earlier, (see para. 131), Telemeter believes that broadcasters, decoder owners and maintainers, and programmers will have to be one and the same in the early phases of STV, and it will probably be necessary at the start to grant franchises in order to induce investment in STV. Because of this, it is argued, having multiple systems would be the only way to have competition.

179. Zenith and Teco make the following presentation: Multiple systems are dictated by the underlying policy of the Act of encouraging competition. The Commission should adopt general technical standards under which the systems may operate. They could be as follows: (a) The system should be compatible with existing TV service (both UHF and VHF and monochrome and color) so that present TV sets can be used. (b) The STV system should not cause interference or have other undesirable effects within or without the assigned frequency. (3) It should result in no perceptible degradation of the quality of the video or audio signals received during either an STV program or a conventional program. There is no disagreement with the policy of single systems for basic broadcasting, color TV, and the like, but the same considerations do not apply here. There is no apparent reason why one method of secrecy to preclude non-subscribers from seeing STV programs need be used everywhere. Whether one or multiple systems are used, they would all be compatible with existing TV sets.

180. Like Teleglobe and Telemeter, Zenith and Teco are concerned about stifling inventiveness. They believe that establishing a single system would tend to make it impossible to incorporate future improvements--improvements which, among other things, could reduce ultimate costs to subscribers. We are told that based on the Hartford trial experience Zenith has made many new improvements in its equipment. The general technical standards that they have proposed would permit this sort of thing, they state. Moreover, they urge, decoder and encoder design involve other considerations than technical transmission of signal, such as billing, for example; and the Commission need not concern itself with what billing method is used as long as it is compatible with existing transmitter and receiver standards.

181. Zenith-Teco also argue that to have a single system would be contrary to the national policy against enlarging the monopoly of patent holders. To adopt a single system which would be inherently anti-competitive, there must be overriding social interests not presented here, they urge. Other arguments given are that there is an urgent need to increase the box-office support of feature films which are now so important to the free TV industry; that delay caused by the selection of a single system could cause TV channels to lie idle and open the door to reallocation of those channels to other services, as Motorola apparently would desire; and that there is no need for extensive field testing of systems as Motorola suggests.

182. Finally, they argue as follows: If multiple systems are used, it is unlikely, because of economic reasons, that there will be more than a single system in a community. This is so because an existing system in a community could also serve other stations subsequently authorized by the Commission to engage in STV operations therein. The later STV operators probably would not bring in new systems because it would be more economical and expeditious to use the existing system. Therefore, the inconvenience foreseen by the Chief Engineer if there were more than one system in a community is not likely to occur, and financial burden on the subscriber is minimized by renting of decoders. Although there will probably be only a single system used in a community, no reason why there should be a rule requiring this restriction is apparent.