

wrong, he said. "The medium is not the message," he said. "It is not the medium, but the message itself which properly commands our principal and ultimate attention.

"Clearly, from the perspective of the industry, all the myriad delivery mechanisms of the future will be of no use if you have nothing to say," Patrick said. "Your ultimate competitive advantage, or disadvantage, depends on your programming. From the perspective of the commission, the public interest is most directly affected by the diversity of programming available."

And, he said, all programming, not just news and public affairs, is significant because the electronic media have "come to play a major role in our perception of ourselves, the socialization of our children, the operation of our government—in essence, the life we lead."

The chairman took pains to point out that it is not only the electronic media that are at risk from the denial of First Amendment protection. "The writing's not on the wall, it's on the screen of a video monitor," he said, noting that several newspapers use satellites to distribute copy to printing plants and that, in the future, some publishers will skip the printing press altogether and go directly to the home. "When that happens," he asked, "that is, when newspapers are no longer printed on paper, will they be any less newspapers? In the year 2000, Americans will probably receive most of their information electronically. Does that mean that they are less entitled to assurance that their news has not been filtered by government?"

Patrick developed his theme still further, asking which communications model is to be applied "as the distinctions between the print and electronic media become blurred." He



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defined the choice as between "one which relies upon the government to draw distinctions which are, in truth really impossible to draw? Or on the First Amendment framed by the founding fathers which has served our country so well? In my view, to ask is to answer. Later, at a press conference, Patrick was asked for his response to his most vigorous critics—Senator Ernest Hollings (D-S.C.) and Representative John Dingell (D-Mich.)—when they challenge the FCC's action. The chairman said that, first, it is the commission's obligation to resolve matters before it, and that in the fairness doctrine case the court had clearly mandated FCC action, and that, second, he and the other commissioners and their aides were "prepared to talk about it." The first challenge, he said, was to correct all the misinformation about the fairness doctrine action, beginning with scotching the widely held notion that the FCC had repealed the equal time section as well. "That's clearly codified," he said. □

and \$16 a month and the pay services will go for between \$6.50 and \$9 a month each.

With most, if not all, of the TCI-affiliated systems and scores of small, independent systems expected to participate, the spokesman said, Netlink One-Stop will be able to take orders for service from dish owners in around 90% of the counties when it makes its marketplace debut next month.

The Netlink-affiliated systems already committed are those of TCI itself, Heritage Communications and United Artist Communications Inc., the spokesman said.

According to the spokesman, TCI is not actively seeking the participation of other major nonTCI-affiliated MSO's, but will consider allowing them to join on a "case-by-case" basis. The other MSO's can afford to set up their own back office to exploit the home satellite market, the spokesman said. "This service is intended for the little guys that cannot afford to do this themselves," he said.

The Netlink basic package will include ESPN, CNN, CNN Headline News, USA Network, CBN, United Video's package of four superstations (WGN-TV Chicago, WWOR-TV New York, WPIX New York and KTVT Dallas-Fort Worth) and Network USA's package of six Denver superstations (KCNC-TV, KMGH-TV, KUSA-TV, KWGN-TV, KRMA-TV and KSPN).

Not all dish owners will be allowed to take all 16 services. To ease the concerns of the broadcast networks' affiliates, Netlink is limiting distribution of each of the Denver affiliate signals—KCNC-TV, KMGH-TV and KUSA-TV—to those dish owners that cannot receive the signal off-air or from the local cable system.

Netlink's pay offerings include Home Box Office's HBO and Cinemax. The HBO services became eligible for inclusion when it changed its policy last month and began awarding distribution rights to cable systems in contiguous counties.

According to the Netlink spokesman, the service intends to offer additional pay and basic channels "as they scramble and as they meet the county and surrounding county criteria." The "odd man out" at this point, the Netlink spokesman said, is Viacom and its services—Showtime, The Movie Channel, MTV, VH-1, Nickelodeon and Nick at Nite. "If Viacom wants in, it will have to offer contiguous county rights to the services," the Netlink spokesman said.

According to Netlink Executive Vice President Brian McCauley, Netlink One-Stop will have several sources of revenue. It will receive a \$25 commission for each sale of the basic package and a \$20 commission for each sale of one or more pay cable services. It will receive \$5 for each Videocipher II descrambler it authorizes to receive the basic package and \$5 for each descrambler it authorizes to receive one or more pay services.

Because Netlink believes that satellite dish dealers are the "backbone" of the home satellite industry, McCauley said, it will offer commissions to dealers for each order they take—\$20 for each basic package sale and \$16 for the sale of one or more pay services to a single subscriber. □

## TCI company beaming to backyards

**MSO's Netlink USA will make basic and pay services available to TVRO owners via 800 number; prices to be set by local cable affiliates**

Netlink USA, a company controlled by Tele-Communications Inc., on Nov. 1 will launch a marketing service that will enable most of the nation's 1.7 million owners of backyard earth stations to subscribe to pay cable services and a package of between 13 and 16 basic cable services by calling a single, toll-free number, it was announced last week.

Dish owners will pay less than \$16 a month for the basic package and less than \$9 a month for each pay, according to Netlink officials.

What the Netlink service amounts to is a national, TCI-controlled package of cable programming for dish owners. As such, it will compete with packages being offered by Showtime/The Movie Channel and Home Box Office. (The National Rural Telecommunications Cooperative also offers a modest "national" package, but its availability is restricted by terms of its programming contracts.)

The home satellite industry, which has been plagued by falling dish sales, has been demanding that Congress act to establish

noncable, third-party packages to insure the availability of programming at reasonable rates. Because of the close ties with TCI, Netlink's offering is unlikely to satisfy them. For commissions and fees, Netlink One-Stop Programming, as the service is called, will act as the home satellite marketing, signal authorization and, in some cases, billing agent for TCI-affiliated cable systems and certain other systems that have acquired the home satellite distribution rights to cable programming within their home county and contiguous counties and are looking for help in exploiting them.

The participating cable operators will set the prices for their service areas—the counties for which they hold the programming rights. Because some of the service areas of TCI-affiliated cable systems will overlap those of nonTCI-affiliated systems, Netlink officials claim that most dish owners who call Network will benefit from price competition. "In the majority of counties, there will be more than one cable company and more than one price," a Netlink spokesman said.

Judging from the feedback Netlink has gotten from TCI and the other charter affiliates, Netlink officials said, the price range for the basic package will be between \$12