

FCC GRANT OF VHF CH. 7 IS PROPOSED FOR KLZ DENVER

Hearing Examiner Cunningham finds KLZ "superior" to Denver Television Co., owned by the Wolfberg theatre interests, in the first TV hearing initial decision since 1948. The Wolfberg firm has 40 days to file objections, but officers late last week had no definite plan.

FIRST TV hearing initial decision since 1948 was issued last week when FCC Hearing Examiner James D. Cunningham proposed to grant Ch. 7 to Denver's KLZ.

The grant, for 316 kw, is effective within 40 days of Feb. 2, unless exceptions are taken by unsuccessful Denver Television Co. (Wolfberg theatre interests). As of late last week, Denver Television had not made up its mind about filing exceptions. If exceptions are filed and oral argument before the full Commission is requested, final decision may be put off for longer than the 40 days allowed.

Basis for favoring the CBS affiliate over non-broadcaster Denver Television, according to Examiner Cunningham's 60-page initial decision, was:

- (1) Local residence of stockholders.
- (2) Participation of directors in community activities.
- (3) Integration of ownership and management.

In addition, Examiner Cunningham held that there was insufficient evidence in the record to determine whether there was any conflict between broadcasting and motion picture exhibition. Nor did he find sufficient basis for determining that movie exhibitors were less qualified than non-exhibitors to become licensees.

Since both applicants were motion picture exhibitors, this question did not loom as large as it may in other hearings where one but not both applicants are theatre owners.

Diversification Not Factor

In another key contention held by Denver Television—that a non-broadcaster should be chosen over a broadcaster in order to maintain diversification of the ownership of the media of mass communication—Examiner Cunningham declared that he could not find such a policy enunciated by the Commission, except in cases where an applicant was newspaper owned.

Mr. Cunningham also declared that had the Commission desired that diversification be considered in choosing between the two Denver applicants, it would have made that point one of the issues in the case. Since it had not done so, Mr. Cunningham stated that the Commission apparently did not consider this point as significant in choosing one applicant over another.

Question whether CBS affiliation contract with KLZ—which contained a first refusal clause regarding TV affiliation—was in conflict with Section 3.658 (a) and (c) was determined in the negative by Examiner Cunningham. He called Denver Television's contention that the CBS clause violated the regulation a "strained interpretation."

Anti-trust violations which were imputed as disqualifying to several principals of both applicants were dismissed by the hearing examiner on the ground that all related to events more than three years old.

In connection with the criteria enunciated by Examiner Cunningham for finding which of the applicants was best qualified, the examiner found KLZ the "superior" applicant. He pointed out that 36 of the 43 KLZ stockholders, holding 58% of the stock, resided in Denver; that one of the five KLZ directors had lived in Denver for more than 60 years, another for

34 years and a third for 12 years. He called the public service record of KLZ directors "outstanding." He also was impressed with the broadcasting achievements of KLZ during its 30 years of operation in Denver.

[For complete text of Examiner Cunningham's conclusions, see FOR THE RECORD, page 92.]

Nationwide expressions of congratulations were received by KLZ Denver within 24 hours after the FCC initial decision. It was topped with a wire from Colorado Gov. Dan Thornton, Hugh B. Terry, president of company, reported.

In a statement issued by Mr. Terry, he pointed out that KLZ already owns its transmitter site atop



Mr. Terry

Lookout Mt., and has leased a 34,000 sq. ft. building in downtown Denver for studios. KLZ is ready to commence construction immediately upon the issuance of a CP, Mr. Terry said, warning, however, that should Denver Television file exceptions and request oral argument KLZ cannot begin building until the FCC comes out with a final decision.

The examiner's proposed decision culminated more than 4½ years of planning and training for TV, Mr. Terry pointed out. He referred to staff training utilizing \$100,000 worth of RCA video equipment which KLZ has engaged in for the past year in conjunction with the U. of Denver, as well as public closed circuit showings of national events and "clinics."

FCC BITES INTO APPLICATION LOAD

FCC grants 10 more permits for TV operation, bringing total number of stations authorized to 338.

FOREST of TV applications, which confronted FCC last July now is starting to thin out as the Commission reaches smaller cities on its priority list of communities with no television service.

