

Between January 1, 1964, and September 29, 1966, the number of UHF stations increased from 88 to 115 and the number of VHF stations from 476 to 490. During the same period of time the number of construction permits increased from 30 VHF and 61 UHF to 28 VHF and 139 UHF. This phenomenal growth occurred without benefit of Pay-TV. It suggests that the principal problem confronting UHF television in 1964 was conversion and that the basic solution was contained in the enactment of the All-Channel Bill. The mere enactment of the Bill did not place UHF receivers in the hands of the public. As the months pass, however, and old sets are replaced by sets capable of receiving UHF, the interest in the construction of new UHF stations increases and this is reflected in the foregoing statistics.

2. The Pay-TV System Which Proponents  
Allege Will Assist In The Development  
Of New Stations Is A Successful System,  
The System Of Their Projections, And  
Not The Failure That They Produced  
In Hartford

Zenith's review of television allocations was for the purposes of establishing a need for additional programs and revenue, a need which allegedly will be met by Pay-TV.

The Pay-TV which will meet this need is not the Pay-TV of the Hartford test — the Pay-TV which had less than 5,000 subscribers, a 0.6% penetration, in three years — but a successful system with a minimum of 20,000 subscribers and including 40,000, 75,000 and 100,000 subscribers (p. 27, 35) and a penetration characterized "conservatively" as a minimum of 10% (p. 35) and ranging up to 50%.