

price we can pay for those events. For the reasons stated in the preceding sentence, that our ability to bid is limited by what we can reasonably expect to get back from advertisers. Their ability to bid is limited only by what the public can pay, what the traffic will bear as Congressman Celler said.

We think that what the traffic will bear from the public is greater than what we can get from this as an advertising medium. That is the assumption which is inherent here.

Mr. BROTZMAN. What you are really saying here is that there is a tremendous public demand for this because this is where their money would have to come from.

Mr. ERLICK. For these particular events; yes, sir. There is a great demand, no question about it, for these events.

Mr. BROTZMAN. When you say "these events", what are you alluding to?

Mr. ERLICK. Pro football, college football, world's series, outstanding movies, outstanding talent such as Sinatra, Bob Hope, and other people of this caliber. Yes; there is a great public demand for them. Now the public is getting it from free TV and they are not paying for it. The choice as I said a minute ago seems to be a rather illusory one as far as the public is concerned. The public would be faced with the choice of paying for the world's series or not seeing it at all and I don't think that is a very happy choice.

Mr. BROTZMAN. Thank you.

That is all I have, Mr. Chairman.

Mr. MACDONALD. Are there any further questions?

Thank you very much.

Mr. ERLICK. Thank you very much, Mr. Chairman and members of the committee.

Mr. MACDONALD. The next witness is from the National Association of Broadcasters.

STATEMENT OF DOUGLAS ANELLO, COUNSEL, NATIONAL ASSOCIATION OF BROADCASTERS

Mr. ANELLO. Mr. Chairman and members of the committee, my name is Douglas Anello, counsel of the National Association of Broadcasters.

Mr. Wasilewski, our president, had wanted to testify but, unfortunately, he is out of the city today and could not make it.

Before I start with Mr. Wasilewski's statement, I would like to clarify a point that was made between you and Mr. Erlick.

I refer to page 19 of the fourth report and order, paragraph 261. If I may, I would like to read the last sentence and I don't believe it is taken out of context:

"This means that if for a period of 2 years baseball games of the week were regularly broadcast by free TV in a community during the regular season and away games were not, STV could then show the latter but not the former. The same would be true for professional football."

If it is true that way, Mr. Chairman, I would say the reverse would be equally true, that if the home games were not shown but the away games were shown, then STV could bring the home games but not the away games. That is from page 261.