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DISHCETERA - THE SATELLITE TV NEWS ON-LINE MAGAZINE

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1. BOTH SATELLITE/CABLE TV
BILLS NOW READY FOR FINAL VOTE

It's finally happened... and in only five short years too! Both the U.S. House & Senate have now passed thru Sub-Committee, thru the Full Committee, and now down to the floor for a vote, much needed and widely supported competition in cable tv legislation.

Keep those calls and letters going into Congress - the system is working - but its terribly slow. And, our friends in the cable tv industry are trying to buy as many negative votes as possible. Bet we'll see Cable Tv Laboratory move again!

Most of all remember the three p's of getting your views across to Congress... polite, persuasive, persistent! "He who calls a lot

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gets remembered". We need standardized encryption and Ku access too and be sure and mention that.

We're winning the battle - just keep the pressure on Congress to do the right thing. There's only a few legislative days left until the end of this session of Congress. Make every day count. And, as usual... polite, persuasive, persistent. 1-800-852-3445 will connect you to the Congressional switchboard.

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2. IMMEDIATE CALL-TO-ACTION...

ONE IF BY LAND - TWO IF BY "C"

In this case it's it is... two if by "C" - C band that is. The current legislation pending would only permit certain access to that programming on C Band. In fact, the Ku band, K band, and Ka band are considered the property of the cable tv industry. When these Bills come up for debate it's very important that an Amendment is offered (and accepted) to each, that would specify that the sky belongs to everyone - not just one band that the cable industry has decided to give up. What happens when PBS moves to their new satellite system next year on Ku band? What happens when the new direct-to-home satellite services become available in a couple of years? Without the necessary Amendment, you won't be able to receive these networks!

So, what can you do to solve this? Contact both of your Senators and your Representative. Remember all those letters they wrote to you saying they would keep your views in mind when the legislation came to the floor for a vote... it's there! Now is the time for them to do their job and represent YOU. Get on the telephone and get your message translated into that much needed Amendment giving satellite dish owners access to the entire sky - not just one small part!

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3. GI PLANS TO CHANGE THE

DESCRAMBLERS AGAIN NEXT YEAR

Attention early adapters... here's another chance to get ripped-off by General Instruments again! And, you know who you are! The videoviper 2PLUS-PLUS is one the way!

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Friends do you have a wad of cash in your pocket looking for a place to be spent? GI has another worthless product on the horizon just for you... their new digicipher. Yes, they plan to begin the shipments of the new digiciphers sometime after June of next year and once again obsolete every descrambler already out in the field. Are you tired of spending money on their failures? Let your Senators and Congressman know that we need a "standardized encryption technology". We don't need a new descrambler every year and we're going to keep getting them unless we get a standard. It's a free call!

By the way, the new digicipher is "supposed" to have all those features promised in the VC-II...

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4. MIZLOU 24 HOUR SPORTS NEWS

NETWORK JUST ABOUT HAD IT!

Was this just another stupid idea or what? A 24 hour sports news channel with continuous sports news. Yes, dumb, dumb dumb! Did the cable tv industry want such a channel? No! Do most of the larger systems have the necessary channel space available to add such a channel? No!

So, why is it here? It's here because thats what cable tv is "supposed" to be all about... narrowcasting. Lots of channels which are targeted towards very small groups of interested viewers. There is of course, one very large problem. No channel space. Mizlou says they expect to be available in 13 to 15 million homes by January and currently IS available in some 7.5 million homes. All they need now is 20 million dollars to stay in business.

All they need to get into the 55 million homes using cable is for each of those systems to completely rebuild their entire plant. What Mizlou should understand is - it's not going to happen. Cable tv operators are simply going to keep doing what they do best - talk!

Until we get legislation passed allowing everyone to compete with these existing obsolete systems, other channels are doomed from the start. No matter how wonderful the channel is - most cable systems have no channels available to put it on... unless it's a channel the cable tv system happens to own. In that case they'll simply take a PBS station off to make room.

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5. CABLE OPERATORS BIGGEST CONCERN...

INSIDE WIRING & OUTLETS

Okay, so this is not their "biggest" concern. That's stopping our competition to cable legislation and they've gathered millions to do just that. But, one of their other biggest concerns is the inside wiring, the additional outlets, vcr hook-ups, and how much can they rip-off subscribers for them.

The cable tv industry at large, has taken the position that you MUST rent their convertors, their descramblers, their wiring, their outlets, etc. etc. etc. This is the exact same consumer-un-friendly technique that did-in AT&T a few years back.

As you'll recall, the phone companies installed fifty cents worth of wire and charged subscribers high monthly fees to "maintain" it. And, you never owned the phone even if you purchased it - you simply owned the housing and not the internal parts. And, each additional outlet that didn't cost them anything cost the subscribers a huge fee each month.

