

opinion, cable will be better off taking advantage of theatrical pre-promotion in advance of cable play.

Mr. Weisberg dismissed the FCC's revised pay cable rules as virtually meaningless. He noted that the increase from two to three years in the time pay cable may play new releases (before they go into free-TV-only exclusivity for the next seven years) should have increased pay cable's inventory by 100 films—but, he said, 75 of those titles were licensed exclusively to networks. That will continue to be the case, he said, as long as networks and stations exercise the economic muscle they do now. "It costs \$50,000 a title for station play in New York," Mr. Weisberg said. "That's half-a-million dollars for a 10-movie package a station may buy at lunch."

Moderator Geoffrey M. Nathanson, Optical Systems executive now operating his own pay cable company in Los Angeles, followed Mr. Weisberg's comment on broadcast "warehousing" of movie titles by saying, "The consumer is getting shortchanged by the tremendous amount of programs at Bekins Van & Storage."

A short course in pay cable security for industry that may need it sooner than it thought, from one who needs it already

Ken Gunter of UA-Columbia's San Angelo, Tex., cable system, after two days exposure to the NCTA convention, described New Orleans as "the city of confusion . . . I've never heard such abysmally ignorant questions . . . I had no idea there were so many misconceptions afoot."

Regrettably, Mr. Gunter ran short of time to correct all those deficiencies during his appearance on the convention's second pay cable panel. He did, however, try to delineate five degrees of pay cable "security"—techniques or devices to prevent unauthorized reception of pay programs:

- Very soft—the "honor system," a description that drew a knowing laugh from his audience.

- Soft—use of unscrambled video with a set-top converter. This system, he said, works for about two years before audience sophistication overtakes it.

- Semi-soft (or half-hard)—a set-top descrambler. But this device, too, can be defeated, he said, with insertion of a single "strap" at the signal "gate."

- Hard—any of the foregoing when preceded by a channel trap at the subscriber tap-off.

- Very hard—an addressible trap for both basic and pay service, outside the home. Such a system gives the cable operator the same ability as a telephone company to connect and disconnect subscribers at will.

Mr. Gunter and other panelists also spoke of the importance of parental control devices that can be operated to lock off pay channels in their absence, either to screen "R" programs from their children or—in per-program systems—to prevent their running up the bill.

Copyright shows signs of weakening as issue at NCTA

Acceptance of affordable liability is called key to FCC de-regulation, though some keep saying, 'Never'

The copyright issue, long a bitter and divisive one within the cable television industry, appeared last week to be losing some of its power. The anger and resentment of small-system operators—who feel it is the larger systems with their interest in broadband communications that have created the problem—have not abated. But in New Orleans last week, those feelings did not seem to pervade the convention; to some copyright seemed inevitable.

Certainly, the effort to persuade the delegates of the need to accept copyright was strong. NCTA's top outgoing officers—Bruce Lovett, chairman, and David Foster, president—pleaded with the delegates to settle the issue by working for a copyright bill they can support, and then put it behind them. A number of visitors from official Washington also urged copyright on the delegates. And the point was made, by an industry member and a government official, that payment of copyright might well bring its reward in the form of reduced regulation.

Barbara Ringer, register of copyrights, who in her appearance at a panel was generally sympathetic to cable, put the matter of the parties' acceptance of copyright most bluntly: "The time is over for all this badmouthing and game-playing that has been going on for eight or ten years in this field." The bill now pending in Congress, she said, is good for cable (see page 28).

However, the industry's coalescence

behind the leadership in the issue would not mean the end of the copyright dispute. It would only sharpen the fight between cable and the copyright owners, for the NCTA board's willingness to accept copyright legislation is conditioned on a number of changes in the bill, some of which the copyright owners have made clear they will not accept.

Against the tide of argument in favor of acceptance of copyright legislation, only Washington attorney Fred Ford, a former chairman of the FCC and a former president of NCTA, said, in effect, "Never." "Our industry has been forced by circumstances too often to retreat," he said. "That is no longer the case. Now is the time to stand firm."

Sol Schildhouse, the former chief of the FCC Cable Television Bureau who is now practicing law in Washington, was only a shade less adamant. He, too, opposed copyright legislation, but appeared to feel flat-out resistance useless. He urged delegates to seek changes in the cable section to make it more acceptable to the industry, or even to oppose it. The apparent hope was that the presentations would persuade a harried Congress to drop the cable section from the bill. The elimination, even temporarily, of the "troublesome cable issue is not going to hurt us," he said drily.

Mr. Ford's assault, however, was frontal. He noted that the industry had twice won Supreme Court decisions holding that, under the 1909 Copyright Act, cable systems were not required to pay copyright fees. "Now the CATV industry is in the process of repudiating the legal principle that it fought so hard to establish," he said, adding: "I hope you will all join in solid opposition to the imposition of copyright payments on the public for using a rented community antenna instead of ones of their own. Then there will be no future for copyright in 1975 concerning CATV."

Mr. Schildhouse and Mr. Ford were



Spectrum. Three panelists and their moderator summed up the copyright question officially during a major session last Wednesday morning at the NCTA convention—although the topic itself, like that of pay cable, seemed to be present all over the agenda. Speaking: Sol Schildhouse, ex-FCC Cable Bureau chief now practicing law in Washington, who urged delegates to seek changes in the cable section, with the hope of knocking it out of the bill. The others (l to r): Alfred R. Stern, chairman of Warner Cable Corp., the moderator; Edward M. Allen, Western Communications Inc., whose middle-road position represented that of the NCTA board, and Frederick W. Ford, a former FCC chairman, former NCTA president and now a Washington lawyer, whose position on copyright is a flat "no."