

FEATURES

Video visions....

Keeble talks Pay-T.V.

Elliott Lefko

"Pay-TV is the last chance for Canadian cultural sovereignty in television," says Gordon Keeble, a 40-year veteran of television.

Keeble says that Pay-TV should have happened five years ago. "It's a pity that it has been delayed until now," he says. "Independent producers can't get their films on CBC, or the other networks. With Pay-TV they'll have an opportunity, judging by the amount of product that will be needed to fill the program time, to share 100-200 million dollars every five years on production. We've been culturally invaded by the Americans and unless that money is spent on Canadian production we're going to see only American programs."

Keeble entered the entertainment world as a juvenile actor working in Canadian productions, 40 short years ago. Along with Spence Caldwell, he began the CTV Television Network in the early sixties. After a disagreement over the future direction of the network, Keeble left 10 years ago and applied for a cable license, eventually creating Keeble Cable, one of the first cable companies in Canada. Since 1979, he has served as Executive Director of PTN—the cable industry's consortium for the advancement of Pay-TV in Canada. His latest position, though, is Senior Vice-President,

Operations: Marketing and Affiliate Relations English Service for Premiere Television Network, (one of the 28 applicants), headed by Moses Znamer, top man at CITY-TV.

Keeble began his outline by defining the difference between cable and pay-TV. "Cable is a method of distributing signals. Pay-TV is a programming service."

The advantages of Pay-TV, says Keeble are a) Feature length entertainment programming, with each program one hour and longer in length, without any news or public affairs programming. b) Constant program repetition with programs repeated six or seven times for convenience. c) No commercials to anger the viewers who have been attacked by as much as a half-dozen straight commercials during a program break.

"Of course it's a gamble."

In his research of the American Pay-TV market, Keeble has found that Pay-TV doesn't diminish the amount of viewing time for audiences, but, rather, adds to it. That brings up the question of just what will viewers be watching?

"At first it's going to be mainly American film, in order to attract people. But we hope that the revenue will be channelled back into Canadian programming that hopefully will be able to compete with the American product."

There are rules concerning Canadian content on the existing Canadian television networks, but, says Keeble, they are old and must be updated for Pay-TV.

"In order to fill the time, Canadian networks are putting on game shows, talk shows, anything. What we need are rules concerning Canadian content. Firstly, it must be increased from the present one-quarter per cent of time, to a half, or more. And networks must be required to spend revenue on programming Canadian events," says Keeble.

The four factors that are being dealt with in our application are: amount of time, the dollars you're prepared to spend on Canadian programming, the placement of the Canadian programming, and the kind of Canadian events you're prepared to offer."

Pay-TV will cost the viewer between 12 and 14 dollars a month. Keeble says that it costs him as a distributor (we want to use theatrical terms) \$6.50 a month, and he sells the programmes to the exhibitor—cable companies such as Rogers and Willowdowns.



Gordon Keeble sees a lot of video in Canada's future.

The potential revenue to be made from Pay-TV is at present an unknown quantity. No one knows how large the market is in Canada. Keeble estimates that the beginning the audience will be 5 or 6 percent of the country, with the total eventually rising to 15 or 20 percent.

Another mystery, at present, is just how many companies will be granted a license. Among the possibilities are one license to run the whole country or possible division by regions.

Keeble prefers the latter. "In order to support Canadian content you have to have the whole market. Our application is for a national bilingual service. We're asking for five years and we're prepared to spend 50 million dollars. We also put down on our application that we

wanted to sit down at the end of the second year and discuss the situation."

"Of course, it's a gamble," he adds. "If people don't pay you've got nothing. There's no other way of obtaining revenue."

Keeble points out that audiences in Canada are already tuning in American cable signals, free of charge. "There's 700 or 800 communities in Canada that are pirating communications signals from the U.S. and not just border towns. We don't dare shut them down, either. The government won't do anything until after the Canadian Cable situation is cleared up. That's their intention, anyway. I hope they can. It may be too late."

Pay-T.V. ushers in the global village says Thompson

Gary Cohen

Although York professor Don Thompson admits only a passing acquaintance with the details of the CRTC Committee which is currently making decisions concerning the future of Pay-TV in Canada, he seems certain that the effects of Pay-TV will be far-reaching.

