

# FCC Feuds, White Resolution Add to Regulatory Excitement

## McLeod Offers Bill for Three-Year Licenses; Wigglesworth Criticizes Three-Man FCC Bill

"HELLZAPOPPIN" still epitomizes the Washington radio regulatory front, with no letup in charges and counter-charges regarding radio regulation and with additional legislation adding to the confusion.

On the heels of FCC Chairman McNinch's attack on a fellow commissioner—T. A. M. Craven—because of his minority report on program procedure of that agency, came Senator White's new resolution (S. Res.-94) for a thorough investigation of the FCC with the announced objective of procuring full information before Congress embarks upon the task of writing of new legislation. On March 2, Rep. McLeod (R-Mich.) introduced a bill (H.R.-4684) to make minimum three-year licenses for broadcasting stations mandatory and at the same time amend the law so as to "remove the fear of political reprisals" against stations by the regulatory authority.

Rep. Wigglesworth (R-Mass.), persistent critic of the FCC, took the air over MBS to answer one of Chairman McNinch's recent speeches in which he advocated enactment of legislation to reduce the FCC to a three-man agency, with the chairman serving as its chief officer.

### Seeks a Broad Inquiry

The White Resolution, designed to supersede his bill for an 11-man FCC, with two separate autonomous divisions, was hailed by some of his Senatorial colleagues as the logical procedure for Congress to follow in seeking to untangle the FCC "mess". The view was generally prevalent that if the investigation is undertaken at this session, there probably would be little chance of enactment of new legislation until next year.

In his resolution [text on this page] Senator White proposes not only a study of purported censorship of radio, in all its ramifications, but also the advisability of longer licenses; the whys and wherefores of proposals for a system of license fees to be imposed upon broadcasters to defray the cost of FCC operation; investigation of interlocking ownership, leases and management of stations; extent and desirability of newspaper ownership; study of the entire network structure; superpower and its effect upon other stations; extent of the information required of broadcasters by the FCC; the non-broadcasting activities of the FCC, and a general study of policies and principles which should be declared and made effective relating to all communications.

The resolution in many respects duplicates that introduced by Senator White at the last session, which died with adjournment. However, it has been brought up-to-date to include such matters as the recently agitated censorship issue and the FCC "questionnaire craze," against which many complaints have been made.

Chairman McNinch's provocative press release of March 1 followed an announcement by the FCC of its new procedure in handling program complaints [BROADCASTING, March 1]. Declaring that a limited number of newspapers but more particularly the Chicago Tribune Press Service, carried articles which "thoroughly misrepresent" the Commission's action on the complaint procedure, he said they call for a correction, even though the publications "are partly explained by the incitement of gratuitous, alarmist statements by Commissioner T. A. M. Craven in a one-man minority report."

Commissioner Craven, he charged, by implication "attacked the intelligence, the integrity and the motives of the other six commissioners to execute a grandstand play of de-

vation to free speech and opposition to censorship."

Alluding to Commissioner Craven's minority report, Chairman McNinch said that he "says in thousands of words that he favors a avoidance of censorship, free speech, due regard for the authority of other Federal agencies, full discussion of political questions and privately owned and competitive broadcasting. Who doesn't? A committee report to his associates on 'procedure'—not on policy—is hardly an appropriate setting for a stump speech and flag-waving. And such treatment is highly unjust to the six other commissioners."

### Fuel for the Flames

Following this blast, there was complete silence from other Commission offices. Commissioner Craven did not publicly respond to the attack. Comment was not available for publication from other FCC quarters. It was clear, however, that the incident added to the tribulations of the FCC and that internal bickering has increased.

Rep. Wigglesworth, in his MBS  
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RETURNING to his old post, Neal Barrett (left) is greeted by J. T. Griffin, new owner of KOMA, Oklahoma City, as he resumes the management of that station this month. Mr. Barrett's resignation as vice-president of Texas State Network, which he left KOMA to join last fall, is effective March 15. Mr. Griffin, also owner of KTUL, Tulsa, last month took over KOMA upon purchase from Hearst Radio for \$315,000, approved by the FCC. Mr. Barrett succeeds Waymond Ramsey as manager.

## Text of White Inquiry Resolution

SENATOR WHITE's resolution (S. Res. 94) introduced March 6, follows:

Resolved, That the Committee on Interstate Commerce or a subcommittee thereof, as the committee may determine, is authorized and directed to make a thorough and complete investigation of:

1. The acts, rules, regulations, organizations, and policies of the FCC.

2. Whether a censorship of communications has been practiced in the United States, the character and extent, and the principles which have been followed in the exercise thereof; whether the same has been exercised by the Commission, or has been influenced by other Governmental departments, agencies, or officials or by licensees and against whom directed; whether broadcasting stations have been requested or influenced by the Commission or other Governmental departments, agencies, or officials in any manner or degree to broadcast or to refuse to broadcast programs or parts thereof, or to permit or refuse opportunity for particular persons to broadcast; and in what circumstances, to what extent, and in what jurisdiction a broadcasting station shall be jointly or severally liable for words broadcast through its facilities, or by its officers or employees or whether stations shall be exempted from liability for words broadcast by its facilities.

