

Lights dim for highway bill

Discussions in Senate continue

By Kim McAvoy

The prospects for Senate passage of an information superhighway bill remain dim.

Reports last week indicated that Senate Commerce Committee Chairman Ernest Hollings (D-S.C.) and committee member John Breaux (D-La.) were still far apart on the bill, S. 1822, which is sponsored by Hollings.

The two are discussing provisions that would permit regional Bell operating companies to enter the long-distance telephone business. Breaux has been negotiating on behalf of the RBOCs.

According to sources, Breaux last week offered some new language on the long-distance issue. But one source says Hollings considers it a "retreat in some areas" where he thought they had a deal. During a sub-

committee hearing last Friday, Hollings acknowledged that he doesn't have a bill "that we can get done."

Two weeks ago, negotiations between Hollings and Breaux broke off after the RBOCs rejected Hollings's latest proposal that would have affected their entry into the long-distance telephone business.

The RBOCs want immediate entry with few restrictions. Originally, Hollings's bill would have kept the local telcos from offering long-distance telephone service for years. He revised that to make it much easier for the RBOCs to get into the business, but he included certain preconditions. It was those preconditions that the Baby Bells opposed. And without RBOC support, passage of an infohighway bill is highly unlikely.

But also last week, Commerce Sec-

retary Ron Brown said he is confident that an infohighway bill will pass the Senate. Brown predicted that the Senate Commerce Committee will mark up a bill soon.

Brown and many others last week insisted that negotiations are continuing. "We wouldn't be talking about a markup if negotiations had stalled," Brown said.

Even the RBOCs were trying to convince the press that they want to work out a deal with Hollings (see "Washington Watch," page 46).

Meanwhile, some think the administration might weigh in on the Senate debate to help break the apparent impasse.

An administration source said the White House is not lobbying the Commerce Committee. However, officials have been talking to the RBOCs and their potential competitors, the long-distance telephone companies.

And the source emphasized, the White House has "assiduously avoided choosing sides and would continue to avoid it."

Paramount adds, Warner fights for affils

The established networks are not the only ones making news with affiliate shuffles. There has been a flurry of activity among the Warner Bros. and Paramount network aspirants in the past two weeks, with Warner fighting to hold on to some affiliates and Paramount adding some new ones.

Warner Bros. is not going to release affiliates from their agreements without a fight, according to WB Network head Jamie Kellner. At a press conference last Thursday, Kellner said the network will hold its stations to their agreements. His comments came in response to Gaylord Broadcasting's July 22 request that a court find that three of its stations are not legally affiliated with the WB Network. Speculation has centered on Gaylord's being courted by CBS.

In a statement, Gaylord said none of the stations had signed an affiliation agreement, but "Warner has recently asserted that our stations are legally bound to Warner on the very drafts being negotiated, thereby attempting to short-circuit our normal contract negotiation and approval processes. Since we have not even signed preliminary agreements, much less agreed to or signed any affiliation contract with Warner Bros., we felt compelled to bring this action to resolve the uncertainty created by their assertions and threat of litigation."

"We had an agreement with Gaylord, and now they apparently have an interest in an old-fashioned network,"



WB Network execs meet the press: Kellner; Susanne Daniels, head of development; Garth Ancier, head of programming.

Kellner said. "It's a setback for us, but we're going to try to hold them to it. There will be litigation on the subject." There are other stations in those markets with which WB could affiliate, "but they're not that strong," he said, adding that the network will "create back-up relationships in those markets just in case."

The WB Network has 25-30 stations that have signed affiliation agreements, with another dozen or so either in the process of getting contracts approved or considering the affiliation agreement, Kellner said. The network is cleared in 73% of the country.

Meanwhile, Paramount picked up five affiliates last week by signing the Sinclair Broadcast Group to an affiliation agree-

ment. The stations, WPTT-TV Pittsburgh, WNUV-TV Baltimore, WVTM-TV Milwaukee, WSTR-TV Cincinnati and KSMO-TV Kansas City are the last stations available for affiliation in their respective markets. The signing brings the network's coverage to 41 affiliates representing 52% of the country.

No Paramount Network affiliates have inquired about canceling affiliation agreements, said Kerry McCluggage, chairman, Paramount Television Group. "It hasn't happened to us, possibly for one of two reasons: As the network-affiliation deck has been shuffled, maybe the cards haven't fallen that way for us. Second, we have signed contracts with all our affiliates, so it's unlikely anyone would attempt to get out of an affiliation agreement." —SC