according to a number of factors, but BMI sources have said that at least a thousand radio stations pay SESAC more than they pay BMI .

Radio stations' current contracts with ASCAP provide for commercial fees at the rate of 2.0%, plus relatively small sustaining fees. (BMI has no sustaining fee.) The ASCAP contracts were negotiated in the spring of 1967 and represented an approximately 6.5% reduction from the ASCAP rates formerly paid.

It was estimated then that the reduction would save stations about $800,000 a year in ASCAP payments, but ASCAP took the position that since radio revenues were then rising at a rate of about 8% a year, ASCAP in the long run would still get more money that in the past (BROADCASTING, April 3, 1967).

The ASCAP contract runs to March 1, 1972.

At the time, committee officials expected that the saving under the new ASCAP conract would approximately offset the 12.5% increase they had accepted from BMI in recognition of increased radio use of BMI music.

The current BMI-radio negotiations come at a time when the jockeying between BMI and ASCAP—by far the leading music-licensing organizations in the field—has been growing in intensity. ASCAP in recent years has expanded into many musical fields developed by BMI, including pop-rock, country and western, and rhythm and blues. BMI reportedly feels that an important factor in its bid for higher rates is need for greater resources with which to head off the inroads made by ASCAP.

In his statement President Cramer did not mention ASCAP competition, however, but said that "in our judgment as custodian of the rights of the writers and publishers affiliated with us," BMI's current radio rate "does not properly reflect radio's use of our repertoire.

"It does not, we believe, reflect the change in the role of music on radio which has taken place since 1940, when the present BMI rate structure was evolved. It does not reflect the change which has taken place in American music since BMI came into existance. It does not reflect true recognition of the role BMI writers and publishers have played in shaping radio's present music-programing patterns and economy.

"We regret that the unilateral action of this committee has resulted in breaking off of negotiations. We still wish to meet with responsible members of the industry to effect a mutually suitable and reasonable fee. We again offer the opportunity to take the matter to arbitration."

The all-industry committee, said to represent upwards of 1,000 radio stations, was represented at Tuesday's negotiating session by Chairman Sanger and George W. Armstrong of the Storz stations; Herbert T. E. Evans, People's Broadcasting; John J. Heywood, Avco stations, and J. Allen Jensen, KID Idaho Falls, Idaho, and by Emanuel Dannett, William W. Golub and Bernard Buchholz of the New York law firm of McGoldrick, Dannett, Horowitz & Golub, counsel to the committee.

Representing BMI were President Cramer and Robert B. Sour, former president, now vice chairman of the BMI board, and Vice President Justin Bradshaw.

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as realistic.

The number of stations reporting in the second quarter was higher than in the first—377 as against 344—but still short of the approximately 400 that has been normal in recent years.

Aside from the dollar and percentage advances in the second quarter, TVB noted several factors contributing to optimism in spot TV.

Automotive Over 50% ■ Automotive advertising, for one, was 58.2% higher than in the same period of 1967, rising from $14.2 million to almost $22.5 million. Five other categories also showed gains ranging from 17.5% to 45.5%, and 13 individual advertisers boosted their spot TV spending by $1 million or more (see tables, page 26).

Another happy harbinger was seen in the performance of Sears, Roebuck, which has been getting more and more into television advertising and as a bellwether is expected to lead many other retailers into more extensive use of the medium.

In the second-quarter report a year ago, Sears ranked 60th among spot TV spenders, with an outlay of $1,253,300. More than doubling that investment, it ranked 23d in this year's second quarter with a total of $3,090,700.

Another company that has been moving more and more into television, the McDonald's Corp., one of the leading franchisers of drive-in restaurants, moved into spot TV's top 100 for the first time in any quarter, TVB noted. McDonald's total for the period was $786,300, making it 88th in spot TV spending.

TVB's day-part analysis showed that nighttime TV had the biggest dollar gain, and also the biggest percentage gain in spot expenditures for the second quarter, with a $16.3 million advance (14.5%) to a total of $128.3 million for the period (see table).

Among commercial lengths, 60's continued to account for the most dollars, but the continuing rapid growth of 30's was credited with a big part of a 71% increase noted in the "20's and 30's" category, which accounted for $97.7 million or 28.1% of the spot dollars as compared with $57.1 million or 18% in the 1967 second-quarter report (see table).

TVB's top 100 national and regional spot TV advertisers for the second quarter ranged from the customary leader, Procter & Gamble, with a $20,563,300 investment, to Pan American World Airways, with $681,800. Seventy-seven advertisers put more than $1 million each into spot TV in the quarter.

Top 100 national and regional spot television advertisers—second quarter 1968

1.	Procter & Gamble	$20,563,300
2.	General Foods	14,637,200
3.	Coca-Cola	9,270,000
4.	Colate-Palmolive	8,536,400
5.	Bristol-Myers	8,460,000
6.	American Tobacco	5,819,700
7.	William Wrigley Jr.	5,600,000
8.	Lever Brothers	4,781,000
9.	Continental Baking Co.	4,735,300
10.	General Motors	4,057,700
11.	National Dairy Prod.	4,056,900
12.	Warner-Lambert Pharm.	3,913,400
13.	Pepsico	$ 3,898,200
14.	Alberto-Culver	3,734,200
15.	Kellogg	3,637,100
16.	American Home Prod.	3,612,500
17.	Jos. Schlitz Brewing	3,421,100
18.	General Motors, dealers	3,368,300
19.	General Mills	3,266,400
20.	Johnson & Johnson	3,219,300
21.	Seven-Up	3,203,100
22.	Corn Prod.	3,107,800
23.	Sears, Roebuck	3,090,700
24.	Gillette	2,938,600
25.	Shell Oil	2,907,300
26.	Ford Motor, dealers	2,848,100
27.	American Can	2,801,600
28.	Quaker Oats	2,638,800
29.	Sterling Drug	2,429,200
30.	Standard Oil of Calif.	2,240,200
31.	Borden	2,160,200
32.	Scott Paper	2,147,700
33.	Ralston Purina	2,141,300
34.	Campbell Soup	2,128,800
35.	Chrysler Corp., dealers	2,123,400
36.	Ford Motor	2,086,500
37.	R. J. Reynolds	2,035,800
38.	Philip Morris	1,957,400
39.	Squibb Beech-Nut	1,942,300
40.	United Air Lines	1,919,300
41.	Pillsbury	1,837,700
42.	American Tel. & Tel.	1,818,200
43.	Miles Labs	1,791,500
44.	Carter-Wallace	1,763,700
45.	Standard Brands	1,761,500
46.	Consolidated Foods	1,732,700
47.	Canadian Breweries	1,650,700
48.	Uniroyal	1,627,200
49.	Avon Prod.	1,626,200
50.	Armour	1,619,500
51.	Pabst Brewing	1,610,400
52.	Royal Crown Cola	1,601,400
53.	National Biscuit	1,575,700
54.	American Dairy	1,498,300
55.	Nestle Co.	1,491,200
56.	Norwich Pharmacal	1,407,400
57.	Mars	1,397,500
58.	Mobil Oil	1,386,000
59.	Canada Dry	1,379,000