

THIS FORM IS EFFECTIVE FOR ACCOUNTING PERIODS BEGINNING JANUARY 1, 1988.  
 (Note: This form may also be used for the filing periods January 1985 through December 1987  
 If you need to file for an earlier period, contact the Licensing Division.)

# STATEMENT OF ACCOUNT

## for Secondary Transmissions by Cable Systems (Long Form)

General Instructions are at the end of this form (pages (i)-(vi)).

FOR COPYRIGHT OFFICE USE ONLY	
DATE RECEIVED	AMOUNT
<div style="border: 1px solid black; padding: 5px; margin: 0 auto;">                     LICENSING DIVISION                       MAR 16 1989                       RECEIVED                 </div>	<div style="border: 1px solid black; padding: 5px; margin: 0 auto;">                     REMITTANCE NUMBER                       175112                 </div>

**SA3**  
**Long Form**  
 Return to:  
 Licensing Division  
 Copyright Office  
 Library of Congress  
 Washington, DC 2  
 (202) 287-8150

<b>(A)</b> Accounting Period	<b>ACCOUNTING PERIOD COVERED BY THIS STATEMENT:</b> (Check one of the boxes and fill in the year date.) <input type="checkbox"/> January 1-June 30, ..... (Year) <input checked="" type="checkbox"/> July 1-December 31, ..... 1988 ..... (Year)
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<b>(B)</b> Owner	<b>INSTRUCTIONS:</b> Your file is established under the name on the peel off address label. Please attach this label in the space indicated below. If there are changes, draw a line through the incorrect information and print or type the correct information beside the label. <b>IF A LABEL IS NOT ATTACHED,</b> give the full legal name of the owner of the cable system in line 1. If the owner is a subsidiary of another corporation, give the full corporate title of the subsidiary, not that of the parent corporation. In line 2, list any other name or names under which the owner conducts the business of the cable system.
ATTACH LABEL HERE ┌───┐ │   │ └───┘	<b>LEGAL NAME OF OWNER OF CABLE SYSTEM:</b> <input type="checkbox"/> Check here if this is the system's first filing. 1 → SACRAMENTO CABLE TELEVISION
	2 BUSINESS NAME(S) OF OWNER OF CABLE SYSTEM (IF DIFFERENT): Scripps-Howard Cable Co. of Sacramento & River City Cablevision, Inc.
	3 → MAILING ADDRESS OF OWNER OF CABLE SYSTEM: 4350 Pell Drive <small>(Number, Street, Rural Route, Apartment or Suite Number)</small> Sacramento, CA 95838 <small>(City, Town, State, ZIP Code)</small>

<b>(C)</b> System	<b>INSTRUCTIONS:</b> In line 1, give any business or trade names used to identify the business and operation of the system unless these names already appear in space B. In line 2, give the mailing address of the system, if different from the address given in space B.
1	IDENTIFICATION OF CABLE SYSTEM:
2	MAILING ADDRESS OF CABLE SYSTEM:  <small>(Number, Street, Rural Route, Apartment or Suite Number)</small>  <small>(City, Town, State, ZIP Code)</small>

<b>(D)</b> Area Served	<b>INSTRUCTIONS:</b> List each separate community served by the cable system. A "community" is the same as a "community unit" as defined in FCC "... a separate and distinct community or municipal entity (including unincorporated communities within unincorporated areas and including single-crete unincorporated areas.)" 47 C.F.R. §76.5(mm). The first community that you list will serve as a form of system identification here known as the "First Community." Please use it as the First Community on all future filings.
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LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).  
**SACRAMENTO CABLE TELEVISION**

Name

**SECONDARY TRANSMISSION SERVICE: SUBSCRIBERS AND RATES**

**In General:** The information in space E should cover all categories of "secondary transmission service" of the cable system: that is, the retransmission of television and radio broadcasts by your system to subscribers. Give information about other services (including pay cable) in space F, not here. All the facts you state must be those existing on the last day of the accounting period (June 30 or December 31, as the case may be).

**Number of Subscribers:** Both blocks in space E call for the number of subscribers to the cable system, broken down by categories of secondary transmission service. In general, you can compute the number of "subscribers" in each category by counting the number of billings in that category (the number of persons or organizations charged separately for the particular service at the rate indicated—not the number of sets receiving service).

**Rate:** Give the standard rate charged for each category of service. Include both the amount of the charge and the unit in which it is generally billed. (Example: "\$8/mth"). Summarize any standard rate variations within a particular rate category, but do not include discounts allowed for advance payment.

**Block 1:** In the left-hand block in space E, the form lists the categories of secondary transmission service that cable systems most commonly provide to their subscribers. Give the number of subscribers and rate for each listed category that applies to your system. Note: Where an individual or organization is receiving service that falls under different categories, that person or entity should be counted as a "subscriber" in each applicable category. Example: a residential subscriber who pays extra for cable service to additional sets would be included in the count under "Service to First Set," and would be counted once again under "Service to Additional Sets."

**Block 2:** If your cable system has rate categories for secondary transmission service that are different from those printed in block 1, (for example, tiers of services which include one or more secondary transmissions), list them, together with the number of subscribers and rates, in the right-hand block. A two- or three-word description of the service is sufficient.

