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*Opinion
Cable*

TELEPHONE

Tuesday, 4 October, 1994

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Subject: A Suggestion on How to Keep C-SPAN on Local Cable

Mr. Lamb:

The following strategy/tactic worked in our town—on another issue—to get the local cable system operator to respond to local viewers' wishes. I offer it for your consideration.

Our town has about 20,000 total population and I would estimate that there are maybe 5000 cable subscribers but that might be on the high side

I realize that, if you agree with this, that you may not wish to publicly endorse such action, but you certainly can make this viewer's thoughts known on the air.

See what you think.

1. The Action

A small number, probably 5 to 10% of the viewers should threaten to, and be prepared to, cancel their cable subscription, making known the reason, i.e., the dropping of C-SPAN from the local cable system.

2. Why Might This Work?

Well, for an established cable system, the operating costs are quite fixed and not very elastic. The programming costs, the capital investment, the maintenance and labor cannot be easily or quickly changed in direct proportion to the subscribers at the margin.

The 'net profit' which the owners/investors receive is probably represented by the last 5 to 10% of the subscribers—that's a lot of 'net profit'! At \$300 - \$400 per year each, then 500 subscribers represent \$150,000 to \$200,000 of 'net profit'.

That's a lot of 'net profit' to disappear suddenly. The local cable system will be responsive to that sort of 'net profit' loss overnight, so to speak.

3. How To Do It?

The local viewers need to organize a group to coordinate the effort, raise some money(not much), advertise the issue, and enlist the petitioners. Their goal is to get something like a thousand or so subscribers who are willing to threaten to disconnect and be willing to do this if the local system doesn't come around.

4. What Is The Downside/Risk Versus The Upside?

Well, if it doesn't work, then those who disconnect may do without cable for a while—maybe a week or two, because in that time, they will know if they have had an effect on the local cable system. Additionally, they may have to pay a re-installation fee—maybe as high as \$25, that's all. It's worth a try for that little risk and inconvenience!

In our town, the cable company had gone to a modern multi-channel system and did away with those stupid converters, but then, for some reason, wanted to put those converters back in. This completely compromised the investments that people had made in modern 'cable ready' TV's and VCR's and returned the customer connections to complicated lash-ups, and they rebelled. The company quickly changed its tune and not many people had to actually disconnect—just a few, with many others threatening to do so.

Will the subscribers support such a boycott? Well, as you know, that depends upon how strong people feel about losing C-SPAN—and I can't gauge that. As you might guess, on my part, I would certainly make such an attempt.

Anyway, just for you to consider and see if it makes any sense.

Additionally, with the new smaller direct TV dishes coming onto the market, at a quite reasonable price, those who can afford them can change systems; so for them the issue may be already resolved if the local system won't carry C-SPAN.

Keep up the good work; you and your crew are doing wonders for the country! So thanks for that.

Sincerely,

