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persons involved from becoming STV subscribers. We also regard it as reasonable to permit termination of service for non-payment of bills, damage to decoders, or the like. It is stressed that we expect STV operators to use good judgment in this area of business operations. We shall observe carefully the operation of STV under the leeway which we here provide, and shall take appropriate action to correct any abuses that may occur or any other situations which we deem contrary to the public interest. From time to time, as with other aspects of STV operations, reports on the subject may be required of STV operators.

230. As to geographic or other reasonable patterns of installation for new STV services, the rule is drafted to permit this. Such a provision seems reasonable and likely to make for a more rapid and efficient development of the new service in any community. ^{42/} Finally, our preliminary study of the technical systems for STV leads us to recognize that the service area of an STV operation may well be smaller than that of its free TV service that our rules will require it to provide. The rule adopted today in relation to the instant issue of whether STV service should be provided to all within the service area of a station is designed to strike what seems a reasonable requirement, namely, that STV service must be provided to all within the Grade A contour of the free TV service of the station, with the exceptions mentioned above concerning non-payment, poor reception pockets, and the like. This rule is consistent with our use of the Grade A contour in limiting STV to five-station markets. No doubt many subscribers will be obtained outside that service area, but service there will not be mandatory.

(11) Whether requirements should be imposed to insure that the public would not be adversely affected by obsolescence of subscription television equipment or cessation of service, e.g., should the Commission require that such equipment be leased rather than sold.

231. Kaiser states that because the industry is not yet developed, it is too early to decide whether a rule requiring STV equipment to be rented would protect subscribers from obsolescence or cessation of service, or whether it would serve primarily to prevent them from being able to obtain equipment from the sources they might prefer. Others, like Telemeter, Tele-globe, and Munn and Chase, believe that a requirement of renting would protect the viewers. Telemeter believes that it would not only protect from obsolescence and cessation of service, but that (assuming multiple systems were authorized) it would protect those who changed from the service of one STV company to another. Munn and Chase say that renting would help in the matter of maintaining equipment in proper operating condition. They analogize decoders to postal meters, saying that "the basic unit is sold to the customer but the meter, containing the postage printing element, is only leased, subject

^{42/} The rule also provides that STV service need not be furnished to those residing in pockets of poor reception within the service area of an STV station.