

of any receiver, either monochrome or color, in the hands of nonsubscribers to the service. All such receivers will be able to receive the social pay program without pay or charge operation, but in monochrome.

3. This proposed system does not require any change or modification of the internal circuitry of the color receivers used by the subscribers to the service; neither does the use of this system require any connection into the circuitry of such receiver other than connection to existing external terminals.

4. The operations by which the system is made available are extremely simple in themselves.

I will then conclude by simply saying this, that I am not here to urge the adoption or rejection of any particular system of pay television. I think that the good American system of selling those questions in the marketplace should be available.

All I ask is that any rules or statutory enactments that may be made, I would like to see them such that they would not forbid this type of operation as well as allowing those.

I thank you very much.

(Mr. Banning's prepared statement follows:)

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

Gentlemen, my name is Thomas A. Banning. My address is 5520 South Shore Drive, Chicago, Illinois. 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 am not appearing on behalf of any client. In addition to my work for clients in highly technical fields I have myself been the inventor of a number of devices and methods in electrical and mechanical fields and my various inventions are covered by approximately 70 patents issued by the Patent Office. Eight of those patents issued to me are in the field of television and additional developments by me are covered by a number of pending patent applications. I am appearing before you to explain certain of my developments in the field of subscription or pay television which are particularly relevant to the hearings you are now conducting. While I am appearing on behalf of myself, I feel that in a very true sense I am appearing for the benefit of the public in general. This is because I hope to show that developments of mine, if permitted to be put into practice in television broadcasting, will have substantial and far reaching benefits for the public, which might not otherwise be made available to them.

The Communications and Power Subcommittee is presently holding hearings on the subject of pay television and whether authorization of pay television would be in the public interest. Fears have been expressed from very respectable sources that subscription television would substantially interfere with the quantity and quality of television broadcasting which would otherwise be available to the public without charge.

Last week the Federal Communications Commission heard oral arguments regarding the proposed establishment of over-the-air subscription television service for the nation, and proposed rules governing such service. Those proposals included various provisions designed as safeguards against diminution in the quantity and quality of free television programming available. Various opponents of subscription television have maintained that proposed safeguards would be insufficient and ineffective.

I have requested this opportunity to appear before the Subcommittee because the debate in the past between the advocates and the opponents of subscription television has been proceeding on the basis of an erroneous assumption. That erroneous assumption is that whenever a television broadcast transmission channel is used for subscription television service, such channel in the reception area of the transmitter would necessarily be unavailable for the