

U.S. Court of Appeals for Seventh Circuit has affirmed most of federal jury's finding in case in which AT&T was held to have violated anti-trust laws by attempting to choke off competition in telephone service MCI was seeking to offer. But, court set aside \$1.8 billion judgment—largest in history—awarded MCI, and sent case back for retrial on question of damages. Lower court jury awarded MCI \$600 million damages. Amount was tripled under provisions of antitrust law. However, since it threw out some of findings against AT&T, appeals court said damages award could not stand. Appeals court rejected jury's finding that AT&T had engaged in predatory pricing. According to court opinion, "it is in the interest of competition to permit dominant firms to engage in vigorous competition, including, and especially, price competition." Court held that AT&T prices could not be predatory since MCI had failed to prove HiLo service was priced below its long run instrumental cost. But court sustained finding that company had illegally refused to provide MCI with interconnection to Bell system local exchanges, saying, "The evidence supports the jury's determination that AT&T denied the essential facilities when they could have been feasibly provided." Court also affirmed jury's determination on several other issues—that AT&T had negotiated with MCI in bad faith, had unlawfully sought before state utility commissions to block MCI's entry into market, had unlawfully removed interconnections temporarily provided under court order, and had provided inappropriate equipment when ordered by FCC to interconnect. Parties can now either ask full bench of seventh circuit to rehear case or appeal to Supreme Court, rather than go back to district court on damages issue.

Viacom announced agreement under which it plans to acquire KSLA-TV Shreveport, La., CBS affiliate, in tax-free stock swap valued at \$29.9 million. Current owners include Delores LaVigne, 48.52%; Winston Linam, 12.32%; Jeanne Linam, 12.32%.

ABC News President Roone Arledge announced in Los Angeles last Thursday (Jan. 13) ABC Television Network will devote two weeks beginning Feb. 13, to special programing on crime in America. Arledge told television critics gathered at Century Plaza hotel for semi-annual Consumer Press Tour that series will "investigate the nature of violent and individual crime in this country" and be highlighted by 10-part report on *ABC World News Tonight* focusing on various aspects of crime-related issues. Arledge said segments will begin on Feb. 13 with special edition of *This Week With David Brinkley* and continue through Feb. 24, when special 90-minute edition of *Viewpoint* will feature "live" discussion of relationship between media portrayals of crime and incidence of "crime in the streets." Other elements will be seen during regularly scheduled segments of *Nightline*, *The Last Word*, *20/20*, *This Week* and *World News This Morning*. Crime-related programing will extend through March 11 on ABC's *Good Morning America*. In response to reporters' questions, Arledge said he has "no plans at all" to change anchors or format on *World News Tonight*, despite its uneven ratings performance. He speculated that ABC is "probably more affected by Home Box Office, cable and some of the syndicated programs" than is competitor CBS, in terms of news programing, because of ABC's younger audience.

"Narrowcasting" lacks economic justification, Wall Street analyst Tony Hoffman said last week. A.G. Becker entertainment stock specialist said "narrowcasting" concept rests on two false premises: that people are particularly interested in what they see and that they are willing to pay for special offerings. He sees broadcasting's economic justification remaining secure amid alternative delivery methods. Hoffman predicted viewers will pay only to watch sports, films and possibly pornography on television, and foresees at most 20 advertiser-supported cable channels.

Polish authorities last week ordered expulsion of UPI correspondent in move that State Department denounced as effort "to intimidate

other Western correspondents in Warsaw." Officials in Warsaw accused Ruth Gruber of illegally gathering "intelligence" information—reference to two rolls of film said to contain pictures of military installations that had been sent to her on train from Gdansk in Poland. She said she did not know what was on film or who had sent it. Poland's top government spokesman said expulsion, on Saturday, was warning to other Western reporters to stick to subjects of general journalistic interest and to avoid stories bearing "on special institutions that deal with the military, with weapons and so on." Washington, State Department said action was part of pattern of harassment of Western embassies and Western correspondent in Polish capital. Department said it is considering "number of options" against Polish government to retaliate against expulsion of UPI correspondent.

Department of Commerce has endorsed FCC's proposal to permit daytimers to start operation before sunrise and to continue operation after sunset, and to use diurnal curves in computing zones of protection for co-channel dominant stations. In comments at FCC, department also said it supported related notice of inquiry's proposal giving preference in comparative hearings to daytimers applying for FM license in their communities after having petitioned FCC to amend FM table of assignments; permitting use of nighttime power by daytimers who provide unique nighttime service to their communities, and permitting daytimers to apply for low-power licenses if such service will provide only nighttime service in their communities—that would "enable communities now deprived of local service to receive full-time, up-to-the-minute information about local news, weather and community events."

What does Showtime/Movie Channel joint venture net Viacom? Announcement mentioned \$75 million cash payment, same cash payment Viacom paid Westinghouse last year for half of Showtime. But that deal provided for additional payments based on Showtime's



Debating network radio. Top radio executives were in full force at last Wednesday's International Radio and Television Society (IRTS) luncheon in grand ballroom of Waldorf-Astoria Hotel fielding questions from Av Butensky, president of IRTS, on direction of network radio. Stations should view their association with network as "making good business sense" for them in local marketplace, said Richard Brescia, senior vice president for CBS Radio Networks. Networks create viable opportunity for advertisers, he said. New programing plans were discussed by Richard Penn, vice president and general manager for NBC Radio Network who said his network just finalized plans to do series of "superstar" shows—specials hosted by well known personalities—on regular basis (BROADCASTING, Jan. 3). As for satellite technology's effect on networking, Jack Clements, senior VP, Mutual Radio Network, said, "it allows us to return to what network radio is all about—live programing." Clements told group Mutual can now deliver up to 11 programs simultaneously via its satellite system over Westar IV. Most of executives sounded optimistic that 1983 will be better year. In first half of 1982, business was "soft," said Thomas Burchill, president of RKO Radio Networks, but network radio "enjoyed" good revenues in second half.