

Court ruling on cable-TV has no effect here — yet

The appellate court ruling last week that it is a violation of free speech for a municipality to grant exclusive cable-television franchises doesn't appear to have any immediate effect on Santa Cruz County.

The U.S. Court of Appeals in San Francisco ruled that the city of Los Angeles could not prevent Preferred Communications Inc. from providing cable service, even though the firm did not participate in the bidding process for an exclusive franchise with the city.

The court ruled that the city could not grant exclusive franchises, likening such exclusivity to a city limiting newspaper sales to the one newspaper that it deemed best served the community.

Shortly after the court's decision was announced Friday,

Group W Cable General Manager Stewart Butler said the ruling appeared to support Group W in its dispute with the city and county of Santa Cruz.

Group W sought a renewal of its franchise, but after a year of negotiations failed to reach an agreement with the city and county.

The city and county then called for competitive bids, and have received proposals from four groups, including Group W. At the same time, Group W is suing the city and county because it believes a federal cable television law protects its Santa Cruz franchise.

"Based on what we understand, (the court ruling) essentially substantiates the position that Group W Cable has taken in its lawsuit," Butler said. "It

is the opinion of our legal counsel that Group W Cable will be providing cable in Santa Cruz for a long time."

It would appear, however, that the court's decision does not affect Santa Cruz County. The county's existing contract with Group W is "non-exclusive," meaning it does not prevent other cable companies from providing service here, according to Santa Cruz County Counsel Dwight Herr.

The four bids for the new franchise are now being reviewed, Herr noted, so the exact form of any future franchise contract remains to be negotiated.

Herr also said the appellate court decision may be appealed to the Supreme Court, which would then provide the final decision in the case.