break-even point among different product groups must come from differences in the values of the remaining terms. Hence, a higher value of either $f_i(Y)$ or a_i will lower the break-even point, while a higher value of α_i will raise it.

TABLE II

The Values of α_i and a_i for all Product Groups in 1963

	Percentage programmes sponsored by product group.	Television advertising expenditure per dollar of consumer spending.
	α_i.	a_i, cents.
Food	0·26	0·68
Automobile	0·06	0·29
Tobacco	0·08	2·88
House furnishings and equipment	0·04	0·49
Alcoholic beverages	0·05	1·90
Clothing and related materials	0·02	0·12
Household operations	0·12	1·29
Medical care	0·12	1·16
Personal care	0·16	3·53
Recreation and transport	0·02	0·22
Others	0·07	0·19

Source: See Table I.

That is, the relative size of the net subsidy to a family is significantly affected by the slope of $f_i(Y)$.

The aggregate net subsidy for all families in a given income bracket for a given product group can be obtained as follows:

$$S_{ij} = \int_a^b [C\{\alpha_i g(Y)\} - a_i f_i(Y)] \phi(Y)\, dY \quad . \quad . \quad (3.11)$$

where the jth income bracket covers all families with income of from a to b, and $\phi(Y)$ denotes the distribution of families as a function of income.

Similarly, the aggregate net subsidy for a given income group can be computed for all product groups combined,

$$\sum_{i=1}^{n} S_{ij} = \sum_{i=1}^{n} \int_a^b [C\{\alpha_i g(Y)\} - a_i f_i(Y)] \phi(Y)\, dY \quad . \quad (3.21)$$

The Estimation Results and Interpretations

Net subsidies have been computed for two hypothetical families, one with a disposable personal income of $3,000 and the other with $10,000. The results are presented in Table III.

In 1963 a family with an income of $3,000 viewed television programmes valued at $34·21, while paying an equivalent of only $21·20 in higher prices for advertised products. This leaves a net subsidy *received* on all product groups of $13·01, or 38% of the benefits received. The comparable figures