

XII. SCOPE OF RELIEF REQUESTED.

A number of questions have been raised by the Commission in the past concerning the possible composition of a nation-wide subscription television system embracing such considerations as whether or not subscription television should be limited to a single technical system, whether or not it should be limited to multiple-station markets, whether or not it should be limited to UHF, etc. Since varying answers to each of these questions would substantially affect the type of authorization the Commission might grant for a nation-wide extension of subscription television, we are setting forth hereafter our views in connection therewith. In the interest of clarity we will follow a question and answer form in the following discussion.

1. Whether Subscription Television Operations Should Be Limited to a Single Technical System or Whether General Standards Should Be Provided Within Which a Number of Systems Might Operate.

In our opinion, the underlying policy of the Communications Act of encouraging competition dictates that the Commission adopt general technical standards within which more than one system might operate. These general standards could be limited to the following requirements:

(a) The system should be compatible with existing television service (both VHF and UHF and both monochrome and color) so that the millions of receiving sets now in the hands of the public and the transmitting equipment of existing broadcast stations can be used in this service.

(b) The system should not cause interference or have other undesirable effects within or without the assigned frequency band.

(c) Subscription service should result in no perceptible degradation of the quality of the video and audio signals received during either a subscription program or a non-subscription program.

2. Whether Subscription Operations in an Individual Community Should Be Confined to a Single Technical System.

We believed that it is very unlikely, as a practical matter, that more than one over-the-air subscription technical system would operate in an individual community. We see no reason, however, why the Commission should employ such a restriction by rule. From a regulatory viewpoint, the Commission's primary interest should be in the relationships which exist between franchise subscription systems and