

I thank my colleagues on the committee for the privilege of being here this morning. You have been very gracious.

Mr. MACDONALD. The next witness listed is Mr. Otto Preminger.

We welcome you here, Mr. Preminger. Your reputation certainly has preceded you and you are very welcome here this morning.

STATEMENT OF OTTO PREMINGER, NEW YORK, N.Y.

Mr. PREMINGER. I was very happy when I received a telephone call from an old friend, who strangely enough is a theater owner in Chicago, who asked me what my position on pay television was and asked me if I would be willing to come here and testify.

I told him "My position on pay television would probably not please you because I am 100 percent for pay television."

As a matter of fact, I cannot understand how in our society of free competition we have a system where three networks completely control what the people of the United States are permitted to see on the so-called free airways.

We always hear these propaganda phrases, free airways and free television. If the television were free then how could ABC afford to pay me for a film that I made 12 years ago called "The Man With the Golden Arm," for two showings only, \$650,000 cash?

Where do they get this money? Are they really that concerned about those 30 percent of the American people who otherwise would not be able to have entertainment without those so-called free airways?

The highways of the country also are the property of the people and free. Suppose I would come in here and suggest to you that I with two other friends would start three networks of huge buses and in these buses we would put advertisements, the captive people in the bus would have to look at the ads that somebody said are better than the programs, and I think they are most of the time, and I would then ask you, however, to outlaw the automobile or private automobile because then all Americans could travel on these public highways for free and it would all be paid by advertising.

In my opinion as a citizen and as a producer of entertainment on the stage and in the films for the last 31 years since I came to this country, it is completely unbelievable that we should fall for this propaganda.

When I hear about this Hartford test, does anybody really believe that if the Lincoln Center had opened in Hartford, Conn., it would have been a success? Hartford cannot support any first-rate entertainment. It is ridiculous to speak about tests like this.

Why should not our free enterprise people, who want to risk their money, be able to compete with the three networks, and I must say all the chairmen of the three networks are friends of mine.

The networks have been doing very well for the last 20 years on these three things that they are giving away. Why should they not be able to compete and see if there is demand?

Also a sneaking suspicion I have that some more money could be made by free competition is proven by an announcement about 2 weeks ago when CBS announced that a very talented young man, whom I have known for many years, Mr. Goldmark has perfected a box which we will be able to buy and put on our television set, connect with our television set, and we will be able to have a whole library of home