CLEAR and unconditional grants to the Crosley Broadcasting Corp. TV stations to change to new frequencies and higher power were made by the FCC last week. The Commission raised the question of overlap among the three Crosley TV outlets—WLWT (TV) Cincinnati, WLWD (TV) Dayton and WLWC (TV) Columbus—last September [BT, Sept. 26].

This is considered the first major case in which the intent of the McFarland Act changes to the Communication Act was carried out successfully. The McFarland Act provides that the Commission notify an applicant when it cannot grant a request without a hearing. Purpose is to give the applicant the opportunity to answer the objections, or make changes in the application, in order to obviate the need for a hearing.

Free-Lift Involved

The three Crosley-owned Ohio stations were required to change wavelengths in accordance with rehuffles in the light of the new allocation table and new separations criteria formulated by the FCC last April in its Sixth Report and Order [BT, April 14]. The changes applied also to 27 other TV stations.

Success of Crosley in convincing the Commission that a hearing on overlap was not necessary is presumed to be a forerunner of possible similar action in the WGAL-TV Lancaster, Pa., and WDEL-TV Wilmington, Del., case. These Steinman-owned stations also were informed by the FCC that due to the question of overlap between them on their new frequencies (they were among the 30 TV stations required to change channels) and with higher power a hearing was necessary [BT, Sept. 22].

Following that action, WDEL-TV withdrew its application for higher power, thus eliminating the overlap situation with its sister WGAL-TV station.

At the time the question of overlap among the Crosley stations arose, the Commission conditionally granted them changes in frequency as required by the Sixth Report and Order. WLWT was changed from Ch. 4 to Ch. 6; WLWD, from Ch. 2 to Ch. 5, and WLWC, from Ch. 3 to Ch. 4.

Also the same, WGAL-TV was granted conditional authority to change from Ch. 4 to Ch. 8. At the same time, this switch is in litigation, based on appeals to the Federal courts by WLAN Lancaster, applicant for Ch. 8.

In the Crosley cases, the FCC contended that there would be overlap of the Grade A service between the Cincinnati and Dayton stations, and overlap of Grade B service between all three stations.

In its response to the Commission's "McFarland letter," Crosley stressed the particular question that had been investigated by the FCC in 1947 at the time of the WLWD and WLWC grants and that the overlap had been found to be insignificant [BT, Oct. 27].

Commission action in sending Crosley and Steinman notification of a need for a hearing last September brought objections from Comr. George E. Sterling. He argued any overlap on channels were caused by the FCC's new engineering regulations and not by the applicants.

In the Crosley grants last week, FCC Chairman Paul A. Walker and Comr. Frieda B. Henkock dissented.

Chairman Walker issued the dissent in which he has Henkock concurred, stating:

The authorizations that have been granted to Crosley today confine a far greater amount of overlap than has ever been previously authorized by this Commission. Operation of the three Crosley stations in the Cincinnati-Wilmington-Columbus area, with maximum power, is a rejection of the underlying principles of the Commission's multiple ownership rules...

CROSLEY IS GRANTED

ABC-UPT FUSION

Oral Argument Is Set

ABC-UPT fusion 

FCC Okays Channel Changes

ABC-UPT fusion 

Oral Argument Is Set

FCC ordered oral argument on the significant ABC-United Paramount Pictures merger last week. A five-hour hearing was scheduled for Jan. 5.

The week also saw DuMont file reply to the Broadcast Bureau's exceptions to Hearing Examiner Leo Resnick's initial decision last month which approved the merger, as well as license and transfer approvals of other parties in the case [BT, Nov. 17].

The Broadcast Bureau filed oppositions to the initial decision in virtually all its aspects.

One of the issues in the case was the question of whether Paramount Pictures controlled DuMont in the light of FCC regulations by virtue of its 25.5% stock ownership in the manufacturing-television firm. The examiner found that it did not.

Although strong hope had been held by both parties to the case that oral argument would not be necessary, protests to oral approval of the merger by Sen. Charles W. Tobey (R-N.H.), scheduled to be chairman of the radio-TV powerful Senate Interstate & Foreign Commerce Committee, and by Sen. William Langer (R-N.D.), due to head the important Senate Judiciary Committee [BT, Dec. 8], were believed to have swayed the Commission otherwise.

Only exceptions to the initial decision were filed by the Broadcast Bureau [BT, Dec. 1]. DuMont filed exceptions to the merger and other findings, but understandably did not object to the control findings [BT, Dec. 8].

Argument before the Commission on banc on Jan. 5 was scheduled to give each of the parties one hour.

Paramount Pictures Set

First scheduled is Paramount Pictures. Next on the list is DuMont, followed by UPT, ABC and finally the Broadcast Bureau.

Twenty minutes are reserved for WSBM New Orleans if it desires to participate.

CBS, which is buying UPT's WBKB (TV) Chicago, for $6 million, notified the Commission that it was filing no papers and did not care to participate in oral argument.

The involved Paramount case, which ran for 90 days [BT, Jan. 21 et seq.], included the following issues:

1. License renewals of KYLA (TV) Los Angeles, WBKB (TV) Chicago and WABD (TV) New York.
2. Approval of the transfer of control of the Los Angeles station from the old Paramount Pictures Inc. to the new Paramount Pictures Corp., and of WBKB and a half interest in WSBM New Orleans from old Paramount Pictures to United Paramount Theatres Inc. earlier than the Corporation was required to file either a 'clear sailing' certificate or license by law, prior to the completion of the merger company after the 1948 Supreme Court decision on motion picture producers to divest themselves of their exhibition holdings.
4. Question whether Paramount Pictures' 25.5% interest in DuMont constituted control of the latter company.
5. Approval of the merger of ABC with UPT, to form a new American Broadcasting-Paramount Theatres Inc.
6. Approval of the sale of WBKB to CBS for $6 million, upon approval of the merger of ABC and UPT, which would result in the company owning two stations in Chicago. ABC also owns WENV-TV there.

Mr. Resnick approved all the requests in a 140-page document.

The merger contract between ABC and UPT terminates if not approved by the FCC by next June 27.

Although CBS would seem to have clear sailing for the acquisition of WBKB if the merger is approved, it has an additional hurdle. Dinan, due to head the Commission's application for Chicago's Ch. 2 by Zenith Radio Corp., which has an experimental station occupying that frequency. WBKB, which moved to Ch. 2 under the FCC's Sixth Report and Order which required 30 operating TV stations to change wavelengths.

In October, CBS asked the Com-