The cable tv industry adopted that same idea - charge for every thing you possibly can instead of offering subscribers the option of making their own investment and charging lower monthly rates. Now, as our legislation nears passage, the cable tv industry at large has created a "basic" level of service which consists of all the "free" channels for around \$10. per month. And, at the same time, many of those same operators are considering dropping all their additional fees for the no-cost options they offer, in a last-ditch effort to stop legislation.

On the other hand, there's a bunch of cable operators who are in the process of increasing their charges for the no-cost options. I guess I should explain what a no-cost option is.

Almost every programmer supplies their signal with stereo audio in an effort to enhance the entertainment value of their programs. Very few cable systems pass the stereo signal on to their subscribers and those who do seldom do it for free. Usually, there's a monthly fee for that "option."

Almost every programmer supplies the cable operator with a guide

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for each and every paying subscriber while the cable company charges an additional monthly fee for a "special" cable guide THEY publish. the free guides usually end-up in the trash dumpster.

A second outlet so that a subscriber can use their cable ready tv and/or vcr doesn't cost the cable operator anything other than the cost of the outlet itself, around a dollar, yet most systems charge a minimum of \$17. to install that dollar outlet plus a monthly fee.

And, then there are the cable companies that charge a monthly fee for HBO on each and every outlet in the home. Of course, the cable company only paid for HBO once.

By far the biggest rip-off of consumers by cable operators, next to the 1000% percent mark-up on the programming itself, is the cable systems who have made their service "un-cable-ready" so they can then demand continuous monthly fees for un-necessary hardware.

This happens when the cable system scrambles all their channels thus forcing subscribers to RENT a convertor/descrambler each month for each and every cable-ready tv and vcr. To add insult to injury, many systems charge an additional fee for the remote control that is supplied free with the cable convertor/descrambler.

I know that a \$5. per month rental fee for the cable tv system supplied convertor/descrambler doesn't sound like much to many folks but consider the following. The average cable tv home has a minimum of two tv's and one vcr or three tv's. That's \$15. per month from each and every cable tv home - there's currently 55 million of those - and that works-out to... let's see... \$825 million dollars each month for needless equipment or a \$9.9 billion dollar a year rip-off!

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6. OVER THE HILL NETWORK PLANNED

PLUS ANOTHER SPANISH NETWORK

They're calling it the 50+ Network and it's scheduled to launch in April of next year. Actually, it's called the Golden American Network and it will be free to cable tv operators.

Plans call for the service to start with 6 to 8 hours a day of programming and then expand to 24 hours a day after a year or so. Bernard Weitzman, chairman of the operation, says his network plans to go after the same audience now served by the Nostalgia Channel.

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The Nostalgia Channel claims to reach some 10 million viewers but many systems only carry it part-time.

The channel will feature Satellite Bingo, Debbie Reynolds Plus hosted by Debbie Reynolds, Never Too Late hosted by Marty Allen, the Monty Hall Show, and Morey and His Friends hosted by Morey Amsterdam.

Here's another channel with no place to go. Until the cable tv systems upgrade their plants to the current standard of 120 channels, where can this channel possibly get carried. Looks like this will be "only on satellite!"

And, speaking of "only on satellite" networks, another network for Spanish speaking audiences plans a 1991 start-up. The service to be called Cable Television Nacional is designed to serve 18 to 35 year old Hispanics not served by Univision or Galavision.

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7. STUDY REPORTS CABLE SUBSCRIBERS

DON'T WATCH CABLE TV ADS!

Here's a real shocker! Cable subscribers don't watch cable ads! I guess not. When you have to pay \$50 or \$60. per month for cable I would expect you to try to get the most value out of it that you possibly could.

The Network Television Association has released a study they paid for, showing that cable tv ads get "zapped" much more often than the network tv ads. The study also found that network viewers didn't switch channels as often either. They found that the average cable tv viewer watched only 11 minutes of a cable show while the same cable tv viewers watched an average of 27 minutes of a network show.

The category is...what cable service gets switched-off most often by cable tv subscribers? The nominees are: USA Network, MTV, WTBS, ESPN, The Family Channel, and CNN.

What cable service gets switched-off the most often by cable tv subscribers... and the winner is... the envelope, please... MTV!

The next category is... what cable service screamed the loudest about the results of the study? And, the envelope, please... MTV! Another shocker!

