

You have heard from many of these opponents during the past week and almost without exception they have represented a vested interest in the existing system. The opponents are easily identified. They are the networks, the network-affiliated broadcasters, and the theater owners. They are so content with the existing system, and the huge profits they are reaping, that they don't want to give me and other UHF broadcasters a chance to compete.

The principal argument advanced against subscription television is that somehow or other it will result in program siphoning so that people will have to pay for what they now see "free."

I might add that there is a form of economic siphoning going on right now with the networks and the stations outbidding me by many thousands of dollars, for example, for the movies that are approximately 2 to 3 years old. It is impossible for me to compete in the economic market in buying this type of programing.

One opponent said that once people pay to see a program, they will never again have the opportunity to see it free. The fact is once people have seen a program free they will never pay for it, and there is no possible chance that subscription television will succeed if it attempts to charge the public for the type of programs presently available on the so-called free system.

The FCC has gone to great length to devise restrictions on subscription television designed to prevent program siphoning. In my opinion, these restraints are unnecessary, since the economics of the marketplace will achieve the same objectives. Those of us who are interested in subscription television see it as an opportunity to provide the public with a supplement to the programing made available by the networks, and we know that unless we offer something truly new and distinctively different from what is available on the networks, we are doomed to an early failure.

Remember that under the Commission's proposal, whenever a station is offering a subscription program, it will do so in competition with the three networks at the very same time and in the very same market. How, then, can subscription television possibly succeed under such adverse competitive circumstances unless it is offering something genuinely different from what the networks are providing?

Representatives of the networks who have appeared before you have attempted to justify the many commercial interruptions which occur on their programs by saying that the income derived from these commercials is necessary to support the 25 percent of their programing devoted to news and public affairs. What I would like to know is how our station in Atlanta under the present system will ever be able to finance the type of news and public affairs programing oriented to the Atlanta community which I think the people in Atlanta deserve?

If we are able to broadcast subscription programs part of the day, I am confident we can do this at a profit, which will enable us to continually improve the balance of our program day when we are operating conventionally—and, in particular, to develop the very best in news and public affairs programing of special interest to the Atlanta community.

Gentlemen, I have talked only about Atlanta because this is the only market in which we are on the air. However, what I have said as a UHF broadcaster struggling to compete in the Atlanta market against