cerned about a single customer—in this case, HBO—taking over a major block of MDS time as it was when it issued its order in January 1974 creating the MDS. "Favorable commission action on this application should not be interpreted as lessening our concern over the sale of block time" as expressed in that order, the commission said.

Kahn still puts his chips on cable

This time its as supplier-promoter of AFI film-package to HBO, with an eye for other pay customers

Irving Kahn, one time president of Teleprompter Corp., will re-enter the cable television industry as a supplier and promoter of first-run films for pay-cable use.

Mr. Kahn has acquired the television exhibition rights to a 13-movie package produced by the American Film Theatre, New York, and has agreed to sell those films to Home Box Office Inc. for in "excess of $1 million." The deal not only includes the 13 films but also Mr. Kahn's services to direct marketing and promotion of the film in various markets. The publicity efforts will be carried out by Broadband Communications Inc., Mr. Kahn's New York-based company. The exact form of the promotion and the order in which the films will be supplied to HBO has not yet been worked out.

The AFI movie package consists of motion-picture adaptations of well-known plays that have never been shown on television before. Until recently, the films were exhibited only on an advance subscription basis in movie theaters. At present several of the 13 shows are being offered in movie houses on general release.

The movie package includes: Simon Grey's "Butley," with Alan Bates, Jessica Tandy and Susan Engel; Edward Albee's "A Delicate Balance," with Katherine Hepburn, Paul Scofield and Lee Remick; Bertolt Brecht's "Galileo," with Topol in the title role; Harold Pinter's "The Homecoming"; Eugene O'Neill's "The Iceman Cometh," with Lee Marvin and Fredric March; David Storey's "In Celebration," recounting one night in the lives of a family in an English mining town; "Jacques Brel is Alive and Well and Living in Paris"; "Lost in the Stars," by Maxwell Anderson based on Alan Paton's "Cry, the Beloved Country."; John Osborne's "Luther," with Stacey Keach; Jean Genet's "The Maids," with Glenda Jackson, Susannah York and Vivien Merchant; "The Man in the Glass Booth," with Maximillian Schell; Eugene Ionesco's "Rhinoceros," with Zero Mostell, and Anton Chekhov's "Three Sisters," with Laurence Olivier, Joan Plowright and Alan Bates.

The films will be made available on a one-per-month basis starting next March and HBO plans to run them in a multiple performance format as it does its other feature films. Although HBO reaches 55 markets at present, Mr. Kahn's promotional campaigns are not expected to hit every single market involved.

HBO does not have exclusive rights to the AFT package and Mr. Kahn will probably look for other pay-cable services as customers.

John Barrington, HBO's director of public relations, said that the purchase of the AFI film package exemplified HBO's determination not to follow in the path of the networks by using only mass audience appeal shows.

Mr. Kahn had remarked at the National Cable Television Association convention last spring (BROADCASTING, April 21) that "there's nothing to say you couldn't have first-run cable, second-run theaters, third-run TV." At that time, Mr. Kahn had just recently completed a 30-month prison sentence for bribery and perjury in connection with a franchise award.

Deep reef. Irving B. Kahn, a cable TV pioneer now moving into pay TV programing (story this page), was shopping for a new boat last week. His old one, a deluxe 50-foot Daytona Sportsfisherman, was 1,100 feet down in Cuban waters. He'd had it off the Yucatan coast for the international billfish tournament—in which he won third prize—and left it to be returned to New York by its captain and mate, after he and Mrs. Kahn decided to fly back. About five weeks ago, at night in Cuban territorial waters, the navigational system apparently failed, Mr. Kahn said, and the boat struck a reef formation. He said Cubans took the crew off by helicopter and detained them in Havana until the Swiss embassy there, at his instigation, secured their freedom and return to the U.S. But he was advised that when the Cubans undertook to pull the boat off the reef it broke up and sank. Last week, assured of getting his insurance money (he wouldn't say how much, but boatwise observers place the Daytona in the quarter-million-and-up class), he went looking at new ones.

San Clemente council backed

California superior court judge has ruled that the San Clemente, Calif., council did not exceed its authority by refusing to grant a rate increase to the CATV system serving 5,500 subscribers in that city. Orange County Cable Communications, subsidiary of Times-Mirror Inc., had asked for a fee increase from $5.50 to $6.50 per month, but the city council refused in 1973 and again in 1974. The CATV said it had lost more than $750,000 operating the San Clemente system through last year; the 10-year franchise expires Aug. 1, 1976, and the firm is preparing to negotiate a new franchise.

Meanwhile, however, the court decision will be appealed, a Times-Mirror official said.

Cox buys S.C. systems

Cox Cable Communications Inc., Atlanta-based multiple system operator, has agreed in principle to acquire Television Cable Co., which operates CATV systems serving Myrtle Beach, Conway, Myrtle Beach Air Force Base and Horry county; all South Carolina.

The letter of intent calls for a $3-million payment in cash and notes with 29% due at closing. The balance is to be financed by the selling stockholders over a period extending to 1983. Sellers include Richard Shafto, board chairman (and retired head of Cosmos Broadcasting), Clyde Sisson and other South Carolina businessmen.

The acquisition brings the total number of subscribers in Cox's 36 owned-and-operated systems to over 360,000. The Myrtle Beach area system serves 7,000 subscribers in addition to motel and hotel hook-ups which contribute about 10,000 more subscribers.

New Mass. cable overseer

Anthony G. Ottinger, a Harvard University professor, has been sworn in as the new Massachusetts Cable Commission chairman. He succeeds Morton H. Aronson, who resigned at the end of May (BROADCASTING, May 26). Charles J. Beard, a Boston attorney, and Hyman Goldin, a Boston University professor and former economist with the FCC, have been reappointed to the commission. New to the commission are Annalee Bundy, a Sommerville librarian; Winston Healy, a former state legislator; Robert D. Klein, a professor at Northeastern University; and Linda C. Teagan, a Manomet attorney. First formal meeting of the new commission is scheduled for July 17.

Turned down twice

The FCC has denied a request by U.S. Cablevision Corp. for reconsideration of the commission's earlier action that dismissed the firm's request for reimbursement of all tariffs paid to the New York Telephone Co. from June 1967 to June 1972.

U.S. Cablevision had contended that the telco had not obtained a certificate authorizing it to provide channel distribution services for CATV during those years, and therefore had violated the Communications Act in collecting monthly and termination charges. The commission ruled that the telco had in fact been authorized to provide the service.

In seeking reconsideration, U.S. Cablevision held that the phone company had made no charge for services terminated on FCC request and should not be allowed to charge for just those terminated by the cable system. The commis-