

VI. THE COMMISSION SHOULD DEFER ACTION
UPON AUTHORIZATION OF A PAY-TV SYS-
TEM UNTIL THE IMPACT OF CATV UPON
THE PRESENT SYSTEM IS KNOWN

Throughout all of its consideration of the possible authorization of Pay-TV, the Commission has adhered to one fundamental principle -- that any action authorizing Pay-TV would be taken only if it were clear that the result would be at least to preserve the traditional free television system in the United States, or, indeed, possibly even to strengthen it. The Commission's manifest position on this subject needs no reiteration. Its deliberations during the years preceding the present consideration of the subject have been devoted largely to efforts to ascertain whether a Pay-TV system could come into being without depriving the American public of the free television service on which it relies.

The Joint Committee respectfully urges that at the present moment in time the Commission is in a poorer position to make any determination with respect to that all important matter than it has been at any time since it first engaged in formal consideration of Pay-TV. The essential reason for the inability to determine at this time whether the authorization of Pay-TV would result in serious harm to the free television system is because the free television system faces a clear threat from the rapid growth of CATV. That threat, the result of which cannot be predicted at this time, may so effect free television that the additional impact of Pay-TV could constitute a mortal blow. At the very least, the Commission, the industry, and the public must acquire additional information from the operation and growth of CATV under recently adopted Commission regulation and possible Congressional action before any reasonable judgment can be made concerning the ultimate impact on the free television system or Pay-TV.