Thompson points out that this is the most wired country in the world. The concept behind cable and Pay-TV is that a decoder is attached to your T.V. set, thereby giving you reception on a signal that was previously scrambled. "The potential for capital generation is astronomical," Thompson points out, "while the expenditure is not great because you can plug into existing cable systems."

Five years down the road (Thompson insists that this is a realistic time frame), he envisions the public having access to 100 channels or more. There is no limit to the number of channels one can have and there are no technical problems left to stand in the way of unlimited service.

Thompson says that satellite antennas for the home will become commonplace, and coupled with a decoder, individual homes will be able to receive signals from around the world by focusing in on one of the many stationary communications satellites which hover over the globe. What is needed is the development of a compact antenna. As for costs, Thompson sees the day when the antennas will be comfortably affordable. "The price has dropped from \$6,000 to \$3,000 in the last 24 months and it will continue to drop in the future."

When all of these potentialities become reality, our viewing habits "will be different" and existing structure will change," according to Thompson. He notes that the nature of these changes are, at the present time, speculative, but he does not view them as being necessarily detrimental.

"There will be a change in the role of the networks," he says. And because movie sales to T.V. are so often such an important part of getting a film made, Pay-TV "will change the kinds of movies made, how they are made and how much money is spent on them." In essence, it will expand the movie market.



Not only will broadcasting, the networks and movies be changing but there will also be an adjustment that will have to be made by the already-beleaguered newspaper industry. It will soon be possible to advertise homes and cars (or present other classified ads) in a much more effective and sophisticated way. If you want to

buy a home or car you will be able to see the item on your screen (in full colour, no less). Add a pleasant voice-over giving you the full details of your selection and the classified ad becomes antiquated. Unfortunately, classified are the most lucrative part of any newspaper operation and supply approximately 20% of a paper's ad revenue.

Thompson does have some reservations about the CRTC's

plan to use Pay-TV to help promote Canadian drama. He feels that promises made are not always kept and he points out that "no one has ever lost a station for not doing what they were supposed to."

Despite some mild skepticism, there is some new ground being turned. Although Pay-TV already exists in the United States it is used primarily to rebroadcast events, provide news, show

sporting events and run "first-run" films which originally ran one or two years ago. Although you "don't know how people will react" Thompson does see in Pay-TV the "potential of bringing you things you have never seen before."

More Pay-TV articles on Page 12.

Forum talks Pay-T.V.

Dianne Huff

The Trade Forum of the Festival of Festivals that took place last week represented a last ditch stand for many pay-TV applicants before the official hearings begin on September 24. The discussions extended over three days, focusing upon the legal aspects of pay television, the role of the pay-TV exhibitor, the role of the broadcaster and the promises of each individual applicant regarding the relationship of pay to production.

The purpose of the Trade Forum was to provide both the applicants and the audience, representing a cross section of industry, the opportunity to ask questions and from this perspective it was successful. The essential issues and promises concerning both regional and national applicants were vigorously debated.

The importance of the topics tackled at the Forum is obvious. However, because of the atmosphere of optimism surrounding most of the

candidates in the pay-TV campaign, many key issues have not been granted the consideration that they deserve. The euphoria that has arisen following the grandiose promises of the applicants to finance the Canadian Programme Industry, has blinded many to a possible conflict:

- Is it not the chance to view successful, unedited Hollywood movies in the home that is the main selling force behind pay television?
- Is our optimism based on the successful installation of pay-TV in the United States?
- Will our regional programming be the same quality as that offered by our American counterparts?
- Can we safely compare the tastes of Canadian and American audiences, in an attempt to predict subscriber response in this country?

Other possible consequences have been equally neglected. For example, if the CRTC does grant licenses, will pay television eventually replace conventional, free broadcasting systems?

On a cultural/political level, what are the possible repercussions of the lack of a French language applicant? Pay-TV is intended to inspire and promote an apathetic Canadian programme industry. This attempt to inject nationalism into film and television is not complete without the participation of our French-speaking community.

Although talks to date have successfully outlined the basic proposals of each pay-TV applicant, many long range problems have been avoided. Only the hearings commencing next week will prove whether or not the CRTC has the foresight to consider many of these possible repercussions, before reaching a final verdict.



Premiere's J. Grafstein