

second-quarter financial results, released last Thursday. A special \$17.4-million charge was equally offset by a gain on the disposal of Blair's printing operations.

Both operating and net income for Blair showed improvement, largely as a result of a reported improvement at the company's direct marketing subsidiary, ADVO systems, which showed a \$5 million operating profit, compared to an operating loss of \$5.7 million in the previous year's second quarter.

Blair entertainment showed an increased loss and operating income also declined for Blair's owned stations and representation business.

The company's television representation division received some bad, but not totally unexpected, news last week when Capital Cities/ABC announced it was withdrawing its four stations: KFSN-TV Fresno, Calif.; WTVD(TV) Raleigh, N.C.; WPVI-TV Philadelphia, and KTRK-TV Houston, which will now

be represented by ABC Television Spot Sales. Commenting on the transfer, which will probably take place in the next few months, Michael P. Mallardi, president of Capital Cities/ABC's broadcasting division said: "Only the unusual circumstances and opportunities created by the Capital Cities/ABC merger have caused this change." Reliable sources have estimated Blair's annual commission income from the four stations at approximately \$6 million. □

Fox network begins to take shape

Stations so far affiliated represent 80% of U.S. TV homes, all but two top-30 markets

Anchored by six of its owned-and-operated stations in the top 10 markets, Fox Broadcasting Co. revealed its first 79 affiliates last week. All of the stations are independents, although Fox has indicated it will pursue agreements with network affiliates in those markets (accounting for about 15% of the country) where independents are not on the air. With the exception of two markets, FBC has secured an affiliate in each of the top 30 markets. The two exceptions are Boston and Milwaukee. Fox is in the process of acquiring WXNE(TV) Boston (ch. 25) and will not talk about any plans it has for the station until the deal is done, but it is assumed the station will be FBC's Boston affiliate. In Milwaukee, FBC is close to signing WCGV-TV (ch. 24), company executives said last week.

The current lineup covers about 80% of U.S. television homes, including 44 of the top 50 markets. David Hilton, vice president, affiliate relations, FBC, said agreements with several other stations in the lower part of the top 50 were close to completion. He declined to project what the

company's total reach would be by March 1987, when the prime time program service is launched. "The critical threshold is the 80% we've reached at this point," he said. "Many of the skeptics should now be impressed with the wide acceptance of FBC."

So far, FBC has announced three programs for its prime time package, including two situation comedies and one hour-long, action-adventure series. The sitcoms include *Down and Out in Beverly Hills*, based on the movie of the same title by Disney's Touchstone films, and *Duet* from Gary David Goldberg in association with Paramount. The action show is *Jump Street Chapel*, from Stephen J. Cannell Productions. In October, FBC will launch *Late Night with Joan Rivers*, a one-hour talk show. All the independent affiliates have signed two-year commitments to carry both the Rivers late night show and the full prime time program package. Fox officials say there will be some flexibility in agreements reached with network affiliates.

Thirteen of the first 79 FBC affiliates are VHF stations and the remaining 66 affiliates UHF. The Fox-owned station group is the largest participating group in the major markets and includes WNYW-TV New York (ch. 5), KTTV(TV) Los Angeles (ch 5), WFLD-TV

Chicago (ch. 32), KDAF-TV Dallas (ch. 33), WTTG(TV) Washington (ch. 5) and KRIV-TV Houston (ch. 26). Other major independent station groups participating in the FBC service so far include Cox, Malrite Communications, Meredith Broadcasting, Outlet Communications, Scripps-Howard, Taft, TVX Corp. and United Television. The complete list follows:

