

go to the main theaters and people who will go to the neighborhood theaters.

For people who cannot afford it on another channel, give it to them free. I am sure now if the networks want to give it the time pay television would be very happy to say, "Every 6 months we will turn over this taped program, this opera, this ballet, let NBC and CBS show it on prime time for really free without advertising."

Mr. BROTZMAN. I thank you for your answer to my question. I do have another question. There has been a rather intense competition between television and the motion picture industry. Would that be a fair statement?

Mr. PREMINGER. In the beginning the motion picture industry that always lacked leadership gave in. They thought they were ruined. Then slowly by the fact that the others could not do anything good, you know, and they started to buy old pictures, today movie companies are being bought up by big speculators because the old films are worth so much. It was originally competition.

Now the movie companies help the networks by giving them their films, by selling them their films, and the networks support the movie companies by buying their old films for fortunes.

That is also passing because they are already making the mistake that they now may produce bad pictures, play them quickly in theaters and hope to sell them. They forget that people are not dumb, that people will not turn on the television for the pictures even though they are free.

Mr. BROTZMAN. There has been a sort of marriage between the motion picture industry and television.

Mr. PREMINGER. Yes.

Mr. BROTZMAN. Would you say by virtue of the process you have been discussing, buying the old movies, et cetera, that the motion picture industry is about back economically to the point it was prior to the advent of television?

Mr. PREMINGER. Even better.

I don't know about the stock market but I am sure that motion pictures shares sell for more now and motion picture companies are considered by financial circles to be safer, more prosperous than ever before.

Mr. BROTZMAN. I don't quite know what the prices are going to be. I have heard figures too, as my colleagues from California said, of what you would have to pay to see a movie in your own home but I wondered what would this do.

Mr. PREMINGER. The answer is very simple. You play today a road show in New York. There is a film like Cleopatra. You charge \$3.50 or \$4 for a seat for 3, 4, or 6 months, sometimes a year, for "Sound of Music" 2 years. It sells out.

Then one day they stop it and sell it to 20 theaters in the same city for half the money and the people want to see it. Then it stops and they sell it to 400 theaters for one-third of the money and it still sells.

If the public wants to see something there are enough people who first buy it for higher money, like some people buy more expensive clothes and some people buy less expensive clothes.

That is the beauty of the free enterprise I am discussing. It won't hurt anybody. Eventually they will see it for 25 cents and it will be additional income. It will not hurt anybody.