. And 1978 figures may be as high as $1.45 billion. These revenues represent hundreds of cable television companies across the country.

Cable television is growing, finally, and offering new technologies and new services. However, to keep the industry's size in true perspective, one need only compare it to the size of one of cable's foremost competitors — the telephone company.

Profits received by AT&T in <u>one quarter</u> alone average over $1 billion. But even more glaring, revenues received in 1977 on the Yellow Pages alone were larger than the combined revenues of all cable systems — $1.3 billion!

Everything is relative. Cable is growing and cable is becoming profitable. These revenues, however, pale in comparison to even a subsidiary activity of the telephone company.

THE FACTS ABOUT SUPERSTATIONS

What are Superstations?

In 1977, satellite transmission of WTCG (Channel 17, Atlanta) to cable television systems began. While initial carriage was generally limited to cable systems in the Southeast, over the following years cable systems from coast to coast began offering WTCG to their subscribers. Now over five million cable subscribers view WTCG via satellite.

While WTCG promotes cable carriage, it has no actual control over who picks up the satellite delivered signal. Under FCC regulations, the satellite transmission is performed by a nonaffiliated party who serves as a broker to cable systems. The broker collects a fee from the systems for delivering the signal (to cover the cost of satellite time, etc.). Nothing is paid to WTCG nor does the cable subscriber pay extra for receiving WTCG.

Impact on Program Suppliers - The Marketplace is Working

As the carriage of WTCG has become more widespread, and other independent stations move to satellite transmission, program suppliers have become increasingly concerned about the impact of such "superstations" on the programming industry and on their most important customers, individual broadcast stations.

The major program suppliers, respresented by the Motion Picture Association of America, argue that the availability of syndicated programs delivered by WTCG makes it impossible to justify high prices based on exclusive rights to the program. This argument may well have some merit; the rates charged local broadcasters for programs which are also widely available in the market through WTCG will probably have to be decreased. However, the rates charged WTCG and other so-called superstations have and will continue to increase to account for the increased audience receiving the programs.

Hopefully, WTCG will be able to cover these increased program costs through increases in advertising rates, once again to cover increased audiences. As yet, WTCG has not been successful in attracting significantly increased advertising dollars or new national advertisers. Its financial success as a "superstation" is by no means certain, as detailed in the attached article from *Variety* magazine.

The Reaction of Program Suppliers - Deny Product and/or Raise Prices

The most prevalent reaction to Channel 17's "superstation" status is the refusal by major program suppliers to sell new product to WTCG or to renegotiate expired contracts.

The following major producers of syndicated programming have notified WTCG that they will no longer provide programming because of WTCG's widespread national carriage as a superstation: MGM, Warners, MCA, and United. Columbia and Paramount have refused to provide specific programs and appear to be considering a total embargo.

Those program suppliers which have continued to deal with WTCG have reacted by raising the prices, both for new program sales and contract renegotiation.

The higher program costs faced by WTCG can be seen in a comparison of program prices for two popular series, Happy Days and All in the Family. Happy Days went into syndication in early 1977, prior to the real emergence of WTCG as a so-called "superstation". All in the Family was syndicated in 1978 as WTCG carriage was becoming widespread.

In other markets, contracts for All in the Family were 20 to 25 percent lower than that paid for Happy Days the previous year. However, when WTCG negotiated for All in the Family, the price reached was 40 percent higher than that paid for Happy Days, a complete reversal of the relative price trend in other markets. The $16,000 WTCG paid for All in the Family is more than that paid in the larger markets of Houston, Miami, St. Louis, and Minneapolis.

WTCG is also experiencing price increases in series and movie program contracts, which are usually negotiated for a 5-7 year period. In 1976 WTCG purchased a film package of 47 films for $70,000, $1,500 per film. In 1979 a package of similar films was purchased; this time the contract provided 20 films for $130,000, or $6,500 per film, an increase of over 300 percent.

Likewise, prices paid for two popular series, The Flintstones and I Love Lucy, have also increased dramatically. In September 1972 WTCG purchased The Flintstones under a six year contract for a price of $50 per run. In 1978 the price-per-run was increased to $266 and the contract limited to 31 months. In 1974 I Love Lucy was purchased for $34 per run; in 1979 the price had increased to $330 per run.

WTCG's Impact on Broadcast Stations

Program suppliers and broadcasters have often argued that the development of "superstations" such as WTCG will severely impact broadcast stations by diverting significant levels of local audience. They further argue this local station audience loss to superstations will severely limit the stations ability to attract advertisers, revenues will fall and program purchases will be cut drastically. The scenario ends with program suppliers and broadcasters in ruin due to cable television.

