

## PUBLISHERS BLAST FCC BEFORE HOUSE

American Newspaper Publishers Assn. counsel Elisha Hanson charges Commission has been 'evading' law by 'rigid policy adverse to newspaper applicants.' Terms diversification 'discrimination.'

THE FCC has been "evading" the law for the past decade and a half in following a "frankly announced" and "rigid policy adverse to newspaper applicants" for radio-tv facilities, Elisha Hanson, attorney for American Newspaper Publishers Assn., told a House subcommittee Thursday.

Testifying before the House Commerce Committee's Transportation & Communications Subcommittee, Mr. Hanson said he prefers to call the FCC's mass media diversification policy its "discrimination policy." He spoke in support of twin House bills (HR 6968 and 6977) which would prohibit FCC "discrimination between persons based upon interest in . . . any medium primarily engaged in the gathering and dissemination of information."

The subcommittee, headed by Rep. Oren Harris (D-Ark.), spent the major part of a morning session hearing Mr. Hanson, with three other witnesses making brief appearances, then decided to continue hearings at a date not yet decided.

Richard S. Salant, CBS vice president, spoke briefly on political broadcasting bills before the subcommittee and submitted a statement which included suggested legislation for still another political broadcasting bill. This would embody an adaptation of HR 6810—proposed by CBS President Frank Stanton—combined with recent bills in both the House and Senate which would allow broadcasters to make radio-tv time available to candidates of the major parties without furnishing time on an equal basis to candidates of small minority and splinter groups (also see story, page 91).

Mr. Salant said CBS is prepared to offer and has set aside perhaps two hours of free Class A time to be divided between the major party candidates for the presidency for "some form of debate or discussion of the central issues"—if Congress adopts HR 10217, HR 10529 or CBS' suggested revision.

Judge E. Barrett Prettyman of the U. S. Court of Appeals for D. C., testified as a representative of the Judicial Council of D. C. in favor of a bill (HR 6631) which would give appeals courts more discretion in granting interlocutory relief in cases from the FCC and several other agencies.

ANPA's Mr. Hanson said that while the law "presumably" prohibits the FCC from discriminating against any applicant, the Commission, nevertheless, has pursued a discrimination policy against newspaper applicants.

The FCC invoked its diversification policy in 10 of 12 contested cases up to last Jan. 31, Mr. Hanson said, "tipping the scales against the newspaper applicants."

Mr. Hanson said that except in rare instances the only way a newspaper can get a vhf grant is through an uncontested proceeding or by merger with an opposing applicant, adding that newspaper ownership or association constitutes an "almost irrebuttable presumption" of comparative disqualification under present FCC policy.

As to monopoly of mass media, the ANPA counsel said, there is "no such thing as a monopoly of mass media . . . in this country of ours." This is because there are more than 25,000 publications regularly printed and "no one man, no group of men controls any great number of these publications."

Rep. James I. Dolliver (R-Iowa) reminded Mr. Hanson that the FCC "indignantly denied" it discriminated against newspapers at

earlier hearings [B•T, Feb. 6, Jan. 31], to which the ANPA counsel replied: "Most law evaders do indignantly deny."

The CBS suggestion presented by Mr. Salant would differ from HR 10,529 in these ways:

(1) It would extend the eligibles category to acceptance speeches made at nominating conventions or appearances on news, forum, debate and similar programs which are controlled by the broadcaster, by a candidate for President, Vice President or for a *spokesman duly designated* by the candidate for President. It would term presidential or vice presidential candidates for nomination "presumes substantial candidates" (and thus eligible for equal time) if they are incumbents of elective offices which are federal or statewide, have ever been nominated by a major party nominating convention or can muster 200,000 signatures on a petition. (The broadcaster would be allowed a "limited discretion" in determining whether a candidate is substantial if he does not come under the "presumption" qualifications. Opponents seeking the office sought by a "designated" spokesman discussing "major issues" on such a show could not demand equal time on account of his candidacy unless they met requirements made for candidates by the bill.)

