

pose that they go to minorities, public radio, daytime radio broadcasters seeking full-time stations and areas with inadequate local service. Rick Neustadt, an assistant director of the White House domestic policy staff with responsibilities in the communications area, made that clear, if it wasn't before, in remarks at a Federal Communications Bar Association luncheon last week.

He spoke of the possible addition of up to 1,700 new AM stations, plus "more" FM stations. He said the decision of the recently concluded World Administrative Radio Conference to increase the AM band by 100 khz—10%—could mean an increase of 500 to 1,000 new stations by 1990. And if the proposal advanced by the National Telecommunications and Information Administration and now supported by the FCC for narrowing AM channel separation from 10 khz to 9 khz is adopted by western hemisphere nations, Neustadt said, room will be made for between 400 and 700 stations. The plan for creating room for additional FM stations was advanced by NTIA in April. It calls for the use of directional antennas and terrain shielding, as well as the creation of new classes of stations (BROADCASTING, April 23).

Neustadt, who offered an overview of Carter administration policies and accomplishments in communications, cited the efforts to increase the number of AM and FM outlets in discussing the administration's goal of communications policy

Real life. While the White House was outlining its hopes for the future composition of broadcast station ownership, the FCC was preparing a report on the present. Last week the commission approved publication of a report on minority ownership of broadcast facilities. The 64-page booklet, which will be available for distribution in a few weeks, was compiled by the FCC's Equal Employment Opportunity-Minority Enterprise Division and is based on research by CCG Inc. of Cambridge, Mass.

The research was begun following the commission's April 1977 conference on minority ownership of broadcast facilities, which identified obstacles to minority acquisition of broadcast properties. From the conference came a 400-page report, and the booklet was culled from that. "Although there is apparently no overt discrimination against minorities in the broadcast marketplace," the booklet states, "the broadcast marketplace is structured so as to make entry by minority owners more difficult than for nonminority owners."

The booklet is basically divided into two major parts: (1) a summary of problems minorities face when purchasing broadcast properties, along with current or proposed policies that may increase minority ownership and (2) a model financing proposal.

Part one describes commission policy regarding minorities, with an explanation of the tax certificate, distress-sale policy and list of potential minority buyers, along with current inquiries that may have an impact, such as expansion of the AM band, clear channel AM proceedings and the low power television inquiry. A second phase of part one describes barriers to getting on the air, with a description of the function of banks, brokers, insurance companies and other funding sources. It also discusses barriers that minorities are faced with when trying to acquire a broadcast property. The third phase of part one examines the problems of staying on the air, with a discussion of ratings and advertisers, with a focus on whether the rating services accurately measure the audiences of minority-programed stations. The booklet's answer is no, although it notes that, in many instances, the rating services have started to deal with the problems.

Part two presents a model financing proposal, with a point-by-point look at all the steps involved in the purchase of a broadcast facility. Included are descriptions of how to develop the proposal, and a further discussion of sources of financing and the role of communications attorneys and station brokers.

generally to increase competition and diversity.

The administration's "top priority," he said, has been the common carrier industry, with its revenues of over \$50 billion

and more than one million employees. But he also said the media side of the business "is rushing toward diversity."

Neustadt said that as growth continues, the administration wants "to give all

Broadcasting industry representatives are **not satisfied with Federal Election Commission's overhaul** of proposed regulations for governing media's staging of political debates (see page 30). Curtis Beckmann, of WCCO(AM) Minneapolis, president of Radio-Television News Directors Association, contends proposal would impose second set of political-broadcasting regulations on broadcasters, who already are subject to such regulations under equal-time section of Communications Act. He said he expects RTNDA, at its next meeting, in January, to decide to **seek congressional veto**. Senate in September vetoed FEC's first effort at such regulation (BROADCASTING, Sept. 24).

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ABC News announced it would provide **live coverage of Republican and Democratic presidential candidate's debates** in Iowa on Jan. 5 and 7, respectively, but reserved right to change plans if debate structure or candidate participation changes. NBC News and CBS News announced similar plans earlier (BROADCASTING, Dec. 17). ABC scheduled Republican debate at 8:30-10:30 p.m. NYT, followed by ABC News analysis at 10:30-11. It scheduled Democratic debate at 8:30-10 p.m., followed by premiere of ABC's returning *Family* series at 10-11.

□

Merger between Viacom and Sonderling, advancing early last week (see page 42), found **another obstacle in its path** by week's end. Second law suit—**class action seeking monetary damages**—was filed against companies and Sonderling directors. Action, brought in U.S. district court in New York by individual identified as executor of estate of former shareholder, alleges Nov. 14, 1978, joint proxy was false and misleading. In latest statement, companies noted that consummation of merger is subject to "customary conditions," among them absence of any suit posing "substantial risk of liability for money damages."

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National Association of Broadcasters has submitted comments on revised version of Senate Republicans' Communications Act amendments (BROADCASTING, Nov. 12). NAB reiterated **opposition to spectrum fee**, and also opposed provision that would have FCC study possibility of such fee in future. In addition, NAB **supported indefinite license**

term for radio, although it said it would be satisfied with "a reasonable term extension" if indefinite term has too many opponents; for TV, it called for five-year term. NAB also suggested **abolition of comparative renewal hearings** and endorsed radio deregulation.

□

FCC has **lifted license of WHBI-FM Newark, N.J.**, for violations of licensee-control, lottery, logging and other rules. Commission originally denied Cosmopolitan Broadcasting renewal of station's license in 1976, but appeals court sent case back to commission for further look at programming aspects. Commission also denied attempt by station to dispose of station in distress sale.

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ABC Pictures International has been **merged into ABC Video Enterprises** with **Herb Granath** heading consolidated operations as vice president in charge of ABC Video operations. Art Schimmel will continue to direct activities handled previously by ABC Pictures International as vice president and general manager of ABC Video Enterprises, reporting to Granath.

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James D. Parker, staff consultant, telecommunications, CBS-TV engineering and development department, has been selected to receive National Association of Broadcasters' 1980 **Engineering Achievement Award**, which will be presented during NAB convention in Las Vegas, April 13-18.

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John J. Reilly, executive vice president, DiscoVision Associates, joint venture between MCA Inc. and IBM Inc., elected president, succeeding interim president of new firm, James M. Fiedler. Reilly was formerly marketing executive for IBM's data processing and general systems division and general business group.

Editor's note. BROADCASTING will not publish a Dec. 31 issue. The annual double issue—featuring a special report on the top 100 companies in electronic communications—will be the first 1980 issue, on Jan. 7.