

Mr. HYDE. I think that is a valid distinction.

Mr. BROWN. I am trying to get the separation now in my mind the same as in yours between CATV and subscription television. Is that the distinction where a person pays to watch a program versus where a person pays to have the quality of programming improved or the availability of programming broadened?

Mr. HYDE. There was this distinction with the original CATV. But as they have explained it they have tended, as you have put it, to broaden the number of channels that would be available and actually became distributors as well as improvers of the signal.

Mr. BROWN. Right now CATV does two things; does it not? It improves the quality of the signal or it increases the selection of signals that the viewer may receive?

Mr. HYDE. Right.

Mr. BROWN. And that is all.

Mr. HYDE. They increase the number of broadcast signals that are available but to some extent they are beginning to do program originations. That is a new service.

Mr. BROWN. Are these FCC licensees?

Mr. HYDE. They are not licensees, except to this extent. We have issued permits for microwave systems to provide carriage in situations where a signal could not be found over the air.

Mr. BROWN. Let us say a CATV operator has one of these scanning devices which scans the weather report or the news headlines or whatever it may be that he originates in his operation and he is not an FCC licensee but people are paying to receive the signal which he sends out and this is the program which he originates in his studio.

Now, that is not subscription or pay TV; that is CATV?

Mr. HYDE. By usage in the trade that is CATV. Is it not also the same function that subscription TV performs?

Mr. BROWN. I am asking you. The committee has to know what the FCC's view of the distinctions may be.

Mr. HYDE. Subscription TV undertakes in the context of that term as used in the committee's report to bring some programs to the public that were available only through box office arrangements. They propose to bring in new movies, sports attractions not available by conventional TV. But when you do have a program service of any kind originated by someone, delivered to your house for a fee, how do you distinguish it from subscription TV by function? They begin to look very much alike, don't they?

Mr. BROWN. It seems to me if Mr. Macdonald wishes to use subscription TV to go on the air and campaign and his constituents who subscribe to his viewpoints want to pay money to hear him on subscription TV, it may not be a lot different from his being interviewed in the studio or having his presentation made on CATV where people also pay to have that channel selection. I don't know whether Mr. Macdonald is box office or not.

Mr. HYDE. We may have solved this problem of the television appearances for candidates.

Mr. KORNEGAY. Will the gentleman yield for a question?

Mr. BROWN. I yield.

Mr. KORNEGAY. With reference to CATV, Mr. Chairman, to what extent, if any, have any of the CATV systems gone beyond weather and news in their program originations?