Edited Remarks of Speakers: Cable Television Act of 1984: The Impact on Local Regulation and Franchises

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"The Cable Television Act of 1984:

The Impact on Local Regulation and Franchises."

April 23, 1987

Center for Telecommunications and Information Studies

809 Uris Hall, Columbia University, N.Y., NY 10027

(Eli Noam) Good evening ladies and gentlemen, and welcome to our monthly telecommunications forum. Tonight's subject is cable television, specifically the Cable Television Act of 1984 and the impact of local regulation and franchising. You may remember, although it's been 2-1/2 years now, that the Cable Act was passed in Congress at the last moment after years of political wrangling and discussions between cities, the cable and telephone industries, the FCC, and local governments. It was quite a feat to write all this into a piece of legislation at the time. Somebody once said that making legislation is just like making sausages, you shouldn't look too much to the details of how they were made, so a lot of things were not particularly well thought through. Decisions were made that, in light of better information, new advances, or new technology, might be regretted today. I think it's time, now that 2-1/2 years have passed, to see and to have reported to us exactly what the problems are with the Cable Act, if there are any problems; and what the successes are of the Cable Act, if such successes exist; and just to examine a piece of legislation and an act of public policy that's been around now for enough time to take stock.

Chuck Dolan had to excuse himself tonight. One of the things about the cable industry is that crises happen all the time. Replacing him is Sheila Mahoney, whom we'd like to welcome here. She's the vice president for government relations and public

affairs for Cablevision Systems Corporation. Sheila will at some point explain to us the corporate structure of Cablevision, [laughter] which is of "mind-blowing" complexity. Sheila oversees the company's relationship with franchising authorities and other governmental agencies, as well as other institutions. Her background in the industry is quite varied. After graduating from law school here at Fordham, she served first for New York City as assistant corporation counsel, and in that capacity also represented the city on cable television matters. Subsequently she was the executive director of the Cable Television Information Center, a Washington-based non-profit organization that gave advice, consulting, and assistance to state and local governments on cable issues. She then spent 1977 to 1979 as the executive director of the Carnegie Commission on the Future of Public Broadcasting, and did many interesting things such as co-authoring a book called Keeping Pace With the New Television, a report on the opportunities of new media for public television. Finally, she joined Cablevision, and we're very happy to have her here tonight.

[SM] Thank you, Eli, and thank you all for coming. To those of you who came to hear Chuck Dolan, we now give you a moment to leave the room... Chuck was anxious to speak to you tonight because he had some observations to make a couple of years after the passage of the Act, so I'll try to represent his views.

Congress thought that the Cable Act, and I quote liberally from it, "established a national policy that would encourage the growth and development of cable systems that are responsive to the needs and interests of the local community, and to minimize unnecessary regulation that would impose an undue economic burden on cable systems." The phrase "minimize unnecessary regulation" is an interesting one, presumably a compromise between those who would eliminate unnecessary regulation and those who favored it. The catch phrase used to describe all this, of course, is "deregulation," and as frequently happens, this hides more than it reveals. I'm sure that chairman Finneran, whose commission has taken an increasingly active role in cable matters since the passage of the Cable Act, finds that phrase, at least, ironic. Many municipalities, on their side, would deny that their authority is regulatory at all. Most cable operators would probably admit that apart from the new ability to set market rates for basic service, and the untested protection from arbitrary refusal to renew franchises, the Act may be irrelevant, or at the very least, not exactly a watershed. Generally there are nine important areas of concern in a franchise between a cable company and a municipality. I'll run through them quickly. Technical issues such as construction schedules, universal availability of cable service, public and leased access, rates, consumer protection issues, program service and carriage requirements, communication capabilities for municipalities such as institutional networks and free municipal service, employment

and procurement requirements, and contract renewal. With the exception of rate regulation and franchise renewal standards, by no means the most important items on that list, the Cable Act either ratified municipal regulatory authority over these issues, creates a new and different federal standard, or passes over them in silence. The deregulation of cable is really at best a reregulation of cable. And as with any such shift in the rules today, there are numerous unforeseen consequences. Cities don't really regard themselves as regulators, but as other parties in cable contracts. In the municipal mythology of cable regulation, cities are the parties who are entrusted with the protection of the public interest. Cable companies, on the other hand, are holders of the inevitably described "lucrative franchises," with "monopoly pricing power," "accountable only to their stockholders and bankers." There is a terrifying political strength if the city's position is significant, and this strength, coupled with the power to award franchises, has frequently been applied in the service of the notion of the public interest is unsophisticated, inflexible, and shortsighted. Rate regulation is an interesting example of this. Cablevision's proposals for a $2 basic service in the city of Boston, the largest city involved in franchising in the early 1980s, suggested that the provision of a low cost basic service would be an important factor in the selection of the cable company. Cablevision's original bid was based on a marketing philosophy that could propose and support such a pricing concept, and we won franchises in Boston and elsewhere.

