

APPENDIX BSUMMARY OF HARTFORD SUBSCRIPTION TV TRIAL
AND ZENITH-TECO PROJECTIONS BASED THEREON

The information presented here, except where otherwise indicated, is based on material contained in the Zenith-Teco comments and the RKO General response to the Commission questionnaire. It is intended to provide a convenient summary of the facts and conclusions as reported by the petitioners.

Part 1Facts About the Hartford Subscription Television (STV) Trial - 3 Year Experience

1. This service was introduced by RKO's station WHCT, Channel 18 in June 1962 in Hartford, Connecticut, which is part of the Hartford-New Haven television market. This market is served by other stations affiliated with all 3 networks. The net weekly circulation of this market is approximately 800,000 homes (ARB, 1965) which is the number of homes estimated to be tuned in at least once a week to the largest station WTIC, Channel 3. The net weekly circulation of WHCT Channel 18, prior to its STV experiment was 108,000 homes.

2. During the evening hours, and Saturday and Sunday afternoons, station WHCT, Channel 18, transmitted a scrambled signal which could be viewed intelligibly only by those having a decoder attached to their set. The decoder was installed for a \$10 installation fee and a rental fee of \$3.25 per month. All service calls were made free of charge.

3. By means of a weekly program schedule (supplemented by newspaper ads and listings), each subscriber was advised of the subscription features to be shown, the time and the price, and was given a code number for each feature. For example, the movie "What Ever Happened to Baby Jane" was listed for a price of \$1 and was shown Monday, July 1, 1963 (Code Number 115E), and Thursday, July 4 (Code Number 111D), at 9 P.M. Subscribers wishing to see the movie simply set the code number in the decoder and the picture became unscrambled. The code number of each feature viewed and the price of the feature was automatically printed on a tape, which the subscriber removed each month and mailed to RKO with his check for the total amount for the programs viewed plus the monthly rental charge.

4. RKO intended to commence operations after 2,000 decoders had been installed, and "looked toward installation of 10,000 decoders by the end of the first year of trial. A maximum of 50,000 subscribers is contemplated" 1/ Actual operations started with fewer than

1/ FCC Report and Decision, February 23, 1961; Par. 8.