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104. About pre-empting of time we know that on the average there were about 30 hours of STV programming per week. 30/ We also know that the average subscriber paid \$1.20 per week for programs whether 27% or 70% of the feature films shown on STV were first subsequent run.

105. About siphoning we know that all of the programs shown at Hartford were unavailable over free TV anywhere in the nation at the time that they were shown. Thus there was no program or talent siphoning.

106. The problem we face is that of whether and to what extent the foregoing facts form a reasonable basis for conclusions about the impact that nation-wide STV would have on conventional television service, and the related questions of audience diversion, pre-empting of time, and program and talent siphoning. Opponents state that they afford no basis for meaningful predictions. Proponents aver the contrary. We are of the opinion that the Hartford experience, limited though it may have been, was sufficient to supply information that can serve as an adequate foundation for reasonable estimates about the future. Nevertheless, as with any new and untried service, there are imponderables. 31/ Considering both the Hartford facts and the imponderables, we believe it is in the public interest to establish a nation-wide STV system with the regulatory safeguards which we adopt today--safeguards directed at program siphoning and pre-empting of time. 32/

30/ Thirty hours of programming per week is the fact that we shall have to use in our consideration of this topic with regard to authorization of nation-wide STV. Whether there was actually pre-empting of 30 hours per week in Hartford is open to question because at the hearing prior to the grant of the Hartford authorization RKO informed the Commission that WHCT had been operating at a loss and that if the grant were not made it would discontinue operation of the station (30 F.C.C. 301, 307). Had the station gone off the air, there would have been no free programming over it. Thus the trial not only provided STV programming, but, since WHCT was required to broadcast at least the minimal number of hours of free programming required by the rules for television stations, it added to the amount of free programming in the market instead of subtracting. The argument of STV proponents, of course, is that nation-wide STV would aid marginal or new stations to do just that.

31/ One imponderable, mentioned by the Joint Committee, is the recent development of CATV. That group urges that we should defer action on authorization of STV until the impact of CATV on the present system is known. We find this argument lacking in merit, especially in view of the actions which we have taken by the adoption of rules to govern integration of CATV into the present television structure of the nation.

32/ Topics such as whether interconnection of STV operations should be prevented or limited, whether STV should be limited to carrying certain kinds of programs, whether STV system manufacturers or franchise holders with franchises in more than one market should be allowed to engage in STV program procurement or supply, and similar problems relating to siphoning are discussed in the subsequent portion of this document which treats of the issues mentioned in paragraph 45(b) of the Further Notice (see para. 15 above).