9. Over the eleven-year period since the filing of Telemeter's original comments, numerous changes and improvements have evolved, both in the technical system offered by Telemeter, and in the business and economic patterns in which subscription television may be expected to operate. The comments to follow may thus be at variance in some particulars with those filed in 1955. Telemeter requests the Commission to take notice of the matters and facts set forth in its earlier comments and filings, much of which remains valid. To the extent, however, that the earlier comments vary from those now filed, the latter should, of course, prevail.

10. The background of Telemeter in the pay television field has been amply documented in the submissions cited above and need not be here detailed. Briefly, however, Telemeter has been engaged in research and development in the subscription television field for seventeen years, has had five years of extensive field experience in commercial operation of its closed-circuit subscription television system and has had five years of experimental operation of its broadcast system. As will be evident from the following comments, Telemeter, as a result of its research and development, and of its operating experience, has arrived at several basic changes in its approach to the institution of widespread subscription television operations.

III. DESCRIPTION OF TELEMETER'S SYSTEM

11. The technical submission of June 17, 1966, contains a detailed description of the Telemeter system operation. For convenience, however, a brief summary is included here.

A. The "Cash or Credit" Decoder.

12. Although Telemeter originally proposed a cash system only, one of the results of Telemeter's five-year field test in a Toronto, Canada, suburb (Etobicoke) was the decision to develop a combined cash and credit subscription television system. As part of the Toronto operation, the company conducted a credit experiment in which a number of customers, some of whom had previously had cash units, were equipped with credit, or billing, units. On the basis of comparisons of gross income, customer reaction, preference and convenience, and other considerations, Telemeter ascertained that there is a sufficient requirement on the part of certain segments of the public for a credit unit to warrant development of a compatible cash and credit system.