

31. To the contrary, if subscription television is to be successful, it will be because the vastly larger economic base provided thereby will enable its owners to bring to the public unusual and superior attractions which can never be provided by advertiser-sponsored television because of their prohibitive costs. Sponsored television—even with the giants of industry as its clients—cannot afford, *on a regular basis*, to bring current feature pictures to the viewer. Sponsored television cannot afford regularly to purchase the rights to otherwise blacked-out major sporting events. Sponsored television cannot afford, on a regular basis, to bring many of the outstanding events to the viewing public which subscription television can do with comparative economic ease.

32. Yet, those who are entrenched in other entertainment media with whom subscription television would to some extent compete, including the networks and many broadcasters, persist in the vocal but invalid contention that subscription television will require the public to pay for what it now receives “free”;¹ that existing television programming will be “syphoned off” to subscription television; and that motion picture theatres will close and dire monopolistic consequences will follow. Telemeter’s answer to these contentions is the same as it was in 1955. All that subscription television seeks is a chance to compete openly in the market place. If subscription television offers to the public, at a price, no more than it now receives “free,” it will fail. Telemeter seeks only a chance to succeed or fail. It believes that it will succeed and that the viewing public will be the benefactor of its success.

B. The “Monopoly Strawman.”

33. Like the reports of Mark Twain’s death, the fears of monopoly in subscription television are “greatly exaggerated.” Subscription television, as an industry, does not yet exist. Indeed, there is but one subscription television system in operation in the United States today—and the subscribers to this system represent a small minority in their community. This small minority spends less than five percent of its total viewing time watching subscription television programs. Is this the monster which is to steal talent, close theatres, and destroy “free” television? Telemeter believes that the Commission has recognized it is not as is evidenced by its findings in paragraphs

¹ As Telemeter’s 1955 Comments discuss in great detail, existing television programming is not “free.” The public pays for it through consumer purchases of advertised products. The amount expended for advertising is reflected in the purchase price of the product.