

**C. Pay-TV Excludes the Lowest
Income Levels - 30% of the
Population**

We have been provided with the following information as to the income level of subscribers:²⁴

<u>4633 HARTFORD SUBSCRIBERS</u>			
<u>Income Levels</u>	<u>Proportion of Total U. S. Families*</u>	<u>Proportion of Total Subscribers</u>	<u>Average Weekly Programs Expenditure</u>
0-\$3,999	29.1%	1.5%	\$0.99
\$4,000-\$6,999	32.5%	40.8%	1.25
\$7,000-\$9,999	21.0%	43.3%	1.23
\$10,000 and Over	17.7%	14.4%	1.18
Totals (rounded)	100.0%	100.0%	(avg.) \$1.22

*Statistical Abstract of the United States, 1964, Table No. 457, p. 338.

Unbelievable as it may seem, 4,633 subscribers are urged as establishing that Pay-TV is not limited to high income groups but primarily attracts middle income subscribers. If this is established by this data, then it also establishes an even more significant fact - that Pay-TV excludes the bottom 30% of the population. The proponents cavalierly dispose of this group with the comment that this segment "unfortunately does not provide a market for any goods and services beyond minimal shelter, food, clothing and medical care" (p. 22). This is the very group, however, that is dependent upon free television for its principal source of entertainment. To the extent that this group is incapable of providing a market for more than minimal needs, it is being subsidized by free television and it is least capable of absorbing any loss of this subsidy.

²⁴ Joint Comments of Zenith, et. al., p. 21.