

McGraw-Hill sets record for concessions to minorities

It not only makes hard commitments on chicano-black hiring and programing but also abandons purchase of one VHF in Time-Life package to conform to protestors' top-50-markets demands

The citizen-group movement has entered a new era in the impact it is making on the broadcast-regulatory process—one in which the groups use the leverage afforded by the law to enforce rules and policies when the FCC, in their judgment, has failed in that responsibility.

That is the message in two agreements announced last week—one between McGraw-Hill Inc. and Time Inc., the other between McGraw-Hill and a five-city coalition of eight Mexican-American organizations and one black group.

The first provides that McGraw-Hill will acquire only four of the five television stations it had contracted to buy from Time's broadcast subsidiary, Time-Life Broadcast Inc.—despite FCC approval, in March, of the sale as proposed (BROADCASTING, March 13; "Closed Circuit," May 1, May 8).

The second makes it clear that the truncation of the sale was part of the price McGraw-Hill was required to pay

to persuade the groups to withdraw the suits they had filed in the U.S. Court of Appeals in Washington to overturn the commission's approval of the sale. The appeals were dismissed upon the signing of the settlement.

The station dropped from the package is WOOD-TV Grand Rapids, Mich.; the asserted purpose was to enforce the commission's top-50-market policy. The policy, which is designed to promote diversification of ownership of television stations in those markets, prohibits a broadcaster from acquiring more than two VHF stations in the top-50 markets without making "a compelling public-interest showing."

(By FCC standards, markets are ranked according to the largest net weekly circulation of any station in each, as reported by American Research Bureau).

The commission said McGraw-Hill had made the required showing: the groups, in their opposition to the license applications and in their court appeals, said it had not.

Thus, McGraw-Hill will enter the broadcasting business with only two top-50 market stations—KLZ-TV Denver and WFBM-TV Indianapolis. The other stations involved are KOGO-TV San Diego, and KERO-TV Bakersfield, Calif., the only UHF in the package. McGraw-Hill, which takes ownership on June 1, will pay \$57,180,000 in cash and notes for the four stations; it had been prepared to pay \$69.3 million for the five.

Time-Life had said originally it wanted to dispose of its properties to comply with the commission rule that will require the breakup of crossownership of

CATV systems and television stations in the same markets after Aug. 10, 1973. Time-Life has CATV systems in each of the five cities. However, Time-Life President Barry Zorthian last week said the company has no plans to put WOOD-TV back on the market.

McGraw-Hill, in its agreement with the citizen groups, made extensive commitments in programing, citizen-advisory councils, employment, training programs and public access to the stations' facilities. But Albert H. Kramer, director of the Citizens Communications Center, which represented most of the Mexican-American groups involved, said the "real significance" of the agreement was McGraw-Hill's commitment to forego acquisition of WOOD-TV. He called it "the private enforcement of a public law." And a news release issued in behalf of the groups hailed the agreement as marking the first enforcement of the top-50-market policy, adopted in 1968.

The Office of Communication of the United Church of Christ, which aided groups in Bakersfield and San Diego, put it much more strongly. "The stand of the coalition has served notice on the broadcasting industry that in the future it will not be enough to get FCC approval for evasion of the public interest," it said in a statement. "The would-be monopolists must be prepared to defend their transactions before the court of appeals. Others in the industry will take warning from the surrender of Time-Life and McGraw-Hill. The FCC's top-50-market policy has now become a reality in spite of the FCC."

The church added that the significance

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