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Commercial Powers Asked for Public TV

Stations Want Revenue From Digital Channels

By Paul Farhi
Washington Post Staff Writer

Public television broadcasters have asked the government to allow them to someday raise money a new way: by charging viewers for "Barney & Friends," "Nova" and other noncommercial programs.

The Public Broadcasting Service (PBS) of Alexandria and the Washington-based lobbying group for the nation's 203 public stations want federal regulators to grant them broad new commercial powers as stations make the transition to digital technology, a new form of broadcasting, beginning next year.

Using digital technology, a TV station will be able to offer viewers as many as five or six channels simultaneously, instead of just one. While the public stations say they will reserve at least one channel for free broadcasts, they have asked the Federal Communications Commission to enable them to use their extra channels for money-raising purposes.

Among other ideas, public stations could lease some of their excess capacity to commercial broadcasters, said Nancy Neubauer, a spokeswoman for America's Public Television Stations (APTS), the station's trade group. The commercial broadcaster then would be free to air programs and advertising of its own choosing.

Alternatively, she said, the public stations could sell viewers subscriptions to a channel that would include all of the familiar PBS programs but would come free of the pledge drives and other fund-raising appeals that now air.

"We continue to be committed to providing a free, over-the-air channel," said Gary Poon, who heads PBS's digital TV planning efforts, "but digital capacity allows us to do a lot more things."

With federal funding slowing and other sources of revenue growing slowly, PBS and its member TV stations have been debating not whether to become more commercial, but how much commercialism to allow.

PBS's goal has been to replace lost federal money with increased sponsor revenue. In the past two years, PBS has lobbied Congress to allow it to run more-elaborate "underwriting" messages from companies that financially support such programs as "Sesame Street" and "The News-Hour With Jim Lehrer."

Neither APTS nor PBS officials have estimated how much revenue their digital TV ideas might generate.

However, both believe it won't be enough for public stations to end the federal government's sometimes-controversial annual subsidy of public broadcasting. The government provides more than \$250 million a year for public television and radio.

Federal funds comprise an average of 14 percent of a public station's annual revenue; the balance is derived from on-air pledge drives, corporate "underwriting" campaigns and other methods.

See PBS, G3, Col. 2

PBS, From G1

Said Neubauer, "The fact is federal money is still vital and important to [noncommercial stations]. It's the starting point for a lot of stations to keep them alive. If it was pulled, many stations would not generate enough [from digital sources] to keep operating."

In a law enacted last year, Congress gave all TV station owners new frequencies for digital broadcasts, and granted them flexibility to use those channels in any way they wanted. But it's unclear whether noncommercial stations have similar flexibility, due to a 1967 law that prohibits noncommercial operators from using their airwaves for commercial purposes.

The 1967 law, of course, never

foresaw multiple-channel digital broadcasts, and PBS and APTS have asked the FCC to clarify the rules to explicitly permit revenue-generating uses.

The public broadcasters have run into opposition from the Media Access Project, a nonprofit Washington law firm active in communications issues.

"What the public stations are essentially asking for is to [lease] their channels for home shopping or infomercials or the kind of programming you can see on any cable or broadcast station now," said MAP's Gigi Sohn. "What they're saying is, 'Let us sell our birthright.'"

The FCC is collecting public comment on the proposal and likely will rule on it later this year.

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