

Copyright forms a nightmare for cable operators

There are three types, depending on system size, but CATA says it will cost even small CATV's more to fill it out than fee itself

The cable industry has looked over the new statement of account forms that have to be filed semiannually with the U.S. Copyright Office, and it appears concerned, annoyed and maybe even awed. The forms are everything the industry thought they'd be, and more.

"We knew it was coming," said Stuart Feldstein, general counsel of the National Cable Television Association. "There might have been a simpler way to do it."

There are three forms. One for systems that have "gross receipts" less than \$41,500 semiannually; one for systems between \$41,500 and \$160,000, and one for systems with \$160,000 and more. The first filing is due no later than Aug. 29, to cover a six-month period beginning Jan. 1, and the second filing is due no later than Feb. 28, for the six-month period beginning July 1. Like Internal Revenue Service forms, the bigger ones are the more complicated. But that doesn't mean the smallest one is not.

"It's going to cost my members more to fill out the form than it does to pay the [copyright] fee," said Stephen Effros, executive director of the Community Antenna Television Association. Systems using

the short form—those having gross receipts less than \$41,500 semiannually—pay a flat fee of \$15, regardless of programs carried. Systems in the two other categories pay according to a schedule of fees—more for the larger ones, less for the smaller.

No one is exempt from filing. All forms have this notice: "Remember: Every cable system in the United States is subject to the compulsory licensing requirements and must file the necessary notices, statements of account, and royalty fees. There are no exceptions. A cable system must file and pay regardless of its size, regardless of whether or not it made a profit, and regardless of whether it carried anything other than local stations."

The forms will represent the most complete compilation of information now required from cable owners. The short form requires basic identification and community information; category of service, number of subscribers and rate; information on television and radio stations carried; a log of substitute programs, number of cable system channels, gross receipts, and more.

Mr. Effros said his members were upset enough at all that, but were "very upset, very upset" over having to pay their \$15 (most CATA members have under 1,000 subscribers and will fill out the short form) with a "certified check, cashier's check or money order." They can pay all their bills and taxes with company checks, he said, but now they are "insulted" to find those checks are no good. "It's just one more trip somewhere to do something for the federal government, and it riles them," he said.

NCTA seems to be taking it with a sigh. "It's a big old horse pill to swallow," Mr.

Feldstein said, "but we knew we were going to get it . . . We knew somehow or another they were going to have to get it out of us."

The forms will be used not only to determine how much cable systems pay, but also how much copyright owners will get paid (one reason the short forms have to be filled out completely even though the fee is a flat \$15). Cable owners file forms to pay and copyright owners file forms to get paid. It is, Mr. Feldstein said, "another piece of the federal layer of form-filling-out."

There were no surprises, he said, because the new copyright law required that the information be compiled and it was just a matter of how it would be compiled. But both Mr. Feldstein and Mr. Effros said the forms were complicated, possibly overwhelmingly so.

Meanwhile, the cable business is just as new to the copyright office as the account forms are to the cable business. Because no one is sure how the copyright money is going to be distributed, the forms include much information that might not be necessary once a system proves workable. That means, a copyright office spokesman said, the 12-, 16- and 20-page forms might be simplified after an initial adjustment period.

Disney fare to cable

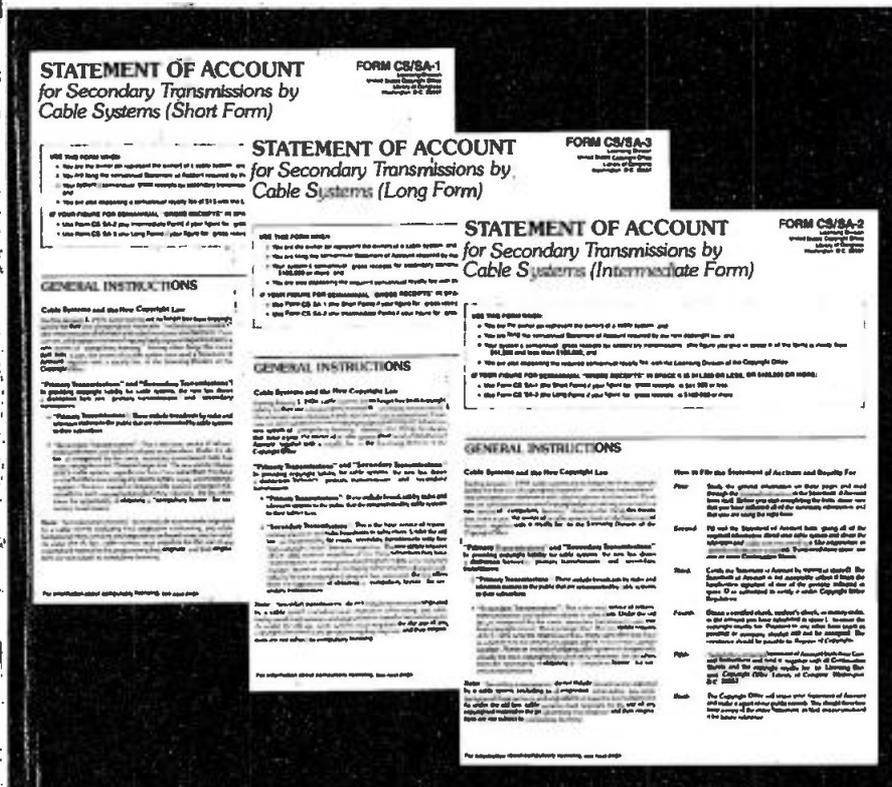
After offering pay-per-viewing films on Warner Cable's Qube system in Columbus, Ohio, and American Subscription Television's over-the-air operation in Los Angeles, Walt Disney Productions now has made available 10 of its films to the general pay-cable programers.

They're all live-action, however; Disney has yet to provide access to its animated movies. Already a taker is Home Box Office, which would not say how many films it's bought the rights to or for how much, claiming only "a multimillion-dollar deal." By midweek, Hollywood Home Theater, which programs American Subscription Television, had an agreement in principle beyond pay-per-view, and Showtime, according to Disney, was in advanced discussions.

Cable Briefs

Cox gets Fort Wayne. Cox Cable Communications, Atlanta, announced last week that Citizens Cable of Fort Wayne Inc. has been awarded franchise for CATV system in Fort Wayne, Ind. Citizen Cable is 80%-owned subsidiary of Cox. Citizen Cable's application proposed 550-mile system with 35 channels to pass 62,500 homes.

Joining up. Chattanooga Cable TV Co. has affiliated with Home Box Office pay-TV service. System currently serves 8,800 subscribers, is expected to pass 100,000 homes when construction is completed.



The short, the intermediate and the long of it.