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argued, will be of a kind that would appeal to a mass audience. To say this, however, is not to say that it would not be in the public interest to authorize STV for, as indicated above, we believe that such programming does provide a beneficial supplement to present television fare, albeit the diversity promised may not be fully achieved.

57. It is difficult at this stage to arrive at any definite conclusions about the cultural or educational type of programming that was to make for diversification. Hartford did offer some. So did Etobicoke. Audience response was not great, but there was a response. On a national scale, total audiences would be greater. Zenith and Teco state that the limitations of the trial prevented more such programming. Larger audiences might permit it. The Joint Committee says that RKO promised the Commission that it was prepared to lose up to \$10,000,000 on the trial. It lost money, but not that much. The Joint Committee argues that had it spent and lost more, as it promised it was willing to do, it might have provided the Commission with more information about such programming. This is obviously an area where we know little. In any event, the rules we adopt today adjust to the reality of the situation--the expected predominance of films and sports--but provide assurance of programming for other tastes as well by establishing a maximum percentage of STV hours on the air that may be devoted to films and sports.

Whether STV Would Provide an Increase in Financial Resources Which Would Facilitate Significant Increases in the Numbers of Services Available to the Public Under the Present System

The Degree of Acceptance and Support Which STV Might be Able to Obtain From Members of the Public in a Position to Make a Free Choice

58. These two categories are discussed together because they are so closely intertwined. Zenith and Teco give business projections based on the Hartford experience which indicate that an over-the-air STV operation would break even with 20,000 subscribers. They then assume what they characterize as a conservative estimate that 10% of the TV households in a community would subscribe to STV. Under these assumptions, the top 91 markets would have sufficient TV homes to support viable STV operations. From this they argue that STV has a reasonable potential of supporting 91 more stations in addition to those already in operation, and that, depending on the market place, it might do even more than that. Thus STV would facilitate increases in the number of services to the public. Whether STV could provide an increase in financial resources depends, of course, not only on the validity of the assumptions that went into the preparation of the business projections that suggest a 20,000 subscriber break-even point, but also on whether public support would be such as to produce more than 20,000 subscribers in various communities. We turn first to the business projections.