

nology who believe that such an integrated system will become the carrier, not only for television and radio as we now know them, but will take over the functions of the greater part of our present systems of print media and telephone services.

ADA has previously communicated to the FCC and to the Congress its concerns with the public-interest aspects of broadcasting policy; in 1955, ADA called for the development of audience-payment television as a new, independent system of public communications under common carrier utility regulations. ADA has consistently called for FCC and Congressional restrictions over the common ownership and control of the public media in our metropolitan markets, including newspapers, radio, TV, and CATV. ADA was among the first to support the reservation of educational channels, the all-channel receiver requirement to open up UHF, and, more recently, the establishment of a comprehensive system for public broadcasting.

ADA gives high priority to the development of audience-payment television as a precursor of many new communications services which will become feasible when a public payment system becomes available. Under forward-looking and wise public policies, such public payment systems can finance a vast new range of diversified information, educational, commercial, and cultural services which cannot be financed by the economics of mass advertising. These new services cannot be free to grow and compete in response to the needs and free choices of the public and business if they are to be organized only as "beneficial supplements" (to use the terminology of the Committee) to commercial broadcasting and networking, which must give paramount consideration to advertising revenues.

The U.S. now possesses all of the requisite technical and economic resources for such an integrated on-the-air and cable system. Within a comparatively brief time-span, such a system will be established for the public distribution and sale of news, entertainment, education, data processing and retail services; the services will be "live" or "dialed" from central exchanges to "libraries" of information and cultural resources. Subscribers may rent receiving and sending instruments for audio-video, facsimile, printing, or computer terminals; there will be "electronic editions" of our newspapers, magazines, and books. The equipment may be used live, or programmed to make recordings for future reference. The rapidly expanding demands of the public and business for these services will require the most efficient, integrated use of on-air transmission by existing stations, microwave and laser interconnections, relay satellites, plus high-capacity cable like CATV which will soon interconnect nearly every home, place of business, and institution in the United States, precisely as the telephone system now functions.

The over-riding criterion of public policy for this full-service national system is that it be made available at reasonable and equitable rates and conditions to all who wish to distribute or market communications services to the public, whether for direct public payment or for sponsor or advertiser payment. It is incompatible with this criterion that carrier stations, interconnecting networks, and cable systems, which are temporarily in short or monopoly supply, exercise unilateral privileges to control public access to the system by media and services, and offer competition with their own services. It would be equally opposed to the public interest if these carriers be permitted to fix rates and terms at will contrary to constitutional safeguards of free press and free competition which have been historically applied to all other carriers of public communications, including the telephone and telegraph systems, the postal system, goods carriers, and even the motion picture industry.

SUMMARY OF ARGUMENT

The establishment of public policies to inaugurate a new national system of direct public payment television and other feasible electronic services can be regarded in either of two ways: as a set of minimum modifications and adaptations to accommodate present broadcast services unchanged, or as a framework for a new yet clearly projectable public communications system to meet the needs of the immediate future.

The report of the STV Committee has chosen the first alternative, with little or no recognition of the requirements and safeguards for our needs of the future. In fact, two far-ranging studies of future U.S. requirements for electronic communications have been ignored; one, by the President's Commission on Telecommunications; the second by the Federal Communications Commission itself.

ADA submits that the adoption of the Committee's recommendations for a new direct public payment system owned and operated by the present commercial system would be irresponsible. It would foreclose the rights of the Congress,