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This study was conducted during prime-time viewing periods. What do you suppose they would have found during the non prime-time viewing periods? That's when cable networks sell their high priced channels to the "Hal Morris and Associates rip-off club". One hour-long commercials, one right after another for five or six hours every evening. There is one slight glimmer hope however. After the Texas Attorney General got cease and desist orders against a bunch of the "rip-off club" members - the Federal Trade Commission has begun to look into the "claims" made by these shows and many of the same "rip-off club" members are now being asked to enter into consent agreements with FTC and cease their rip-off shows.

The next category is... how long does an average cable subscriber watch an hour-long "fake" commercial before switching-off their cable tv service... the envelope, please. Oops, too late!

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8. BILL OUTLAWING THE RENTALS OF ELECTRONIC MEDIA SPEEDING ALONG

Here's another reason to call your Congressman and Senators! I know you'll not beleive this but somebody wants to stop rentals of "electronic media". This Bill would be a major revision of our current Copyright Act which contains the first-sale doctrine. And, you may be able to guess who's behind this legislation.

Under existing Copyright Law, the Copyright holder cannot control what happens to his copyrighted material after its "first-sale". As the purchaser of such material, what you do with it is up to you so long as you do not duplicate it or exhibit it in a public performance or private performance for a fee. You can offer it for sale, lease, rental, or otherwise dispose of it. You bought it - it's yours!

This new legislation would change the first-sale provision and give the Copyright holder the right to determine how you used "his" product that you purchased. In fact, you wouldn't be purchasing it at all but merely paying a fee for a pre-determined limited use.

Such a change in the Copyright Act would immediately close all the videostores who rent copyrighted material under the first-sale provision. This Bill: SB198, has already PASSED the Senate. So, why haven't you heard about this Bill that would close all the video rental stores?

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That's an easy one to answer. This particular version won't have any effect on videostores. No, No, No! This would only affect the rentals of computer software this time around. During the next session of Congress they will come back and add the videostores after getting the first-sale provision changed this year. Needless to say, this legislation is being supported by the Motion Picture Association of America and the Software Publishers Association. There's nothing the movie studios would like more than to gain control of all the movie rental stores. This legislation introduced by Senator Hatch of Utah, is heavily supported by Word Perfect (of Utah) who probably constructed the original Bill.

This entire process smells! There hasn't been any publicity on this legislation yet it has already passed the Senate. Last Week, "no friend of satellite dish" Congressman Kastenmeier held hearings before the Judiciary Committee on the House version (HR 2740). The panel was stacked against consumers, as usual, with the legal counsel of Blockbuster Video being the only representative for consumers. A very interesting thing... Nintendo is lobbying heavily to get this legislation passed to stop rentals of their games but the Senate version of the Bill exempts video game rentals at this time. I have not been able to get a copy of the House version.

In any event, the first-sale provision of the Copyright Act does not need to be changed - period. End of story! Get that message to your members of Congress. It's 1-800-852-3445!

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9. SOME OF THIS MONTH'S
OTHER NEWS ITEMS...

Request Tv has announced that they will begin offering their pay-per-view programming to home dish owners using the Videopal sometime soon. I guess they haven't heard - most dish owners already get the Request Tv channels for free.

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The Movie Channel plans to show 418 movies this month with no repeats. Wouldn't it be great if HBO took notice of this and changed their schedule? Probably, the only thing that will change at HBO is the ad campaign.

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Remember the TV GENIE? That was a little gizmo that allowed you to plug the video and audio lines from your vcr into it and then it would re-broadcast the signal to nearby? tv sets without the need for a connecting wire.

The FCC shut the guys down because the things could be received a mile away and caused harmful interference to other broadcasts.

The dummies at the FCC have just given the 910-918 mhz spectrum to any manufacturers who want to build a new "genie". And, guess what? You can now own your own "pirate tv station" says the ad for one such device. Yes, for less than \$100. you can be a "pirate" broadcaster... probably one of soon-to-be-many in your area.

TCI, Tele-Communications Inc, the world's largest cable company, wants to become an NBC affiliate and transmit NBC on all of its cable systems. NBC was not all that interested although the existing NBC affiliates probably are. NBC says they're willing to listen...

The FCC has released another report calling for more competition in cable tv by letting telephone companies compete with cable tv companies.

The Rand Corporation has released a 96 page study saying that if telephone companies are allowed into the cable tv business they won't be any competition to existing cable tv companies. They cited vcr's as heavy competition to cable operators.

Remember MOVIE TIME, the channel that HBO bought-out which then became E! Now they've decided they are the channel for women?

The Nashville Network partners are buying-out Country Music TV for \$30 million dollars. The network claims to have some 10 million subscribers of which 70% of the cable systems carry the service for free. The balance pay as much as 3 cents per month.