Among the eight uhf and two vhf grants made by FCC last week were four permits to cities in the Group A-2 priority list (no television service): Billings, Mont., No. 152; Texarkana, Tex., No. 208; Longview, Tex., No. 210, and Ashtabula, Ohio, No. 214.

Six grants were to Group B cities which now have TV service: Lansing, Mich., No. 147; Clayton, Mo. (Greater St. Louis), No. 179; Winston-Salem, N. C., No. 175; Milwaukee, No. 182, and Hampton-Newport News (Norfolk), Va., No. 189.

Total number of TV stations authorized now stands at 338, but 14 of these are for non-commercial, educational stations. Nearly a dozen of the noncommercial outlets still report no funds with which to buy equipment and

Ike Readies Details of AM-TV Appearances

FORMAT for radio-TV contact between President Eisenhower and the public is being worked out but is not yet ready, James C. Hagerty, secretary to the President, said Wednesday in an address to the Washington professional chapter of Sigma Delta Chi, journalistic fraternity.

"I'm sure that we can work it out," he added. Mr. Hagerty had outlined Jan. 21 the policies to be followed in news conferences [B•T, Jan. 26].

Three national fellowships were awarded at the fraternity dinner, held at the National Press Club. They went to James Soule Pope, executive editor, *Louisville Courier-Journal* and *Times*; James B. Reston, diplomatic correspondent, *New York Times*, and Louis B. Seltzer, editor, *Cleveland Press*.

Griffing Bancroft, president of the Washington chapter, presided.

Mr. Hagerty in effect conceded the rising place radio and TV are attaining in the news field by describing himself as "news secretary to the President."

At his Thursday morning news conference Mr. Hagerty said the President would likely hold his first session with newsmen sometime this week, possibly Thursday.

FCC Grants Two AM, Two FM

TWO construction permits for new AM stations and two for FM were granted by FCC last Thursday:

Eastland, Tex.—Tri-Cities Bestg. Co. of Eastland County. Granted CP for a new AM station to operate on 1590 kc, 500 w day; engineering condition (BP-8575).

Russellville, Ky.—South Kentucky Bestg. Co. Granted CP for a new AM station to operate on 800 kc, 1 kw, daytime only; engineering condition (BP-8533).

Talladega, Ala.—Voice of Talladega Inc. Granted CP for new Class B FM station to operate on Ch. 246; ERP 9.2 kw; 210 ft. antenna; engineering condition (BPH-1819).

Nashville, Tenn.—Nashville Bestg. Co. Inc. Granted CP for new Class B FM station to operate on Ch. 290; ERP 3.6 kw; 47 ft. antenna; engineering condition (BPH-1822).

commence construction.

Number of vhf grants since the lifting of the freeze totals 68, of which two are for non-commercial, educational stations. Uhf grants total 162, of which 12 are for noncommercial, educational stations.

Grants made last Thursday were:

Billings, Mont. (City priority Group A-2, No. 152)—The Montana Network (KOOK), granted construction permit for vhf Channel 2, effective radiated power 17.5 kw visual and 8.8 kw aural, antenna height above average terrain 440 ft.

Texarkana, Tex. (Group A-2, No. 208)—KCMC Inc. (KCMC), granted vhf Ch. 6, ERP 18.5 kw visual and 9.4 kw aural, antenna 400 ft. (Comr. Frieda B. Henneck did not participate in voting on grant.)

Longview, Tex. (Group A-2, No. 210)—East Texas Television Co. (Henry Radio & Appliance Store), granted uhf Ch. 32, ERP 20 kw visual and 11 kw aural, antenna 290 ft.

Ashtabula, Ohio (Group A-2, No. 214)—WICA Inc. (WICA), granted uhf Ch. 15, ERP 19 kw visual and 10 kw aural, antenna 330 ft.

Lansing, Mich. (Group B-2, No. 147)—Lansing Broadcasting Co. (WILS), granted uhf Ch. 54, ERP 25.5 kw visual and 13 kw aural, antenna 370 ft.

Clayton (St. Louis suburb), Mo. (Group B-4,