When the franchises were awarded, the cities naturally enough wanted the benefit of the deals they were promised. The attitude that developed towards these contracts was not characterized by any of the attributes of regulation; cities didn't really want to regulate the cost of basic service, especially at a price implying the possibility of rate increases upon a showing of need (involving burdens of proof, procedural protection, and the like) in order to maintain the price offered in the application regardless of the effects or ultimate wisdom of the promise upon the financial stability of the cable operation. At this they were successful, but at some cost. Cablevision, for example, has done zip code analyses showing that low cost basic service in Boston is not primarily a means of gaining sophisticated communications capability to the economically disadvantaged. It is instead a means whereby the relatively well-to-do, who don't watch much television, can have access to more channels at a price which for them is meaninglessly low. Now it turns out that the public policy and economic stability are served by low-cost basic. A deal is, however, a deal, and promises, however ill-advised, must be kept. This rigid stance persisted even following the passage of the Cable Act, both overtly and covertly. Overtly we increasingly face the insistence that we raise whatever rights we were granted under the Cable Act. All we want, it is said, is that you live up to your promises. A political figure with a popular issue, such as holding the line on prices, and a sympathetic press, disinterested in complex

cable issues, are hard to resist, especially when the popular issue is couched in moralistic terms. In the early Cable Act cases, Group W for example, had signed a franchise with the city of Dubuque, Iowa prior to the passage of the Act, requiring the company to waive rights granted under any form of deregulation. After the passage of the Act, Group W raised its rates and the city sued. The court held that the right of rate determination conferred on the company directly affected the public interest as expressed by Congress, and that any waiver would be ineffectual. You will note, though, that this decision leaves open to litigation whether other provisions in the Act similarly involve the public interest, and hence give cable companies little comfort as to the effectiveness of most of the Act when such waivers have been extracted. Still, though, there have been a persistent cries that cable companies must be restrained, and if rates are no longer the issue, then other things will be. (??????) Rates are, like an uninvited guest at a party, conspicuous by their absence. Recent months, on the other hand, have seen an increase in interest in such matters as institutional network construction, implementation of two-way requirements, and consumer protection schemes, like new provisions with extensive control of rate increases. The effort of policy here appears to be tough on cable companies, playing a role with obvious popularity. The Cable Act has helped out in a number of ways: we have been able to bring our basic service prices to market levels and end the economically self-defeating

subsidy of basic-only subscribers by pay-service subscribers. Very few of our customers have complained of the increases, which were after all devised in the competitive marketplace of video services. We've been called dishonest blackmailers by some and called upon by others to wire schools and libraries that hadn't had an interest in cable before price deregulation, and have been pressed in some cases to agree to unenforceable rate regulation, such as discounts for senior citizens and the economically disadvantaged. More important than these things, however, is the undeniable fact that the culture of cable regulation, the mechanics of the relationship between cable companies and municipalities, has not only been unaltered by the Cable Act, but has been in a very real sense ratified by the Act. Cablevision opposed the passage of the Act, because we believe that many of the provisions of the Act are constitutionally suspect. Extensive commercial access provisions, the strengthening of provisions for public access and for public access facilities, and the cumbersome and potentially troubling renewal provisions are examples of this. In a constitutional system where the phrase "Live Free or Die" on a license plate raises serious issues of forced speech, and where municipalities have authority to impose only minimal regulations about the placing of newspaper vending machines on city streets, these and other aspects of the Act can only reinforce the commonly held opinion that cable companies are more like utilities than like newspapers, more like monopolies than like movie theaters or video stores. Until these

opinions change, we will always be subject to prior restraint at the whim of the city executives, and always subject to governmental second guessing of our editorial decisions. So until we come full circle, we have to ask what are the defects of the Act. On to the requirement that cable companies acquire municipal permission to use the streets I believe it has grafted a laundry list of "appropriate regulations." We leave unexamined the question whether any regulation beyond time, place, and manner is constitutionally permissible. The Act has also ratified the essential local structure of cable regulation with little or no sensitivity to the distance that ought to exist between regulators and editors. And by virtue of the fact that it represents national cable policy, I believe it represents a partial or flawed policy, because it lifts the opportunity to censor a position alongside other instruments of the press. There is, after all, no such national policy for newspapers. Thank you.

