

Thus, it is argued that the nonsubscribers to the system are being deprived, for the time and duration of the pay program, of reception of any program on that particular channel.

I am here to explain an alternative system of subscription or pay television, using that term in a broader and more correct sense. This alternative system makes it possible for a program broadcast on a single television transmission channel of standard width to be received in two satisfactory intelligible forms. One form is a color rendition available only for a charge and by the use of subscription equipment attached to a subscriber's receiver; the other form is black and white reception receivable on any conventional television set without any additional equipment.

At this point, I would like to inject that one of the changes or one of the modifications which has been extensively discussed by the FCC and those who have been talking about pay television up to this time is the fact that the system must be one, if possible, which does not necessitate the allocation of any new channel or does not include or does not require the enlargement of a presently allocated channel.

The system that I am proposing here and trying to enlighten you on does not require any of these changes whatsoever. Any broadcasting station in the city of Washington or in the State of Illinois or in the country that is equipped today to emit color signals can use this system without putting a single additional piece of equipment into their sending station with the exception of a simple switching operation which will enable them to discontinue temporarily during the sending of this special program, to discontinue the burst signals. Then when that program is completed, then the ordinary so-called commercial programs are back on the air, the attendant throws the switch back in again and color programs that are sent out can be received by anybody with a color receiver without pay for the duration of that commercial program or 10 others during the day.

In other words, this not only meets the requirements which were established and set forth in some of the modified rules of FCC governing pay television, it goes beyond those requirements.

Now at this point I want to emphasize that under this proposed system all nonsubscribers to the pay or subscription system are nevertheless able to receive not only the conventional programs which they are today receiving free, but also they may receive any and each of the special or pay or subscription programs in monochrome (black and white) and without pay or charge. This is an additional dividend which is offered to the public, which they will not and could not possibly receive under the scrambled type of operation.

Thus, I first call attention to the fact that we must dispel the misconception—widely held, I'll admit—that the use of any pay television system would deprive the public of the use of the channel in question, and above all would forbid the public from receiving that particular program.

Up until now whenever talk has been indulged in with reference to pay television, people have thrown up their hands in holy horror, why that is going to deprive 90 percent of the public of that particular very fine program. It is not, under this arrangement.

The pay system which I am now proposing and discussing has no such limitation or handicap. Under this new system, which may per-