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BLOCK 1			BLOCK 2		
CATEGORY OF SERVICE	NO. OF SUBSCRIBERS	RATE	CATEGORY OF SERVICE	NO. OF SUBSCRIBERS	RATE
<b>Residential:</b>			Basic serv to 1st sets	111	.25&8.50/mo.
• Service to First Set	3518	.25/mo	Basic serv to 1st sets	647	.25&10.00/mo.
• Service to Additional Set(s)	41818	6.00/mo	Basic serv to 1st sets	127,537	.25 & 16.25/mo.
• FM Radio (if separate rate)	2598	4.50/mo	Basic serv to 1st sets	440	.25 & 9.75/mo.
<b>Motel, Hotel</b>			Basic serv to 1st sets	4387	.25&13.25/m
<b>Commercial</b>			Bulk	6705	.25
<b>Converter</b>					
• Residential					
• Non-Residential					

**SERVICES OTHER THAN SECONDARY TRANSMISSIONS: RATES**

**In General:** Space F calls for rate (not subscriber) information with respect to all your cable system's services that were not covered in space E. That is, those services that are not offered in combination with any secondary transmission service for a single fee. There are two exceptions: you do not need to give rate information concerning: (1) services furnished at cost; and (2) services or facilities furnished to nonsubscribers. Rate information should include both the amount of the charge and the unit in which it is usually billed. If any rates are charged on a variable per-program basis, enter only the letters "PP" in the rate column.

**Block 1:** Give the standard rate charged by the cable system for each of the applicable services listed.

**Block 2:** List any services that your cable system furnished or offered during the accounting period that were not listed in block 1 and for which a separate charge was made or established. List these other services in the form of a brief (two- or three-word) description, and include the rate for each.

**(F)**  
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BLOCK 1		BLOCK 2	
CATEGORY OF SERVICE	RATE	CATEGORY OF SERVICE	RATE
<b>Continuing Services:</b>		<b>Installation: Non-Residential</b>	
• Pay Cable	7/mo. or 9/mo.	• Motel, Hotel	
• Pay Cable—Add'l Channel		• Commercial	
• Fire Protection		• Pay Cable	
• Burglar Protection		• Pay Cable—Add'l Channel	
<b>Installation: Residential</b>		• Fire Protection	
• First Set	40.00	• Burglar Protection	
• Additional Set(s)	40.00	<b>Other Services:</b>	
• FM Radio (if separate rate)	30.00	• Reconnect	30.00
• Converter		• Disconnect	

Name

LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space 8, line 1 (page 1).  
SACRAMENTO CABLE TELEVISION

175113

G

Primary  
Transmitters:  
Television**INSTRUCTIONS:**

**General:** In space G, identify every television station (including translator stations and low power television stations) carried by your cable system during the accounting period, except: (1) stations carried only on a part-time basis under FCC rules and regulations in effect on June 24, 1981 permitting the carriage of certain network programs (sections 76.59(d)(2) and (4), 76.61(e)(2) and (4) or 76.63 (referring to 76.61(e)(2) and (4))); and (2) certain stations carried on a substitute program basis, as explained in the next paragraph.

**Substitute Basis Stations:** With respect to any distant stations carried by your cable system on a substitute program basis under specific FCC rules, regulations, or authorizations:

- Do not list the station here in space G—but do list it in space I (the Special Statement Program Log)—if the station was carried only on a substitute basis.

- List the station here, and also in space I, if the station was carried both on a substitute basis and also on some other basis. For further information concerning substitute basis stations, see page (iv) of the General Instructions.

**Column 1:** List each station's call sign.

**Column 2:** Give the number of the channel on which the station's broadcasts are carried in its own community. This may be different from channel on which your cable system carried the station.

**Column 3:** Indicate in each case whether the station is a network station, an independent station, or a noncommercial educational station entering the letter "N" (for network), "I" (for independent) or "E" (for noncommercial educational). For the meaning of these terms, see page (iv) of General Instructions.

**Column 4:** If the station is "distant," enter "Yes." If not, enter "No." For an explanation of what a "distant station" is, see page (iv) of the General Instructions.

**Column 5:** If you have entered "Yes" in column 4, you must complete column 5, stating the basis on which your cable system carried the distant station during the accounting period. Indicate by entering "LAC" if your cable system carried the distant station on a part-time basis because of inadequate channel capacity. If you carried the station on any other basis, enter "O." For a further explanation of these two categories, see page (iv) of

LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).  
**SACRAMENTO CABLE TELEVISION**

Name

**PRIMARY TRANSMITTERS: RADIO**

In General: List every radio station carried on a separate and discrete basis and list those FM stations carried on an all-band basis whose signals were "generally receivable" by your cable system during the accounting period.

**Special Instructions Concerning All-Band FM Carriage:** Under Copyright Office Regulations, an FM signal is "generally receivable" if: (1) "it is carried by the system whenever it is received at the system's headend"; and (2) it can be expected, on the basis of monitoring, to be received at the headend, with the system's FM antenna, during certain stated intervals. For detailed information about the Copyright Office Regulations on this point, see page (v) of the General Instructions.

**Column 1:** Identify the call sign of each station carried.

**Column 2:** State whether the station is AM or FM.

**Column 3:** If the radio station's signal was electronically processed by the cable system as a separate and discrete signal, indicate this by placing a check mark in the "S/D" column.

**Column 4:** Give the station's location (the community to which the station is licensed by the FCC or, in the case of Mexican or Canadian stations, if any, the community with which the station is identified).

**(H)**  
**Primary  
 Transmit  
 Radio**

CALL SIGN	AM or FM	S/D	LOCATION OF STATION	CALL SIGN	AM or FM	S/D	LOCATION OF STATION
KQED	FM		San Francisco				
KXPR	FM		Sacramento				
MMR	FM		Nevado City				
KDVS	FM		Davis				
KJAZ	FM		San Francisco				
KYA	FM		San Francisco				
KSAN	FM		San Francisco				
KOIT	FM		San Francisco				
KRQR	FM		San Francisco				
KYUU	FM		San Francisco				
KTOT	FM		San Francisco				
KDFC	FM		San Francisco				
KLIV	FM		San Francisco				
KOP	FM		Modesto				
KFOG	FM		San Francisco				
KYLO	FM		Davis				
KMEL	FM		San Francisco				
KEAR	FM		San Francisco				
KSOL	FM		San Francisco				

