

Closed Circuit®

Insider report: behind the scene, before the fact

Fee or tax?

Argument increasingly being raised against revenue-based spectrum fee in House's Communications Act rewrite is that it's tax and should be referred to Congress's tax-writing Ways and Means Committee for approval. Such referral would serve two purposes that would delight broadcast lobbyists: delay progress of bill and, some think, kill fee proposal. Rewrite's authors are irked to think anyone would try to get bill sidetracked, saying privately that rather than allow that to happen they would change fee provision—back to way it was last year when size of payment was based on controversial definition of scarcity value of spectrum and left to regulatory commission to work out.

Although they know broadcasters will oppose fee either way, authors' assumption is that new version will be preferred if fee can't be snuffed out. And it can't, they say. As far as they're concerned, if fee disappeared, all deregulatory provisions that broadcasters desire would go with it.

Crunch

In wake of forced resignation of Roscoe E. Long as chief of FCC's Policy and Rules Division (see page 52) morale at FCC is at low ebb with prediction that other "resignations" may be forthcoming under pressure of Chairman Charles D. Ferris's drive for full control. Speculation centers on hand-picked department heads. But there's no assurance he'll be able to garner necessary votes to change top echelon in critically important Broadcast Bureau.

Wallace Johnson, incumbent Broadcast Bureau chief, is still pondering early retirement to escape new ethics law, slated to become effective June 30, that would preclude FCC practice for two years. He's said he wouldn't stick around anyway if chairman doesn't want him.

Station relations

TV networks are getting ready for annual round of affiliate conventions, to be held at Los Angeles's Century Plaza hotel. Centerpiece at all three will of course be new fall programming, but there are always extras. Officials at front-running ABC, which is also first up (May 7-11), say theirs will be no victory party ("we're not complacent"). Business sessions will be preceded by Monday-night "block party" at Paramount and followed by Thursday-night closing banquet, which'll be black tie this year to discourage gate-crashers who've proved troublesome in past.

Sources at third-place NBC say theirs

(May 13-15) will be serious but upbeat, with luncheon speeches by Chairman Jane Pfeiffer and President Fred Silverman and including, on social side, Monday-night dinner at MGM. They'll also announce that once-famous peacock logo is being revived. CBS's (May 20-23) will have extra half-day of sessions (Monday morning in addition to all day Tuesday and Wednesday), after welcoming reception Sunday night.

Fan mail

Campaign to stop FCC's proposed breakdown of clear-channel AM's, subject of sharp exchange at House hearing last week (see page 25), is well into new phase—lobbying Congress. Legislators who have no reason to know difference between clear channel and any other station are getting familiar with it through letters from constituents. Although inspired by pleas of clears, mainly WSM(AM) Nashville, it's not form-letter mail. Listeners are writing individually.

Most visible advocates of clears are congressmen from Tennessee, home of WSM and its *Grand Ole Opry*. Representative William Boner (D-Tenn.) has introduced bill protecting clears. It's said Minority Leader Howard Baker (R-Tenn.) is force behind inclusion of similar measure in one bill to amend Communications Act, S. 622, introduced by Barry Goldwater (R-Ariz.) and Harrison Schmitt (R-N.M.). Clears are making advances in other delegations too. Said one New York congressman in reply to constituent: "I like to listen to the *Grand Ole Opry* too."

Government's tab

Of fees proposed in three main pieces of Communications Act legislation, lowest is cost-of-regulation fee in S. 622, so-called Goldwater-Schmitt bill. So authors believe, and they've asked help of FCC to prove them right by estimating its expense of broadcast regulation. S. 622 authors think total bill would be in neighborhood of \$30 million. That's small by comparison with \$80 million to be generated by other Senate bill, S.611, or \$150 million by House rewrite of act.

Holiday network

Holiday Inns of America, nation's largest motel chain with over 1,500 inns, is looking toward satellite-fed television programming network that, presumably, will mean receive-only earth stations at most of its motels. Company is now negotiating with Scientific-Atlanta, earth station manufacturer, for large hardware order.

HIA official declined to comment on plans, however, but said its withdrawal two weeks ago from partnership with Southern Satellite Systems Inc. for distribution of superstation KTVU(TV) Oakland, Calif., was not necessarily related to its plans for "earth station reception network."

Glimmers of hope

Although NBC's ratings performance in recent weeks has been generally dismal, President Fred Silverman is far from striking flag. Indeed, one of his program aims—to go into fall with at least handful of carryover series from spring development—seems to be working. *Different Strokes*, *Hello Larry*, *BJ and the Bear*, *Mrs. Columbo* and revamped *Supertrain* all are turning in respectable ratings and are considered safe bets to join *Little House on the Prairie*, *Quincy* and *CHiPs* as building blocks for fall.

Added to what insiders call "much better" performance on Saturday morning and "slightly better" performance in daytime, there's confidence that, bit by bit, Mr. Silverman is rebuilding program base. No quick turnaround expected.

Home

Julian Goodman, who retires June 30 after 34 years with NBC from newsman to chairman, has been selected as "distinguished journalist" to deliver second annual Frank E. Gannett lecture in Washington on journalistic topic of his choice. His choice: "First Amendment." Event is scheduled June 7 at Washington's Mayflower hotel under auspices of Washington Journalism Center.

First lecture, under grant from Gannett Foundation, was delivered last year at same place by John Oakes, retired editor of editorial page of *New York Times*. Mr. Goodman began as newswriter with NBC Washington.

Whistles blow

In new compilation of complaints received by General Accounting Office on special toll-free hotline set up to invite reports of fraud or mismanagement in government, FCC and Federal Trade Commission come off relatively free. In three months 4,000 allegations have been made, with 2,191 judged worthy of review, investigation or audit. Social Security Administration tops list with 265 complaints. Fourteen agencies had none. FCC had 10 warranting further look, FTC, six.

There were three complaints against Congress, one each against White House and Supreme Court. Hotline number: 800-424-5454.