nancial support for the legislative hearings, for certain legal actions and for the public relations campaign designed to tell our side of the story."

Howard, who is also director of research for Chaparral Communications, a manufacturer, outlined a three-pronged effort by SPACE/STTI to overcome recent setbacks, which he and other SPACE/STTI officials acknowledged as serious.

On the legislative front, Howard expressed satisfaction with Representative Tim Wirth's (D-Colo.) decision to schedule March 6 hearings on three satellite-related bills before his House Telecommunications Subcommittee. Wirth and other members of the subcommittee, along with Representative Charles Rose (D-N.C.), chairman of the House Broadcasting Committee, were slated to speak to the convention last Friday.

SPACE/STTI has also launched an attack on scrambling at the FCC. It has petitioned the commission to deny the transfer of CBS-owned KMOX-TV St. Louis to Viacom International (owner of Showtime/The Movie Channel and other program services), on the grounds that the companies have failed to serve the public interest by limiting home satellite reception of their signals.

The 3,500-member trade association, which estimates that more than 1.5 million homes now receive television directly from satellites, announced Wednesday (Feb. 19) that it has named Fleishman-Hillard Inc. as its national public relations firm. The company has offices in New York, Washington, Los Angeles and 11 other cities.

"Our public relations has been abysmal," conceded one SPACE/STTI official, who asked not to be named. His sentiment was echoed by a number of other industry professionals, who complained throughout the conference that the home satellite business has been unfairly and inaccurately reported by the consumer press.

"We also suffer to some degree from wounds inflicted by a few piranhas and snakes in our own industry," Howard said in his opening address. "As a group they have done nearly irreparable harm to our industry by focusing the wrath of the cable and broadcast industries upon us. From the prattle of some talk show hosts to the dealer who advertises that it will be free and there will never be any scrambling we have begun to get back the 'pirates and thieves' image which SPACE had reversed through legal and legislative action and the stated goal of entering the mainstream."

Despite Howard's pronouncements, even SPACE officers conceded privately that much of the satellite industry's image problem resulted from too many dealers selling home dish systems on the strength of free HBO/Cinemax reception. Although SPACE had maintained for years that its customers were willing to pay for authorized pay service reception, it was widely felt that consumers still did not expect to have to pay for

MCA pays $387 million for WOR-TV

MCA's winning bid last week for GenCorp's WOR-TV New York of $387 million was dramatic apart from the money.

Sidney Jay Sheinberg, MCA's president and chief operating officer, told BROADCASTING that the company didn't even know it would make a bid for the channel 9 independent until less than a week before Friday, Feb. 14, when the bids were opened. It then quickly found a partner with station operating experience in Cox Enterprises, and just as quickly lost it. Sheinberg said last week the arrangement was so sudden that the two companies could not work out details of how responsibility of running the station would be shared.

GenCorp had its own timetable and wanted its lawyers and its investment banking firm, Kidder Peabody, to have a final contract signed in time for the company's board meeting last Tuesday (Feb. 18). GenCorp had put the station up for sale several months ago, but bidding had been delayed more than once.

Shortly after MCA and Cox executives were told their bid had won, Cox told MCA it couldn't rush so large a purchase without having more time for analysis. Sources said that rather than put its winning bid at risk, MCA decided to sign the contract on its own and worry about finding a partner later.

Talking about long-term strategy in the same breath with such short-term activity may seem incongruous. But there were strategic considerations, both offensive and defensive, in MCA's quick move, according to Luis Rinaldini, a general partner at Lazard Freres, the investment banking firm that handled MCA's bid.

Probably the major concern was that all three VHF independents in the New York market to which MCA Television sells syndicated product might soon have their own programing abilities and libraries. The owner of WPIX(TV), Tribune Co., has been steadily developing first-run product. WNEW-TV is on the verge of being transferred to Rupert Murdoch's Fox Television, a subsidiary of 20th Century Fox. And although informed sources said that neither Walt Disney Co. nor Lorimar-Telepictures made a bid for WOR-TV, both were known to have considered doing so.

Sheinberg said MCA did not bid on KTLA-TV Los Angeles, a market with four VHF independents, when that station was sold to the Tribune Co. for $510 million last year. Although the company has looked at other stations, its bid for WOR-TV is believed to be its first for any station. Among the other bidders MCA is known to have defeated were Group W, which purchased KHJ-TV Los Angeles from GenCorp last November, subject to FCC approval, and a consortium including New Jersey residents (WOR-TV is licensed to Secaucus, N.J.) and minorities.

When MCA begins looking for partners to replace Cox, the list of candidates might well include Group W, whose chairman, Daniel Ritchie, was formerly MCA's executive vice president and chief financial officer.

Whatever group ends up running the station will have its work cut out for it in improving the station's profits to justify its price. One source said that WOR-TV produced 1985 revenue of approximately $70 million and cash flow of just over $15 million.