[Eli Noam] Thank you very much. We're very honored to have two more speakers. First, William Finneran, the Chairman of the New York State Commission on Cable Television, the largest such commission in the nation. Chairman Finneran is a graduate of MIT's Sloan School of Industrial Management. Prior to entering public service he was a management consultant, held the office of vice president in several companies and corporations involved in telecommunications, was elected to the State Assembly in 1976,

and served 3 terms in the State Legislature. In March 1983, Governor Mario Cuomo appointed Mr. Finneran to Chairman of the Commission on Cable Television, and in that capacity he has been the chief regulator of cable television in New York State, a state spokesman, and a very active participant in the nationwide regulatory debate.

[W.F.] Some of you may know that one of the recent appointments to the Public Service Commission in New York State is Professor Eli Noam. A lot of citizens are excited about that prospect, and I think that he´s going to be an incredible asset in restoring some sensibility to that regulatory function.

[Eli Noam] Now you know why Bill was invited... [Laughter]

[W.F.] The impact of the Cable Act depends on priorities. If we´re interested, for example, in public education and governmental programming, we might say the Cable Act gave legitimacy to that, took it from being an abstraction. It could be a good thing if I were a senior citizen or a marginal income family, wondering about the impact of rate deregulation on my ability to participate in and enjoy cable communications -- the impact is very much correlated to my priorities. I have in mind the story of the two Irishmen one wintry Sunday morning: "The liquor store is closed, would you be having any whiskey at your place?" "I think I have a pint, I could go back to my place."

So the one fellow went across a frozen pond, crossing the ice to retrieve his pint which he put in his back pocket, and set out again to recross the ice to his bunkhouse. Just about in the middle of the pond, his feet slip out from under him on the ice and he lands on his behind, feeling this wetness seep through his pants, and he raises his eyes to the heavens and says "Oh dear Jesus, let that be blood." Such are life's priorities. In any event, I agree with many of Sheila Mahoney's comments, that in many ways, the impact is exaggerated. What the Cable Act did do, though, was to take the FCC out of the picture, making the franchising process the primary vehicle for cable. In a backwoods sense that had always been the case, but this federal statute clearly asserted that, and affirmed a basic right which the courts, in an interesting way, have interpreted perhaps a little more than was anticipated by Congress. Regulating rates was a great achievement in terms of the industry, making unilateral determination of subscriber prices effective in January of this year. But rate deregulation itself had a subtle kind of impact on the municipal government's ability to leverage with its local cable operator. I'm not talking about revenues derived from rate increases, but the fact that when basic service negotiation was required at the local level, the local government had an opportunity to look out for other concerns, such as the constituent's ability to utilize phone service or pursue interests in access equipment. It provided local governments with a leveraging mechanism, so rate deregulation subsequently

emasculated local governments, making renewals the only formal kind of interfacing between the operator and the municipality.

One of the things Ms. Mahoney pointed out was that the section of the Cable Act equating it with a deregulatory bill is totally _mythical_. Rate deregulation, _yes_, but that bill is, in its degree of specificity, the most regulatory ever passed by the U.S. Congress. It is indeed one of the most unusual bills ever passed by Congress in regard to a specific policy goal, without mentioning the merger they endeavored to do; Congress tells a town supervisor that he has thirteen-and-a-half days to do this, the stamp should go on the left-hand corner of the envelope, and his town's gotta respond to and document this and that fact within so many months. That level of specificity is _unheard_ of in the annals of Congress: twice Congress said they had never seen _anything like_ this bill. I'd like someone to show me a comparable bill specifying how local governments ought to act, and in what time frame, and so forth. I don't know what that exactly means, but in my view, what happened in the passage of the Cable Act will not happen again. It was a "unique" confluence of factors, of the dazzling of technology in the Congress. I was down in Washington for many weeks in '83-84 during the agonizing debate over the Act, saw Congress compromise, and realized that if the bill was going to go through we had better temper it. The fact is that you randomly put any five, or three letters of the alphabet together and you get a technological alternative to cable, it's absolute nonsense.