Turner Broadcasting reports that the Goodwill Games will lose at

least \$26 million dollars. American taxpayers have paid \$24. million dollars of the costs of the games so far.

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10. CAPTIONING UNIT MAY BE
REQUIRED
ON LARGER TV'S NEXT YEAR

The Senate has held hearings on this and it's something we should have had for the last 10 years... but we don't and we probably won't unless somebody sets a standard. And, guess what...Congress is going to do just that.

Leaders in the House and Senate predict easy passage of the closed caption decoder Bill. This will mandate that ALL tv's 13 inches or larger contain the closed caption decoder technology. At this time, two different methods of captioning are being used. One is the normal closed captioning used by PBS. The other simply uses the Teletext method. For all practical purposes, the end-result is the same. Titles are displayed upon the lower portion of the screen for viewers with impaired hearing. The closed captioning decoder has been available for several years but costs over \$200.

The legislation would make closed captioning the "standard" and requires every manufacturer to use that method. Needless to say, one manufacturer, Zenith, who builds digital tv's that have Teletext decoders built-in, is upset that they would have to add the other format and says it will cost \$50 per tv instead of the \$5. stated by Congress.

Who cares? We need closed captioning and we need a standard and Congress has selected one. Zenith can add it to their tv's or not sell them in the United States. And, if it costs them \$50 per tv to add one chip to their sets then they had better find some new help. There's lots of "good" electronic engineers looking for jobs.

Why is it we don't have a standard for encryption technology?

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11. HOUSTON LIGHTING & POWER
TO WASTE MORE MILLIONS

IN CABLE TV VENTURE

From the guys who overspent billions of dollars to build a power plant to supply electricity to who-knows-who, the same guys who paid the highest amount ever: \$3,300 per subscriber, to purchase obsolete cable tv systems in need of complete overhauls instead of building a new system for \$900. per subscriber... these same guys are at it again.

It must be great to be a public utility who thinks that their rate-payers have bottomless pockets to finance dumb undertakings. I guess its almost as great as being an un-regulated monopoly cable tv company. Now we have Houston Lighting & Power - they're both! The un-regulated monopoly cable tv company and the public utility with unlimited rate-payers money to spend. Oh boy, is this a great country or what!

The good news is that Houston Light & Power wants to invest only another million dollars with its partner TCI, the world's largest cable company, and cable tv firms are reaping unlimited profits in almost everything they invest in.

The bad news is that one of the biggest money losers in cable tv is the cable tv audio services business, and that's what Houston Lighting & Power is investing their million dollars in. According to Dean Gilbert, the senior vp of marketing, programming, and business developement for the venture, cable delivered audio is a "terrific new business area."

These dummies, and they ARE dummies... plan to supply a "whole" 30 channel audio package for \$7.95 per month, a smaller audio package for \$6.95, and the "full" package for \$9.95. Hmmm, what's the definition of "whole" and "full" - got any ideas? Bet they have a slight marketing problem trying to explain that! They're also planning on marketing the service to "cable-resistors" - those are highly intellegent households not burdened by cable tv hook-ups or un-necessary set-top convertor/descrambler boxes. Most cable system now offer a basic service of free local channels to such households for \$10. per month after you pay a small one-time hook-up charge of \$300. or \$400. What will it cost to hook-up audio-only???

Their Digital Music Express as its called, will deliver CD-quality, commercial-free music consisting of channels offering big bands, latin, reggae, opera, symphonies, contemporary jazz, show tunes, Christian contemporary, country, and world beat. There's already a couple of other services trying to deliver the same thing and they're all going belly-up. What are these guys thinking about?

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Sometimes you just can't see the forest for the trees... their marketing director says they plan to equip a recreational vehicle with this "new" technology and then visit the various shopping malls to show off something they call "CD" sound. Maybe they would like to rent my RV, it already has CD sound. So do several rooms in my house so I guess I've just saved \$9.95 per month! I told ya this is dumb!

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12. SALE OF GENERAL INSTRUMENTS

PROCEEDING VERY SLOWLY

While un-informed sources were running around saying there would be several bidders lined-up to get GI instead of Forstmann Little - those would-be bidders must have been running the other way. As it stands right now, the bid of \$1.7 billion by Forstmann Little & Co. is all there is.

A couple of stockholders have filed lawsuits and no one seems to be busting-down the door to sell their GI stock. A share of GI stock is selling for \$44.50.

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* News items, press releases, and paper-less feedback may be sent to the Satellite TV Board of Information BBS at (713) 623-4899 (8-N-1) 24 hours a day. On CompuServ: 76164,1564 or on G*E*N*I*E: JDolan2

* Many satellite tv/cable related public interest files are available, as well as, business oriented software, and tons of VGA Gif graphics

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