

PROGRAM CONTROL THREAT RAISED IN FINAL FCC ACTIONS

- After three votes, Commission avoids giveaway issue in Miami
- Grants controversial WQAM sale from Knight interests to Storz
- But agrees to consider general study of program balance
- At closing, acts on \$13.6 million in transfers, over 150 cases

BY the slender margin of a single vote, the FCC last Thursday decided to keep its hands off programming content of stations, notably those involving giveaways and gimmicks designed to stimulate audience ratings, but agreed to consider a "general investigation" of the extent to which it should interest itself in programming balance when it reconvenes after a month's vacation.

The discussion came in the provocative case involving the sale of WQAM Miami by the Miami Herald to Todd Storz' Mid-Continent Broadcasting Co. for \$850,000. The FCC had cited Mid-Continent on the possible necessity of a hearing because of money-giveaway programs on other Storz' stations, against which complaints had been made.

The FCC decided, by a split 4-3 vote, to grant the transfer, but only after a full and heated discussion as to its right to consider program content so long as the criminal statutes are not violated. The favorable action came after Mr. Storz had advised the Commission by letter prior to the Thursday meeting that he had been unaware that the FCC looked with "displeasure" upon such programs, and that he would discontinue all contests and giveaways "designed to attract audience or influence listening" over Mid-Continent stations "as soon as possible" after action on the WQAM transfer.

But the FCC, it is understood, did not base its decision on this letter, but rather, on the constantly recurring question of propriety in considering programming matters. In fact, several commissioners disregarded the letter al-

together. On the previous day, the WQAM transfer was held up by a three-three vote, with one commissioner favoring a hearing on multiple-ownership grounds. The fact that the Storz contract to buy WQAM would expire Aug. 15 meant that the FCC's failure to act affirmatively before its summer recess would have been tantamount to a "pocket veto." There were other active bidders for WQAM, which must be sold under the FCC's duopoly regulations, and it was logically assumed that the Herald, upon expiration of the cut-off date Aug. 15, would have entered new negotiations. Reason for the sale is the substantial ownership of Herald principals in Biscayne Broadcasting Co., licensee of the new ch. 7 WCKT (TV) and of WIOD (whose call letters are to be changed to WCKR). The duopoly rule provides that an entity may not have substantial ownership in more than one station of the same class in the same market.

Prospect that the failure to close the Storz transaction would have held up the authorization for the new tv station in Miami was averted on Wednesday—the day preceding the "giveaway" case action—when the FCC granted WCKT special temporary authority to begin operation, scheduled for July 29. This constituted a waiver of the duopoly rule.

The Miami case served to bring to a head the long-festering giveaway question. Comr. John F. Doerfer has been vigorous in his advocacy of a show-down, and reportedly intends to write a dissenting opinion in the WQAM transfer case in an effort to establish definite

FCC policy. He has contended that the FCC has given lip service to the need for taking action, but is unwilling to face the issue head on.

During the heated debate on the WQAM transfer last Wednesday and Thursday, the suggestion was made that the FCC order a "general investigation of giveaways and contests." No vote was taken on this, but it was agreed that commissioners would ponder the question during the month's recess and be prepared to vote it up or down when the FCC reconvenes Aug. 29, or soon thereafter.

Mr. Doerfer, it is evident, takes the position that if the FCC majority feels that programs, whatever their nature, are none of its concern—through application of the freedom of the press and radio concept—then it should say so, and not waste the time of its staff in examining program balance. It is expected he will so express himself in his dissenting opinion. He was joined in the vote for a hearing (which would, in effect, have meant denial of the transfer to Mid-Continent) by Comrs. Rosel H. Hyde and Robert E. Lee.

Actually, there were three votes taken over the two-day period. On Wednesday, Comrs. Doerfer, Hyde and Lee voted for hearing on the program giveaway issue, or, as the FCC put it in its McFarland letter, the "giveaway pattern" on all of the Mid-Continent stations. At that time, Chairman George C. McConnaughey, Comr. Richard A. Mack and the FCC's newest member, Comr. T. A. M. Craven, voted for a grant, without hearing. Comr. Robert T. Bartley, consistent with his past actions, however, proposed a hearing, but on the multiple ownership issue, rather than on the program question.

As of Wednesday, therefore, the fourth vote for approval of the transfer was lacking. On Thursday, however, a vote was called on the Bartley motion for hearing on the multiple ownership issue. Comrs. Doerfer, Bartley and Hyde voted for it, but the remaining four were against. The motion then was for a hearing on the program issue (after receipt of Mr. Storz' letter saying he would discontinue contests and giveaways). Comrs. Doerfer, Hyde and Lee voted "aye." Mr. Bartley joined Chairman McConnaughey, and Comrs. Mack and Craven

THE NEW FCC: HOW NEAR TO PROGRAM CENSORSHIP?



AGREEMENT to consider a "general investigation" of the extent it should concern itself with broadcast programming was reached by the FCC last week after it had decided, by one vote, not to consider that issue in the WQAM Miami transfer. This picture

is the first taken of the Commission since the addition of Comr. T. A. M. Craven (extreme right). L to r: Richard A. Mack, John C. Doerfer, Rosel H. Hyde, Chairman George C. McConnaughey, Robert T. Bartley, Robert E. Lee and Comr. Craven.