<b>Name</b>	LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1). <b>SACRAMENTO CABLE TELEVISION</b>	<b>175112</b>
<b>(K)</b> <b>Gross Receipts</b>	<p><b>GROSS RECEIPTS</b></p> <p><b>Instructions:</b> The figure you give in this space determines the form you file and the amount you pay. Enter the total of all the amounts ("gross receipts") paid to your cable system by subscribers for the system's "secondary transmission service" (as identified in space E) during the accounting period. For a further explanation of how to compute this amount, see page (v) of the General Instructions.</p> <p>Gross receipts from subscribers for secondary transmission service(s) during the accounting period..... <span style="float: right; border: 1px solid black; padding: 2px;">1,654,315.42</span> <small>Amount of gross receipts</small></p> <p><b>NOTE:</b> If the figure you give in this space is less than \$292,000, you should not use this SA3 (Long Form). (See page (ii) of the General Instructions)</p>	

<b>(L)</b> <b>Copyright Royalty Fee</b>	<p><b>INSTRUCTIONS FOR COMPUTING THE COPYRIGHT ROYALTY FEE</b></p> <p>Use the blocks in this space L to determine the royalty fee you owe:</p> <ul style="list-style-type: none"> <li>• Complete block 1, showing your Minimum Fee.</li> <li>• Complete block 2, showing whether your system carried any distant television stations.</li> <li>• If your system did not carry any distant television stations, leave block 3 blank. Enter the amount of the Minimum Fee from block 1 in the box in block 4 and pay that amount with your Statement of Account.</li> <li>• If your system did carry any distant television stations you must complete the applicable parts of the DSE Schedule accompanying this form and attach that Schedule to your Statement of Account.</li> </ul> <p>▶ If the number of permitted DSEs calculated in part 6, block B or part 5 of this Schedule is 1.0 or less, leave block 3 blank, and enter the amount of the Minimum Fee, from block 1 of this space, on line 1 in block 4. If the number of DSEs is greater than 1.0, enter in block 3 the amount of the Base Rate Fee from part 8 or part 9, block A of the Schedule. On line 1 in block 4, enter whichever amount is larger: the Minimum Fee from block 1 or the Base Rate Fee from block 3.</p> <p>▶ If part 6 of the DSE Schedule was completed, enter on line 2 in block 4 below the amount from line 7 of block C.</p> <p>▶ If part 7 or part 9, block B, of the DSE Schedule was completed, enter on line 3 in block 4 below the surcharge amount.</p>	
Block 1	<p><b>MINIMUM FEE:</b> All cable systems with semiannual "gross receipts" of \$292,000 or more are required to pay at least the Minimum Fee, regardless of whether they carried any distant stations. This fee is .893 of one percent of the system's "gross receipts" for the accounting period.</p> <p>Line 1. Enter the amount of "gross receipts" from space K ..... ▶ <u>1,654,315.42</u></p> <p>Line 2. Multiply the amount in line 1 by .00893 Enter the result here. This is your Minimum Fee ..... ▶ <span style="border: 1px solid black; padding: 2px;">\$ 14,773.04</span></p>	
Block 2	<p><b>DISTANT TELEVISION STATIONS CARRIED:</b> Your answer here must agree with the information you gave in space G. If, in space C you identified any stations as "distant" by stating "Yes" in column 4, you must check "Yes" in this block.</p> <p>• Did your cable system carry any distant television stations during the accounting period?  <input type="checkbox"/> Yes—Complete the DSE Schedule.      <input type="checkbox"/> No—Leave block 3 below blank and complete line 1, block 4</p>	
Block 3	<p><b>BASE RATE FEE:</b> Enter the Base Rate Fee from either part 8, section 3 or 4, or part 9, block A of the DSE Schedule ..... ▶ <span style="border: 1px solid black; padding: 2px;">\$ 42,714.43</span></p>	
Block 4	<p>Line 1. <b>BASE RATE or MINIMUM FEE:</b> If you did not complete block 3, enter the minimum fee from block 1. If you completed block 3, enter either the minimum fee from block 1 or the Base Rate Fee from block 3, whichever is larger ..... ▶ <u>42,714.43</u></p> <p>Line 2. <b>3.75 FEE:</b> Enter the total fee from line 7, block C, part 6 of the DSE Schedule. If none, enter zero. .... ▶ <u>\$ 434,257.80</u></p> <p>Line 3. <b>SYNDICATED EXCLUSIVITY SURCHARGE:</b> Enter the fee from either part 7 (block C, section 3 or 4) or part 9 (block B) of the DSE Schedule. If none, enter zero. .... ▶ <u>\$ 28,619.65</u></p> <p><b>TOTAL ROYALTY FEE.</b> Add Lines 1, 2, and 3 and enter the total here. .... ▶ <span style="border: 1px solid black; padding: 2px;">\$ 505,591.88</span></p> <p>Remit this amount in the form of a certified check, cashier's check, or money order, payable to: Register of Copyrights. Do not send c.</p> <p><b>EXCEPTION:</b> If you listed the MINIMUM FEE in line 1 do not add this figure to the Total Royalty Fee if the 3.75 fee in line 2 exceeds the MINIMUM FEE. Instead, draw a line through the MINIMUM FEE and enter the sum from the following formula: gross receipts x</p>	

LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).  
SACRAMENTO CABLE TELEVISION

Name

**COMPUTING THE BASE RATE FEE—PART 8 OF THE DSE SCHEDULE**

• Determine whether any of the stations you carried were "partially-distant"—that is, whether you retransmitted the signals of one or more stations to subscribers located within the station's local service area and, at the same time, to other subscribers located outside that area.

• If none of the stations were "partially-distant," calculate your Base Rate Fee according to the following rates—for the system's permitted DSEs as reported in block B, part 6 or from part 5, whichever is applicable.

