point trying to meet the costs of food, clothing and shelter."

In light of President Ford’s recent call for all government agencies to include inflation impact statements with all major legislative proposals, regulations and rules is being requested on behalf of NAB that the FCC undertake an inflation study if it proposes any changes in the existing pay cable rules.

Pay cable makes it into Manhattan
Time-owned HBO begins operations on Time-owned system there

Home Box Office Inc., New York, has begun offering its pay cable service to subscribers of commonly owned Manhattan Cable Television, one of New York’s two operating cable systems.

HBO’s pay cable "network" now extends through four Northeastern states and runs east to west from Islip, N.Y., to Shamokin, Pa., and north to south from Amsterdam, N.Y., to Wilmington, Del. It now claims to serve 30,000 customers on 36 systems, which have a total of about 300,000 subscribers. Thus, the company’s approximate penetration in the markets it serves is 10%.

"We have trebled our own size since the beginning of 1974, both in numbers of affiliates and HBO subscribers," said President Gerald Levin. By the end of 1974, Mr. Levin added, "present commitments will put us into well over 40 systems."

Presently, HBO’s largest market is Nassau county, Long Island, where 4,000 customers and 14 Oyster Bay Cablevision in Hicksville and Jericho, both New York. The penetration there, the company said, is 96% of all present cable subscribers. The largest cable firm utilizing the service is Service Electric Cable TV, which provides HBO programming to 10,000 customers in nine Pennsylvania communities.

This month, the HBO network is offering six feature films new to television, including "Serpico" and "A Touch of Class." It is also feeding a package of 20 films previously run on the pay network, sports coverage which includes games of both the National and American Basketball Associations, the National Hockey League, boxing, wrestling and Roller Derby events.

Cable Briefs

Opportunity. Portland, Ore., and surrounding Multnomah county are jointly entertaining applications for cable franchise until Jan. 17, 1975. Plans call for two cable "networks," to be built individually or collectively by single firm or as joint venture. One (A network) would be conventional subscriber system. Second (B network) would be "point-to-point, multi-user broadband communications system" for use by schools, hospitals, businesses. Bids must be submitted, along with 14 copies and $5,000 fee, to Room 311, City Hall, Portland 97204.

NCTA’s Foster sees less ax grinding in pay-cable support
Analysis of parties filing comments with FCC last month is offered

National Cable Television Association President David Foster thinks the majority is on his organization’s side in its dispute with broadcasters over pay cable.

Mr. Foster claimed that “more than 85%” of the comments to the FCC in its advance payments bill -order application for rate increase from $4.70 to $6.25 monthly until cable company makes $40,000 advance payment on 8% tax on gross. System that also serves nearby Richmond, Calif., said it had been making similar applications but balked this year on ground it lost $1.2 million last year and needs rate hike to get money. It also claimed 8% tax may be in conflict with FCC regulations limiting such levies to 3% of gross.

Covering all fronts
The National Association of Broadcasters last week tied its fight against alleged pay cable siphoning of television programs with President Ford’s anti-inflation campaign.

In a letter to FCC Chairman Richard Wiley, NAB’s television board chairman, Wilson Wearn, said if the FCC permits pay cable rates to go up, it will force viewers for programs now available on free television, "it will contribute significantly to the fires of inflation. The average American family simply cannot afford to pay $25 to $50 a month or more for television programs all at once when their budgets are strained to the breaking ```