

One of the problems that I think perhaps drives people to being receptive toward pay TV is the fact that in certain areas events are blacked out.

The witness I asked said, and he represented on of the biggest networks, there might be antitrust action lie if the networks agreed not to have blackouts in certain areas in which sports events are occurring. He said that competition was fierce, as I recall his words, and if all three networks, the three largest networks, got together and agreed that they would not submit to blackouts in any given area even though the participant in the sports event, a fight or football game or something like that, asked for it in their contract, and I know you are an expert in this field and, of course, it will be a curbstone opinion and I will not hold you to it, do you think that antitrust action could lie when this is not a restraint of trade but rather a broadening of trade?

Mr. CELLER. Technically and on principle it is a violation of the antitrust laws for the networks to get together and to do just that but I doubt very much whether the Department of Justice would prosecute under those circumstances.

It would be a simple matter for the networks to make arrangements with the Department of Justice, the Antitrust Division, and get immunization for those particular acts because they are worthwhile and they are really in the public interest.

That has often been done in other lines of endeavor. Thus, there would be no danger at all, I am quite positive of that, of any prosecution of the antitrust laws under such circumstances.

Mr. MACDONALD. I am glad to have you say that because that is what I thought, myself.

The second and last question is this. We had a bit of a run-in about the copyright problems on the floor, if you recall, on CATV. I was wondering if you could elucidate further about that.

Do you think that CATV has changed the acceptance of pay TV?

Mr. CELLER. When we had the copyright bill up we eliminated all provisions concerning CATV, awaiting further developments in CATV.

What I have said this morning has nothing to do with CATV. CATV is quite essential in certain areas of the country which can't get reception at all because of the geography and nature and topography of the country. This has nothing to do with CATV. That is perfectly laudable.

Mr. MACDONALD. Thank you very much.

Mr. Kornegay.

Mr. KORNEGAY. Thank you, Mr. Chairman.

Mr. Celler, my colleague and good friend, it is certainly nice to have you before the committee. We appreciate your coming over and taking your time to express your views on this matter which, as you can understand, to the subcommittee is a very complicated and difficult sort of thing.

I noted your statement and observation that pay TV would be for the affluent, the wealthy of the country, to the disadvantage of lower income families.

Some of the testimony on the part of the pay TV people yesterday indicated that in the Hartford experiment 50 percent of the subscribers