

Calif., developer of the one-channel NTSC-compatible ATV system was present at the "Tomorrow's Television" room following an infusion of funds from Cox Enterprises and Tribune Broadcasting. The two group broadcasters invested \$300,000 in the Del Rey system while forming a limited partnership called Compatible Video Consortium (CVC). Other companies were invited to join CVC at the time. "I'm very encouraged by the response we have gotten at this show from both domestic and foreign sources," Iredale said. With the money from CVC, Iredale hopes to have a computer simulation of the system in time for the fall conference of the Society of Motion Picture and Television Engineers.

Faroudja Laboratories Inc., Sunnyvale, Calif., showed what it called SuperNTSC, a one-channel enhanced definition system with a 4:3 aspect ratio. The signal is compatible with NTSC sets, but to take advantage of the full resolution inherent in the system requires a "line-doubling" NTSC set equipped with a SuperNTSC decoder. Joe Roizen, a consultant to Faroudja, said NTSC line-doubling sets will hit the market later this year.

There are at least two other ATV transmission systems not to be found in Las Vegas last week. Philips Laboratories has developed a NTSC-compatible, two-channel system employing a progressive scanning scheme.

The MIT proposals would also call for two steps to a transmission standard. The first system would result in a letter box effect on conventional HDTV sets, like some of the Muse-6 and Muse-9 proposals, while the second step would be an incompatible system, needing a black box to be received on NTSC sets, like Narrow-Muse. Both systems would require 6 mhz.

As things now stand, most system opponents are arrayed against NHK and its Japanese manufacturing allies. If the Japanese are not slowed, the standards battle will be over before it gets started.

At a panel of system proponents, William Screiber of MIT, which has developed two transmission systems, said that acceptance of NHK's Muse could injure American broadcasters. "In deciding what if any federal action is called for, spectrum conservation has the greatest mention," he said. "It is truly important. But even more important are economic effects. Consumers will make the heaviest investment. Whether the receivers are made here in the United States or off-shore, impacts domestic industry and the trade balance."

Joseph Flaherty, CBS/Broadcast Group vice president-general manager, engineering and development, who was included on the panel as an expert on the Muse system, asked broadcasters not to accept the "old rules." Those who say that the public will accept terrestrial EDTV pictures should remember that they will have to compete with true HDTV delivered by satellite, cable and VCR's, he said.

Whether American consumers will be content with enhanced definition systems depends on how big television screens get, said Horowitz. The trend is toward bigger

## TCI makes a high-power DBS play

A unit of Tele-Communications Inc., the nation's largest cable operator, has asked the FCC for permission to build and launch by 1996 two direct broadcast satellites that would be capable of beaming 32 channels of programming to homes throughout the continental U.S.

According to the inch-thick application, it will cost around \$500 million to get the two birds up and operating.

Tempo Satellite Inc., the actual DBS applicant, is 51% owned by Tempo Acquisition Co., which is, in turn, wholly owned by TCI. The MSO formed Tempo Acquisition to merge and assume control of Tempo Enterprises, the Tulsa, Okla.-based cable programmer (Tempo Television) and superstation distributor (WTBS-TV Atlanta). The merger is set to close upon FCC approval. But, even if it never happens, TCI will retain its 51% interest in the DBS applicant.

The application said "the capabilities and resources which Tempo... and TCI possess provide Tempo with a unique ability... to provide a bridge between the cable industry, C-band direct satellite programming services and the uncabled and nonsubscribing television households in the U.S."

TCI spokesman Bob Thomson downplayed the significance of the application. Tempo has been a DBS permittee before, he said. The application is Tempo Chairman Edward Taylor's "way of keeping himself and his company involved in competition for these new DBS facilities.... You should not make that much out of this particular application."

TCI has had some first-hand experience with satellite broadcasting. In March 1985, it toyed with the idea of acquiring United Satellite Communications Inc., a medium-power operator which eventually went out of business. And, for all practical purposes, it is today in the C-band satellite broadcasting business. Through its Netlink subsidiary, TCI is marketing a 13-channel basic package of cable programming and several pay services to owners of backyard earth stations. By aggregating the home satellite distribution rights of TCI cable systems and other affiliated systems, Netlink will have the right to offer its programming services anywhere in the country by this summer. Thomson said he believes the rights cover Ku-band as well as C-band signals.

and bigger screens, and as the screens get bigger, the difference between EDTV and HDTV will become more obvious, he said.

Broadcasters should not settle on a one-channel system until they have evaluated all the options, Flaherty said. If broadcasters decide today to stick with one channel, he said, they are taking a big gamble. "You're in the perfect city to do that in, because you're pushing all of the chips to the center of the table and you're going to roll the dice once. If you're wrong, you're out of business."

Keller said he considered it "highly possible" that broadcasters will enter the HDTV world in a two-step, evolutionary fashion, such as is now being suggested by NBC and NHK in their latest proposals. But, regardless of how they come to it, they must act now at the FCC to be sure that eventual HDTV broadcasting is possible.

The FCC, which has final say in spectrum matters, expects to issue a second notice of inquiry on advanced TV issues next summer, following the initial report of its industry advisory committee in June, FCC Mass Media Bureau Chief Lex Felker said.

The notice may draw at least a few "tentative" conclusions regarding the complex spectrum issues involved in the proceeding, Felker said. But, he said, he was "not optimistic" the FCC would make any final spectrum decisions soon. "I can't understate the severity of the spectrum restraints, at least in major markets, to provide additional capacity to broadcasters," Felker commented during the panel. "There are real trade-offs in

the amount of spectrum, the degree of quality, the amount of energy and the amount of coverage in allocations."

While the commission wants to give all broadcasters the opportunity to participate in advanced TV services, Felker said, if extra bandwidth is needed, there may not be enough to go around. The FCC, which last year froze allocations of new TV stations, would soon like to relax or reopen the application process, he said. "We don't want to hold spectrum hostage any longer than necessary." The advisory committee's chairman, former FCC Chairman Richard Wiley, of Wiley, Rein & Fielding, will consider adoption of an interim report when the committee meets June 3.

In the report, Wiley said, the group hopes to outline a spectrum allocation plan. It is then "up to [system] proponents to make further progress on their systems, then engage in actual testing," he said.

Some broadcasters would like HDTV and ATV in all its manifestations to go away. And, if some studies released at the NAB are on the mark, they just may. Those studies indicate that consumers may not be willing to pay a hefty premium to watch HDTV.

But most broadcasters feel talk of HDTV failing in the market is wishful thinking. Said John McCrory, president of Times Mirror Broadcasting: "This technological transition is like no other in the history of broadcasting.... If we do not get to HDTV in a timely fashion, we may not get there at all." □