

Justice Department has reached agreement in principle with General Electric Co. that eliminates antitrust problems that could have stalled GE's takeover of RCA. Department said **GE will sell its vidicon tube business to resolve antitrust concerns about its proposed merger with RCA**, which also produces vidicon tubes. Equipment is used in camera systems for television broadcasting and other systems to convert optical image into electrical signal. Complaint alleging that combination of vidicon tube businesses of two firms would violate Clayton Antitrust Act was filed in U.S. District Court, in Washington, on Friday (June 6). Filed with it was consent decree settling suit and requiring GE to sell vidicon tube business by Nov. 30, 1986. Justice said two firms combined accounted for about 99% of all silicon target vidicon tube sales for military applications in 1985 and about 90% of all antimony trisulfide target vidicon tube sales for such applications. Annual sales of vidicon for those applications are about \$7 million. Douglas A. Ginburg, assistant attorney general in charge of antitrust division, said that as result of agreement in principle, Justice will not seek to block merger with RCA.

Representative Thomas A. Luken (D-Ohio) has again urged network news chiefs "to hold a summit" and draft "voluntary guidelines" to govern broadcast coverage "of terrorist events." Luken, in "Dear Colleague" letter to all members of House—with copies to presidents of news divisions of ABC, CBS and NBC—cited NBC News's broadcast interview last month with Abu Abbas, who is said to have admitted masterminding hijacking of Italian cruise ship, Achille Lauro. "Television continues to play a vital role in terrorists' plans," Luken wrote. Luken and 11 other members of House originally made "summit" proposal last year following hijacking of TWA airliner and its aftermath, during which networks broadcast interviews with hostages from plane and their captors. Proposal, Luken noted, "was not received warmly by the networks." But he said Abbas interview demonstrates that "television continues to play a vital role in terrorists' plans." He said it is "a natural development of the broadcast policy followed in the TWA incident and suggests that there may be no limits to the cooperation between TV and terrorists, foreign and domestic." Luken and his 11 colleagues last year had suggested guidelines reflecting their concern with coverage of TWA hijacking. Following Abbas interview, Luken suggested one more: "No television interviews with fugitives from American justice" that are granted with understanding network will not disclose "hiding place of the fugitive." Abbas interview was granted with understanding location would not be reported. Luken letter, dated June 1, apparently did not cause sufficient stir at networks to have generated reaction by Friday (June 6).

HBO signs pact with Warner. Home Box Office Inc. and Warner Bros. said last week that they signed a licensing agreement which gives HBO and Cinemax the non-exclusive rights to exhibit Warner films over the next five years. However, the deal does provide for "exclusivity under certain circumstances," the companies said. The value of the deal will depend on how well Warner's films do at the box office, as well as the subscriber levels for HBO and Cinemax. But if Warner continues its position in the film industry, the "expectation" is the deal could be worth as much \$125 million to Warner annually. While the pact is described by both sides as non-exclusive, it is understood that HBO will pay a premium for films that Warner doesn't license to other pay-television companies.

A Showtime/Movie Channel executive insisted last week the company would not buy any of the Warner releases licensed to HBO, in keeping with its new posture that exclusivity is the best way to differentiate pay services and stimulate multipay. In recent months it has signed exclusive deals with Cannon Group, Atlantic Entertainment and Disney's Touchstone Films. In 1983 it signed an exclusive five-year pact with Paramount Pictures. Total exclusivity is the "end goal" for Showtime and The Movie Channel, the executive said.

National Association of Broadcasters last week filed supplemental brief urging Supreme Court to grant review of appeals court decision in **Quincy Cable TV**, which held that FCC's must-carry rules violate cable television systems' First Amendment rights. NAB petitioner was spurred by high court's decision on Monday to send *Preferred Communications*—another case involving question of cable television's First Amendment rights—back to district court in Los Angeles for trial (see page 36). NAB's supplemental brief was filed on Wednesday, day before Supreme Court was expected to consider whether to grant review in *Quincy*. NAB based supplemental petition on argument that lower courts, FCC and other government agencies and affected industries are in need of "clear guidance" from Supreme Court on extent of First Amendment limitations on cable television regulation. And fact that *Preferred* has been referred back to district court for trial, brief says, means second decision in that case by Supreme Court "is several years away, if indeed the case ever returns to this court."

Discussions were underway last week between White House, ABC and other networks regarding coverage of President Reagan and other public officials taking part in Liberty Weekend ceremonies over July 4 weekend. Controversy developed last week over ABC's \$10-million exclusive contract. ABC offered to provide pool coverage of July 3 "lighting of the statue" events, but other networks said that was inadequate. Arguing that appearance by President and other public officials is news item that cannot be licensed CBS, NBC and CNN argued for access. Resolution of controversy is expected by Monday or Tuesday (June 9 or 10). Presidential spokesman Larry Speakes said in press briefing last Thursday (June 5) that ABC and *Liberty Weekend* Executive Producer David Wolper had been made aware of problem by White House. Speakes said White House favors greatest possible access to coverage of ceremonies, but that it recognizes contractual agreement with ABC. On June 2, Speakes replied to letter from Washington bureau chiefs of CBS, NBC, and CNN with assurance that greatest possible access would be pursued.

KNBC(TV) Los Angeles announced last week it will discontinue using Arbitron ratings for any purpose beginning today (June 9). Station has two more years on its contract with Arbitron. John Rohrbeck vice president and general manager, said move was result of loss of confidence in Arbitron to accurately measure market. In statement, Rohrbeck said major inequities in Arbitron's placement of its meters throughout market were cause of concern. Station recently requested information on meter placement. Specifically parts of west side of Los Angeles, including Santa Monica, Malibu, Pacific Palisades, Brentwood and Beverly Hills, were mentioned as not being adequately metered. Rohrbeck said Nielsen's meter placement was adequate.

In effort to improve dismal ratings program has generated in first six weeks of 13-week run, CBS is shifting news magazine program **West 57th from 8-9 p.m. on Wednesdays to 10-11 p.m. same night** effective June 11. So far, show has averaged 7.9 rating and 1 share in 8 p.m. slot. News executives are hoping show will find more news-oriented audience at 10 p.m. CBS executives have stated that program is in danger of being cancelled unless rating pick up.

NBC has ordered two episodes of **The Storyteller** from Henson Associates as **midseason replacement** for coming prime time season. *The Storyteller* will use each episode to tell folk tales "filled with fanciful creatures and humans in strange, wonderful lands." Liv actors and Henson puppets, designed and built by Henson's Creature Shop in London, will be used in each episode. No host series has been named. Production will begin in London this summer.

TV stations not transmitting stereo audio or using related multichannel sound service subcarriers should suppress inadvertent noise in BTSC system pilot frequency, FCC said in declaratory ruling last Thursday (June 5). Stereo pilot tone alerts BTSC stereo receivers to incoming multichannel sound broadcast and activates sets' stereo