Cablecasting

Way to assure quality pictures may become major cable issue

NCTA fears variety of rules if cities have their ways; CTIC contends municipalities must lay down rigid standards

The Cable Television Information Center (CTIC), Washington, and its opponents in the cable industry are agreed on the need for technically better pictures. But they may well end up arguing how to best implement that goal. The argument could develop into an immediate issue in the next few weeks when CTIC takes to the cities with its published technical report advocating more stringent technical standards and, most important, municipal establishment and enforcement of technical standards.

However, Delmar Ports, of National Cable Television Association, believes that high signal quality will result naturally through the dictates of a "competitive marketplace" because "cable systems want to provide the best picture possible that is within their economic means in order to draw as many subscribers possible to the system." He adds: "A bad system will not survive."

But those at the CTIC argue that a cable system in fact does not have to produce the highest quality picture possible because cable systems are virtual monopolies in their areas and people will choose to pay money for a poor to fair picture rather than receive no picture at all. Therefore minimum technical standards must be set to insure adequate service. Mr. Ports's answer was that the state of the art may not allow for higher standards at this point in time. "If a higher db [decibel] level is required, there would be a need for more amplifiers" and with more amplifiers there is a greater chance of failure in one amplifier which would lead to outages and reduced service, he contended.

Aside from the trade-offs involved resulting from more stringent technical standards, the issue of municipal ownership figures to be most important to both sides. The NCTA fears a hodgepodge of municipal technical requirements ranging from the inadequate to the extreme whereas the CTIC concludes that only the cities can adequately oversee the performance of the system in the interest of its citizens. Pros and cons of the issue:

- Creation and enforcement of technical standards would place a burden on the cities for which they have neither the time, money nor resources.
- When the city grants the franchise application it will have the expertise to prevent being influenced by cable hawks who promise the world to get the franchise and then turn and sell it to a cable company that offers the best price.
- The FCC is currently working on legislation through its Cable Television Technical Advisory Committee (CTAC) that could pre-empt municipalities' rights to issue technical standards.
- It may be more than a year before the FCC reaches a decision. The cities should take the initiative during that time to insure that minimum requirements are met. If the FCC were to pre-empt authority in this area and no action had been taken in the interim by the cities a grandfathered situation might once again arise pertaining to inadequate systems with which cities would be stuck.
- Municipal franchising will keep a city's residents from getting cable as soon as possible.
- The residents have waited this long and they can wait a few months more to insure maximum services for the community.

The Cable Television Information Center has served over 600 communities in the last year and its voice is certain to be heard at the municipal level. Mr. Ports says that the CTAC of which he is a member "is making excellent progress." Whether the two are on a collision course remains to be seen. But one thing is certain: both claim to be operating in "the public interest."

Time and Warner undo their Manhattan deal

But Time says it would consider 'right offer' from other buyer

The $20-million agreement in principle under which Time Inc. was to sell its Manhattan and certain other cable-TV interests to Warner Communications Inc. came unstuck last week.

Warner and Sterling Communications Inc., 70% owned by Time, announced Wednesday (June 27) that they were unable to reach a definitive agreement. The plan had been for Warner's Warner Cable Corp. subsidiary, a major multiple-systems operator, to acquire Sterling Manhattan Cable Television Inc., operator of the franchise for the southern half of New York's Manhattan borough, and Sterling Nassau, which itself and through subsidiaries holds essentially undeveloped franchises on Long Island, for $20 million in cash (BROADCASTING, May 14).

Officials did not disclose what the hang-up was, other than that "we just couldn't get together," as a spokesman for Time put it.

Sterling said it would continue to operate and develop the franchises involved. "We're still a full supporter of Sterling," the Time spokesman said. He also said Time would consider "the right offer at the right price" if one were received from another prospective purchaser. The original decision to dispose of the Manhattan and Long Island properties has been widely but unofficially attributed to high start-up and operating costs.

Time's subsequent agreement in principle to sell the rest of its cable operations—eight systems and three franchises—to American Television & Communications Corp. remains in effect, Time sources

LEGAL NOTICE

The Village Board, Village of Fort Johnson, New York passed a resolution at a meeting held on Tuesday, June 19, 1973 that the said Village is now applying for a special franchise for a cable television system in said Village. Any cable television system interested in bidding on this special franchise must send its bid no later than July 10, 1973 to Mrs. Patricia Jordan, Clerk, 60 E. Main St., Fort Johnson, N.Y. 12070 with a $25.00 non-refundable deposit. 90 days from first notice will be held a public hearing in the Community Hall in the Village of Fort Johnson, N.Y. on said franchise.

Signed:

BOARD OF TRUSTEES
Village of Fort Johnson, N.Y.