Still, it's blowin' wind trying to get that across to Congressmen, who said that technology was going to provide people with a multiplicity of ways to enjoy what cable currently brings them, which is just not the case. If you look at the alternatives, STV, SMATV, DVS, etc., nothing can economically match the carriage of 77 channels on a single wire. And out in the rural suburb, you have to buy a dish because there is no wire; dishes never profited where traditional cable has been laid. So we're talking about a bill that is really a regulatory bill but ends up a rate deregulation. It has led, by the way, to something of serious concern to policy, the tremendous escalation in the prices, transfers, and acquisitions of systems. In my four years, system subs leaped from selling for $600 each to $800, and a thousand dollars a sub was a rarity indeed. Currently there's a system, I won't mention the particular locality, that a year ago was transferred at $1,100 a subscriber, and now is being sold again for $1,800 per sub. Economists can look at the number of $1,800 subscribers and ask "what is a reasonable revenue to receive per subscriber, that an average family can afford, $30? $40?" Some might be $80. Still, how can anyone possibly make a reasonable return on that investment. So at some point the public interest is clearly transgressed by outrageous prices for acquisitions, reflected later on in high rates which preclude marginal income families from ever enjoying cable.

One thing the Cable Act endeavored to do, and one of its

main thrusts was to affirm and promote diversity. So many local governments are seeking to upgrade their systems, but the renewal, as detailed by the Congress, stifles those locals. When this is challenged in court, the attempts have been to throw out incumbent, and if successful, the local taxpayers have to absorb all legal costs. That factor alone is one of the most insidious rules in government. Now in the case of modest village councils where someone only works part time, that fact of covering legal costs is a killing factor to such court challenges. In New York State, renewals and franchises without exception favored the incumbent. VCI and another company I deal with felt tremendously threatened by renewal, as all franchises are, but it shouldn't be just a rubber stamp -- the local governments should use that as a means of leveraging, as with the upgrade of 21-channel systems to 36 channels. That was the time to express concerns, and say "look, we're interested in some access" or "what about some equipment to beef up response." That was the occasion to convey those concerns to the cable operator, yet invariably, in seeking out a ten year renewal, concessions were made, because the current law make the process cumbersome and agonizing for local governments. Nonetheless, I have not seen drastic changes in that relationship; some municipalities are a little frustrated without the muscle to make believable demands, and by and large, the companies are seeing a general degree of responsiveness. I haven't seen a souring of relations, just as I have not seen quantum jumps in the rates. I'm gratified that reasonable,

perhaps visionary tendencies have prevailed, that the average increase at the end of March was only $1.50 per subscriber. Certainly, the bill has also triggered an awesome amount of litigation, and we have seen major lawsuits over rules, franchisees, must-carry, basic rates, pole attachments, antitrust, and technical standards. That trend will continue, because we're all entitled to our own opinions, though we're not entitled to our own facts. And the fact remains that cable, at heart, is a local monopoly. The courts, more and more, are beginning to say that. The Congress is realizing it, at every level. I'm not saying that's intrinsically wrong, I am saying that cable can be a "benevolent" monopoly. One Albany company closed its doors and laid off its work force because it had manufactured rooftop antennas. The demand eroded, and cable became the vehicle by which most families interface with the whole universe of entertainment and information. While it is an awesome monopoly at heart, it has the potential to do so much in the public interest, bringing great diversity to us with a multiplicity of channels. Many "electronic publishers" say that no one should dictate to them what to do with a channel, but that view will not prevail. Judges growing up in cable homes know that out of 50 million subscribers across the country, not a single one can say "I want to cancel my cable with this local company, I want another service provider." That point cannot be lost for long on the courts, so though it is a benevolent one, the cable monopoly has the potential to do enormous things that

no other medium could do, such as support public education service for the people. But in so many cases, such as the Erie case, the judges and the court are calling cable the monopoly it is. Those in the industry don't like that talk, but truism will prevail. This isn't anything bad for the industry, indeed, it's the other way around. In the Jefferson City case, the Appeals Court made an interesting comment, that "a municipality has the right to grant an exclusive monopoly (laws in New York and other states have thrown out the exclusive monopoly) to achieve competition." When I read that sentence it seemed harmless, but it continues to state "the municipality has the right to grant an exclusive monopoly franchise to achieve a worthwhile and desired level of competition." What the court was saying, in effect, was that the only way a local government can ensure competition would be to allow two, three, or a multiplicity of bidders to wire an area, and then choose one to grant the exclusive edge. It was a very profound, incisive understanding of the nature of cable by the court, one which may render these discussions academic two, three, or four years down the road. Still, I think cable's greater days are ahead of it, and that's a fair subject for another discussion. Thank you.