- First DSE ..... 893% of "gross receipts"
- Each of the second, third, and fourth DSEs ..... 563% of "gross receipts"
- The fifth and each additional DSE ..... 265% of "gross receipts"

**PARTIALLY-DISTANT STATIONS—PART 9 OF THE DSE SCHEDULE**

• If any of the stations were "partially-distant":

1. Divide all of your subscribers into "subscriber groups" depending on their location. A particular "subscriber group" consists of all subscribers who are "distant" with respect to exactly the same complement of stations.

2. Identify the communities/areas represented by each subscriber group.

3. For each "subscriber group," calculate the total number of DSEs of that group's complement of stations.

If your system is located wholly outside all major and smaller television markets, give each station's DSE as you gave it in parts 2, 3, and 4 of this Schedule; or

If any portion of your system is located in a major or smaller television market, give each station's DSE as you gave it in block B, part 6 of this Schedule.

4. Determine the portion of the total "gross receipts" you reported in space K (page 7) that is attributable to each "subscriber group."

5. Calculate a separate Base Rate Fee for each "subscriber group," using (1)

the rates given above: (2) the total number of DSEs for that group's complement of stations; and (3) the amount of "gross receipts" attributable to that group.

6. Add together the Base Rate Fees for each "subscriber group" to determine the system's total Base Rate Fee.

7. If any portion of the cable system is located in whole or in part within a major television market, you also must complete part 9, block B of the Schedule; determine the Syndicated Exclusivity Surcharge.

**What To Do If You Need More Space on the DSE Schedule.** There are no printed continuation sheets for the Schedule. In most cases the blanks provided are large enough for the necessary information. If you need more space on a particular part, make a photocopy of the page in question (identifying it as a "Continuation Sheet"), enter the additional information on that copy, and attach it to the DSE Schedule.

**Rounding Off DSEs.** In computing DSEs on the DSE Schedule, you must round off to no less than the third decimal point. If you round off a DSE in any case, you must round off DSEs throughout the Schedule as follows:

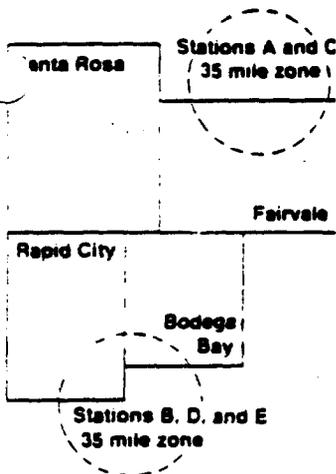
- When the fourth decimal point is 1, 2, 3 or 4 the third decimal remains unchanged—(example: .34647 is rounded to .346)
- When the fourth decimal point is 5, 6, 7, 8 or 9 the third decimal is rounded up—(example: .34651 is rounded to .347)

The example below is intended to supplement the instructions for calculating only the Base Rate Fee for "partially-distant" stations. The cable system would also be subject to the Syndicated Exclusivity Surcharge for "partially-distant" stations, if any portion is located within a major television market.

**EXAMPLE:**

**COMPUTATION OF COPYRIGHT ROYALTY FEE FOR CABLE SYSTEM CARRYING "PARTIALLY-DISTANT" STATIONS**

In most cases under current FCC rules all of Fairvale would be within the local service areas of both stations A and C and all of Rapid City and Bodega Bay would be within the local service areas of stations B, D and E.



Distant Stations Carried		Identification of Subscriber Groups		"GROSS RECEIPTS" FROM SUBSCRIBERS
STATION	DSE	CITY	OUTSIDE LOCAL SERVICE AREA OF	
A (independent)	1.0	Santa Rosa	Stations A, B, C, D, E	\$110,000.00
B (independent)	1.0	Rapid City	Stations A and C	80,000.00
C (part-time)	.083	Bodega Bay	Stations A and C	40,000.00
D (part-time)	.139	Fairvale	Stations B, D, and E	70,000.00
E (network)	.25			
<b>TOTAL DSEs</b>	<b>2.472</b>		<b>TOTAL "GROSS RECEIPTS"</b>	<b>\$300,000.00</b>

Minimum Fee Total "Gross Receipts" .....	\$300,000.00
x .00893	
<b>\$ 2,679.00</b>	

First Subscriber Group (Santa Rosa)	Second Subscriber Group (Rapid City and Bodega Bay)	Third Subscriber Group (Fairvale)	
"Gross Receipts" .....	\$110,000.00	"Gross Receipts" .....	\$70,000.00
DSEs .....	2.472	DSEs .....	1.389
Base Rate Fee .....	\$ 1,893.91	Base Rate Fee .....	\$ 778.40
\$110,000 x .00893 x 1.0 =	982.30	\$70,000 x .00893 x 1.0 =	625.00
\$110,000 x .00563 x 1.472 =	911.61	\$70,000 x .00563 x .389 =	153.40
Base Rate Fee .....	\$1,893.91	Base Rate Fee .....	\$ 778.40

Total Base Rate Fee: \$1,893.91 + \$1,127.67 + \$778.40 = \$3,799.98  
 In this example the cable system would pay the Base Rate Fee because it is larger than the Minimum Fee, and would enter \$3,799.98 in space L, block 4, line 1, (page 7) to be added with the 3.75 fee and surcharge, if applicable, to determine its total Copyright Royalty Fee.

LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).  
**SACRAMENTO CABLE TELEVISION**

**INSTRUCTIONS:**  
 In the column headed "Call Sign": list the call signs of all distant stations identified by the letter "O" in column 5 of space G (page 3).  
 In the column headed "DSE": for each independent station, give the DSE as "1.0"; for each network or noncommercial educational station, give the DSE as ".25."

**CATEGORY "O" STATIONS: DSEs**

CALL SIGN	DSE	CALL SIGN	DSE	CALL SIGN	DSE	CALL SIGN	DSE
WOR	1.00	KICU	1.00	KTSF	1.00		
WTBS	1.00	KTVT	1.00	KBHK	1.00		
KTLA	1.00	WGN	1.00	KFCB	1.00		
KTVU	1.00	WSBK	1.00				

**SUM OF DSEs OF CATEGORY "O" STATIONS:**

• Add the DSEs of each station

**1**  
Owner

**2**  
Computes of DSE for Category Station

LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).

