



# Top of the Week

## TCI: \$200 MILLION FOR CHANNEL EXPLOSION

*HBO to launch four new digital pay services on satellite Jan. 1; TCI, 50-60 channels to cable set-top by 1994; cable executives are cautious about niche prospects but confident in worldwide, computer-compatible GI/AT&T and S-A technology*

By Peter Lambert

**T**ele-Communications Inc. gave cable television's channel-expansion dreams a \$200 million shot in the arm at last week's Western Cable Show in Anaheim, Calif., by committing to purchase the technology to launch 50 to 60 digital television services over the next two years.

Home Box Office also gave the dream speed: on Jan. 1, 1993, the pay service will launch four digital satellite signals—three HBO and one Cinemax—via Galaxy 1. The signals are already being fed to test affiliates aboard Telstar 302.

"Anyone launching any new service from this point forward will launch digital," said Robert Zitter, senior vice president, technology and operations, HBO, which he said is also close to implementing digital compression of HBO Olé in Latin America.

The key to the TCI and HBO commitments is the digital video compression technology developed by Gener-

al Instrument and AT&T. The purchase plans pave the way for a de facto compression standard in the U.S. and, perhaps, across the computer, telecommunications and TV industries worldwide.



TCI's John Malone talks compression with BROADCASTING editor Harry Jessell.

TCI President and Chief Executive Officer John Malone believes the technology will "bring a substantial expansion in programing appetite" by early 1994. "Within TCI we have been busily stimulating the programing community to think in terms of a large array of à la carte services, interactive programing guides, narrow niche services," as well as "50 channels on Saturday afternoon with college sports" or 50 PPV channels, which TCI and Fox-controlled Request TV plan to launch in early 1994.

Malone told BROADCASTING the digital package will be offered to consumers for "a buck or two" a month, for which subscribers will receive "a package of additional programing and access to all the other à la carte niche services."

Some programers say any services other than PPV will be slow to come (see page 5), but Malone insists digitization will help consumers navigate

Continues on page 15