

priced at \$7, Foster said. Microband "has an excellent relationship with Disney," he said.

James Theroux, president of Metropolitan Cablevision (MetroTEN), said, "Cleveland is demonstrating the power of wireless cable," where his company has "in excess of 25,000 subscribers."

Theroux disputed claims by the cable company about signing up eight in 10 Metroten subscribers. "We keep two out of three customers," he said.

MetroTen has begun selling its service in mature cable areas, said Theroux. "I have gone door to door" in those neighborhoods, said Theroux, and sold to nonsubs and former subs. MetroTen is also converting existing subs. "We're doing just fine, thank you," he said, because the technology "eliminates technical outtages," the service better and its "the best deal in the marketplace."

Another group of former cable executives plan to launch wireless operations in four markets, starting next April in Oklahoma City ("Closed Circuit," Oct. 10). The company, Technivision, was founded by former principals of Scott Communications, which sold its cable properties last year for \$225 million. In addition to Oklahoma City, Technivision plans to launch services in Wichita, Kan., and Corpus Christi, Tex., plus others, said Smith Murrin, vice president, business development.

The company believes that when its first four markets are operating, it can sign 100,000 subscribers to its service, with 50% coming from homes without access to cable, 5% to 7% from homes passed by cable or former subscribers and 6% to 8% by existing subscribers. The company will roll out impulse PPV in its markets to go along with its basic and pay packages. Basic will be priced at 20% less than cable's, about \$12.50, Murrin said, even though its costs are much higher. In a letter to Senator Howard Metzenbaum (D-Ohio), Murrin said the 15 to 17 basic channels that will cost Technivision \$3.75 this year, cost Scott Communications only \$1.26 last year. Technivision envisions offering pay services for \$7 to \$9 and \$4 for PPV events.

An even more ambitious PPV wireless project is expected to get under way by year's end in Sacramento, Calif., where a joint venture of Graphic Scanning and Peoples Choice TV will put on the air a system that will offer 25 PPV choices. PCTV plans to divide the movies they contract into several categories—comedies, dramas, westerns, etc. About seven to 10 PPV choices will be available among the 25 channels at any given time because of the transmitting technology, said Michael Specchio, president of PCTV. Specchio said the company has had discussions with most of the Hollywood studios about supplying product. It plans to price product anywhere from \$1.25 to \$4 for the PPV events. For the moment, he said, there will be no PPV club fee. The service will have six channels of basic, at a price undetermined, said Specchio. PCTV's system will be addressable, will deliver stereo sound and will have impulse capability.

As wireless cable moves into the second tier of markets, its venturers are already looking further. Murrin believes that if the

costs of transmitters and other equipment falls, and wireless systems can be put on the air for \$500,000 or \$200,000, versus \$1 million, making smaller markets will be ripe for the picking.

Chuck Mauszycki has proved that with his Family Entertainment Network. It has 2,000 subscribers paying \$14.95 per month for seven channels of basic in Mitchell, S.D. ("My pricing is not necessarily a good cable deal," he said.) That is producing an operating profit of 54%, he said. But Mauszycki made it clear he was not competing head to head with cable. "Our emphasis is to noncable areas," he said. Not one FEN subscriber has cable available to them, he said. That philosophy has helped, he said, when dealing with cable programmers, adding that "this industry needs to take a look at that philosophy."

Rick Churchill, general partner with TA Associates, which has spent \$30 million in financing wireless ventures said programming was the industry's "most surmountable problem."

He said wireless cable has a good story to tell. At \$350 per subscriber in building cost, wireless is cheaper than cable and has less maintenance costs. Add in a cash flow of \$150 to \$200 per subscriber per year and Churchill said, "You ought to be able to take that to the bank."

Changing birds

Satellite program service says syndex uncertainty forced move of superstations, savings

United Video and satellite operator GTE Spacenet last week signed a multiyear agreement valued at more than \$45 million that will provide three C-band transponders and one Ku-band transponder on two of GTE's in-orbit satellites.

The deal will see three of United Video's superstations, WPIX(TV) New York, KTVT(TV) Fort Worth and KTLA(TV) Los Angeles move next month from GE Americom's Satcom F4 to GTE's Spacenet III. UV's Ku-band audio services, which are supplemental to its C-band audio, will be fed over a transponder on GStar III. The superstations constitute the third full-time

cable programmer customer for GTE, which carries Detroit-based ProAm Sports and Los Angeles-based SelecTV.

Tulsa-based satellite television and audio programming delivery firm United Video said the deal was driven by costs related to regulatory and satellite market uncertainty. "The move to Spacenet gives us a long-term assurance of low transponder costs," said United Video senior vice president, Jeff Treeman, "which allows us to continue offering [the three superstations] regardless of future increases in satellite costs or which way syndicated exclusivity rules are finally resolved. It essentially syndex-proofs these signals by assuring future delivery."

Noting United Video's intention to continue challenging the FCC's syndicated exclusivity rules, Treeman added, "Given the present uncertainties created by the FCC's syndex rules, and increases in operating costs for satellite-delivered regional superstations, such a satellite move becomes a matter of economic survival for these services. Since WGN-TV has a larger national subscriber base, we will keep it on Galaxy I."

KTLA(TV) will be simulcast on both satellites from Nov. 1 through 30, when it will no longer be fed over Satcom. WPIX and KTVT will be simulcast from Nov. 1 through Dec. 15. United Video's top superstation, WGN-TV Chicago, serving 24.8 million subscribers on 11,415 cable systems, will remain on Galaxy I, owned by Hughes Communications. United Video will launch its new Ku-band SCS service via one Ku-band transponder acquired on GTE's GStar I.

"My concern," said United Video vice president, transmission services, Michael Peyton, "was the lack of commitment, so far, on the vendors' parts to launch follow-on capacity. I believe they will launch, but not without precommitments. I hate to sit here not knowing what will or will not be available." Moving the superstations from Satcom F4, due to reach the end of its life in early 1993, to Spacenet III will assure the superstations' satellite capacity through 1998, and possibly through 2000, he said. Also given a 10-year "guaranteed life," said Peyton, GStar I should be operational through 1995. The UV contract is for the life of each satellite. □



Satellite signing. L to r: Jeff Treeman, senior VP, United Video; David Liddle, account manager, GTE Spacenet; Michael Peyton, VP-telecommunications services, United Video, and Jerry Porter, director, satellite services sales, GTE Spacenet.