

FCC Handles Its Hottest FM-TV Case

Free Speech Fight Won By N. Y. Daily News In Grants

(See story page 86 for N. Y. TV construction plans)

FCC HANDED DOWN its proposed decisions in the New York area television and FM cases last week, disclosing simultaneously that "a majority" rejected American Jewish Congress' bid to have the New York Daily News disqualified on grounds of racial bias in its newspaper columns.

The majority apparently rejected, also, the announced contentions of Comr. Clifford J. Durr that AJC evidence was "entitled to weight" and should be considered adversely to the News "in a competitive proceeding of this kind."

But the precise shades of Commission thinking on the question—one which observers have felt might lead to a broad policy declaration on whether newspaper content will or will not be considered in determining a newspaper's qualifications as a licensee—were withheld for disclosure in "separate opinions" to be issued "shortly."

Majority Action

The separate opinions, FCC said, will deal with the majority's action granting the motion filed by the News to strike AJC evidence from the record. Whether they will be concerned primarily with the merits of the particular charges in this case or will use the particular charges as a basis for a broader statement of policy was not indicated.

The News contended AJC's evidence not only was "unauthenticated, irresponsible and untruthful," but posed the "far more important" question of whether FCC believes it has power "to approve or disapprove the published opinions and statements of fact of applicants for broadcast licenses, and, in the case of disapproval, to deny applications."

In picking through the 17 FM applicants and proposing to grant five and deny the 12 others (only five channels are now available, 11 having been assigned previously and four being reserved), FCC employed considerations of "fair distribution" of radio service between geographic areas; extent of commercial programming; plans for emphasis on particular types of programming; seeming financial and other limitations; AM performance; FM promotion plans; and in one instance effects on competition between two newspaper applicants.

The decision anticipated grants to one New York independent station, one network, one labor group, one New Jersey AM station, and one newspaper. They are (frequencies to be assigned later):

WMCA Inc. (WMCA, independent)—10 kw effective radiated power, antenna

height 650 feet above average terrain. ABC (WJZ)—4.5 kw, 760 feet. Unity Broadcasting Corp. of New York (controlled by International Ladies Garment Workers Union, AFL)—5 kw; 815 feet. North Jersey Broadcasting Co. (WPAT Paterson, N. J.)—8 kw; 710 feet. News Syndicate Co. (Daily News)—17 kw; 530 feet.

[Comr. E. K. Jett favored a grant to WLIB Inc. (WLIB and New York Post) instead of Unity, but concurred in other proposals. Chairman Charles R. Denny concurred in proposed grants to WMCA, ABC, and WPAT but felt an additional channel should be assigned at Newark and that the fifth should go to WLIB. Comr. C. J. Durr favored a grant to Amalgamated Broadcasting System (Amalgamated Clothing Workers of America, CIO) instead of News Syndicate, concurring in other proposals. Comrs. Rosel H. Hyde and Ray C. Wakefield concurred in all five proposed grants. Comrs. Paul A. Walker and E. M. Webster did not participate.]

Distribution of Service

Choices in the television cases were based primarily on fair geographic distribution of service and prospects for "prompt" establishment of television operations. The proposed grants went to ABC, Channel 7; Bamberger Broadcasting Service (WOR), Channel 9; News Syndicate, Channel 11; and Bremer Broadcasting Corp. (WAAT Newark), Channel 13. If made final, the grants will fill all seven video channels presently allocated to the New York area since WCBS-TV, WNBT, and WABD are already in operation there.

A proposed denial went to Debs Memorial Radio Fund (WEVD), the lone remaining applicant (WLIB had applied, but withdrew after the hearing). Commissioner Durr contended the evidence presented by AJC against News Syndicate in the FM case should be considered in the television proceeding, as AJC requested, and therefore favored a grant to WEVD.

In deciding the television case, FCC concluded that at least one channel should be used in New

Jersey. This went to WAAT, the only New Jersey applicant, and left four New York applicants for three channels. WOR, ABC and the News were preferred over WEVD largely because they "have resources which, in our opinion, will better enable them to establish a prompt and satisfactory television service for the entire New York metropolitan area . . ." It was also noted that ABC and Bamberger have experimented extensively in television.

A longer process of elimination was necessary in the FM case. The Commission first decided that one channel should go to New Jersey, and that Paterson, which has no Class B station, was more deserving than Newark, which has one. WPAT, the only Paterson applicant, received the proposed grant over North Jersey Radio (WBYN Newark) and Radio Projects, the Newark applicants.