The FCC is currently conducting an extensive Inquiry into the economic relationship between broadcasting and cable television in an effort to assess the validity of these claims of severe cable impact on the broadcast and program industry.

The comments filed in the Inquiry have addressed this question of cable impact. The cable industry has demonstrated, with extensive supporting data, that audience loss due to cable was minimal and that there was no evidence that such audience loss would cause a cutback in television service. FCC research in the Inquiry, including the report, The Impact of Cable Television on Audience Shares, supported cable industry findings. Additional FCC research is nearing completion, with initial indications that it confirms previous findings of minimal impact.

New research continues to support the argument that cable's impact on local broadcast audiences is quite small, as seen in the recent study done by A. C. Nielsen for the Young & Rubicam advertising agency.

The A. C. Nielsen study, designed to measure the audiences received by Madison Square Garden sporting events, yielded extensive data on cable impact on local broadcast stations. Joseph Ostrow, Senior Vice President and Director of Communications for Young & Rubicam, commented: "On the basis of the information we now have available, we believe it is time to stop shackling cable with broadcast protectionism. We have discovered that cable not only does not hurt broadcasters but frequently helps them."[1]

The cable industry agrees with FCC Chairman Ferris' opinion that "cable today is principally a medium that fosters increased competition between and among broadcasters. It does this, for example, by bringing UHF stations into technical parity with VHF stations or by importing distant signals to compete with local ones."[2] Revenue loss, if any, experienced by broadcasters as a result of cable audience fractionalization will not impact the station's ability to serve the public. Revenue losses, when they occur, will not be of a magnitude to threaten either station profitability or livelihood, particularly given NAB's 1977 TV station financial profile showing that the *average* TV station had a profit margin of 25.5 percent. Stations will not be forced to cut back on programming quality or shorten the broadcast day or even decrease local public affairs programming because of cable's impact on their revenues. Indeed, as Chairman Ferris noted, cable will provide the much needed incentive for local stations to improve their program schedule to compete with distant signals.

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[1] Press Release, Young & Rubicam, December 22, 1978.

[2] Charles Ferris, Response to Questions by the Senate Appropriations Committee, FY 1979 Budget Review. State, Justice, Commerce, the Judiciary, and Related Agencies Appropriations. 95th Congress, Second Session on H.R. 12934, Part 5, p. 1656.

The Washington Post
Saturday, March 17, 1979

Robert L. Schmidt

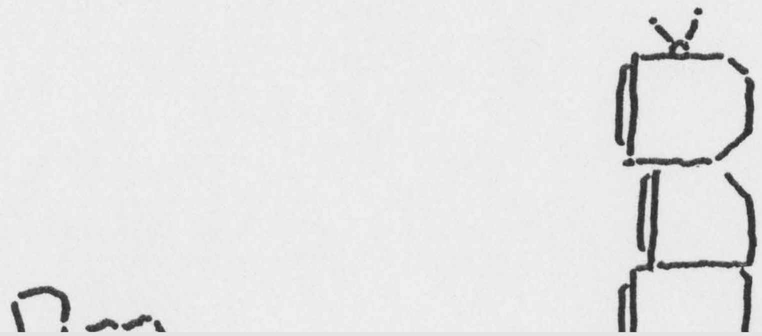
The People v. Television

As TV writer Tom Shales predicted, The Washington Post's recent survey of Americans' changing attitudes toward television has created a furor in the plush offices of network executives and movie moguls.

Fifty-three percent of the viewers

That second line was the underpinning of a response to the Post poll that appeared on this page March 8, "Why Such 'Charity' for Cable TV?," by Jack Valenti, president of the Motion Picture Association of America.

While Valenti gave lip service to



Post indicated they would be willing to pay a small sum for better television.

But at every step, broadcasters and the studios have enlisted government support to halt the development of alternative program options. Distant-city television signals, which are a major at-

TV SUPERSTATIONS AT TURNING POINT

WTCG MEETS RESISTANCE ON RATES, ACCESS TO SHOWS

By JOHN DEMPSEY

WTCG-TV Atlanta loves being called a superstation; KTVU-TV San Francisco is very uneasy about it. Viacom has no problem with placing product on WTCG-TV, the

their messages were reaching.

So far, advertisers have, for the most part, shied away from the new rates and WTCG's revenues are

ferent commercial spots from the ones being transmitted to tv viewers of, say, Teleprompter Cable in upper Manhattan, which has begun