

Mr. ANELLO. Maybe the sponsor doesn't but you don't think that game could be broadcast on pay television in Phoenix and for free in Los Angeles. It would have to be one or the other across the board.

Now, if the Red Sox or if the pay television entrepreneurs want to string a wire from Fenway Park into the local theater or into your home or into New York, that would be a horse of a different color. Even there you would still be siphoning off the game. But we are talking here about the use of broadcast frequencies, frequencies that are to be used by all the people to the greatest extent possible.

Mr. MACDONALD. That is right; in the public interest.

Mr. ANELLO. Precisely.

Mr. MACDONALD. And for free.

Mr. ANELLO. We feel that for free is in the public interest. That is our position.

Mr. MACDONALD. If I want to pay a station in Boston that is using a free airway, how much do you suppose it would cost me?

Mr. ANELLO. Depending on which one, maybe \$12 or \$15.

Mr. MACDONALD. How come the people who have been given these frequencies have the right to have that amount of money coming to them when it is something that they are doing allegedly in the public interest?

Mr. ANELLO. I do not think that the public interest and eleemosynary institutions are necessarily synonymous. I think you can serve the public interest by making money. The automobile manufacturers make money. They still serve the public in providing transportation. The telephone company makes money; it serves the public by providing telephone service.

Mr. MACDONALD. But they are regulated. They are a utility.

Mr. ANELLO. That is because they have a monopoly.

Mr. MACDONALD. How many networks are there?

Mr. ANELLO. There are only three networks today but there may be a fourth or there may be a fifth in the future as we get more UHF stations on the air.

If any monopoly exists, it is not because of the lack of frequencies, Mr. Chairman. There are plenty of frequencies there for an expansion of free television service. In Washington, look how many we have now. We have four VHF stations; we have three UHF stations. You can also receive Baltimore in a good many portions of the city. Why you get a high price for a station is a combination of circumstances:

One, many of these people were pioneers in the business. They started when all was not gold and glory in television. Up until around 1951, I think 1951 and 1952 was the last year when the industry showed a deficit, a lot of these people took it on the chin. Now, through their business ingenuity, through their programing, through their network affiliations, through their acceptance in the local community, they have built up a good business.

Mr. MACDONALD. Certainly I do not want to be argumentative with you, but, say, when TV was starting, what if the radio broadcasters created a great furor saying that if permitted, TV was going to ruin radio. Isn't that somewhat synonymous?

Mr. ANELLO. I don't think so, Mr. Chairman. There is one very substantial difference. When television came along the pike, there were no television sets. People had to start from scratch with a television