

thorized on an extended or continuing basis until additional data was available from such trial subscription television operations as might be authorized pursuant to the First and Third Reports. Recent developments, such as the growth of wire subscription television, CATV systems and the fact that the RKO Phonevision subscription operation in Hartford, Connecticut, is now in its third year of its trial operation, in our opinion, make it desirable to now give further consideration to authorizing subscription television on an extended nation-wide basis.

4. *The Hartford Trial.* On June 22, 1960, RKO Phonevision Company (then known as Hartford Phonevision Company) and RKO General, Inc., its parent company, pursuant to the terms of the Third Report, applied for authorization to conduct subscription television operations over television station WHCT, Hartford, Connecticut, using the Zenith Phonevision system. After hearings held before the Commission, *en banc*, the Commission reached its final decision on February 23, 1961, in which it unanimously concluded that the grant of RKO's application would fulfill the objectives of the trial subscription television operations set forth in the First and Third Reports. The United States Court of Appeals for the District of Columbia thereafter affirmed the Commission's authorization of the Hartford trial.<sup>3</sup> Actual subscription operations by WHCT, Hartford, were commenced on June 29, 1962. Since that time the Commission has been kept fully informed concerning the operation of the Hartford trial and has had access to all pertinent operational data concerning this trial.<sup>4</sup>

5. *The Zenith-Teco Petition.* Zenith Radio Corporation has been one of the progenitors of subscription television proposals before the Commission. The instant proceeding had its genesis in a petition filed by Zenith on February 25, 1952, as revised by a joint petition filed by Zenith and Teco, Inc., on November 29, 1954. Zenith Phonevision equipment is being utilized by WHCT in the Hartford subscription trial. In 1965, Zenith and Teco filed a further joint petition requesting the Commission to adopt appropriate rules authorizing subscription television service on an extended nation-wide basis. The petition states that after approximately two years of operation the Hart-

<sup>3</sup> *Connecticut Committee Against Pay TV v. FCC*, 301 F.2d 835 (D.C. Cir.), cert. denied, 371 U.S. 816 (1962).

<sup>4</sup> The only other subscription trial authorized by the Commission was granted to Channel Two Corporation (KCTO, Denver) on October 3, 1962. KCTO subsequently abandoned its plans for this trial.