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LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).

**SACRAMENTO CABLE TELEVISION**

Name

**INSTRUCTIONS: Block A must be completed.**

In block A:

- If your answer is "yes", leave the remainder of part 6 and part 7 of the DSE Schedule blank and complete part 8. (page 15) of the DSE Schedule.
- If your answer is "no", complete blocks B and C below.

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of 3.75 F

**BLOCK A: TELEVISION MARKETS**

Is the "cable system" located wholly outside of all major and smaller markets as defined under FCC rules and regulations in effect on June 24, 1981?

- Yes—Complete part 8 of this Schedule—**DO NOT COMPLETE THE REMAINDER OF PART 6 AND PART 7.**
- No—Complete blocks B and C below.

**BLOCK B: CARRIAGE OF PERMITTED DSEs**

Column 1: CALL SIGN List the call signs of all distant stations listed in parts 2, 3, and 4 of this that your system was "permitted" to carry under FCC rules and regulations prior to June 25, 1981. (Note: For further explanation of "permitted station" see instructions for the DSE Schedule.)

Column 2: BASIS OF PERMITTED CARRIAGE Enter the appropriate letter indicating the basis on which you carried the "permitted station". (Note that the FCC rules and regulations cited below pertain to those in effect on June 24, 1981.)

- A Stations carried pursuant to the FCC "market quota" rules (76.57, 76.59(b), 76.61(b)(c), 76.63(a) referring to 76.61(b)(c))
- B Specialty Station as defined in 76.5(kk) (76.59(d)(1), 76.61(e)(1), 76.63(a) referring to 76.61(e)(1))
- C Noncommercial Educational Station (76.59(c), 76.61(d), 76.63(a) referring to 76.61(d))
- D Grandfathered Station (76.65) (see paragraph regarding Substitution of Grandfathered Stations in the instructions for DSE Schedule.)
- E Carried pursuant to individual waiver of FCC rules (76.7)
- F A station previously carried on a part-time or substitute basis prior to June 25, 1981
- G Commercial UHF Station within Grade-B contour (76.59(d)(5), 76.61(e)(5), 76.63(a) referring to 76.61(e)(5))

Column 3: List the DSE for each distant station listed in parts 2, 3, and 4 of this Schedule. \*(Note: For those stations identified by the letter "F" in column 2, you must complete the worksheet on page 13 of this Schedule to determine the DSE.)

1. CALL SIGN	2. PERMITTED BASIS	3. DSE	1. CALL SIGN	2. PERMITTED BASIS	3. DSE	1. CALL SIGN	2. PERMITTED BASIS	3. DSE
WOR	A	1.00						
WTBS	A	1.00						
KFCB	B	1.00						
KTSF	B	1.00						

• SUM OF PERMITTED DSEs—add the DSEs of each station

4.00

**BLOCK C: COMPUTATION OF 3.75 FEE**

Line 1: Enter the total number of DSEs from part 5 of this Schedule	11.0
Line 2: Enter the "SUM OF PERMITTED DSEs" from block B above	4.0
Line 3: Subtract line 2 from line 1. This is the total number of DSEs subject to the 3.75 rate. (If zero, leave lines 4-8 blank and proceed to part 7 of this Schedule)	7.0
Line 4: Enter "Gross Receipts" from space K (page 7)	\$ 1,654,315.42
Line 5: Multiply line 4 by .0375 and enter sum here	\$ 62,036.83
Line 6: Enter total number of DSEs from line 3	7.0
Line 7: Multiply line 6 by line 5 and enter here and on line 2, block 4.	434,257.80



LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1).  
**SACRAMENTO CABLE TELEVISION** Name

**BLOCK C: COMPUTATION OF THE SYNDICATED EXCLUSIVITY SURCHARGE**

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Section <b>1</b>	Enter the amount of "Gross Receipts" from space K (page 7).....	▶ \$ <u>1,654,315.42</u>
Section <b>2</b>	A. Enter the "Sum of Permitted DSEs" from block B, part 6.....	▶ <u>4.0</u>
	B. Enter the total number of exempt DSEs from block B, part 7 above.....	▶ <u>0</u>
	C. Subtract line B from line A and enter here. This is the total number of DSEs subject to the surcharge computation. If zero, proceed to part 8.....	▶ <span style="border: 1px solid black; padding: 2px;"><u>4.0</u></span>

• Is any portion of the cable system within a top 50 television market as defined by the FCC?  
 Yes—Complete section 3 below.     No—Complete section 4 below.

**SECTION 3: TOP 50 TELEVISION MARKET**

Section <b>3a</b>	• Did your cable system retransmit the signals of any partially-distant television stations during the accounting period? <input type="checkbox"/> Yes—Complete part 9, page 9 of this Schedule <input checked="" type="checkbox"/> No—Complete the applicable section below.  If the figure in section 2 is 4.000 or less, compute your surcharge here and leave section 3b blank.	
	A. Enter .00599 of "gross receipts" (the amount in section 1)*.....	▶ \$ <u>9,909.34</u>
	B. Enter .00377 of "gross receipts" (the amount in section 1).....	▶ \$ <u>6,236.77</u>
	C. Subtract 1.000 from total permitted DSEs (the figure on line C in section 2) and enter here.....	▶ <u>3.0</u>
	D. Multiply line B by line C and enter here.....	▶ <u>18,710.31</u>
	E. Add lines A and D. This is your surcharge. Enter here and on line 3 of block 4 in space L (page 7) <b>Syndicated Exclusivity Surcharge</b> .....	▶ <span style="border: 1px solid black; padding: 2px;"><u>\$ 28,619.65</u></span>
	*If the total permitted DSEs is less than 1.000 see the notes on page 9 of the DSE Instructions for computing the surcharge, part 7.	

