Coming closer. Representatives of the cable, broadcast, print and telephone industries found they had more and more in common at this NCTA panel last week. L to r: Congressman Allan Swift (D-Wash.); Andy Margeson of Rotelcom, Rochester, N.Y.; Allen Gilliland of Gill Cable Inc., San Jose, Calif.; Robert Wormington, KBMA-TV Kansas City, Mo., and Christopher Burns, Washington Post Co.

intact, but it was becoming hard not to acknowledge that those merging technologies the futurists have been talking about were beginning to come together.

Take what happened during a panel session entitled "Changing Perspectives: Old Adversaries Look at the New Marketplace." It was led off by Robert Wormington of KBMA-TV Kansas City, Mo., a man who by all definitions has to be counted as a broadcaster (among other distinctions, he is chairman of the Association of Independent Television Stations). Of course, Wormington has always been a little different from other broadcasters: He was one of the first to offer his signal to cable, and was the second in the nation to have his own satellite earth station. But there he stood last Monday, suggesting to cable operators that they invite the broadcasters in their towns to program some of their cable channels. And suggesting that broadcasters use their over-the-air facilities to promote the cable channels they program. And saying that the major networks will begin to develop strong secondary affiliation line-ups with alternative media (cable) alongside their primary affiliations.

The government won't let broadcasters own co-located cable systems, Wormington said, but it doesn't say broadcasters can't program those cable channels.

Not only was he suggesting that broadcasters get into cable, but he was saying that cable operators should start to act more like broadcasters. For one thing, by developing their own regional cable networks to operate much as regional broadcast networks do.

And then there was Andrew J. Margeson, director of services for Rotelcom, a subsidiary of the Rochester telephone company in that upstate New York city. "I don't see cables and telcos as adversaries in the next five years," he said. Yes, there would continue to be minor skirmishing on pole attachment problems, and, yes, there would be some jockeying for position in those areas where cable subscribers were fewer than 30 per route mile, but, by and large, "that's just background noise," Margeson said. What he did expect was more acquisition of cable systems by telephone companies outside their own areas.

From five to 20 years out Margeson said there would be "peripheral" competition between cable and telcos, but that both would face greater competition from others—cable from MDS and STV, for example, and AT&T from IBM and Xerox. Where cable and telephone companies will compete will be in the new information services that will develop between their traditional service boundaries.

"Both of us," Margeson said, "have more to fear from the government than from each other."

Margeson also offered cable operators some advice he said telephone companies had been too late in learning: not to be so resistant to competition that they bring on their own Carterphone decision—the ruling that telephone companies must allow outside companies to connect to their circuits. Similar advice came later in the panel from Representative Allan Swift (D-Wash.), who said "the thing that can bring government in the fastest is greed. The medium that wants it all will be the first to draw attention to itself." Added Swift still later: "The worst thing you can do is to stonewall it. By resisting [competition] you build up a lot of hostility and you may end up with overregulation."

Christopher Burns, vice president-planning for the Washington Post Co., emphasized that the average American *family will* spend $500 per *year* on media during the 1980's, and argued that any rise in cable's revenues would have to come at the expense of other media. "There's no new money in the world," said Burns. "You have to pry it away from somebody else." (There's also, he said, no more time.) By his reckoning, Americans have spent roughly 3.5% of the gross national product on media (movies, records, newspapers, magazines and the like) for the past three decades, and he sees no sign that the percentage will change.

Although he acknowledged that cable and other electronic technologies will play an increasingly competitive role in the distribution of information, he declared that, at the moment, newspapers and magazines *are* the information media. And although the Washington Post Co. is interested in electronic industries beyond broadcasting, and "at some point in the future" may decide to join them, it will be after a decision that "it has become the best way to get the news through."

Congressman Swift began his remarks by saying that cable's effort to "elbow its way in" among the media had been made infinitely more difficult by broadcasters seeking to maintain the status quo. The shoe will be on the other foot when other new media try to muscle into cable's turf, he said—but added that cable won't have had as much time as broadcasters had for attitudes to harden.

Nevertheless, Swift said that cable will not for long be able to maintain its image in Washington as "this small cottage industry." He described today's cable as "a giant tiptoeing across the stage hoping not to be seen," and said: "You can't get away with it any more. You will be increasingly perceived as you are: a very big, very successful industry with enormous implications for the audience."

Swift also noted that, to the extent that cable displaces broadcasting in the marketplace, so will it begin to raise the question of whether it should assume the public trust responsibility no longer being exercised, so predominately, by broadcast.

Hearst buys TV in Dayton, plans move into cable

First acquisition in 15 years signals expansion by firm; Joslin heads new CATV division

The Hearst Corp., New York-based newspaper and magazine publisher and group broadcaster, announced last week two major moves to expand its electronic communications holdings: The acquisition of WDTN(TV) Dayton, Ohio, for a price estimated at $45 million-$48 million and the formation of a cable division. The actions are the first in 15 years that Hearst has taken to expand its TV-related holdings.

WDTN was purchased from Grinnell Communications, owned by Grinnell (Iowa) College, which acquired the station in 1976 for $12.9 *million* (BROADCASTING, May 10, 1976). In January, WDTN became an ABC affiliate after a number of years as an NBC affiliate.

According to Franklin C. Snyder, vice president and general manager of broadcasting for Hearst, the current management team at WDTN "will continue in their important roles with the station." Ray W. Colie is executive vice president and general manager of the Dayton outlet. WDTN is on channel 2 with 100 kw visual,