(Monroe Price, Dean of Cardoza Law School) There exists the possibility, through commercial, modification, and renewal aspects, to gain some relief from the franchising provision. So the first thing I'd like to say is that the Cable Act is not a

highly regulatory bill; it is a highly deregulatory bill. We are still living through, and it hurts me to say this, the death of the local, and perhaps even the state franchising authority. The first point I'd like to make is that even though there are tremors in any death throes, activities and actions undertaken, I don't think they are necessarily enduring under the Act. My second point concerns this as a question of contractual relationship, something which Sheila Mahoney spoke to, and it is interesting to see the franchise as a contract derided in some sense, giving no reason why a cable operator should be held to it. Let's say it's economically impractical, or was foolishly entered into. Should those franchise provisions be modified if there are ill social consequences to a cable franchise, even though it was entered into in a competition? I think that is essentially what the Act did, taking the position that the power to contract ought to be severely modified by limiting the extent to which the operator in initial franchises could demand certain kinds of promises; and secondly, provided for modifications after contract was entered into on the grounds of commercial impracticability. So the Act supports a point we've seen in Dubuque and other cases, the notion that a contractual agreement to waive benefits with a cable act cannot be enforced. It is interesting in terms of its impact on contractual relationships between franchising authority and cable operator.

Finally, looking at the point of view the relationship between cable operators and franchising authorities over the last

2-1/2 years, it has really been the era of the First Amendment and antitrust rather than the era of the Cable Act. The substantive law, impetus, and intellectual vigor in defining the relationship between city and franchising operator comes out of the preferred case, the First Amendment attack on cable regulation, rather than out of the Cable Act. With provision after provision of regulation prior to the Act included, it is in my view kind of passively moving to the background; whatever remains under the Act is attacked on First Amendment grounds. My own view is that one of the interesting, intellectual events of cable television has been the effort by operators to embrace the First Amendment, portraying themselves as First Amendment speakers, which has consequences of, as Sheila Mahoney noted, questioning the things that are considered under the Act by cities and other franchising operators. Why are we like newspapers? Although we're going to have a national newspaper policy in the Newspaper Preservation Act, we have had a national communications policy which I think we ought to continue. With respect to cable, a similar policy seems appropriate, looking at the distributors of programming as speakers rather than the cable systems as speakers. Still, that is an old song that has been sung many times, and at the present time the lyrics are being written by those who are of the First Amendment view on the status of cable operators.

But I'd say in summary that this is a highly regulatory bill, a deregulatory bill, one that dispossesses cities under

legislation, and that the First Amendment is much more forceful in terms of its threatening impact on the cable process. Finally, I'd say that the next developments will not be deregulation in the way that we've known it, but efforts by municipalities to encourage competition or to get back at cable operators through other devices, such as easing entry patterns for telecommunications carriers or power companies and encouraging overbuilding. That seems to me to have become the strategy that will be followed. Whether it is a wise strategy, whether it will be an effective strategy, I don't know, but I think that is more likely than a restoration of regulatory patterns of the past. Thank you.

[Eli Noam] Thank you very much, and since our tremendous speakers have kept within the time limit, we can entertain questions and discussion, as well as comments of the panelists themselves about each other. Maybe it would be fair, since Sheila has been criticized in several ways, to allow her to respond first.

[Sheila Mahoney] I do want to comment on Monroe's last observation, and pick up on a perhaps inadvertent comment that we're going to see an era when cities "get back at cable operators." What is the impetus behind that? Getting back at us for what? For providing a service that consumers want, and for

engaging in a struggle where in cities lost some of the things they were interested in, enabling them to substitute other opportunities to regulate? I don't understand where that gets us, and frankly, I'd suggest that we are really much closer to newspapers than to anything akin to utilities. What we do is provide and retail a communication service to the home, but prior to getting into that home we choose and package editorial product, exactly like newspapers do. Why is it that cable operators should be surrounded by restictions, totally unwarranted for newspapers, when our function in society is to do the same thing, albeit with different history, I just don't understand that attitude.