Section <b>3b</b>	If the figure in section 2 is more than 4.000, compute your surcharge here and leave section 3a blank.	
	A. Enter .00599 of "gross receipts" (the amount in section 1).....	▶ \$ _____
	B. Enter .00377 of "gross receipts" (the amount in section 1).....	▶ \$ _____
	C. Multiply line B by 3.000 and enter here.....	▶ \$ _____
	D. Enter .00178 of "gross receipts" (the amount in section 1).....	▶ \$ _____
	E. Subtract 4.000 from total DSEs (the figure on line C in section 2) and enter here.....	▶ _____
	F. Multiply line D by line E and enter here.....	▶ \$ _____
	G. Add lines A, C, and F. This is your surcharge. Enter here and on line 3, block 4, space L (page 7) <b>Syndicated Exclusivity Surcharge</b> .....	▶ <span style="border: 1px solid black; padding: 2px;">\$ _____</span>

**SECTION 4: SECOND 50 TELEVISION MARKET**

Section <b>4a</b>	Did your cable system retransmit the signals of any partially-distant television stations during the accounting period? <input type="checkbox"/> Yes—Complete part 9, page 9 of this Schedule <input type="checkbox"/> No—Complete the following sections.	
	If the figure in section 2 is 4.000 or less, compute your surcharge here and leave section 4b blank.	
	A. Enter .00300 of "gross receipts" (the amount in section 1)*.....	▶ \$ _____
	B. Enter .00189 of "gross receipts" (the amount in section 1).....	▶ \$ _____
	C. Subtract 1.000 from total permitted DSEs (the figure on line C in section 2) and enter here.....	▶ _____
	D. Multiply line B by line C and enter here.....	▶ \$ _____
	E. Add lines A and D. This is your surcharge. Enter here and in line 3, block 4, space L (page 7)	▶ <span style="border: 1px solid black; padding: 2px;">\$ _____</span>

<b>Name</b>	LEGAL NAME OF OWNER OF CABLE SYSTEM: Give the name exactly as it appears in space B, line 1 (page 1). <b>SACRAMENTO CABLE TELEVISION</b>	<b>175112</b>
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<b>7</b> Computation of the Syndicated Exclusivity Surcharge	Section 4b	If the figure in section 2 is more than 4,000, compute your surcharge here and leave section 4a blank.	
		A. Enter .00300 of "gross receipts" (the amount in section 1) .....	\$ _____
		B. Enter .00189 of "gross receipts" (the amount in section 1) .....	\$ _____
		C. Multiply line B by 3.000 and enter here .....	\$ _____
		D. Enter .00089 of "gross receipts" (the amount in section 1) .....	\$ _____
		E. Subtract 4.000 from total DSEs (the figure on line C in section 2) and enter here .....	_____
		F. Multiply line D by line E and enter here .....	\$ _____
		G. Add lines A, C, and F. This is your surcharge. Enter here and on line 3, block 4, space L (page 7)	\$ _____
		<b>Syndicated Exclusivity Surcharge</b> .....	\$ _____

<b>8</b> Computation of Base Rate Fee	<p><b>INSTRUCTIONS:</b>          You must complete this part of the DSE Schedule if the total number of DSEs you entered in block B, part 6 is more than 1.0; however, if block A of part 6 was checked "yes," use the total number of DSEs from part 5.</p> <ul style="list-style-type: none"> <li>• In block A, indicate, by checking "Yes" or "No," whether your system carried any partially-distant stations.</li> <li>• If your answer is "No," compute your system's Base Rate Fee in block B. Leave part 9 blank.</li> <li>• If your answer is "Yes" (that is, if you carried one or more partially-distant stations), you must complete part 9. Leave block B below blank.</li> </ul> <p>What is a "partially-distant station?" A station is "partially distant" if, at the time your system carried it, some of your subscribers were located within that station's local service area and others were located outside that area. A television station's "local service area" is the area within which it is "entitled upon its signal being retransmitted by a cable system pursuant to rules, regulations, and authorizations of the Federal Communications Commission in effect on April 15, 1976."</p>
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**BLOCK A: CARRIAGE OF PARTIALLY-DISTANT STATIONS**

• Did your cable system retransmit the signals of any partially-distant television stations during the accounting period?

Yes—Complete part 9 of this Schedule.    
  No—Complete the following sections.

**BLOCK B: NO PARTIALLY-DISTANT STATIONS—COMPUTATION OF BASE RATE FEE**

Section 1	Enter the amount of "gross receipts" from space K (page 7) .....	\$ <u>1,654,315.42</u>
Section 2	Enter the total number of permitted DSEs from block B, part 6 of this Schedule. (If block A of part 6 was checked "yes," use the total number of DSEs from part 5.) .....	4.0
Section 3	If the figure in section 2 is 4,000 or less, compute your Base Rate Fee here and leave section 4 blank.	
	A. Enter .00893 of "gross receipts" (the amount in section 1) .....	\$ <u>14,773.03</u>
	B. Enter .00563 of "gross receipts" (the amount in section 1) .....	\$ <u>9,313.80</u>
	C. Subtract 1.000 from total DSEs (the figure in section 2) and enter here .....	3.0
	D. Multiply line B by line C and enter here .....	\$ <u>27,941.40</u>
	E. Add lines A and D. This is your Base Rate Fee. Enter here and in block 4, space L (page 7)	\$ <u>42,714.43</u>
	<b>Base Rate Fee</b> .....	\$ <u>42,714.43</u>

**EXHIBIT V**



**EXHIBIT VI**

Makler

# Cable TV picture clears up as suits get settled

By MARK LARSON

By MARK LARSON

When Sacramento Cable Television recently bought out Cable AmeriCal for \$3.5 million and paid the company another \$3 million to drop its two lawsuits, it further entrenched itself as the local cable TV Goliath.

