

(b) The provision at low cost to the public of a purely additive service which takes no spectrum space whatsoever from other uses.

(c) The provision of subscription television service at a significantly low investment above and beyond the already existing investment in CATV plant.

85. The Commission in Docket No. 15971, has under consideration the question of whether CATV systems should be allowed to originate programming. It is natural to suppose that the question of whether CATV systems should be allowed to originate subscription television programming should be considered in the same context. However, the distinction between the origination of subscription programming and all other types of programming is so great, that an injustice may be done if the same considerations are applied to both. Therefore, Telemeter urges that the question of allowing CATV systems to originate subscription programming be considered separately in this Docket.

86. The origination of commercial programming on CATV systems presents obvious competitive problems, vis-a-vis commercial broadcast programming. The effect of such origination upon the continued existence of local broadcast stations would therefore be a prime consideration in any determination to be made. But these considerations do not operate in the case of subscription originations because as experience in experimental operations has shown, the viewing public devotes only about five percent of its viewing time to subscription television. Therefore, subscription television is not really competitive, viewer-wise, with commercial television, either closed-circuit or broadcast. Subscription television is a new entertainment medium which is not truly competitive with advertiser-sponsored mass media.

87. The opponents of subscription television have, of course, attempted to prevent its origination in any form. They have objected to subscription television via CATV because this might result in quality programs to the public at lower cost (the cable facilities being shared with the CATV operation). The assumption here is that somehow it is illegal to supply a quality product at lower cost! The opponents have also attempted to stifle subscription television on CATV because this might be the "back door" to the general institution of subscription television. If the public is going to receive the benefit of programming of superior quality at lower prices, it does not seem germane whether it enters by the front door or the back door. If, however, the opponents of subscription television would prefer, Telemeter would be happy to institute subscription television at the front door, as soon as the originators of these phrases explain what that is.