

Mr. KORNEGAY. What is your feeling, Mr. Preminger, with reference to the FCC having any authority in the area of setting or determining the prices that the subscriber pays for TV?

Mr. PREMINGER. If there should be abuses I think it should be regulated, the prices. I think there again competition will not make it necessary. I don't think that the FCC should have any power to regulate the content of the programs.

Mr. KORNEGAY. Let me interrupt here.

As I understand it, under the system that the FCC now envisions under their fourth report and order there would be no competition in the subscription TV?

Mr. PREMINGER. That is wrong, too.

Mr. VAN DEERLIN. Will the gentleman yield?

Mr. KORNEGAY. Yes.

Mr. VAN DEERLIN. What we are talking about is pay TV that uses the public airwaves. There is a limit on those, you know.

Mr. PREMINGER. I don't think that there is much of a limit. This could easily be enlarged. I would be grateful for one channel on pay TV because there will still be competition between pay TV and commercial TV, but I think if there were two channels it would be better.

I think that technically there is no limit.

Mr. BROWN. Will the gentleman yield? I don't understand that in the FCC requirements. As I understand, the FCC have said they will allow them on pay TV if there are four "A" signals, including pay TV in the area.

Mr. MACDONALD. Five.

Mr. BROWN. The point is that if there were five then that would not preclude another TV channel, would it?

Mr. MACDONALD. Yes, it would. You would have to have 10.

Mr. KORNEGAY. You have to have 10 and where do you have 10?

Mr. BROWN. Is that clear in the statement?

Mr. MACDONALD. Yes.

Mr. PREMINGER. Even if it starts like this, if it works, if it is successful, wouldn't it be changed, like many laws are being changed, many rules, by necessity. If it just started then everything would be fine.

Mr. MACDONALD. Thank you very much Mr. Preminger.

I don't have to echo what I have said and what other members have said about the brilliance of your presentation and our gratefulness for your taking time to come here to be with us.

Mr. PREMINGER. Thank you.

Mr. MACDONALD. I apologize to the other witnesses who are to be heard but inasmuch as the next witness was to be Zenith and they conducted this experiment, I think in the very limited time we would have it is only fair that you have a reasonable amount of time.

Ordinarily, we would come back at 2 o'clock if we could get permission from the Speaker to do so but today there is a very important bill on the floor, important to everyone in the country, a postal bill, which obviously is important to all Congressmen.

There will be a number of rollcalls and amendments to the bill so we can't meet this afternoon. So we will meet tomorrow in this room at 10 a.m.

The hearing is adjourned for today.

(Whereupon, at 12:15 p.m., the subcommittee adjourned, to reconvene at 10 a.m., Wednesday, October 11, 1967.)