

Pathfinder

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Pay As You See?

Will television, like radio, ever pay its own way? If so, will advertising alone pay the bill?

Most TV promoters, frankly worried about the answers to both questions, began to take a long look last week at a startling report that was issued by The Faught Co., a New York firm of business consultants.

Its author, Millard C. Faught, an economist-statistician, spent six months on research and analysis and came up with a 110-page answer. Some of his conclusions:

- • TV cannot possibly cover the nation, as radio does now, if advertising alone is to pay the bill.

- • For real coverage, instead of the 94 existing stations, about 1,000 would be needed, plus 200 extra transmitters.

- • One thousand TV stations, with 40 hours a week of network programs and 30 hours of local shows, would cost \$1,740,352,500 a year.

- • To meet this huge advertising bill it would be necessary for total U.S. business to expand by about \$80 billion a year.

In a desperate effort to keep costs down, warned Faught, TV would be forced to sink to a level of "inadequate mediocrity." His alternative: put a "box office" on television sets and sell entertainment and education to the home. Significantly, the Federal Communications Commission, quite independently of Faught's study, last week set Jan. 16 as the date to start hearings on a number of pay-as-you-see television systems.