And although Sacramento Metropolitan Cable Television Commission executive director Bob Smith says the commission will welcome competition from companies that want to do business locally, he doubts any major competitor will ever challenge Sacramento Cable, a unit of Scripps-Howard Broadcasting Co.

"We have always encouraged competition," said Smith. "But I don't believe competition will prevail in the Sacramento market."

Most markets such as Sacramento cannot support two competing cable com-

and another company, Pacific West Cable Television, filed suits in an attempt to catch up to Sacramento Cable, which in November 1983 got the commission's lone call to string cable locally.

Last July, Pacific West's suit in federal court against the commission prompted a jury to rule that the commission's single-franchise rule was illegal. Though Cable AmeriCal and Pacific West could then compete, they were far behind Sacramento Cable, which had been laying cable for two and a half years.

More suits were filed by Pacific West and Cable AmeriCal, charging First Amendment and antitrust violations, and seeking damages for lost business.

In February, Sacramento Cable paid \$6 million to Pacific West to settle its suit. But Pacific West's president, Rod

led disputes with Sacramento Cable over delinquent license fees and payments to non-profit broadcasting groups, and \$14.5 million of the settlement was paid to the commission as revenues in lieu of a six-year license fee. The agreement allowed Sacramento Cable the option to extend its license to operate through the year 2023.

Pacific West, Cable AmeriCal and any other potential competitors, meanwhile, have had access only to five-year operating licenses, with a fee requirement of 5 percent of gross revenues.

Robert Ling, Cable AmeriCal's president, decided not to sue over that, even though he has claimed that 10-year operating loans are much more expensive when a company has only a five-year license.

But while Cable AmeriCal let the issue

federal government announce plans to close the base.

Meanwhile, Cable AmeriCal's Ling said his company agreed to a buyout to clear itself of its local tangle of litigation.

"In a small company, litigation is time consuming," he said. "There are business opportunities elsewhere in a free market. We decided to pursue that."

He said the firm's parent company, Phoenix, Ariz.-based Cable America, has successfully competed against other cable companies in Huntsville, Ala., and in parts of central Missouri. It plans to compete against another cable company serving Mesa, Ariz.

As part of the settlement, Ling and other principals of Cable AmeriCal are prohibited from competing with Sacramento Cable in Sacramento for four years.

# Antitrust Lawsuit Between Sacram

By Linda Houghton  
SACRAMENTO, CA — An antitrust lawsuit settlement which could result in the payment of up to \$13.5 million to a potential competitor in the Sacramento market has been reached between that company, Cable America, and the

defendant Howard the Sac Cable TV  
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**EXHIBIT VII**

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FARROW, SCHILDHAUSE & WILSON  
Harold R. Farrow  
Robert M. Bramson  
James C. Parker  
2125 Oak Grove Road, Suite 120  
P.O. Box 9383  
Walnut Creek, California 94598-9383  
(415) 945-0200

Attorneys for Plaintiffs  
Pacific West Cable Company and  
Pacific West Cable Television

ENDORSED  
FILED

APR 6 1990

JOYCE RUSSELL SMITH, CLERK  
By L. BOYKIN, Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SACRAMENTO

513583

PACIFIC WEST CABLE COMPANY,	)	CASE NO.
a California Partnership and	)	
PACIFIC WEST CABLE TELEVISION	)	
a California Joint Venture,	)	(1) INJUNCTIVE RELIEF;
	)	(2) DECLARATORY RELIEF;
	)	(3) BREACH OF THE COVENANT
	)	OF GOOD FAITH AND FAIR
Plaintiffs,	)	DEALING;
v.	)	(4) SPECIFIC PERFORMANCE;
	)	(5) TORTIOUS INTERFERENCE;
TURNER BROADCASTING SYSTEM, INC.,	)	(6) UNFAIR COMPETITION;
a Georgia corporation,	)	(7) UNFAIR BUSINESS
TURNER NETWORK TELEVISION, INC.,	)	PRACTICES;
a Georgia corporation,	)	(8) CONSPIRACY; and
TURNER CABLE NETWORK SALES, INC.,	)	(9) PROMISSORY ESTOPPEL.
a Georgia corporation, PETER	)	
GOCHIS, an individual, and	)	
DOES 1 through 50, inclusive	)	
	)	
Defendants.	)	

Plaintiffs PACIFIC WEST CABLE COMPANY ("PacWest Co.") and  
PACIFIC WEST CABLE TELEVISION ("PacWest TV") complains against  
defendants TURNER BROADCASTING SYSTEMS, INC. ("TBS"), TURNER  
NETWORK TELEVISION, INC. ("TNT"), TURNER CABLE NETWORK SALES.

**FIRST CAUSE OF ACTION**  
**(Injunctive Relief)**

1  
2           1. At all times relevant herein plaintiff PACIFIC WEST  
3 CABLE TELEVISION was, and now is, a California joint venture  
4 licensed by the Sacramento Metropolitan Cable Commission to  
5 provide cable television services in all areas of Sacramento  
6 County, California, here involved, and plaintiff PACIFIC WEST  
7 CABLE COMPANY was, and now is, a California partnership and a  
8 joint venturer in Pacific West Cable Television.

9           2. Plaintiffs allege on information and belief that at  
10 all times mentioned herein TBS, TNT and TCNS were, and now are,  
11 corporations organized under the laws of Georgia, authorized to  
12 do and doing business in Sacramento County, California, as  
13 wholesale suppliers of video programming by radio transmission  
14 via satellite, and that defendant Gochis, a resident of San  
15 Francisco, California, is likewise so engaged.

16           3. Plaintiffs are unaware of the true names and  
17 capacities, whether individual, corporate, associate or  
18 otherwise, of those defendants sued herein as Does 1 through 50,  
19 inclusive, and therefore sues those defendants by such  
20 fictitious names. Plaintiffs will amend this Complaint to  
21 allege the true names and capacities of those defendants when  
22 ascertained. On information and belief plaintiffs allege that  
23 each such fictitiously named defendant is liable for the relief  
24 sought herein.

