

Johnson said, the majority failed to deal with the well-known fact that new television stations in almost any market, whether VHF or UHF, almost always sustain rather substantial operating losses during the first few years of their existence. . . . The fact that WIBF-TV sustained operating losses after only a few years of operation cannot support the proposition that an independent station not held by a multiple owner cannot survive in the Philadelphia market.

Antistrike bills gain more support on Hill

The prospects for passage of Senator John O. Pastore's (D-R. I.) bill to prohibit competing applications for renewal of licenses are brightening as Senate Communications Subcommittee spokesmen report that a good number of senators personally have expressed their approval to Chairman Pastore. Hearings are expected to be held in the near future, but as of late last week no dates had been set.

Senator Wallace F. Bennett (R-Utah) boosted the Senate drive with a May 13 floor speech decrying FCC policies that allow new "blus sky" entrants to apply for an existing station's frequency without consideration of the licensee's past record. The bill (S-2004) would require the FCC to first deny a renewal before accepting other applications for the allocation.

Meanwhile, eight bills introduced in the House during the past two weeks brought the House strike application bills to 53. Representatives Wendell Wyatt (R-Ore.), H.R. 11230; Lawrence G. Williams (R-Pa.), 11294; Graham Purcell (D-Tex.), 11376; Lawrence J. Hogan (R-Md.), 11323; Ray Blanton (D-Tenn.), 11309; William L. Scott (R-Va.), 11467; William R. Anderson (D-Tenn.), 11509, and James A. Byrne (D-Pa.), 11518, were the latest to introduce legislation.

Time buys another Chicago newspaper chain

Time Inc. last week reached agreement to buy its second chain of suburban newspapers in the Chicago area—Lloyd Hollister Inc., Wilmette, Ill., and two affiliates, North Shore Publishing Co. and the Press Publishing Co. Purchase price was not disclosed, but was believed to be about \$5 million. Hollister publishes 10 semi-weekly newspapers in communities north of Chicago. The papers have a combined circulation of about 65,000.

In March, Time agreed to buy the 22 weekly papers of Pioneer Publishing Co., which serve suburbs north and west of Chicago.

Delay in pay-TV service

FCC to stay authorizations but process applications pending court settlement

The FCC last week agreed to defer any authorization of pay-TV service until 60 days after a decision has been rendered in the pending court challenge to the new pay-TV rules.

The ruling was in response to a request by the National Association of Theater Owners and the Joint Committee Against Toll TV, both of which have appealed the commission's pay-TV order of last December that established a limited nationwide system of subscription TV. The two groups had asked the commission to stay the effective date of its rules until all avenues of judicial review had been exhausted, or as an alternative, to grant no authorizations of service until completion of judicial review.

The commission found "no merit" in the first request. It said that the two petitioners had failed to demonstrate that a stay of the effective date was required to protect either their private interest or the public interest. (The date was set at June 12—six months after issuance of the pay-TV order—to provide for congressional and judicial review.)

In partially granting the theater owners' alternative request, the commission noted that "practical considerations" involved in the issuance of pay-TV technical standards and in processing the applications might well have precluded grants of service in any event. Its action would serve as an "assurance" that the status quo will be maintained, the commission said.

The commission said it will issue technical standards as soon as possible, though not necessarily before June 12, and that it will begin accepting and processing applications even though none are to be granted until after court action.

The theater owners' groups have appealed the pay-TV order in the U. S. Court of Appeals for the District of Columbia. Oral argument in that court is to be held on June 9.

The cry against pay television was again sounded by the National Association of Broadcasters as it warned that pay TV would mean "the destruction of the present system of free television in the United States."

In a letter sent last week to all commercial television stations, NAB President Vincent T. Wasilewski said broadcasters have two courses of action that they can take:

- To persuade Congress that legisla-

tion is needed immediately to prevent the establishment of pay TV, whether over-the-air or by wire.

- To engage in an on-the-air effort to generate viewer response so the Congress will know that "the people reject the concept of pay television in the United States."

If the latter action is taken, "because of the personal and financial interest broadcasters have in the pay-television issue," Mr. Wasilewski warned, "the responsibility of the licensee under the Fairness Doctrine assumes special significance. Accordingly, if you engage in an over-the-air program on your station you must be prepared to present the other side of the controversy even though no local proponents can be found."

Another voice from the anti-pay-TV forces, the Joint Labor and Management Committee to Save Free TV, New York, reported progress last week in its campaign to get Congress to overrule the FCC.

A spokesman said protest mail was flooding into the committee's Manhattan headquarters and congressional offices in Washington as the result of an ad in the last two issues of *TV Guide*. The committee is made up of labor unions in the television industry and a number of business organizations including theater owners, who claim that pay television will "siphon off the best entertainment programs, sports, movies and cultural events now on free TV."

Sharing this view are several congressmen who have introduced a bill that would prohibit the granting of authority to broadcast pay-television programs.

Representative James G. O'Hara (D-Mich.) called the bill (H.R. 11488) an effort to "protect American television viewers from the threat of a financial whirlpool" in which "we will be paying for the same programs which we are now watching free of charge."

Joining Representative O'Hara in introducing legislation prohibiting FCC authorization for pay TV are Representatives Henry Helstoski (D-N.J.), Mario Biaggi (D-N.Y.) and Clarence E. Miller (R-Ohio).

KRON-TV faces new challenge

A firm organized under the name Bay Area Telecasters Inc. has announced its intention to file a competing application for the facility now occupied by