

1940

Cable brings television to small and medium sized communities without early 1950's television stations due to FCC's freeze on TV licenses.

1954

The FCC grants the first common carrier microwave construction permit to J. E. Belknap & Associates of Poplar Bluff, Missouri.

1956

The FCC issues its landmark opinion in *Frontier Broadcasting Company v. Collier* that CATV systems are not common carriers so the agency has no jurisdiction over them. (24 FCC 251)

1957

In *Pahoulis v. United States*, the U.S. Court of Appeals becomes the first federal court to affirm the master antenna concept as applied to CATV systems. It further holds that the federal excise tax on communications does not apply to CATV service and orders a refund to subscribers that eventually amounts to \$35 million. (242 F.2d 345 (3d Cir.), rev'g 143 F. Supp. 917 (W.D. Penn. 1956))

1958

The United States Tax Court rules in *Teleservice Company of Wyoming Valley v. Commissioner of Internal Revenue* that CATV systems cannot treat installation charges as contributions-in-the-aid-of-construction for federal tax purposes. This tax issue leads to the formation of the National Community Television Council.

The Staff Report of the Senate Committee of Interstate and Foreign Communications on the Problems of Television Service for Smaller Communities (the Cox Report) is released. This is the first Congressional investigation of CATV and it strongly criticizes the FCC for not seeking legislation to regulate CATV

1958

AT&T consent decree is issued restricting the phone company to common carrier service.

1959

The FCC issues its first official investigation of the CATV industry's impact on broadcasters. The ruling "found nothing that would justify us in taking action or seeking authority in which or under which we could act to bar CATV from coming into or continuing to operate in a particular market." (Inquiry into the Impact of Community Antenna Systems, Report and Order, 26 FCC 403)