

one hundred markets will provide the likely outlets for subscription television. There would appear to be no sound reason, however, for foreclosing subscription operations by VHF facilities in the limited number of markets where such usage might be made.

(4) Should More Than One Station Be Permitted To Engage in Subscription Television in Any Market and, if So, Should These Stations Be Permitted To Transmit Subscription Television Simultaneously?

50. Subscription television will not necessarily mean less "free" television. As we have indicated, subscription television has the potential for creating new television stations and causing marginal ones to become viable. Moreover, it will encourage and support UHF growth and development. Competition as between subscription stations in a given market should result in improved program service for the public not only from the subscription television stations but from the conventional stations as well. Both Telemeter and Zenith have pointed out the importance of encouraging competition in the subscription television field. But the decision as to whether to allow multiple station subscription television operations in a given market is a complex one, and should be decided on a case-by-case basis—at least until some pattern emerges.

51. On the other hand, closed-circuit subscription television systems do not use up allocations, and are clearly an additive service, so there is no reason for restricting them in any event.

(5) Should More Than One Subscription Television Technical System Be Authorized and, if So, Should More Than One Technical System Be Authorized To Operate in Any One Community?

52. Telemeter believes that it is premature to authorize one system. If this were a purely technical question, the answer might be simple. However, the question of whether to allow one technical system at this time goes to the heart of the commercial organization of subscription television. The advantage which has been given for fixing on one technical system is that the public would be required to have only one decoder in each home. But who is to control this decoder? If it is to be a broadcaster, how is he to be compelled to encourage the competitive programming of another broadcaster? If it is not to be a broadcaster, how are we to expect a businessman to invest in tens of thousands of decoders without any guarantee that anyone will program for them or broadcast to them?

53. As we have attempted to point out in earlier portions of these comments, Telemeter believes that broadcasters, decoder owners and