

VI. COMMENTS ON SPECIFIC QUESTIONS RAISED BY THE NOTICE

- (1) **Should Subscription Television Be Limited to Communities Receiving a Minimum Number of Television Signals . . . or Whether It Should Not Be So Limited but Should, in Communities Not Lying Within Four Commercial Grade A Contours Be Restricted to a More Limited Scope, Especially as to Hours of Operation, Than in Four-Service Communities?**

45. Telemeter urges the Commission not to limit subscription television to communities receiving a minimum or specified number of Grade A signals. If it is to have a reasonable chance to succeed, subscription television must not be hamstrung by artificial and arbitrary restrictions. Telemeter believes that the new service has a tremendous potential which may find expression and usefulness under varying circumstances in different sized and types of communities. Indeed, as Zenith pointed out in its March 10, 1965, petition, subscription television has the potential of "generating the construction of new stations" and this could develop in small, underserved markets as well as in the larger markets. Subscription television could well provide the economic sustenance to support a station which might otherwise not be built in a marginal community.

46. On the other hand, in communities where three network stations and possibly strong non-network affiliated stations flourish, subscription television could well provide the necessary economic basis needed to develop a viable UHF competitor. Particularly is this so in the case of Telemeter's system, where its decoder unit acts as a UHF converter as well as subscription decoder, thus enabling every VHF-only set to receive UHF signals. In short, the nature of the community in which subscription television is permitted should not be controlled by rule but should, at most, be determined on an *ad hoc* basis in light of all of the factors involved in each particular situation.

- (2) (a) **Should Stations Engaged in Subscription Television Broadcasting Be Required To Broadcast a Minimum Number of Hours of Conventional Television Daily? If So, How Many Hours?**

- (b) **Should Subscription Television Be Restricted to Certain Segments of the Broadcast Day and, if So, What Segments?**

- (c) **Should a Maximum or Minimum Number of Hours of Subscription Television Per Day or Week Be Specified?**

47. Telemeter agrees with the Commission's proposed rule (Section 73.643[c]), providing that any television station authorized to broadcast subscription programs shall broadcast, in addition to its subscription broadcasts, the minimum hours of programs required by