Other Applications

FCC next concluded that "the proposals of some of the applicants are less calculated to serve the public interest than are others":

(1) WBNX New York and WEVD because they devote considerable time to foreign language programs which are sold through "time brokers" and carry "an inordinately large number of commercial spot announcements," and, in the case of WBNX, because 96.9% of its evening time is commercial and its afternoon programs are interspersed with horse-race information;

(2) Peoples Radio Foundation, Radio Corp. of the Board of Missions and Church Extension of the Methodist Church, and, "to a lesser extent," NMMU Broadcasting Co., because they plan to "emphasize particular subject matters of interest to certain groups" (Peoples Radio, organized by persons "who believe that labor in the New York area does not receive fair treatment from existing radio stations," and NMMU, owned by National Maritime Union, CIO, would emphasize labor issues, while the Board of Missions would direct its programming primarily toward Protestants);

(3) Bernard Fein and Frequency Broadcasting Corp., because of compar-

TELEVISION proposed grants for the New York area went to: Bamberger Broadcasting Service (WOR New York); Bremer Broadcasting Corp. (WAAT Newark, N. J.); ABC (WJZ New York); News Syndicate Co. (New York Daily News).

FM proposed grants went to: News Syndicate Co.; WMCA Inc., (WMCA New York); ABC; Unity Broadcasting Corp. of N. Y.; North Jersey Broadcasting Co. (WPAT Paterson, N. J.).

ative "limitations" on initial operations (Mr. Fein, it was noted, proposed to operate at first with a four-man staff and a monthly operating budget of \$1,520, while Frequency Broadcasting planned to operate with nine persons).

Of the seven remaining applicants, FCC proposed grants to ABC because of the network's "outstanding programs in the past" and the desirability of all four major networks' having New York FM outlets (the three others already have stations); and to WMCA because of the "high order of [its] public service" and the civic activities of its chief owner, Nathan Straus, and his wife.

Five applicants then remained. FCC noted that two were controlled by labor unions, two by newspapers, and one by local businessmen.

Community Interests

The Commission pointed out that the union applicants, Amalgamated and Unity, are controlled by organizations with large memberships closely associated with many phases of community life, and that both plan to operate as "community" rather than "labor" stations; FCC preferred either of them to Metropolitan Broadcasting Co., the applicant controlled by businessmen.

Between Amalgamated and Unity, the latter was preferred primarily because of (1) its FM promotion plans, including arrangements to secure \$700,000 worth of FM receivers for re-sale to its members without profit, and (2) its plans to offer up to 51% of capital stock to other local unions and other labor, civic and community organizations.

FCC also preferred either of the newspaper applicants, WLIB Inc. (Post) and the News, to Metropolitan Broadcasting. In choosing the News over WLIB, the Commission pointed out that the latter already has a radio outlet while the News does not, and that a grant to WLIB "will preclude radio competition at this time" between Post and News, whereas a grant to the News "will promote such competition." FCC recognized that it was also proposing a television grant to the News but felt that "such a station will not sufficiently meet the interests of competition which we have stressed above."

FCC Seeking AM Data on Cost Of Building, Revenue, Expense

A NEW FORM for broadcasters to fill out—a questionnaire on construction costs, revenues, and expenses of postwar AM stations—was mailed out by FCC last week to each AM outlet authorized since Oct. 8, 1945.

The form asks for call letters and average number of operating hours per week; in the case of stations already on the air, for month-by-month statement of total broadcast revenues (gross time sales less commissions, etc., plus other broadcast revenues), expenses, and income or loss; a breakdown of pre-operation expenses for technical equipment, land, buildings, and "all other expenses prior to going on the air," and an additional breakdown showing estimated additional costs, if any, in each of these categories.

The Commission attributed the

new questionnaire to requests which it said it is "continually receiving . . . for information concerning the construction costs, revenues and expenses of AM stations constructed since the end of the war."

FCC asked that the schedules be returned by April 30, but provided that "if you have already supplied this information to the Commission and it would be burdensome to repeat it here, please so indicate." It said the overall results, but not individual station data, will be made public.

Licensees and permittees were asked to supply construction and equipment costs or estimates "regardless of the present status of your construction." FM construction, equipment, and operation data, FCC said, should be excluded "insofar as it is possible to do so."