

sion. It is also pay television. The advertisers will still want to have their shows.

Mr. HARVEY. Thank you. You are a good witness, Mr. Preminger.

Mr. PREMINGER. Thank you.

Mr. MACDONALD. Mr. Van Deerlin.

Mr. VAN DEERLIN. Mr. Preminger, in forecasting the fine shows that will be available on subscription TV, you have three or four times used the figure 25 cents. Once you raised it to 50 cents.

I noticed in a catalog of films that was shown me the other day for the subscription station at Hartford, the rockbottom evening price I saw was one dollar and a quarter for a film, and for some first-run films it was a dollar and a half. This was considerably less than it would cost here to take your family to see the picture in downtown Washington, I will concede.

But I think that clearly the reluctance that exists among elected officeholders in regard to subscription television stems from a fear that, first, it is going to raise the cost of living in the average home by anywhere from \$12 to \$20 a month and, second, that you are not going to see any more world's series or Rose Bowl games or heavyweight championship fights on free television. I think that this fear is going to have to be beaten down.

Mr. PREMINGER. First of all, why should not commercial television buy the World Series and compete with free television? They certainly have a lot of money, too. In Hartford there were 2,000 sets connected with pay television. If you permit 60 or 80 million sets to be connected, instead of \$1.50 it will probably have to cost 10 cents or maybe 25 cents.

The average homes also spend money to go to the theaters. The theaters in the United States, the movie theaters, are doing tremendous business; better than ever, in spite of the opportunity for families to see movies on television.

As a matter of fact, the exhibitors at the beginning fought pay television; they fought free television; and they fought the showing. They wanted originally to boycott like in London. In London, England, the exhibitors boycotted the showing of movies on television. They said, "Any company that shows their old movies on television, we won't play their movies."

Eventually they gave in. This is free competition. Nobody can predict what happens in free competition, but that is the beauty of it, the excitement of it, that people don't know. The cost of living—these are propaganda things that are being spread—like, for instance, in California. I live in New York but I happened to be in California during the time when they voted pay television out of California. The networks and the exhibitors must have spent an incredible amount of money because you could hear on radio every minute, "If you don't vote it out, if pay television is permitted, you won't see Ed Sullivan any more; you won't hear Sinatra for free." That was all nonsense.

Mr. VAN DEERLIN. I thought that was a most unworthy campaign.

Mr. PREMINGER. And the courts also declared it unconstitutional. I think if there were enough interest in pay television that pay television could go to the Supreme Court, win the battle, that it must be permitted just like restaurants must be permitted, or cabarets.

Suppose they opened another hotel here and the Sheraton Park said, "If you open another hotel, we will be out of business."