$3,600,000. With two-thirds of this sum expected from theatrical exhibition, each picture will cost CBS $1,200,000. In the case of Pay-TV, it will require a net of 2,400,000 homes paying $1.50 each, which means a total of 4,800,000 Pay-TV homes to be able to afford this type of picture and with a star of the magnitude of Jack Lemmon, or Elizabeth Taylor, or Richard Burton; 4,80,000 homes means almost a 10% Pay-TV penetration.

In light of these incontrovertible figures, could the opponents still honestly and seriously assert that Pay-TV will at any time be able to outbid conventional TV for programs and talent?

The situation might have been different 20 years ago at the inception of TV in this country. If Pay-TV and conventional TV would have had an equal starting chance—20 years ago—the situation might have been different. Today—given every opportunity, and even without any FCC proposed restrictions, Pay-TV would only be able to grow slowly and painfully into a *supplemental* service.

Now, let's deal with the *pre-emption* of air-time. The question is: *Will STV encroach upon conventional airtime to the detriment of the public?* Certainly *NO!* Affluent, prosperous VHF or UHF stations will not go into Pay-TV with all its headaches. It is the independent UHF operator who in the struggle for survival in VHF markets will turn to part-time Pay-TV, in order to *minimize his losses.* Teleglobe estimates that he will have to find $2,500,000 to be able to reach break-even point with 20,000 subscribers. Let's take a *four-station* market, with all the stations in operation. Each station is on the air an average of, say, 16 hours a day, or 112 hours a week; the four stations are on the air for a weekly total of 448 hours. Pay-TV will enable the fifth independent to go on the air much earlier than he would do otherwise. Let's assume the independent will provide as much as 4-5 hours of Pay-TV programs daily. He is *not* taking away anything from conventional TV! The economic viability of his station as a result of part-time Pay-TV will enable him to provide ultimately a hundred or so hours a week. There is really little likelihood that he will be able to use more than half of the airtime for Pay-TV. The other half or, say, 50 hours a week will thus be a *net* addition to free or conventional airtime in the market. Pay-TV will thus *not* deprive the public of the amount of *free* airtime available at present. It will make possible maximum utilization of broadcast channels, at present still idle, or otherwise ineffectively used, in some cases nourished by sub-standard programs, of no benefit to the viewing public at large.

The low-income groups and Pay-TV

In their fear of the competitive element that Pay-TV can bring about, the opponents are assuming the role of the champion of the underdog, namely the underprivileged, low income classes—the 30% of viewing families—who, they claim, will not be able to afford Pay-TV. Let's explode this bogey as well. There are possibly many low-income families who cannot afford and will not be able to afford for years to come a color television set. It would certainly be a nice and generous gesture on the part of the networks to allocate a certain amount of their annual income to providing the low-income families with color television sets for *free.* After all, telecasters have waxed fat over so many years by using the natural resources belonging to the American public—the air frequencies. By the same token, some of the underprivileged 30% cannot afford to pay the sky-rocketing admission prices to the neighborhood motion picture theatres. Would it not be an excellent idea for the theatre owners to provide during certain hours in the day—prime evening hours included—*free* admission for members of the low-income groups?

It is the Teleglobe philosophy, largely shared by other Pay-TV proponents, that subscribers should never be charged more than the price of *one* single admission ticket to a neighborhood theatre. The average American family consists of 3½ persons. Pay-TV will enable the *entire* family, and often friends of the family, to watch a Pay-TV program at home for the price of only *one single* ticket. This will represent a substantial saving to a low-income family. The STV opponents are therefore not prompted by genuine sympathy for the underprivileged, but by a fully understandable desire to protect their vested interests.

As a matter of fact—it is the low income groups that stand to benefit a great deal from Pay-TV. They may be enabled to see via Pay-TV Broadway plays that may not be shown on advertiser-financed TV for ten years or so. Let's take for example a musical like Camelot. It played on Broadway some six years ago. One has to pay on Broadway anything between 15–20 dollars for a pair of seats; add cost of parking a car, and sometimes of a baby-sitter and perhaps of a supper