This latter consideration may be illustrated by considering the Washington, D. C. market. Washington is the tenth television market, with 934,000 television homes and has five commercial stations. The total broadcast revenues of these five stations for the year 1963 was $15,346,304, and their combined profits before taxes were $3,707,900.[34] It is certainly unlikely that these five stations, or at least the three network-affiliated stations, would abandon their multi-million dollar business in order to devote any significant portion of their operations to subscription television. Washington, with a 10% subscription penetration of television homes, would produce an approximate 100,000 member subscription system which, as reflected in the business projections set forth in Table 8 of Section VI, *supra,* would not produce the aggregate revenues or profits now enjoyed by the Washington stations. In the absence of any indication that advertisers will not still desire to use television to carry their advertising messages in the future, it is inconceivable that more than one of these stations would devote any substantial amount of its broadcast time to subscription television.

Because of the doubt that existing network affiliates would consider deserting conventional television broadcasting for subscription broadcasting in the foreseeable future and because of the strong probability that stations will either be dominantly subscription or dominantly conventional, it is most likely that subscription television will have to support the establishment of new television stations in the vast majority of markets in which it will operate if it ever expects to get off the ground. In light of the allocated channels available for new stations in most markets, the creation of such new stations will, of necessity, redound to the benefit of UHF development. Stations thus supported by subscription television certainly cannot be accused logically of siphoning time that would otherwise be available to conventional television. Rather, such new stations will add to the total amount of conventional programming now available to the public, since they will carry conventional programming as well as subscription programming.

The Limited Suppy of Box-Office Attractions. Throughout these comments reference has been made to numerical limitations of box-

[34] TV Broadcast Financial Data—1963, FCC Pub. Not.-B, No. 54732, July 23, 1964. At an average programming expenditure of $65 per subscriber—the Hartford average—a subscription system in Washington would have to achieve in excess of 25% penetration of Washington TV homes to produce the same dollar amount of subscription revenue as the broadcast revenues ($15,346,304) now obtained by 5 Washington stations.