Monroe, if you think that the results of that Act are deregulatory, you haven't been dealing with the 200 municipalities that we have in the last two years, because they are even more interested in finding new regulatory opportunities. You cite the provision under which franchises can be modified; of those 200 franchises, we have yet to find one where the modification provision is operable. I totally disagree with your viewpoint, but that's happened before Monroe, so it's really a friendly disagreement.

[Monroe Price] I'd like to respond. I don't associate myself with "getting back;" what I really meant was that certain communities feel that perhaps more should be done in terms of oversight for effecting what they deem a monopoly environment.

And if they can't do it through rate regulation, they may try to do it through providing opportunities for entry. I would say that, without getting parochial, it is the kind of thing considered in the city of New York, as other modes of competition and entry. That may or may not be the right answer, but its the kind of approach that one could ask in a community that says here's a franchise, it isn't built or its charging too high a rate, etc. It may be wrong, but that's just a predictive statement about behavior, not economics.

As to the First Amendment grounds, I think its a tautology to say, "our function is like newspapers, therefore we should be treated like newspapers." What has been debated over a 20-year period is: what is the function? Is it to act like an intermediary to deliver services that speakers want to deliver to homes, or is it to function as a media entity like newspapers? I think that's still an abstract issue, up for grabs.

[Bill Finneran] One of the pervasive myths, which I won't link to academia, but it's not of the real world, is the limitation on opportunities. I once offered, somewhat in jest, to cite for the New York cable companies any municipality where they would like entry. In any municipality I would do my best in getting the local government to allow them in. I would challenge any company in New York state to tell me the village, town, or city where they want to enter, overbuild, and provide the residents thereof the choice between two operators, and I offered to lubricate the

way, getting the local government to salivate over this. It's total nonsense, and municipalities have fought that. The town of Islip granted their franchise to three competing companies, saying if you'd like to wire Islip, we'd like you to. One of them immediately realized that it wouldn°t be a single franchise, and took a walk. The other two, as has happened in Huntington, started from opposite ends, but soon both stopped. Why do they stop? Because not to stop is economic suicide. It is ludicrous, because the existence of multiple services does not generate additional subscribers. And so, despite the fact that two operators are supplying that service, I'm certainly not going to buy from both of them. In effect, we have multiplied our costs without forcibly impacting our revenues, and thus, nothing will happen. The City of Phoenix tried it, one company running down one side of the street, the other... and what happens when there is overlap is that one bellies up. In Huntington, Long Island as in Phoenix today, there is one company servicing the city. So it's nonsense to say that the problem is a lack of opportunity. I can get every local government in New York State to give an opportunity to any company that wants to overbuild. It doesn't happen because it doesn't make economic sense, from any point of view. Finally, on the idea of "I'm a newspaper," it's more like "I have the only newsstand in town, I determine what periodicals and newspapers you may read, and this is the only one for the municipalitity's residents." With the newspaper industry today, I wouldn't get a Xerox machine and stand on the corner, its such

an incredible capital investment. And I'll tell you one thing, it's not just my opinion, that no responsible financial entity, be they insurance companies, banks, whatever, would cough up the billions of dollars needed in New York City without an exclusive agreement. The enormous costs are why every major infrastructural bill has required this kind of monopoly. Here in the city, to dig one mile through the ground is $200,000. In suburbia, cable can be strung on the telephone poles, but in the city those particular wires are tremendously costly. And that money is not going to be there unless there is essentially an exclusive monopoly franchise; there's no other way, at least in the foreseeable future. So this idea that "I'm a newspaper" and I require total carte blanche to control all of these channels when I already control what goes to the family room. The implication is clear: If I'm Jesse Helms down in South Carolina, I don't like CBS, and I own the cable system, I'm going to keep CBS off. I mean to say "oh, that wouldn't happen" but you're arguing for that kind of power. And it's incredible what the UHF will get on my system, we're talking about the ability to determine whether or not the fundamentalists go there. We're talking about what comes into a family's home in America, and I don't think so far it's been abused. I have some strong feelings about the fundamentalists, but we see the evolution of the viewer and see their control eroding. First it was clustering, getting into General Motors, Ford, and other alliances and coalitions across these lines in cooperative endeavors. What we have is,

and I think many revisionary people in the industry are realizing it, a need to stop the litigation, because we've got a monopoly here, unregulated rate-wise, and most of the cases are beginning to go the other way, as was predictable if one gave it thought.