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4. As to preliminary matters (pp. 2-5), the document reasserts the Commission's prior finding that it has jurisdiction to authorize an over-the-air STV service, and that such STV is broadcasting. It states that Congress has not acted on STV, that Congressional guidance in this area would be welcome, but that the Commission has a present duty to establish an over-the-air STV service if it finds this to be in the public interest, and that it so finds. Finally, it says that an oral hearing prior to establishing such an STV service would serve no useful purpose.

5. On the question of whether over-the-air STV should be authorized on a permanent basis, the document concludes that it should. It discusses in detail the four broad areas mentioned on page 1 of the table and finds the following:

- a. STV could provide a beneficial supplement to conventional TV programming. This might consist mostly of current feature films, and of sports events not generally available on conventional TV. (pp. 7-20)
- b. Absolute proof of viability need not precede the establishment of a new service, so that although there can presently only be speculation about whether the public will accept and support STV, and although the projections about STV service based on Hartford trial data are not without some uncertainties, there is enough of a basis on which to found the new service (pp. 20-26)
- c. As to the impact of STV on conventional TV, diversion of audience (i.e., attracting those who would have been viewing free TV at a particular time to view STV instead) can be expected to be minimal. Pre-empting of time (i.e., broadcasting STV programs over a station that would otherwise have been broadcasting free TV programs) could occur to a degree contrary to the public interest. For example, in a one-station market, if the station commenced to broadcast STV programs during all of its prime time, the community would receive no free programs from it during those hours. Some program siphoning (i.e., diversion of programs from free TV to STV) that would be contrary to the public interest might occur. It is in the public interest to establish STV with regulatory safeguards directed at program siphoning and pre-empting of time. Although the preservation of conventional TV service and the continued availability of adequate quantities of free programs are important considerations, competition between STV and free TV could result in improved and more varied programming for both services. The safeguarding rules do not completely prevent siphoning, but strike a desirable balance between STV and free TV. (pp. 26-40)
- d. Pages 40-47, "other information," set forth material which is discussed in connection with the fifteen regulatory issues listed on page 2 of the table.