(2) Equal time provisions would not apply in the case of a candidate for a congressional office if such a candidate appeared on a news, forum, debate or similar program controlled by the broadcaster, except for those candidates qualified under HR 10,529 and "substantial candidates for nomination by major parties." A "substantial" candidate for nomination would be "presumed" to be so if he is an incumbent of any federal or state office which is elective, has ever been nominated by a major party for the same office or can muster petitions totaling 1% of the vote for that office in the preceding congressional election.

CBS order of preference for the various bills, he said, is HR 6810 (Stanton plan), the CBS amendment proposal submitted Thursday, HR 10,529 and HR 10,217. He said the FCC is dubious about whether HR 10,217 applies to candidates for nomination, in addition to nominees, but that CBS and others believe it does.

## Magnuson May Offer Money For FCC Ad Fraud Study

THE FCC isn't planning to appear before the Senate Appropriations Subcommittee on independent offices (Sen. Warren G. Magnuson [D-Wash.], chairman), because it apparently is quite satisfied with the \$50,000 cut recommended by the House of Representatives. But, it may be asked to appear anyway. Sen. Magnuson has indicated that he might want to give it more money—to oversee advertising.

That's what the powerful Senate Commerce Committee chairman told B•T last week. He said he was going to ask both the FCC and the Federal Trade Commission whether it didn't want extra finances to act against purported fraudulent advertising on the airwaves. The Senate appropriations committee is scheduled to begin hearings this week. President Eisenhower had asked for \$7.85 million for the FCC for fiscal 1957, but the House last month cut this sum by \$50,000. In 1956, the FCC operated with an appropriation of \$6.87 million.

## 6 ABC O&O Stations Change Representation

REPRESENTATION changes for six ABC owned and operated stations were in progress last week.

The network appointed John Blair & Co. and Blair Tv to represent, respectively for radio and television, KGO-AM-TV San Francisco and WABC-AM-TV New York. KGO-AM-TV and WABC-AM had been represented by Edward Petry Co. WABC-TV had been represented by Weed Television.

Coincidentally, the Petry company resigned as representatives of KABC-AM-TV Los Angeles. No replacement had been selected at week's end.

## Burke-Stuart Co. Names Ted Oberfelder President

TED OBERFELDER, former ABC vice president in charge of WABC-TV New York, last Monday was named president of Burke-Stuart Co., New York, radio and tv station representatives.

Mr. Oberfelder's election was announced by Frank B. Swadon, Burke-Stuart's chairman of



MR. OBERFELDER

the board, who noted that the firm "looks forward to a great expansion program which will enable us to serve our present clients even better and to secure new clients for our specialized services."

With ABC starting in 1945, when he was made manager of audience promotion, Mr. Oberfelder held various posts

with the network, becoming director of advertising, promotion and research; general manager of WJZ (now WABC) New York; vice president in charge of owned and operated stations (also 1952), and two years ago, vice president in charge of WABC-TV New York. Before he joined ABC, Mr. Oberfelder had been director of advertising and promotion at Hearst Radio, subsequently for WCAU Philadelphia and later for WFIL Philadelphia.

## Cohan Buys KVEC-AM-TV; KITO, KAKC Buys Concluded

ANNOUNCEMENT of the sale of one television and three am stations was made last week. All are subject to FCC approval.

• KVEC-AM-TV San Luis Obispo, Calif., was sold by Christina M. Jacobson to John C. Cohan (KSBW-AM-TV Salinas, Calif.) for \$450,000 and obligations. KVEC operates on 920 kc with 1 kw day, 500 w night. KVEC-TV is on ch. 6 and is affiliated with CBS and ABC.

• KITO San Bernardino, Calif., was sold by H. G. Wall and Jack Flanigan to Cosmopolitan Broadcasting Corp. for \$150,000. Cosmopolitan is a subsidiary of Continental Telecasting Corp. (KRKD Los Angeles, which it bought last fall for \$417,500). Continental is owned 36⅓% by Albert Zugsmith Corp., media broker (Albert Hogan, president); 36⅓% by Richard C. Simonton, wired music franchise holder, and 26⅓% by Frank Oxarart, who owns 20% of KVOA-AM-TV Tucson, Ariz. Messrs. Zugsmith, Hogan and Simonton each own 25% of KULA-TV Honolulu. Mr. Oxarart, general manager of KRKD will also man-