25           4. Plaintiffs allege on information and belief that in  
26 doing the acts hereinafter alleged to have been done, defendant  
27 Gochis and the Turner defendants, and Does 1 through 50, and  
28

1 each of them, were acting on their own behalf and as actual and  
2 ostensible agents for the other defendants, and each of them,  
3 and within the scope and course of such agency, and that Does 1  
4 through 50, inclusive, and each of them, actively and for their

\_\_\_\_\_ benefit and gain, joined and participated with the

1           6. Plaintiffs further allege on information and belief  
2 that since October 3, 1988 TBS and TNT have produced and  
3 transmitted TNT programming (the "TNT programming"), as a  
4 nation-wide satellite television program service originating out  
5 of Atlanta, Georgia.

6           7. Headquartered out of Atlanta, TBS is the parent  
7 company of a number of nation-wide cable television programming  
8 service companies, including such popular services as Cable News  
9 Network ("CNN"), superstation WTBS, and Headline News.  
10 Plaintiffs allege on information and belief that defendant  
11 Gochis is the individual charged with negotiating, executing and  
12 administering contracts by and between TBS, TNT and TCNS, as

1 staunchly oppose any movement toward the authorization,  
2 construction or viable operation of competitive cable systems,  
3 or other telecommunications delivery systems because they wish  
4 to maintain the monopolies they enjoy in the markets where they  
5 have been awarded cable franchises.

6 10. Prior to October 1988, TBS, a manufacturer and  
7 wholesaler of programming suitable for retailers such as cable  
8 television companies, decided to launch the TNT programming, a  
9 new 24-hour per day professionally produced satellite television  
10 program service consisting of movies, dramatic shows, situation  
11 comedies, sports, children's programming, special features and  
12 general entertainment programming.

13 11. The TNT programming was designed to reach the general  
14 viewing public through controlled distribution over delivery  
15 systems, such as local cable television systems, so that a  
16 retail charge per customer paid by the viewer could be collected  
17 by the retailing company and a portion thereof passed to TNT, as  
18 opposed to the use of a delivery system such as that provided by  
19 UHF and VHF FCC-licensed broadcasters where all revenue must  
20 come from advertisers through the broadcast delivery system, and  
21 then to the programming service company.

22 12. During the Spring of 1988, TBS was soliciting cable  
23 operators throughout the United States, including PacWest Co.,  
24 to sign up as affiliates. In connection with its nation-wide  
25 effort, TBS circulated literature about its then soon-to-be  
26 launched TNT programming, describing it in glowing, colorful  
27 language designed to entice MSOs like Scripps, and smaller,  
28 independent cable operators, like plaintiffs, to sign up as TNT

1 affiliates. Among others, the Turner defendants made the  
2 following statements:

3 "The foundation for the master plan for TNT has been laid,  
4 programming objectives are set. . . . Industry support is  
5 essential at this time in order to guarantee a successful  
6 launch of Turner Network Television." -- from a March 12,  
7 1988 letter from Douglas Orr, TCNS to an Account  
8 Executive, TCNS

9 13. The Turner defendants have already taken steps -- and  
10 have announced further future actions -- to make the TNT  
11 programming the telecommunications industry's "big event  
12 entertainment network": it has regularly scheduled for  
13 cablecast many movies from the MGM, RKO and pre-1948 Warner  
14 libraries of classic films. It has the exclusive right to carry  
15 certain National Basketball Association (NBA) games and has  
16 exclusive contracts to cablecast 1990 World Cup Soccer and the  
17 1992 and 1994 Winter Olympics. TBS has recently announced that  
18 the TNT programming will carry 47 National Football League (NFL)  
19 games between 1990 and 1993 (three preseason games and half the  
20 regular season games for each of the four years).

21 14. TNT programming is delivered by radio frequencies to a  
22 satellite orbiting the earth, thence to receive-only television  
23 dishes (TVRO) maintained by cable companies throughout the  
24 continental United States, and thence to individual subscribers  
25 by various forms of technology, including the use radio  
26 frequencies, coaxial and fiber optic cable facilities owned in  
27 various situations by licensed cable companies, by regulated  
28 common carriers, or by private jointly owned facilities, such as  
headend and microwave facilities. Because the programming  
signal is scrambled and originates from a single point

1 controlled by defendants, the defendants can control the  
2 reception of programming by individual companies by "pushing a  
3 button" at the point of origination.

4 15. Based on the representations and solicitations of  
5 defendants, on or about August 19, 1988, PacWest Co. became a  
6 TNT affiliate when it executed the TNT Affiliate Agreement (the  
7 "Affiliate Agreement"), a true and correct copy of which has  
8 been filed under seal and is incorporated herein by this  
9 reference, pursuant to which TNT agreed to provide its  
10 programming service to PacWest for three years, and PacWest Co.  
11 agreed to distribute the TNT programming in its franchised area  
12 within the County of Sacramento for three years at the rates  
13 provided in the Affiliate Agreement.

14 16. To the date hereof PacWest Co. has faithfully  
15 performed all of the obligations of the agreement on its part to  
16 be performed, including, among other things, the active  
17 promotion of the TNT programming service to subscribers and  
18 would-be subscribers.

19 17. On or about October 3, 1988, the TNT programming was  
20 launched to the cable viewing public, and was carried by PacWest  
21 Co. and is being provided to plaintiffs' existing customers in  
22 their cable television franchised territory, has been promised  
23 to other PacWest TV customers awaiting installation of such  
24 service, and has been and is being offered throughout  
25 plaintiffs' licensed cable television territory.

26 18. The TNT programing service is unique, and there is no  
27 reasonable substitute available to plaintiffs for such  
28 programming. Without valid cause or justification therefor,