

improve their status we have to give them better things. So they will have to go to pay TV to get those if they are denied them because we don't have the financial basis to provide the sort of thing we are providing now, and we hope to improve.

Mr. MACDONALD. I don't think the networks have been losing money lately.

Mr. LINDOW. No; they are not. Believe me, they are not. We are not talking about this year or next year. We are talking about the ultimate effect; what happens if pay TV succeeds, not if it fails. As I said before, if it fails, we might as well all go home and forget about it, if we agree it is going to fail.

Mr. BROWN. I hasten to point out that soap operas got their name from their sponsors and not from their content, and a whole generation grew up on free radio sponsored by soap companies and some others. I happen not to find not too much fault with that. I don't find too much fault with the fact that sponsors ought to be allowed to sponsor things to be made available to the public free. What I am trying to suggest is a combination of these things rather than resist a technological possibility and development that is here.

Now, I am wondering whether CBS' attitude will change if they can come up with a patent possibility that will make a pay TV system available—maybe they have it; I don't know—but I wondered if their attitude would change if they had to pay money to somebody else.

Mr. LINDOW. I don't know, either.

Mr. BROWN. Second-hand programs, "Our Miss Brooks," and some of those things are still floating around on free TV. I prefer not to watch them because I have seen them three or four times before. Some of my kids are delighted with them and I think they are good entertainment for children.

Mr. LINDOW. My point on that, sir, was that they would be even more second hand, if possible, before they would become available because pay TV would have wrung every nickel out of them at the box office before we got them. We know you can play a program a number of times and still command a good audience.

Mr. BROWN. That is a matter of viewpoint.

I think the gentleman who preceded you, if he had leaned on what his real interest was rather than picking an argument out of the air, he would have been able to establish that there are a lot of people who pay box office to see it when it is first run but there are a lot of people who will wait and see it when it is free.

I don't think we are raising a question here as to whether you are going to see good stuff on pay TV and rotten stuff on free TV. I think you are raising a question as to when you will see it.

If you want to see the world series ball game right now, you may watch it on free TV. If you don't have time to see the game until next weekend, you may watch it on pay TV. They are doing this with sports right now. If I want to go to the Firestone open when it is played, I can go to Akron.

Mr. LINDOW. Under the Commission's rules, those could be siphoned off right now and they would not have to wait 2 years or any length of time.

Mr. BROWN. I could spend the money to go see it or I could wait until it is on ABC's "Wide World of Sports." I do the latter because