to the ultimate benefit of free TV. 20/

- 44. Telemeter states that there are thus three levels of viewing films: (1) the theater, (2) STV, and (3) free TV. The public, it urges, should be entitled to choose at which level it wishes to view. It says that, after having been viewed in theaters or over STV, there will still be large audiences waiting to see them on free TV 3 to 5 years later and they will no doubt make for sizeable ratings for sponsoring advertisers just as they do now.
- 45. Telemeter, Zenith and Teco all make a further contention -that films shown on free TV are cut and edited to fit appropriate time segments,
  and are often interrupted by commercials which, it is said, distort and destroy
  the artistic continuity of the films. 21/ In STV, the full feature is shown
  without cutting and without commercials. Moreover, another advantage of STV is
  said to be that the films may be shown more than once so that viewers may see
  them at their convenience.
- 46. Finally, concerning sports, special entertainment, and educational programming, Telemeter avers that STV will considerably expand the sports events available--events that are not now and in the foreseeable future will not appear on free TV. It is stated that although opponents belittle the fact that an average of only 17 doctors viewed each of the three medical programs at Hartford, it must be remembered that there were not more than 5,000 subscribers. If STV were nation-wide, Telemeter says, there would be millions of subscribers. As an example, it assumes 10,000,000 subscribers which is less than 20 percent of the total TV homes. With such penetration, 17 viewing doctors at Hartford would translate into 34,000 viewing doctors nationally. This is, Telemeter says, 12 percent of all doctors in the United States, who would be furnished a not inconsiderable and unique service by STV. Similarly, with regard to cultural programs, Telemeter states that opponents play down their import and play up the fact that these programs achieved very low ratings. Thus, NAB points out that The Consul had an average rating of only 3.5% at Hartford. However, if STV had millions of subscribers, even with such small ratings enough revenues would be generated to reward the producer of the opera. On the other hand, it is argued, such programs are viewed as "deadly" by commercial TV and get short shrift even in non-prime time, so that the minority audiences that would be interested in seeing them do not have the opportunity to do so.

<sup>20/</sup> With regard to films, for example, Zenith and Teco mention that the increased use of films by the networks is making such product more scarce, and, citing figures, they say that except for second and third reruns free TV will not be able to show the quantity of first-commercial-TV run film that it has in the past. They state that if STV were to generate an increase in film production, this would not only aid STV, but would aid free TV as well.

 $<sup>\</sup>frac{21}{2}$ / Telemeter cites two instances in which producers of films brought legal actions in efforts to prevent this sort of distortion on the part of free TV.