Assuming only this level of penetration and the report's low projected revenue of $105 a year for each subscribing home, this would give STV at least potential annual revenues of $945 million.

Or almost a billion dollars.

Now those figures may be high but those are the potential figures. You can subtract from them if you wish but make as deep a cut as you want, you can see what "gold there is in them thar hills," gentlemen.

As to programing, in years past, proponents of pay television presented a most alluring picture with a promise of supplemental and superior programing to suit the divergent tastes of the discriminating viewer.

This indeed was among their foremost arguments. It was claimed, as stated in the FCC's first report on subscription television that "subscriber financed broadcasts could and would provide a wider choice to members of the public interested in the fine arts, operas, educational and informative material and other similar kinds of programs."

This is a thesis I never accepted.

Some 3 years ago, I had occasion to write:

> A careful study of pay television broadcasting persuades me that the assignment of a segment of the television spectrum to a subscription service will merely increase viewers' costs and broadcasters' profits without producing any long-term improvement in programing. Merely because pay television would collect new revenues it does not follow, as its proponents predict, that it would produce programs of better quality. Actually, there is no dearth of programing resources, whether financial, technical, or artistic. Present-day television is capable of presenting superlative programs, and sometimes does. All that is needed is producer confidence in the validity of the public taste. But pay television cannot be expected to devote itself exclusively or extensively to artistic or cultural programs. It may reasonably be expected that pay television, much like present day commercial television, will be subject to the same pressures to cater to the mass audience for maximum profit.

In precisely the same vein, the authors of the Fourth Report now conclude that the present "reality is that the major part of the subscription television programing, as opponents had argued will be of the kind that will appeal to a mass audience." (Fourth Report, para. 56.)

I note that during the first 2 years of the Hartford trial, feature films constituted 86.5 percent of all television programing; "special entertainment such as operas, ballets, concerts and recitals constituted 5.5 percent; and educational features, viewed by only a handful of subscribers constituted only 3.2 percent of the total."

Pay TV will again appeal to the lowest common denominator. If adopted, I predict it would become as former Chairman Minow said, a second "vast wasteland."

I applaud the application of free enterprise to free TV. Free TV in nongovernmental hands is superior to any other system. There is no suggestion anywhere, I hope, which says the TV chains or networks or the separate stations must act as eleemosynary or philanthropic enterprises.

Nor is there any edict anywhere that their profits must constantly reach skyward without any restraints or limitations whatsoever. They have a monopoly—limited in a sense—yet a monopoly of the air waves.

But as recommended in the FCC's fourth report there is to be no limit on profits for pay TV. It is well to remember that even the