costs for the four subscriber levels set forth in Tables 5 to 8, *infra.* We are also advised that this attachment-detachment turnover ratio is comparable to the 15-20% "disconnect-connect" annual turnover experienced by telephone companies in many markets.

In our cost projections we have estimated the cost of decoders at $125 per unit, plus $2 per unit for freight and $4.38 use tax, for a total of $131.38.

The equipment investment required for a subscription system, including decoders (1% spares), repair shop spare parts inventory, trucks, office furniture and fixtures, estimated for the four projected subscriber levels is as follows:

20,000 subscribers	$ 2,711,500
40,000 subscribers	$ 5,393,400
75,000 subscribers	$10,087,000
100,000 subscribers	$13,441,000

Depreciation has been computed on a five-year straight-line basis.[22]

[22] From 1942 to 1962 the Bureau of Internal Revenue, in Bulletin "F", suggested four years for depreciation of television station equipment. In its revised guidelines for depreciation adopted in 1962, it has suggested six years as the proper basis for depreciation of television station equipment. (Revised Procedure 62-21, 1962-2CB427.) Thus, a five-year rate for depreciation of new equipment, such as subscription television decoders, would appear appropriate not only from a business viewpoint but also from a tax depreciation viewpoint.