Market (Rank)	Station (Channel)	Owner
New York (1)	WNYW (5)	Fox
Los Angeles (2)	KTTV (5)	Fox
Chicago (3)	WFLD (32)	Fox
Philadelphia (4)	WTAF (29)	Taft
San Francisco (5)	KTVU (2)	Cox
Boston (6)		
Detroit (7)	WKBD (50)	Cox
Dallas (8)	KDAF (33)	Fox
Washington (9)	WTTG (5)	Fox
Houston (10)	KRIV (26)	Fox
Cleveland (11)	WOIO (19)	Ch. 19 Inc.
Pittsburgh (12)	WPGH (53)	Meredith
Seattle (13)	KCPO (13)	Kelly
Miami (14)	WCIX (6)	Taft
Atlanta (15)	WATL (36)	Outlet
Minneapolis (16)	KMSP (9)	United
Tampa (17)	WTOG (44)	Hubbard
St. Louis (18)	KDNL (30)	Cox
Denver (19)	KOVR (31)	Camella
Sacramento (20)	KTXL (40)	Camella
Baltimore (21)	WBFF (45)	Chesapeake
Phoenix (22)	KNXV (15)	Scripps-Howard
Indianapolis (23)	WXIN (59)	Outlet
Hartford (24)	WTIC (61)	Chase
Portland, Ore. (25)	KPTV (12)	United
San Diego (26)	XETV (6)	Bay City TV
	(Tijuana)	
Orlando (27)	WOFL (35)	Meredith
Cincinnati (29)	WXIX (19)	Malrite
Kansas City (30)	KSHB (41)	Scripps-Howard
Nashville (31)	WCAY (30)	TVX
Columbus (33)	WTTE (28)	Chesapeake
New Orleans (34)	WNOL (38)	TVX
Oklahoma City (36)	KAUT (43)	Heritage
Salt Lake City (38)	KSTU (20)	Adams Comm.
Raleigh (39)	WFLA (22)	TVX
Memphis (40)	WMKW (30)	TVX
Grand Rapids (41)	WXMI (17)	TV 17
Providence (42)	WSTG (64)	Prov TV/Unitd
Harrisburg (44)	WPMT (43)	Mohawk
San Antonio (45)	KRRT (35)	TVX
Norfolk (46)	WTVZ (33)	TVX
Birmingham (47)	WDBB (17)	Channel 17 Assoc.
Dayton (48)	WRGT (45)	Dayton TV
Louisville (49)	WDRB (41)	Blade Comm.
Greensboro (50)	WNRW (45)	TVX
Albany (51)	WXXA (23)	Albany TV Inc.
Shreveport (53)	KMSS (33)	Media South
Flint (54)	WSMH (66)	Flint Broad.
Little Rock (55)	KJTM (38)	TVX
W. Palm Beach (56)	WELK (29)	Malrite
Mobile (57)	WPMI (15)	Hess
Wichita (59)	KSAS (24)	Channel 24 Ltd.
Jacksonville (61)	WAWS (30)	Malrite
Albuquerque (62)	KGSW (14)	Provi/Journ

Outsider lunches off limits at FCC

Radically altering the ground rules for what has been a way of doing business for years, the FCC is developing a new interpretation of its ethics rules to prohibit commissioners and staff from accepting entertainment or lunches of any value from lobbyists and others who have interests before the agency. The exceptions: FCC personnel may still accept free meals that are incidental to a business purpose; for example, at a banquet where they are giving a speech. There is another exception for friends and personal relationships. But the rest of the freebies are out. Some commission personnel last week were interpreting the restrictions as applying to meals with reporters covering the agency.

According to an FCC official, the commission started looking at its ethical rules after Commissioner Patricia Diaz Dennis requested guidance when she arrived at the agency. Officials had originally advised her and other FCC personnel to refrain from accepting lunches from interested parties that exceeded \$35 ("Closed Circuit," July 28). The decision that a tougher standard was required arose after the agency subsequently consulted with the Office of Personnel Management's Office of Government Ethics.

An FCC official said ethical standards presented a "gray area" and that federal agencies had leeway in interpreting them. "The fact that we are applying the rules this way does not mean other agencies will be," the source said.

The ultimate decision to go with the "no freebies" standard, which some fear may isolate the commissioners from their constituents, was made by Chairman Mark Fowler.