in town. This may mean an expenditure of \$25–30 an evening. Only a privileged minority can afford seeing "live" theatre. But nobody calls this *undemocratic.* Camelot is now—six years later—about to make its debut as a movie on Broadway and probably in selected theatres in major cities—at hard ticket prices, in the range of \$2.50–\$4 a seat. The selective presentations of the movie will attract a wider audience, but the hard ticket prices may still exclude possibly ¾ or more of the potential moviegoers. Does it not sound rather undemocratic? A couple of years later—dependent upon the picture's appeal—it will reach the screen in the neighborhood theatres, where the average charge is approximately \$1.50 a ticket. This creates an additional, much wider level of audiences. But the millions of TV viewers are still deprived of the opportunity to see it. Camelot—or the Man of La Mancha, or Fiddler on the Roof, or My Fair Lady—may not reach the home screen for 10 years or perhaps longer. Pay-TV on the other hand will make it possible for many—including the underprivileged segment— to view these outstanding Broadway attractions shortly after they reach the neighborhood theatres, and perhaps 3-5 years earlier than on advertiser-financed TV. The theatre, by the way, is not being deprived of its steady audience. Moreover, the young will always prefer to go to a neighborhood movie theatre than sit at home. Pay-TV creates a *new* audience level. And 3-5 years later the same Broadway attraction will come on for free on conventional television—with its *mass* audience level.

If STV is successful, then the ⅓ underprivileged will be able to sit at home and for \$2–\$3 for the entire family and friends see the Man of La Mancha, for \$1 or \$2 for the entire family, see legitimate Broadway plays and operas, for the price of \$1 for the entire family, see Off-Broadway productions, in short everything which is today unavailable for economic reasons, to the very segment of the population for whom the opponents are shedding crocodile tears.

Teleglobe supports the Fourth Report

Teleglobe is here to express its support of the Subscription Television Committee's recommendations to the FCC to authorize nationwide Pay-TV on a permanent basis, as outlined in the Fourth Report. The STV Committee declared that subscription television is in the public interest and benefit, and at the same time decided to impose certain restrictions in order to safeguard conventional or advertiser-financed television against siphoning of programs or pre-emption of airtime. We are of the opinion that conventional television does *not* need any safeguards, does *not* need any sheltering, does *not* need any coddling; it is too solidily entrenched to fear serious undermining of its position. We are, however, willing to accept the FCC proposed restrictions, perhaps with some minor modifications, if the FCC decides, in its wisdom, to make authorization of Pay-TV conditional upon such restrictions.

Let's examine some further objections raised by the opponents:

The opponents claim that there is no proven public demand which would justify FCC authorization of Pay-TV. There was no public demand for conventional television when it was introduced 20 years ago. There could have been no demonstrable demand for it since the public could hardly have visualized what it was all about. There was no public demand for ETV, or for FM, nor, for that matter, was there any public demand for radio when it was introduced some 40 years ago. It was the duty of the Commission placed as it was in charge of the Communications Act to foster all such new developments; it was the duty of the Commission to look ahead. *Looking ahead* remains the clear duty of the Commission; hence it has accordingly a duty to authorize nationwide Pay-TV *now.*

The opponents are afraid—on the one hand—of the success of nationwide Pay-TV; on the other hand they continue to assert that Hartford was a failure, that there is no demand for Pay-TV and that it will flop. Consequently, they are against FCC authorization. The FCC does not have to be assured beforehand of the success of a particular innovation. There was no guarantee in 1927 that Radio would be successful; there was no guarantee in 1947 that TV would succeed. The FCC allocated some 15 years ago frequencies in the UHF part of the spectrum; the majority of those frequencies remain unutilized and the bulk of the UHF stations that courageously started operations at that time failed. This did not prevent the FCC, aided by means of the All-Channel Set Law, from trying to revive UHF. And still—without part-time Pay-TV, many UHF stations may fail again. Teleglobe accordingly believes that the FCC will be derelict in its duty as guardian of the nation's airwaves if it were not at long last to open the door to Pay-TV *now.*

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