

million expected by the end of the year. Numbers such as those have already attracted the attention of some national advertisers—Miller beer, Toyota, Block Drug and Panasonic.

Mr. Turner said that the superstation will be able to substantially undercut the networks' time costs. He claimed that WTCG's cost-per-thousand is two-thirds the networks' and that the station delivers an audience with twice the per-capita income. With the proliferation of satellite signals, he expects total network audience shares to drop to 50% in the next five to 10 years.

(According to a New York advertising source, network prime-time C-P-M's are running at about \$4 this year. Tom Ashley, head of Turner's New York office, said that for 1979, WTCG's rates will be in the \$2.65-\$4 range.)

In Chicago, WGN-TV officials were, in the words of Daniel T. Pecaro, president, "very honored we were selected" by the carriers for distribution. They were not, however, ready to go far beyond that in discussing how the new distribution is going to affect the station.

Emphasizing that the station had yet to see an official announcement of the commission's action, a company spokesman said WGN-TV will "continue to serve our Chicagoland communities" and would make no statements about its satellite plans until it can "sit down and look" at the commission's order.

Speculation of late that the spread of superstations could lead to a new fourth network was not really endorsed by either WTCG or WGN-TV officials.

Cannon promises Senate attention to license renewal

WESH, whatever the outcome, says Commerce chairman, indicates need for re-examination of the law

In a week filled with the WESH case, word came from a key member of Congress that the Senate plans to act to clear up the comparative renewal process for broadcast licensees. Senator Howard Cannon (D-Nev.), chairman of the Senate Commerce Committee, told the National Association of Broadcasters San Francisco meeting that even if the Washington appeals court's WESH decision is reversed in court, it serves as a stimulus for Congress to act "on a broadly as well as narrowly focused scale in fashioning national communications policy."

Senator Cannon said that the 96th Congress, which begins next Jan. 15, will "take a fresh look" at the comparative renewal problem "with a view toward giving good broadcast performance appropriate weight among other considerations."

The senator said: "There ought to be

some clear assurance that meritorious broadcasting meeting a high standard of performance will be recognized by the commission. You deserve to know beforehand what performance is expected of you in exchange for the grant of your license." But, he added, there should be a balance between the industry's interest in license stability and the public's interest in the "best practicable service."

The Senate will also consider lengthening the term of broadcast licenses beyond the present three years, Senator Cannon said, a move he personally favors.

In his prepared remarks, Senator Cannon fully backed his Communications Subcommittee chairman, Ernest Hollings (D-S.C.) on the latter's announced "renovation" of the Communications Act. Senator Cannon said he favors renovation over rewrite and praised Senator Hollings for the "careful and deliberate" way he has approached the project.

Senator Cannon noted Senator Hollings's endorsement of a broadcast license fee and said it is an idea he, too, wants to explore. And he approved of Senator Hollings's plan to legislate a separate regulatory mandate for cable television. Cable should be allowed to compete with broadcasting, he said, but not in instances where the result is deterioration of over-the-air broadcast service.

Senator Cannon also offered encouragement to the FCC, which is currently considering experimental radio deregulation in major markets. The action is a tribute to the competition and program diversity in radio, the senator said, adding that it is also evidence of the flexibility of the 1934 Communications Act to change with a changing environment.

Representative Lionel Van Deerlin (D-Calif.), another speaker at the NAB meeting, rebutted NAB Chairman Donald Thurston's charge (BROADCASTING, Oct. 23) that the House Communications Subcommittee chairman is trying to "seduce radio with false promise in order to do his will on TV." First, there is no false promise, the congressman said; his bill would definitely do away with three-year renewal terms for radio, as well as ascertainment, logging exercises and the fairness doctrine. And second, his own influence on television is far outstripped by changing technology, he said. He predicted that TV program choice will expand beyond what is now supplied by three commercial networks, one independent and one public broadcasting station in most urban markets—whether or not there is a rewrite. The congressman rejected the idea of splitting the radio provisions from the rewrite, as Mr. Thurston suggested.

In other comments, the congressman applauded the FCC's search for ways to deregulate radio, but he said it doesn't lessen the need for his rewrite. There are things in the law, such as Section 315, the fairness doctrine and comparative hearings in some circumstances that the commission can't change, but that Congress can, he said.

Fogarty sees WESH as chance to set tough renewal standards

He says FCC should open inquiry to determine 'objective' criteria of licensee performance

Saying that license renewal policy should be established by the FCC and not the courts, FCC Commissioner Joseph Fogarty called last week for a commission inquiry to establish license renewal standards by which to measure broadcasters' past performance in comparative renewal cases.

In an address to the National Association of Broadcasters fall conference in San Francisco Friday, Commissioner Fogarty said the current "crisis" in the industry brought on by the Washington appeals court's decision overturning the renewal of WESH-TV Daytona Beach, Fla., is the commission's fault. The court's decision in the WESH case was right, he said: "The FCC simply failed to articulate a reasoned rationale for its decision in favor of the incumbent and so effectively denied the competing applicant the full comparative hearing required by law."

Mr. Fogarty doesn't suggest that the comparative renewal process should be changed to cut down on the number of license challenges, as the industry might want. Rather, what is needed, he said, is a clearer set of standards to measure a broadcaster's past performance. Past court decisions have held that broadcasters should be entitled to the "expectancy" of renewal or a "plus of major significance" for a good performance record, he said.

Mr. Fogarty said he agrees that the commission should have "the discretion to prefer a bird in the hand—the good broadcaster—to two in the bush—those who would promise anything." And he urged that an inquiry be opened to solicit suggestions of "objective" standards.

Among criteria that might be used, he said, are those posed by the panel in the WESH case: (1) elimination of loud and excessive advertising; (2) delivery of quality programs; (3) how much of its profits the incumbent licensee has reinvested in service to the public; (4) diversification of ownership of mass media; (5) independence from government influence.

He also added these to the list: (1) the amount of time devoted to news, public affairs, children's programs and local programming that is "responsive to ascertained community problems, needs and interests;" (2) the amount of time devoted to programs directed to racial and cultural minorities; (3) the amount of time devoted to covering "controversial issues of public importance," editorial programming and public service announcements.

The commission is understood to be