

to draft technical rules designed to accommodate the multiple standards and devices embodied in the differing systems. The rules or technical standards to be adopted by the Commission should be broad and flexible so as to permit the use of all systems seriously advanced.

(9) Whether and to What Extent the Commission Should Regulate the Charges, Terms and Conditions Pursuant to Which Subscription Television Service Will Be Offered the Public?

59. In its previous comments, Telemeter has urged that the Commission has no authority over the prices of subscription television programs. Similarly, and particularly since the Commission has determined that subscription television is "broadcasting," it is Telemeter's contention that the Commission has no authority over the price or terms of the service supplied to the subscriber.¹ Furthermore, since subscription television furnishes "box-office" attractions, it should enjoy the same freedom in pricing these attractions that other "box-office" entrepreneurs enjoy. As a practical and legal matter, it is difficult to envision any other arrangement.

60. We might add in this regard that Telemeter has consistently opposed the broadcast of commercials during subscription programs (and such a restriction is contained in the Telemeter franchise agreement) other than the announcements of available subscription programs and rates, similar to trailers of coming attractions shown in motion picture theatres.

(10) Whether a Subscription Licensee Should Be Required To Furnish Service to All Persons Within Its Service Area Who Desire It?

61. Telemeter agrees that all persons desiring subscription service should receive it, provided only that the franchisee must be free to terminate service for non-payment of subscription fees or for irresponsible or unauthorized damage to or use of the decoder equipment leased to the subscriber. Telemeter would, of course, want the right to extend credit to certain customers who will be equipped with credit units, and to equip customers who do not qualify for credit operation with cash units.

¹ Rate regulation and the prescription of terms of service have traditionally and legally been limited to the common carrier and public utility fields. See Section 3(h) of the Communications Act of 1934, as amended, to the effect that broadcasting shall not be deemed common carriage.