

Group W sues city, county

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By JAMIE MARKS

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SANTA CRUZ — Group W Cable TV filed suit in federal court in San Francisco today against the city and county in an effort to renew its cable TV franchises.

"As we have stated, Group W Cable intends to remain in Santa Cruz and to fully pursue all of our legal and business rights here," said Group W Cable General Manager Stewart Butler.

"It is clear at this time that, in the face of the city and county's intransigence, and in order to safeguard our company's interest and those of its customers, we must turn to the courts for relief," said Butler.

"It doesn't surprise me," commented Assitant County Administrator Pat Busch.

Group W Cable, a subsidiary of Westinghouse Broadcasting Co., is basing one point in its lawsuit on the recently passed federal Cable Communications Policy Act of 1984. The law will not become effective until the end of December.

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In doing so, Group W Cable has become one of the first cable operators in the country to seek relief under the franchise renewal terms of the new law.

A legal question has arisen as to whether the act applies to the Group W Cable situation or not.

County Counsel Dwight Herr said the congressional reports that accompanied the act state that when a franchise expires in less than 30 months from the act's effective date, the provisions of the new law don't apply.

Group W Cable's franchise with the city and county is slated to expire July 1986 — less than 30 months from the act's effective date.

Butler said, "The act is silent as to systems where the franchise expires in less than 36 months. Our feeling is that we still fall under those (the act's) provisions."

Butler said Group W Cable's outside counsel filed the lawsuit on behalf of the local firm.

Ten other grounds of contention are stated in the suit, according to Butler.

Group W Cable has asked the court to enjoin (stop) what the company considers illegal aspects of the bidding process, to relieve the company of improperly imposed burdens on its First Amendment rights and to make the city and county pay appropriate damages — which were unspecified — fees and expenses.

Group W Cable claims the city and county are in violation of the state statute that permits cable TV operators to be free of controls by franchising entities with respect to rates, charges and rate structures, according to Butler.

The county and city negotiated with Group W Cable for 1½ years before talks broke off. At the time they ended, Butler said the company would stay in Santa Cruz with or without a franchise, and would go to court, if necessary.

The county and city are seeking proposals nationwide. Deadline is Dec. 31.

Santa Cruz City Manager Dick Wilson said Thursday he expected the selection process to take several months.

In separate letters, the city and county have invited Group W Cable to submit a proposal by the deadline.