

(b) The criteria for type acceptable of subscription television systems are as follows:

(1) The system shall be capable of operating by delivering a suitable signal to the antenna input terminals of receivers designed for reception of a signal meeting technical standards for color or monochrome television transmission and accompanying aural signal as set forth in Subpart E of Part 73 of the Commission's Rules. For the purpose of this requirement, a "suitable signal" shall be one which, except for distortion or changes caused by the transmitting antenna, receiving antenna or entering in the propagation medium, complies with all technical standards for color or monochrome transmission and accompanying aural signal set forth in Part 73 of the Commission's Rules.

(2) Spectral energy in transmission shall not exceed limitations set forth in §73.687 (1).

(3) No increase in width of the television broadcast channel (6 Mc/s) shall be required.

(4) Visual power (peak or average) and aural power shall not be necessary in excess of that now authorized, to provide coverage equal to that obtained by normal transmission standards.

(5) The encoded visual and aural programs shall be recoverable without perceptible degradation as compared to the same programs transmitted in accordance with Commission monochrome and color standards.

(6) Internal modifications to subscribers receivers shall not be required.

(7) Interference to conventional television and subscription television, co-channel and adjacent channel, monochrome and color, shall not exceed that occurring from conventional television broadcasting conducted in compliance with the standards of Subpart E of Part 73 of the Commission's Rules.

(8) Susceptibility to interference of any kind shall not be greater than with conventional television broadcasting conducted in compliance with the standards as Subpart E of Part 73 of the Commission's Rules.

Mr. HYDE. I would expect that if the Commission did move ahead after due deliberation on the record we have, that there would have to be some further consideration as to how we went about it.

Mr. VAN DEERLIN. What consideration has been given to the impact of CATV?

Mr. HYDE. It is discussed to some extent in the committee's report here. I may say the community antenna activity has all developed since subscription TV was first suggested and has largely become a factor in broadcasting while this case has been under consideration.

The committee notes it and indicates that in its judgment the Commission should not wait for the further development of community antenna business.

Mr. VAN DEERLIN. From an engineering standpoint isn't the signal on CATV an improvement over the airborne signal?

Mr. HYDE. In many instances it is.

As a matter of fact, the interest in community antenna systems was based in the first instance on the inability of consumers in certain situations to get an adequate signal. Of course, it has now been expanded to become a service which brings new signals into an area through microwave and various relays.

But the original justification for it was to provide a more adequate signal.

Mr. VAN DEERLIN. Now, of course, the desire of CATV is to get into program originations. This would make CATV a form of subscription television, would it not?

Mr. HYDE. It would be very hard to make a distinction between a subscription service by cable and a subscription service over the air when the only difference would be the manner in which it is delivered to the house.