

## Nightmare, 1958

**I**N the year that has elapsed since the last annual convention of the NAB, practically all facets of broadcasting have been through the regulatory meat-grinder. The economic health of radio and television has not been seriously impaired, even with a recession, but the regulatory well-being of both the FCC and the licensees have been blighted beyond anything that has ever happened before.

All this in contrast with the rather remarkable complacency exhibited at the convention in Chicago just a year ago. Even then the climate was overcast, because the House Legislative Oversight Committee had just begun its headline hunting work contrived to destroy rather than correct, and other minions of government were rifling network, station and FCC files. All this went unnoticed at the Chicago convention. It was a pink tea of negative value to management and ownership, except for the sidebar meetings and some very worthwhile exhibits.

We have the notion that this annual meeting in Los Angeles will produce something affirmative; something more than sweetness and light. This, even though the agenda is not too promising.

The keynoter is Dr. Frank Stanton, who as president of CBS Inc. has demonstrated genius and leadership that is now legendary in all broadcasting and, for that matter, in all American industry. We haven't the slightest notion about his theme, but we venture he will not be content with mere passing mention of that which confronts all in broadcasting because of such disruptive interferences with business enterprise as the Barrow Network Report, the antitrust onslaughts and the wayward winds of the Oversight inquiry which blew what was to have been a prosaic study of conflicts of federal jurisdiction into a tornadic inquisition that swept one commissioner out of office and subjected others to unfair and unjustified humiliation.

And hard on the heels of Dr. Stanton's keynoter will be John C. Doerfer, who makes his first appearance before the nation's broadcasters as the FCC chairman. Mr. Doerfer will not say all that he has on his mind because the FCC is still on call by the Oversight Committee and because many important issues, such as those raised in the Barrow Report, are as yet unresolved.

But it isn't revealing secrets to state that Mr. Doerfer feels strongly about the editorializing responsibilities of stations and, concomitantly, about the lack of responsibility exhibited by many newspapers in their one-sided coverage of the Oversight Committee proceedings, blackening reputations and placing the FCC and broadcasters alike under a cloud. Mr. Doerfer can be expected to urge stations to editorialize, but to be fair and to present both sides. And this well could be the primary lesson to be learned by broadcasters at this convention.

We're pleased to note that not only Chairman Doerfer, but all members of the FCC are to be present at this convention. If they had stayed away, the carping critics would claim that their campaign against "fraternization" had been justified. The FCC members have done nothing for which they need apologize. They are honest men who have done the best they could under our system of administrative government in the face of interferences that have come principally from the very Congress that has lately chastised them.

The convention affords all broadcasters the opportunity to give the FCC the rousing vote of confidence it deserves.

## Who's Sorry Now?

**W**HEN the Songwriters Protective Assn. (really ASCAP in disguise) began beating down the portals of the Senate Commerce Committee last year for hearings on the Smathers Bill (S 2834) to kill BMI, broadcasters understandably were concerned. They had witnessed the burlesque put on in New York by ASCAP the year before in the now famed Celler Committee hearings when luminaries of Tin Pan Alley paraded before Chairman Celler (also from New York) to damn BMI, broadcasters and all those who stood in the way of a return to ASCAP's former monopoly in music.

The Senate committee finally yielded and hearings were begun in March—not in New York, home grounds for ASCAP, but in Washington. The ASCAP-ites didn't do so good, (1) because they had no case, and (2) because their press agents aren't as effective in Washington as they were in New York.

BMI, created by the nation's broadcasters who had to have music



Drawn for BROADCASTING by Sid Hill

"My wife's going to Europe soon. . . . I'm looking for a summer replacement."

back in 1939 when ASCAP cut off the supply, found themselves confronted with the necessity of defending themselves on the preposterous Smathers bill. That ill-conceived measure would prohibit licensees from owning stock in BMI and from engaging in the recording and publishing business.

During the week of April 14, BMI and the broadcasters presented the first segment of their case (they return May 6). The burden was carried by Sydney M. Kaye, BMI's chairman and a distinguished attorney in his own right. He knocked down the ASCAP strawmen one by one. Broadcasters, performers, songwriters, publishers and even a governor, supported his testimony. The BMI monopoly ghost was laid.

But more than that, a devastating record was built against ASCAP. Even the author, Sen. Smathers (D-Fla.), must have forsaken his brain-child because he was absent during most of the proceedings during March, as well as when BMI presented its case.

The record speaks for itself—and most eloquently for BMI. We doubt the Smathers bill will ever get out of committee.

Meanwhile, radio broadcasters who gather this week in Los Angeles in conjunction with the NAB convention will have the benefit of the Senate Committee hearings to guide them in the formation of an all-industry committee to negotiate a new contract with ASCAP in the light of the expiration of the current five-year pact next Dec. 31.

## National vs. Local

**T**HE urge to get it wholesale has plagued broadcasting from the beginning of time-selling. In this era of hard-sell, the hard buy has become endemic too. Advertisers send their agency timebuyers scurrying into the field to wangle obviously national business at discounted local rates. This is done not because broadcast advertising is regarded as a bad buy at national rates, but rather because national advertisers fear their competitors are getting it cheaper.

Some stations have solved the problem by establishing a single rate. But the newspaper pattern of local or "retail" versus national rates has carried over to radio and television in many areas.

The Storz stations, in conjunction with their national representatives, have adopted a bold new approach. A rigid national and local rate policy has been adopted effective May 1, as reported in this issue. Under the new rules, any account can quickly determine whether it is entitled to local or national rates. It will mean that the national representatives will sell at the local rate, where the criteria are met, while local salesmen in some instances will sell at the national rate.

The venture certainly warrants close observation. If it works, even in broad outline (because refinements may be required by experience) it will be a notable contribution. Certainly advertisers and agencies alike would welcome any innovation that would permit them to buy with confidence.