

Mr. BROWN. You don't think that somebody would keep their evening hours free and sell them to Schick to sponsor the boxing matches?

Mr. LINDOW. He would not get the boxing matches. The pay TV stations would outbid him.

Mr. BROWN. I submit that some stations in New York, perhaps more than just one, are going to say those hours are going to be free, there will be a lot of people watching and those people will sell the Metropolitan Transit Authority or somebody else because those viewing are the guys that ride to work on the subway and those are the ones some advertiser will want to get. It is the same reason that not everybody advertises in the Wall Street Journal, in Life or Esquire or in subway cars.

Mr. GOLDBERG. That is assuming the advertiser wants to reach the bottom economic third of the people in New York City who can't afford pay television.

Mr. BROWN. Those people do spend money and do buy things commercially.

Mr. LINDOW. The advertiser does not want to be cut out from that very important middle-class market.

You mentioned you are in the newspaper business. You know your circulation. If it were just limited to that lower segment, it would not be as attractive to the purchaser of advertising.

Mr. BROWN. I will tell you what market he is looking for if you tell me what he is selling.

Mr. LINDOW. That is true. I am talking about the mass commodities that appeal to the mass of people in all income brackets.

Mr. BROWN. They don't want to be cut out of that lower third, either. So they will put a little money into free television.

Mr. LINDOW. Maybe they will put more in the newspaper.

Mr. MACDONALD. Thank you very much.

In conclusion, I would just like to correct two things.

I don't have a cabin. It is a house.

Secondly, I would think that the strongest argument you make against yourself is the fact that you say that all these poor underprivileged people who can't afford pay TV are going to go to pay TV, because if your programs are that bad, to paraphrase an advertisement, you must be doing something wrong, because people are not going to pay for a program that is good if they don't have to pay for it unless they are willing to pay for it.

I would think the networks, and I know you don't represent the networks and perhaps you are not the proper person to say it to, but there must be something being done wrong on TV, and I guess radio, that irritates people enough that they are willing to pay for what they are getting free now. When you say that you fear this pay TV will just spread like wildfire—I forget the exact words you used but they had that connotation—then you don't have much faith in what you are doing, yourself.

I should think that the network broadcasters would try to upgrade what they are doing if they are afraid of pay TV. I think if they came up with a comparable type of entertainment that would be successful, it is just the law of human nature that nobody is ready to pay for something that they can get for nothing unless what they are getting