

-17-

harming box office revenues. Opponents speak of the present situation as "a reasonable accommodation of conflicting economic and social interests." This may be so, but it is not the only possible accommodation. If the teams which now protect their box office revenues by blacking out home games find that they can permit the games to be shown locally on STV and still benefit financially, perhaps a new balance of economic and social interests will be struck. It is argued that other factors than "protecting the gate" are involved. Thus, we are told that the Commissioner of the National Football League has said that he "does not want to follow the path of professional boxing--with teams playing in comparatively empty arenas with national television audiences." If the league believes that this would happen, there is nothing to force it to allow its football games to be shown on STV. They can only be shown if the league consents. The record suggests that at least in some cities where the pro football stadia are completely sold out and people cannot obtain tickets, STV might provide a beneficial supplement and the arenas would not be empty.

50. Another benefit to the public that should not be overlooked is the fact that many viewers may see a sports event over a single STV subscriber's set for a relatively modest per-capita cost. Thus, for example, a Hartford survey showed that during one heavyweight title fight an average of nine viewers was watching each STV set that was tuned in, and the cost for all nine was \$3.00. The same fight on closed circuit TV at theaters in Hartford cost \$5.00 per person.

51. Turning now to feature films, we observe that generally speaking, people like to see fresh, new films. That is one reason that theaters showing first run films can charge more than those with later showings. The fact that there are some exceptions to this observation, such as "blockbusters" that are not recent films, does not destroy its general validity. Although the opponents of STV attempt to minimize the importance of recency, at the same time they attempt to show that current films are being presented on free television. Just as a person wishing a heavyweight fight will not be satisfied with a tennis match, the chances are that generally a person wishing to see a widely-advertised, favorably-reviewed, new movie will not be satisfied with four-year-old film on free TV. They are both entertainment of the same type, *i.e.*, "films," but there is a difference. And we agree with the proponents of STV who state that under the cost-per-thousand economics of conventional television, current films, such as first subsequent run films, cannot be shown on that service, because free TV cannot pay enough to cover production costs and potential box-office revenues that would be lost because of the free TV showing. On the other hand, Zenith and Teco report that after difficulties in program procurement were ironed out, 70% of the films exhibited in the Hartford trial in a recent year were first subsequent run. It may also be recalled that although only 27% of the films in the first two years of the trial were first subsequent run, the rest were, on the average, shown two years after theater release.