Box Office pay programing via satellite feed. Construction will begin immediately, with hardware provided by Scientific-Atlanta. Company plans to premiere with HBO pay package Sept. 30 in Jackson with telecast of Ali-Frazier fight. ATC also has earth station application pending for Orlando, Fla.

House study to seek ways to give cable new deal in regulation

Initial staff statement says basic idea should be that industry's growth should not be inhibited by its possible effects on conventional broadcasting

The staff of the House Communications Subcommittee is currently doing the legwork for a study that could lead to legislation establishing a new approach to regulation of the cable TV industry.

A staff-prepared work statement describing the study questions the wisdom of regulating cable as if it were subordinate to over-the-air broadcasting. The underlying logic of current cable regulation, it said, is that "cable should be permitted to grow in a manner that will not pose a substantial economic threat to conventional broadcasting."

The statement said the cable study will examine different approaches to the regulation of cable TV, and eventually will suggest legislation for implementing one. Initially the staff will study the competition between cable TV and broadcasting and between cable and telephone companies. In addition, the subjects of cable networking, cable service to rural areas, income distribution problems raised by cable development and other questions will be explored. The study will not concern itself with current cable issues before the FCC, the statement said. "Rather, the goal of this study is to deal more broadly and from a legislative perspective with alternative ways of approaching the opportunities offered by the new technologies."

The study is scheduled to be finished Dec. 31. In addition to three members of the subcommittee's full-time staff, two consultants have been hired to work on the study. One is Henry Geller, former FCC general counsel, now with the Washington office of the Aspen Institute on Communications and Society. He is devoting half his time to the Communications Subcommittee. The second is Karen Possner, who recently completed a PhD. in communications at the University of Iowa and who will work full time on the study.

Mr. Geller is being paid $6,000 and Ms. Possner, $9,000. With expenses for travel, the study is not expected to cost more than $20,000, a subcommittee aide said.

Included on the list of those interviewed or to be interviewed for the study are representatives of the FCC Cable Bureau, Justice Department, Office of Telecommunications Policy, National Cable Television Association, Community Antenna Television Association, Association of Maximum Service Telecasters, National Association of Broadcasters, the three commercial TV networks, National Association of Regulatory Utility Commissioners, Motion Picture Association of America, National Association of Theatre Owners, various citizen groups, and cable firms such as Teleprompter and Home Box Office. In addition a staffer will meet with representatives of broadcast and cable associations and companies in Canada.

Nonduplication for syndication no longer small system worry

Lack of human resources and capital for equipment are FCC's reasons for freeing systems with less than thousand subscribers

The FCC has exempted cable systems serving fewer than 1,000 subscribers from providing nonduplication protection for syndicated programing. Those systems are already exempt from network programing exclusivity rules by the commission's action last spring.

The rationale in both instances, said the commission, was to ease the disproportionate burden on small cable system in complying with nonduplication rules. Small systems have less manpower and capital resources to obtain the necessary switching equipment and maintain operations required to assure nonduplication protection, added the FCC.

The commission, in accepting the 1,000 subscriber cutoff, dismissed the proposal of various cable groups to raise the cutoff to 10,000 subscribers. According to the FCC, the cable groups failed to show how systems under that size were unduly burdened.

The commission also rejected claims by broadcasters—especially independents who rely heavily on syndicated programing—that the exemption of small cable systems would have an adverse impact upon them. The exemption would be less severe in syndicated programing, contended the FCC, than that associated with network programing.

In some cases, due to a proliferation of small systems in a particular market, said the FCC, there might be substantial adverse impact on local TV stations. If such cases arise, the commission said, it would examine on an ad hoc basis petitions for special relief.

Regional cable groups reassessing their status

Some are gone, some are growing, some are in between as state associations grow in number, size

The role of the regional cable television association is changing as state associations continue to grow.

Today there are 41 state cable groups and six regional associations. Five years ago, the Mid-Atlantic Cable Television Association disappeared, and the Southern Cable Television Association and the Rocky Mountain Cable Television Association will vote at their next meetings whether or not to continue operating. Other regional associations, but not all, are constantly reviewing their function vis-a-vis stronger state-level associations.

The Mid-American Cable TV Association and the New England Cable TV Association have administrative and legal staff and hold annual conventions and trade shows. Only one state (Connecticut) out of the six NECTA represents has a state cable association and it has no full- or parttime staff. According to Bill Kenny, the NECTA's executive director, there is not enough money generated from any one state to do an adequate job. NECTA charges its 140-plus members three cents per subscriber per month in dues. That is admittedly high—the National Cable Television Association charges a maximum of 3.25 cents—however, Mr. Kenny