

cast a deciding sixth vote for the first company to garner five. One final vote adopting a resolution naming Warner the franchisee was also taken. With a couple of Sammons supporters jumping on the bandwagon, that vote was 8-2.

Aurelio said that Sammons, as a local company, had exerted a lot of pressure in the final days before the decisive meeting and it was "obvious that it was going to have some kind of impact."

Aurelio praised the franchising process as "scrupulously run" and the "purest that I've ever encountered." He said it's always possible that one of the losers might file suit, but he said, "I don't know what ground there could be for one."

An interesting aspect of the Dallas award is that Warner, Sammons and Storer had gathered no local partners to enhance their standing before the council. The council had made it clear from the start, Brown said, that it did not want to be put under any "undue political pressure." It spelled out in the RFP (request for proposal) and a resolution that it didn't want any contact with the companies or their representatives, Brown said.

Aurelio said the three companies that did line up local partners "misread the spirit of the city. We thought they made an error in sticking with the local partners."

Local partners have become common features of franchise applications—a means for out-of-town companies to muster the necessary political strength to sway a council to its side. Aurelio thinks that it would be wrong, however, to interpret the Dallas award as the beginning of a trend away from local ownership. But, he said, he hopes the Dallas franchising process "will serve as a model" and that "it will have some impact."

The 80-channel system that Warner has proposed for the home market will be



Warner's Aurelio

offered in three levels of service. The first 24-channel level costs subscribers \$2.95 a month and includes all local television stations and numerous access and local origination channels. At this level, there are two optional pay services: Family Features for \$4.95 and Galavision for \$5.95.

The second level of service, priced at \$7.50, includes all the channels of the first and 24 additional channels filled mostly with such satellite programming as Satellite Program Network, WGN(TV) Chicago, WTBS(TV) Atlanta, the Entertainment and Sports Programming Network and C-SPAN. It also makes available two additional pay cable services, The Movie Channel and Showtime Plus, each for \$7.45.

The 80-channel third level of service costs \$9.95 and includes all the channels of the first two levels and features Warner interactive Qube service. Among its addi-

tional services are five pay-per-view channels, the Cable News Network and the Home Box Office option for \$7.45.

Those so inclined can receive maximum cable service, including five pay television services and the Qube-related services for \$43.20. The Qube not only makes possible pay-per-view movies and special events to the level-three subscribers, but also home and business security systems, home shopping and data retrieval.

The local origination and access facilities were major elements of the Warner system. Warner has tentatively agreed to purchase two studios from the local public television station KERA-TV and use them for its headend and its main local origination center. Under the agreement, KERA-TV is to build two new studios. Warner would also lease the new studios' unused hours to producers of local origination programming.

In addition to the KERA studios, the Warner package also includes 10 access studios; three ENG vans, two equipped with microwave gear for remote feeds; six mobile production units, and 22 portable production units. To facilitate cable conferencing, Warner is also making available 50 portable television modulators for origination of programming from any location connected to the institutional loop, which has 39 channels "downstream" and 13 channels "upstream."

The manufacturers that will supply the equipment to build the 2,360-mile system also are winners. In the Warner application, General Cable was specified as the supplier of the cable, C-Cor of the line amplifiers and Scientific-Atlanta of the satellite earth stations. Pioneer is the maker of the BT-1300 Qube terminals, but Warner will also use the converters of Hamlin, Jerrold and Scientific-Atlanta in non-Qube homes.

NBC has agreed to retract story it broadcast last February saying **Representative John M. Murphy** (D-N.Y.) had **accepted money** from undercover federal agent, in return for introducing immigration bill in support of man believed to be Arab sheik. NBC said it had investigated and found it was in error on these two points. It planned to carry correction on *NBC Nightly News* on Saturday (Nov. 1). In turn Murphy agreed to withdraw \$10-million libel suit he filed against NBC last month (BROADCASTING, Oct. 13).

'Washington Post,' in banner-headlined "Style" section piece by Tom Shales last Friday (Oct. 31), **charged TV networks with deliberate campaign to harass** Republican presidential candidate Ronald Reagan. Shales leaned heavily on NBC evening newscasts anchored by John Chancellor; coverage pattern he said was "merrily and lazily emulated" by other networks. Responded NBC News President Bill Small: "[Shales's] analysis of network coverage, ours and others, is shallow, inaccurate, unsophisticated, superficial and silly. He seems to spell well, however!"

Once again, **contract talks have broken off in three-month-old American Federation of Musicians strike.** Negotiations had resumed Oct. 27 after month-long hiatus, but ended Oct. 29 with no major progress reported or new talks scheduled.

NBC last week declined to air retraction demanded by lawyers for former **Wayne Newton** in response to Oct. 6 *Nightly News* report on federal investigation surrounding singer's bid for purchase of Las Vegas' Aladdin hotel. Newton's representatives claimed report falsely depicted Newton as involved with organized crime figures. NBC denied charge.

Network response was sent out on its behalf and that of affiliates that carried broadcast—they also had been sent retraction demands.

NBC's 'Today' show has scored ratings victory over ABC's **'Good Morning America'** for first four weeks of fourth quarter. Averages, Sept. 29-Oct. 24, were 5.1 rating/29 share for *Today* and 4.7/27 for *GMA*.

George H. Duncan, president of Metromedia Radio, **elected chairman of Radio Advertising Bureau** to succeed Elmo Ellis, WSB(AM) Atlanta. George W. Armstrong, Storz Broadcasting, elected RAB executive committee chairman, and Richard W. Chapin, Stuart Broadcasting, elected finance committee chairman.

NBC's Washington VP **Peter B. Kenney**, expects to return to work Nov. 11 following successful abdominal surgery six weeks ago.

UpComing

At FCC: Commission on Thursday will consider petitions to reallocate New York City's channel 9, now licensed to RKO General, to New Jersey.

■ **At Supreme Court:** Oral argument scheduled today (Monday) on whether FCC has obligation to review proposed changes in station's format, if unique and if objected to by public. ■ **Also in Washington:** MBS's Martin Rubenstein is to address Thursday luncheon of Federal Communications Bar Association at Touchdown Club.