

until 1 o'clock. For tomorrow he has an appointment in Cincinnati, so he will be unable to be here then.

What we would respectfully request, the schedule of this committee and the House permitting, would be to permit him to appear sometime this afternoon.

Mr. MACDONALD. As I understand the schedule of the House, we have six District bills up. I do not think we can get permission to sit because there will be general debate and votes, et cetera. I think it might be just as well if you have a statement from Mr. Goodman, to insert it in the record and, obviously, it will be given every consideration as if he did read it.

Mr. MONDERER. If you wish we can do that or else I can read it and answer questions on the legal issues. Mr. David Adams, who is our senior executive vice president, is here and could answer questions on policy matters if you would prefer.

Mr. MACDONALD. Fine. Let us do that.

STATEMENT OF JULIAN GOODMAN, PRESIDENT, NATIONAL BROADCASTING CO., PRESENTED BY HOWARD MONDERER, WASHINGTON COUNSEL, NBC; ACCOMPANIED BY DAVID ADAMS, SENIOR EXECUTIVE VICE PRESIDENT, NBC

Mr. MONDERER. As I mentioned before, Mr. Chairman, my name is Howard Monderer. I am the Washington attorney for the National Broadcasting Co.

There have been distributed to you, and I will proceed to read, the statement which Mr. Goodman was to present this morning. Mr. Goodman, as you know, is president of the National Broadcasting Co. We appreciate this opportunity to present our views.

NBC opposes the use of broadcast frequencies for pay television. This has been our position throughout the 12-year period in which this issue has been before the Congress and the Federal Communications Commission. Our opposition does not stem from concern over additional competition. NBC has consistently supported measures that would broaden the base of free broadcasting and thus tend to increase competition in the industry.

For example, NBC supported the all-channel legislation which fostered the growth of UHF. We also support pending legislation that would expand the resources of noncommercial broadcasting and help it compete, at least in part, for audience with our own service.

However, we think a system using broadcast frequencies to charge viewers for programs would narrow the base of broadcasting and violate the public interest in two respects: It would require set owners to pay for programs of the type they now enjoy free; in the process it would threaten the ability of free television to continue and expand its present services. These considerations have become increasingly clear as experience with pay television and free television has developed. A brief review of the background may help put the matter in perspective.

In 1957, in its first report on pay television, the FCC noted that the key issue was whether it would provide a "beneficial supplement" to free television programming. The Commission pointed out that there