

anyone to contend that advertising-supported conventional television, which currently represents an industry receiving approximately two billion dollars a year in revenue, will be in serious jeopardy if it is subjected to even minimal competition from subscription television. The converse is far more likely true, since subscription television will provide a new source of revenue which will supplement the advertising revenue now received by the broadcast industry.

IX. THE HARTFORD TRIAL HAS DEMONSTRATED THAT SUBSCRIPTION TELEVISION WILL RECEIVE SUFFICIENT PATRONAGE FROM THE PUBLIC TO MAKE IT AN ECONOMICALLY VIABLE BUSINESS.

The Hartford trial commenced on June 29, 1962 with 188 subscribers. By the close of the second year of the trial there were 4,784 subscribers, and the number of subscribers has hovered between there and 5,000 since that time because of the self-imposed test limitation of 5,000 subscribers. At the close of the second year RKO decided that it was not prudent business or fair to subscribers to increase the number of subscribers during the third year without any assurance that the trial would be extended beyond that time. RKO also concluded that a 5,000-subscriber sample was sufficiently representative, statistically, to provide meaningful information of the type that the test was designed to elicit.⁴¹ Thus, no attempt was made during the Hartford trial to obtain the maximum number of subscribers possible. RKO's policy was one of planned growth and experimentation consistent with the best use of manpower and facilities.

As discussed more fully in Section V, *supra*, of these Comments, subscriber acceptance of subscription programs was widespread, as reflected by the average audience ratings for such box-office attractions as current motion pictures, championship prize fights, Broadway and Off-Broadway plays, etc., individually tabulated on Exhibit 1. The high and low range of such ratings by program categories is set forth on Table 10 on the opposite page. None of these 599 subscription features were shown on commercial television in Hartford or elsewhere, and their ratings were obtained in full and open competition with programs furnished without direct charge to Hartford viewers by affiliates of all three networks and by independent stations.

⁴¹ The Hartford statistical sample for the first two years of the trial reflects a cumulative total of 4,998,033 separate and precisely measurable home exposures of 1776 separate program showings. The 5,000 subscriber-homes making up the sample are approximately 5 times the sample Nielsen uses for its National Television Index, H.R. Rep. No. 193, 87th Cong., 1st Sess., p. 127 (1961).