Cable TV Industry

IMPORTANCE OF THE SECTOR

Cable TV has had trouble catching on in France. Although over 3,5 million households have access to the cable, only 820,000 (February 92) have chosen to subscribe – only 6% of the total number of households in the country. And this is after 10 years of a government supported plan for cabling the country with fibre-optic cables to provide the infrastructure not only for cable TV, but for other broad-band applications as well.

It now looks as if the industry is finally getting going. The number of subscribers has more than doubled (51%) in the past year, and the predictions are for 2,7 million subscribers and 8 million households with access to cable by 1995. But to reach these goals, they will need equipment to establish the network, programs to attract customers, and marketing expertise to sell the service – all areas of Canadian strength.

CURRENT INDUSTRY STRUCTURE

Each cable system in France has three partners. First there is the cable operator (cablo-operateur), who is responsible only for the head-end of each cable network, the equipment on the customer's premises and the content on the cable itself. The cableur, usually France Télécom, France's telephone company, has the responsibility for the physical cable itself. The third partner is a controlling body, usually an agency of the municipal government.

There are several reasons why cable is not yet popular in the country. Cable is relatively expensive – often over $30 per month for the service, and often not well marketed. Several of the channels available are in languages other than French, and even those that are in French are unknown to the population – not listed in most newspaper TV guides.

The push is now on to overcome the penetration-rate problem. Too much has been invested, and the existence of a strong cable TV network is a priority for the government. The French are looking at marketing techniques used in other countries. Cable networks are increasingly offering a basic service complemented by options at a higher price. Pay-per view TV will become a reality with the introduction of Visiopass (an intelligent decoder/descrambler). The channel capacity of the networks, today commonly around 30 channels to 40 by 1994.