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40. Zenith and Teco, responding to the assertion that only 27% of the films shown at Hartford in the first two years of the trial were first subsequent run and that the remainder were 6 months old or more, advert to RKO's previous programming difficulties (see para. 18), characterizing them as water over the dam, and state that during the one-year period of October 1, 1965, to September 30, 1966, 70% of the 174 feature films shown were first subsequent run. The other 30% were shown within the first year of theater release, with a few exceptions which included "Bambi" and "Mary Poppins" which were "roadshowed" on a hard-ticket basis for over a year before they were given general release in theaters.

41. With respect to the argument that of the 432 films shown in the first two years of the Hartford trial 273 have since been released to free TV, Zenith and Teco point out that they never represented that such films would not some day reach that medium, but, rather, that they would be shown at an earlier date on STV.

42. They further state that the feature films which the opponents of STV seem to indicate are so important on network and local station programming could not be made available to free TV without support from box-office receipts. In the same vein, Telemeter says that current films--which are available on STV at the same time that they are being shown in local theaters--are not now and, under the economics of motion picture production and commercial TV broadcasting, never will be available on free TV while they are in current release in theaters. The reason given is that the films must first recoup their "negative cost" and at least some portion of their box-office potential prior to being made available to free TV. Numerous examples are cited. Thus, "The Bridge on the River Kwai," frequently referred to by the STV opponents as an example of free TV film fare, cost ABC \$2,000,000 eight years after its release to theaters. Its negative cost was about \$6,000,000 on top of which were publicity, promotion, and distribution costs, so that the amount that ABC was able to pay for the film under the economics of commercial television would not have paid a third of the total costs of the film, let alone absorb a part of its potential theater box-office gross of \$17,000,000.

43. Telemeter goes on to say that, according to industry sources, the average motion picture is seen by only 5% of the population. A major picture is viewed by only 8% or, in rare cases, 10% of the population. Many who would like to see the current movie do not do so because of inconvenience or cost. A Broadway show in a 1200-seat theater that runs a year with every performance sold out is seen by 499,200 persons. Many of the nine and a half million residents of New York or the millions of persons in the rest of the country would like to see the show but cannot because of distance or cost. STV, Telemeter states, would aid the box-office potential of a motion picture or a Broadway play by showing it to an additional audience at a price, whereas free TV would impair the box-office potential. Thus, it is argued, STV may well stimulate additional quantity and quality of films, Broadway plays, operas, and the like. Additional programs so stimulated by STV would redound