

Mr. WRIGHT. Yes, you could certainly have that choice but I can't imagine that choice becoming available to you for at least 10 years because that would mean that this service would have to become so well established and so popular that the Commission would then grant applications by other stations than the first one they had permitted to come in and broadcast on this medium.

Mr. BROWN. It would not be available at all I gather under the present FCC proposal.

Mr. WRIGHT. It would not be available at all. It would only be available if the FCC, after looking at this thing and having all the facts, would decide it was in the public interest to have a second station also operating.

Mr. BROWN. You know, we are supposed to be trying to encourage the development of UHF stations so as to give the viewers in the country a wider number of opportunities to watch a choice of television programs. I gather this is one of the things that has sort of made cable television have some good points, that some people can get television signals, a variety of television signals that they otherwise might not be able to get or only one or two.

Is it your anticipation and could you back it up, depending on what your view is, that if STV were permitted existing on-the-air station that made a lot of money in the commercial market would be the first to go into it? Or, would UHF stations where, as Mr. Pierson says, there is some activity but they are not on the air yet, be the ones that would likely go into this?

In other words, are we going to actually encourage more stations on the air or are we going to have commercial stations go into STV?

Mr. WRIGHT. The only possible stations that can be in STV in the next 5 to 10 years, the way I see it, are either UHF—

Mr. BROWN. Economically?

Mr. WRIGHT. The way I see it economically and in the light of the Commission's order, both—are UHF stations in the large markets where those stations are either losing money or where they have maybe a construction permit and they are sitting on the edge of the chair wondering whether they should take the gamble and try to put this station on the air, knowing that it was going to lose a lot of money.

Now you could not go to the fourth VHF station in the city of Chicago, WGN, which is an independent—WGN makes so much money that for them to take on a subscription television service and to make as much money out of it as they do out of commercial broadcasting, we would have to have 500,000 subscribers in the city of Chicago.

Mr. BROWN. The reason for this, though, is the advertising rates they are now charging on their stations.

Mr. WRIGHT. It is so profitable to them.

Mr. BROWN. They make more profit out of that than they would out of subscribers.

Mr. WRIGHT. Right.

Mr. BROWN. I gather what you are saying is that the people who would go into this business are UHF stations not now on the air because they are afraid they cannot make it in the market selling their service for the advertising dollar?

Mr. WRIGHT. You are absolutely right. We have allocated 634 commercial UHF stations and there are 122 of them on the air. A lot of