

FCC Slates Changes For Financial Report

Comments due Dec. 7 on notice of rule making to amend licensees' annual accounting to Commission.

TEXT of FCC's notice of further rule-making to amend the annual financial report form 324 required of broadcast licensees [B•T, Nov. 9], was released last week by the Commission. Comments are due Dec. 7.

The proposal now envisions deletion of schedules 10-A and 10-B on employes and their compensation and deletion of annual report form 324-A on summary estimates of station broadcast revenues and expenses. Form 324 itself would be simplified as follows:

To be deleted: Schedule 1, general balance sheet; schedule 2, analysis of unappropriated earned surplus; schedule 2-A, analysis of undistributed profits or capital account; schedule 4, income statement; footnote, organizations from which respondent received programs; schedules 10-A and 10-B, employes and their compensation.

Schedule 3, tangible property owned and devoted exclusively to broadcast service by the respondent, would lose column B with items changed to 1. land and land improvements and buildings; 2. all other property (including transmitter, studio, office and other property); 3. total, all property (lines 1 and 2).

There would be no change in schedule 5, analysis of station broadcast revenues.

Line items of schedule 6, analysis of broadcast expenses, would be changed to read: General categories of expenses—1. technical expenses; 2. program expenses; 3. selling expenses; 4. general and administrative expenses; 5. total broadcast expenses (lines 1-4). Selected expense items (subcategories of lines 1-4 above)—6. salaries and wages, including supervision; 7. depreciation and amortization; 8. film expenses; 9. transcriptions and recordings; 10. cost of intercity and intracity program relay circuits; 11. cost of news services (other than salaries); 12. talent expenses (musicians, artists and other talent); 13. royalties and license fees relating to program material.

There would be no change in footnote on number of full and part-time employes.

Several changes in the Commission's rules are proposed to accompany the report form modifications. These are:

1. Amend Sec. 0.206(c) to read, as follows:
(c) All applications and amendments thereto filed under Title II and Title III of the Act, including all documents and exhibits filed with and made a part thereof, and all communications protesting or endorsing any such applications, authorizations, and certifications issued upon such applications; all pleadings, depositions, exhibits, transcripts of testimony, reports of examiners or presiding officers, exceptions, briefs, proposed reports, or findings of fact and conclusions; all minutes and orders of the Commission. The information filed under §1.341 and network and transcription contracts filed pursuant to §1.342 shall not be open to public inspection. The Commission may, however, either on its own motion, or on motion of an applicant, permittee or licensee, for good cause shown, designate any of the material in this subsection as confidential.

2. Amend Sec. 1.341(a) to read, as follows:
1.341 Financial report, broadcast licensees and permittees.—Each licensee of a broadcast station (standard, fm, television and international) and each permittee of a broadcast station engaged in interim operation shall file with the Commission on or before April 1 of each year on Form 324 an operating statement for the preceding calendar year together with a statement as to investment in tangible broadcast property as of December 31 of the preceding calendar year.

3. Delete Sec. 1.341(b).

Commission Amends Rule On Daytime Skywave Cases

BECAUSE an earlier amendment inadvertently precludes action on applications of certain Class II stations for changes in night operation, FCC has further modified footnote 10b of Sec. 1.371 of its rules pending settlement of the daytime skywave proceeding [B•T, Aug. 17].

The Commission initially made the footnote change so as to "temporarily" freeze action on bids of fulltime outlets which seek different power daytime than at night on Class I channels. For some years, FCC has frozen daytime-only bids on clear channels because of the daytime skywave case.

Effective immediately, footnote 10b of Sec. 1.371 of FCC's rules reads as follows:

Pending conclusion of the proceeding in Docket No. 8333 [Daytime Skywave Case] action will be withheld on the following:

(1) applications proposing daytime or limited time assignments on any of the frequencies specified in §3.25(a) and (b) of this chapter;

(2) applications from existing daytime or limited time stations presently assigned to any of the frequencies specified in §3.25(a) and (b), of this chapter, proposing (a) a change in operation resulting in an increase in radiation towards the normally protected contour of a United States Class I station on the channel; or (b) proposing a change in transmitter location resulting in a material reduction in the distance from that station to the normally protected contour of a United States Class I station on the channel;

(3) applications for new stations, and those for changes in frequency assignment, proposing unlimited time Class II assignments on any of the frequencies specified in §3.25(b) of this chapter, which would operate differently during the day than at night;

(4) applications for changes, other than frequency, of unlimited time Class II stations on any of the frequencies specified in §3.25(b), of this chapter, where the resulting daytime and nighttime operations are different; and either (a) it is proposed to change daytime operation resulting in an increase in radiation towards the normally protected contour of a United States Class I station on the channel; or (b) it is proposed to change transmitter location resulting in a material reduction in the distance from that station to the normally protected contour of a United States Class I station on the channel.

TSN ACQUIRES KFDA CONTROL

CONTROL of KFDA and KFDA-TV Amarillo, Tex., has been acquired by Texas State Network Inc., subject to usual FCC approval, according to President Wendell Mayes, of Amarillo Broadcasting Co.

TSN acquired 75% of the stock in the radio-TV properties for approximately \$550,000, Mr. Mayes said. TSN owns KFJZ Fort Worth, its key outlet, WACO Waco and KRIO McAllen. It has a tv application for ch. 11 in Fort Worth and an interest in a Waco ch. 10 application.

Sid W. Richardson, Fort Worth oil operator, is major TSN stockholder. Gene Cagle, Fort Worth, is president and one-third owner. Charles B. Jordan, Fort Worth, TSN vice president, retains individual ownership of 25% of KFDA-AM-TV. Stanley Wilson, manager of both outlets, remains as operating head, according to Mr. Cagle. He added that no changes in other personnel or policies of the stations are planned.

With Mr. Cagle through his TSN stock and Mr. Jordan through individual ownership retaining their interests in KFDA-AM-TV, the transfer results primarily in the sale of the half interest in these properties owned by Mr. Mayes and C. C. Woodson, both of Brownwood.

KFDA-TV took the air in April with 56.5 kw as a ch. 10 outlet. It has CBS-TV and ABC-TV affiliations and will start live CBS-TV service Dec. 1. KFDA's am station, an ABC affiliate, operates with 5 kw daytime and 1 kw night on 1440 kc.



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