Mr. ERLICK. Let me explain. Let us take the New York Giants, NFL football club.

Mr. MACDONALD. Let us talk about the world's series. That is the question I asked you about.

Mr. ERLICK. I have some specifics on that one; that is why I bring that up. Then we will talk about the world's series.

The restriction is 2 years, the FCC proposal. The Giants get $1,-750,000 a year now from free television rights. Twenty-eight million dollars a year, roughly, is what the league has paid. It is divided among the clubs equally, as I understand it, and the Giants would receive $1¾ million from free television. If the Giants elected not to make available their away schedule——

Mr. MACDONALD. Let us get back to the world's series.

Mr. ERLICK. I can show you economically how this is possible.

Mr. MACDONALD. Let us talk about the world's series because specifically in that fourth order and report, the world's series and that type of specific event, to use the language they use, can't be lost to commercial TV.

Mr. ERLICK. I believe it can. There is nothing which says it has to remain on free television.

Mr. MACDONALD. Specific events such as, and they name the world's series.

Mr. ERLICK. Not the way we read it, Mr. Chairman.

Mr. MACDONALD. Well, read it again.

In conclusion, you said that rates should be regulated for pay-TV.

Mr. ERLICK. I didn't say they should be. I said under the proposal there was nothing to prevent rate gouging.

Mr. MACDONALD. What would your position be if the FCC told ABC what rates they can charge?

Mr. ERLICK. We are not charging the public, Mr. Chairman. There is a difference.

Mr. MACDONALD. I know you aren't. You are charging the sponsors.

Mr. ERLICK. That is correct.

Mr. MACDONALD. What if the FCC got into that act?

Mr. ERLICK. I think they would have to get specific authorization from Congress to do so in either case.

Mr. MACDONALD. I yield at this point.

Mr. BROYHILL. Thank you, Mr. Chairman.

I really don't have a question but a comment and part question.

It seems to me we have here, among others, at least two basic issues. One, of course, is the argument whether or not the Federal Communications Commission has authority over this. As I interpret it, this committee has over the years felt the FCC didn't have any authority over pay-TV. Of course, there are varying opinions about that.

Then we have another issue as to whether or not subscription TV is in the public interest. You are maintaining it is not in the public interest. At the same time, you are saying if it is approved you are going to get into the business.

Mr. ERLICK. We may.

Mr. BROYHILL. This seems to be inconsistent. If it is not in the public interest, why are you going to be running to get into it?