

The high-low range in the ratings attracted by the 1776 showings of 599 subscription features, of course, varied no less widely than ratings attained by network affiliates and other commercial stations. More importantly, Hartford subscribers selectively viewed an average of approximately one such subscription showing per week and spent an average of \$1.20 per week on the subscription showings selected. The average annual expenditure of subscribers, including program expenditures (\$62.16) and decoder rental (\$39.00),⁴² was \$101.16.

Subscribers in Hartford or elsewhere obviously would not regularly and willingly pay these average amounts over a 2-year period unless they found enough of these subscription programs to be sufficiently more attractive than alternative no-charge television programs. Since the same network programs—and substantially the same programming on independent commercial stations—were available throughout the U. S. during the same two-year period, there is no apparent reason to believe that the competitive ratings and revenues attracted by Hartford subscription programs would have been significantly different in other predominantly middle-income U.S. markets.

Thus, the public in Hartford, given a free choice, has viewed sufficient programs and spent sufficient money to demonstrate that subscription television in Hartford and other U. S. Television markets can be an economically viable competitive business to the extent previously shown in Section VI of these Comments.

X. MISCELLANEOUS ISSUES CLARIFIED BY THE HARTFORD TRIAL.

The Commission, in its First and Third Reports, anticipated that a number of subsidiary issues would be clarified as a result of trial operations, including the modus operandi of subscription service, methods to be employed, technical performance, the role of the participating broadcast station licensee, and possible monopolistic features of a subscription service. These subsidiary issues will be discussed hereafter.

A. The Modus Operandi of Subscription Television and Methods to be Employed.

From a commercial operating viewpoint, there are three functional organizations necessary to supply subscription television services. (1) A local franchise organization to scramble pictures for stations;

⁴² The \$39.00 annual decoder rental fee does not include an allowance for free rent allowed for the first 3 months of the trial and for certain vacations during trial period.