

# Networks See Some Gains in Communications Draft

By ALBIN KREBS

Key provisions of the Nixon Administration's draft bill to amend the Communications Act of 1934 would give broadcasters two important and long-wanted concessions, while at the same time imposing on individual stations increased accountability for the content of programs furnished them by networks.

The provisions were revealed in a copy of the draft text, obtained in Washington yesterday by The New York Times, along with a draft letter to be sent to the Speaker of the House and the President of the Senate early next year. The existence of the proposed legislation was disclosed Monday by Clay T. Whitehead, director of the White House Office for Telecommunications Policy.

If adopted, the proposed legislation would make it possible for a station currently licensed to operate by the Federal Communications Commission to obtain a license renewal without some of the impediments now experienced.

It would also lengthen, from three to five years, the term of an F. C. C. license.

The proposed legislation was drawn by Mr. Whitehead's office. In his address, before the Indianapolis chapter of Sigma Delta Chi, the professional journalism fraternity, he warned that local stations would be totally responsible for the news, commercial and entertainment content of programs furnished them by the three major networks.

## Widespread Resentment

Mr. Whitehead's coupling of his remarks about the draft legislation with attacks on the alleged lack of "balance and objectivity" in network news programs provoked widespread resentment in the broadcasting industry.

At the F. C. C. yesterday, there were indications of discontent with the manner in which Mr. Whitehead and the Administration have proceeded in their efforts to amend the Communications Act.

An official of the F. C. C.,

which supervises all broadcasting regulation under the Act, said "If there was any consultation, it was largely of, 'Oh, by the way, we are going to propose a bill.' Certainly we never saw a draft."

The letter accompanying the draft legislation noted: "In 1934, when the Communications Act was adopted, a three-year license term was a reasonable precaution in dealing with a new industry. But a five-year term seems to be a reasonable period at this stage of broadcasting history."

A change in the law to that effect has been a key goal of broadcasters, who have argued that having to apply for license renewals every three years was both expensive and unfair.

The draft bill also makes it easier for broadcasters to meet challenges to their licenses. Under it, the F.C.C. could entertain competing applications only after it had revoked or failed to renew the old license.

According to the letter "this change is needed because a licensee seeking renewal should not be put to the same tests used for applicants seeking an original license."

The two general criteria for renewal of licenses, as set up by the draft bill, would be whether or not the applicant meets the legal, financial and equipment qualifications for holding a license and whether

he can prove his competency to do so.

Reuven Frank, president of N.B.C. News, characterized the Whitehead speech as "a threat."

"On the face of it, he's saying the stations should monitor what comes to them from the networks," he said. "They already do that and network affiliates also meet regularly with network officials to ask why we've said and done certain things. In other words, they have been holding us accountable all along. Now, what Whitehead is saying is: 'We're holding the station accountable for what we don't like to see on each station and the station's license is involved.' That's quite a threat."

## 'A Check on Abuses'

In a prepared statement, Nicholas Johnson, often a dissident member of the F.C.C., said: "The only national institutions remotely capable of serving as a check on abuses of Presidential power are the three television networks—and especially their news departments. It appears that young Clay Whitehead is to provide us with 'four more years' of Nixon's war on the networks."

He said the proposed bill "appears to be designed to assure the renewal of individual broadcast licenses—if only they will help bring the networks back in line."

"I haven't read the entire

Whitehead speech or the draft of the Administration's legislation, but what worries me is that judging from reports to them, we are watching the politicalization of broadcast journalism," Mr. Friendly said. "Such legislation would make political footballs out of broadcasters licenses, to be taken away or granted according to the political whim of the party in power," he said.

Fred Friendly, a former president of C.B.S. News who is now adviser on public television to the president of the Ford Foundation, said he feared the Whitehead proposal may be "the most dangerous thing to come along in 50 years of broadcasting."

The Whitehead speech and the ramifications of the proposed legislation did not spark universal alarm, however.

For example, Lawrence H. Rogers 2d, president of the Taft Broadcasting Company in Cincinnati, which owns five TV stations, said he hoped that "a lot of colorful rhetoric in Mr. Whitehead's speech was not translated from the draft legislation."

"The statement that the station licensee has a responsibility for the material presented has been true all along, so my reaction is 'so what else is new?'" he said. "It doesn't cause me to scream 'violation of the Bill of Rights.'"

## Director of Telecommunications

Clay Thomas Whitehead

By LAWRENCE VAN GELDER

"Well, I suppose everyone would like to have everyone love them," Clay T. Whitehead said yesterday. "But you just can't make effective change in something as important and controversial as communications without making some people unhappy."

And in broadcasting yesterday, there were unhappy people, dismayed by Mr. Whitehead's actions Monday in his role as director of the White House Office of Telecommunications Policy.

### First Head of Office

Besides condemning what he called "ideological plugola" in network news reporting, the 34-year-old Mr. Whitehead disclosed Administration plans to put before Congress tough new legislation to hold individual television stations accountable, at the risk of their licenses, for the content of all network material they broadcast.

Mr. Whitehead, who holds three degrees from the Massachusetts Institute of Technology, has his headquarters in what he described as "a dull, blah Government building" at 1800 G Street, a block west of the White House.

Clay Thomas Whitehead, the only son and eldest of four children of the former Helen Hinton and Clay Bell Whitehead, a supervisor in a chemical factory, was born in



United Press International

Not afraid of conflict

a hospital in Neodesha, Kan., Nov. 13, 1938.

At the time, the family lived in Fredonia. He spent his youth there, in Parsons and in Columbus, Kan., where he graduated from high school in 1956. "When I was in high school I was kind of interested in physics," he said. "Nuclear physics and astronomy were big things back then."

With his interest in physics paramount, Mr. Whitehead entered M.I.T., but after two years switched to studies in electrical engineering and slowly began economics and business courses. He received

a Bachelor of Science degree in 1960 and a master's degree the next year. He ultimately decided that he would be "better off" getting a doctorate in management.

Mr. Whitehead accomplished that in 1967 with a thesis on the difficulties and problems of rational policy decision-making in large corporations. In the years between obtaining his master's and his doctorate he had worked for the Rand Corporation and served in the Army, attaining the rank of captain.

"I was not terribly political at that time," he said. But after the approach on behalf of Senator Humphrey, he did "a little soul-searching," decided he was "a political animal and concluded he was comfortable with Mr. Nixon. So, he said, he sought out individuals he knew were connected with the campaign and said, "if I'm useful, I'd like to get involved."

He worked in the New York headquarters on speechwriting and the Federal budget process, helped with the transition after the election and was invited to join the White House staff.

He did work in connection with communications and helped establish the unit he

In the scant spare time he has, Mr. Whitehead, who is not married, enjoys hiking, canoeing and bluegrass music.

"I suppose the thing I like to do most is set things up and make them run," he said.