3. The terms for which radio licenses for all classes of stations shall be issued and, in particular, whether a minimum length of term shall be fixed by statute for all classes of radio stations.

4. Whether a system of license fees shall be established, designed to produce sufficient revenue to meet the cost of maintenance of the FCC, or whether some other system of taxation for this specific purpose shall be enacted into law.

5. The extent to which and the circumstances under which the ownership, control, management, or interest in more than a single broadcasting station has become vested in any person or group of persons; whether such concentration of ownership, control, management, or interest has come about through assignment of licenses, through leases, stock ownership, arrangements with respect to management, or by other means and devices, and whether such transfers of ownership, control, management, or interest in whatsoever form effected have been submitted to the Commission for approval and have received Commission approval or acquiescence; and whether such arrangements have seemed to recognize a right in a license of a frequency other than specified in the terms, conditions, and time of the license and beyond statutory limitations.

6. The extent to which broadcast stations are owned, controlled by, or are affiliated with newspapers or other publishing interests or by other media of information or entertainment, and the effect of such ownership, control, or affiliation upon competing newspapers not possessing such facilities and upon the public interest.

7. The development and present facts concerning broadcasting networks or chains, including the effects of chain association upon the licensee's control of his station; the effect of chain operations upon the financial results and status of chain-affiliated stations and of independent stations; the ability of chain owned or affiliated stations to render a local service, both sustaining and commercial; the duplication of broadcasting programs through chain broadcasting; and the desirability of special regulations governing chains and stations engaged in chain broadcasting.

8. The effects upon the broadcasting systems of the United States of the use of high power by broadcasting stations and whether there should be a limitation by statute or by regulation upon the power to be used; the experience of other countries in the use of superpower; and the effects of high power upon local stations and the service by them.

9. The character and extent of information required of licensees of broadcasting stations by the FCC upon the filing of applications for construction permits, licenses, modification or renewals of licenses, or assignments thereof or at other times.

10. Competition between communication companies in domestic service and competition between companies, both wire and radio, in communications between the United States and foreign countries; the financial results thereof to the competing companies; whether these results threaten the financial soundness of any of the companies, loss of employment, or other adverse effect upon labor; the efficiency of said companies; and, in particular, whether the merger or consolidation of communication carrier companies within the United States and in the field of foreign communications should be permitted in the public interest; and if to be permitted, the terms and conditions thereof.

11. Said committee is further authorized and directed to make a study of the policies and principles which should be declared and made effective in legislation providing for the regulation and control of communications by wire or radio, whether interstate or foreign.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and to act at such times and places, either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate during the Seventy-sixth Congress; to require by subpoena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents; and to administer such oaths and to take such testimony as it may deem advisable.

Upon the conclusion of its hearings and study, or from time to time during the progress thereof, the committee shall report to the Senate the results of its studies and its recommendations as to legislation it deems advisable.

## STUDEBAKER PLANS \$250,000 IN SPOT

STUDEBAKER Corp., South Bend, Ind., will spend \$250,000 on radio advertising, dealer meetings are being told, to herald the introduction of its new low-priced car, the Champion. The drive will begin April 1. A large schedule is being arranged of spot announcements featuring Richard Himber's orchestra, Lowell Thomas and Ted Husing. The dealer meeting outlines of planning state that virtually all 50,000-watt stations are being used to blanket the country, together with a number of supplementary stations. As BROADCASTING goes to press, schedules are in process of completion and complete details are not yet available. The agency is Roche, Williams and Cunningham, Chicago.

The new car has the inherent possibility of adding considerably to the stature of Studebaker Corp. as an advertising medium. Plans and quotas indicate the possibility of the firm's doubling its previous unit volume with the new small car, which is designed as a standard model throughout, priced in the Chevrolet-Ford-Plymouth price classification. It is said to offer gasoline economy 20 to 30% greater than competition through exceptionally low weight, and to develop the lowest weight to horsepower ratio among standard cars in the industry.

## KTAT Move Dropped

THE FCC on March 10 authorized KTAT, Fort Worth, to withdraw its application for authority to move to Wichita Falls, Tex. Application for the proposed move was filed last September when it was reported that Raymond E. Buck, KTAT owner, had sold a 51% interest in the station to Col. W. T. Knight, Wichita Falls oil operator. On the same day the Commission granted a petition of KFJZ, Fort Worth, to withdraw its application for a change in frequency from 1370 kc. to 930 kc. and an increase from local status to 500 watts power full time. KFJZ is owned by Elliott Roosevelt and his wife.