gross revenue [as defined in contract]. The expired license provided a 5% optional standard deduction and this was available only to stations having revenues of less than $500,000."

With this change, the committee letter says, "it is estimated that 75% to 80% of all radio stations will now find it advantageous to utilize the liberalized optional 'standard deduction,' thus eliminating ASCAP audits as to itemized deductions."

■ "The [advertising agency] commission, up to 15%, may now be deducted in full 'off the top.' Previously this deduction had been reduced by ASCAP by the ratio [that] itemized deductions bore to gross revenues. In addition, the language has been revised to make clear that commission paid to, or withheld by, a sponsor's house agency is deductible.

■ "Reporting of trade deals: In reporting to ASCAP, stations may now use the same figures for trade deals as used for FCC Form 324, and ASCAP has given up its right to audit trade deals unless the amount reported is less than 75% of the amount reported to the FCC in 1976. Stations that have not already done so must, on or before Jan. 31, 1979, file with ASCAP a copy of Schedule 1 of FCC Form 324 for the year 1976 in order to be eligible to report on this revised basis."

This provision, the committee felt, represents a change "that is expected to reduce audit disputes."

■ For stations that itemize deductions, "a deduction is now available for the cost of audio news services, as well as for news ticker services."

■ Among other changes in reporting and accounting to ASCAP, the estimated monthly fees "will be one-twelfth of the amount shown on the annual report to ASCAP plus 8% instead of plus 6% under the expired license."

In the per-program license, presented as "an experimental agreement," a variety of changes have been made, including a reduction—to 5.175% from 8%—in the rate for programs containing feature uses of ASCAP music.

The committee's letter advises stations that "if your format is any one of the following, the per-program license may be beneficial to you and we recommend that you carefully review it:

"1. Stations having a split format consisting of all talk or all news for most of the broadcast day and musical programs in nonprime hours. Examples of this kind of format would be a station which programs all talk/news from 6 a.m. to midnight and music from midnight to 6 a.m., or which programs all talk or news during weekdays and music on Saturday and Sunday.

"2. Classical music stations which broadcast primarily public-domain music and keep accurate records of music used.

"3. Stations which have a few interspersed hours of music during the week."

Broadcasters who think they may decide to choose the per-program license were advised to "keep a record of music uses from Jan. 1, 1979, on so that you will be in a position to supply the reports as to music used to ASCAP."

The new blanket license extends from Jan. 1, 1978, through Dec. 31, 1982, and is retroactive to March 1, 1977, when the old license expired. The per-program license runs from Jan. 1, 1979, through Dec. 31, 1982.

The all-industry committee that negotiated the new ASCAP contract is currently negotiating with Broadcast Music Inc. on a new BMI contract. The old one expired Dec. 31, 1977, but has been continued in force—subject to cancellation by either side on three months' notice—while negotiations continue.

Members of the committee in addition to Chairman Church are George W. Armstrong, Storz Broadcasting Corp., Omaha; Kenneth R. Frankl, RKO General, New York; Robert E. Henley, WGN of California Inc., Sacramento, Calif.; Robert R. Hilker, Suburban Radio Group, Belmont, N.C.; J. Allen Jensen, KID Broadcasting Corp., Idaho Falls, Idaho; Richard C. Percival, retired Cowles Communications executive; Elliott M. Sanger, retired chairman of WQXR-AM-FM New York; Lester M. Smith, Kaye-Smith Radio group, Bellevue, Wash.; James A. Stabile, Metromedia, New York; and Donald A. Thurston, Berkshire Broadcasting Co., North Adams, Mass.

Emanuel Dannett and Bernard Buckholz of the New York law firm of Graubard Moskovitz McGoldrick Dannett & Horowitz are counsel to the committee.

INTV gathers in D.C. early next month

Quello, Bortz and Van Deerlin lead list of Washington speakers; others include Paramount's Frank, General Foods' Braun, SFM's Moger

The Association of Independent Television Stations will hold its sixth annual convention Feb. 4-7 in Washington. Theme of the meeting: "The Independent Station in an Era of Change."

Among the topics to be explored, according to Herman Land, INTV president, are children's television, superstations, the Communications Act rewrite and programing.

Those scheduled to address the convention include FCC Commissioner James H. Quello; Paul Bortz, deputy assistant secretary of the National Telecommunications and Information Administration; Representative Lionel Van Deerlin (D-Calif.), chairman of the House Communications Subcommittee; David Braun, director of media services, General Foods; Richard Frank, president, Paramount Television; Stan Moger, executive vice president, SFM Media Service Corp; Jonathan Blake, of Covington & Burling, a Washington law firm, and Thomas Krattenmaker, co-director of the FCC's network inquiry staff.