

Exclusive technical system controls can also be instruments of restraint over network affiliations other than on the competitive merits of programming and services. This provision is one of many in the Committee's Report that strongly suggests that the entire rule-making is premature. It appears to be a second phase of highly restricted STV market-testing rather than a wisely conceived, national system.

CONCLUSION

In conclusion, ADA urges the FCC to avoid pre-emptive, premature, and unilateral action on policies which would establish guide-lines or precedents for any segment of direct public-payment mass electronic communications, on-the-air or by cable, until the findings of the FCC's own study and of the President's Commission on Telecommunications become available. We urge the FCC to re-study national requirements for public-payment, broad channel, electronic communications by the essential criteria of public interest. We urge the FCC to reject the premises of the Committee Report which would constitute a give-away of the public domain, of unmeasured and massive potentials for social usefulness and economic yield, to regressive and virtually unregulatable private interests.

Mr. MACDONALD. We will hear next from Mr. Thomas A. Banning, Jr., 5520 South Shore Drive, Chicago, Ill.

STATEMENT OF THOMAS A. BANNING, PATENT ATTORNEY, CHICAGO, ILL.

Mr. BANNING. Mr. Chairman and members of the subcommittee: I am pleased to be able to speak to you this morning on this subject but I am not going to talk about baseball games or football games or details of that kind. I am going to talk about pay television in its broader aspect.

In the first place, I will introduce myself by reading the first paragraph of this monograph which has been passed around.

My name is Thomas A. Banning. My address is 5520 South Shore Drive, Chicago, Ill. By profession, I am an attorney specializing in patent practice, as I have done since 1910. Before commencing my legal education, I earned my undergraduate degree in electrical engineering and throughout my career I have followed the developments in the fields of communications and electronics.

I presume to read that because, as an individual not connected with any of the conventional organizations that are presenting themselves either for or against pay TV, I view the matter not only from my own standpoint but from that of the public.

Now, in the first place, what is pay TV? We have been brought up to believe for the last 15 years that pay TV is something that is bad, something that the public is not going to benefit from, something that is going to be exclusively for a very small percentage of the viewing public and therefore in the nature of a monopoly that will not benefit either the viewing public or television industry as such. You give the dog a bad name and that dog will operate badly.

I am going to give pay television a good name. I am going to show you a pay television operation which is free to the public. In other words, when the pay program is put on the air not only the subscribers who pay a fee of a dollar or \$2 or \$3 or whatever it may be for that program, are going to be able to get it but every member of the public within viewing range, receiving range, of the broadcasting station is going to receive that same program in just as fine a quality as is going to be received by the subscriber.