

MCA Inc. has bought into USA Network, which had been owned (as of Oct. 1) by Time Inc. and Paramount Pictures. MCA is parent of Universal Pictures and Universal Television. **Time, Paramount and MCA become equal partners in deal**, with \$15 million Time paid for its half interest, putting value of \$30 million on whole of network (BROADCASTING, Oct. 5). Three new partners also said they've agreed "to consider" launching a national pay-per-view programming service through their joint venture.

RCA Americom last week modified terms of its proposed auction of transponders on Satcom IV, scheduled for launch next January. According to John Nolan, FCC official, RCA deleted requirement that every bid be accompanied by \$100,000 deposit. Instead, Nolan said, highest bidder for transponders will be given three business days "to demonstrate" it can make good on bid. Nolan also said deadline for bids has been pushed back to Oct. 27. Meanwhile, **Rainbow Communications and possibly others have filed comments in opposition to auction plan**, which has to pass FCC muster before it can be implemented. RCA has also filed plan to award transponders on first-come, first-served basis in case auction is rejected, but that too has come under fire. Eastern Microwave asked that first-come, first-served plan be rejected or suspended, claiming it is in violation of FCC's common carrier rules. UPI and Satellite Weather Service said they support plan if RCA makes clear that transponder customers would be drawn from existing waiting list, which reportedly contains more than 80 names.

"The thing we term progress is illusive, delusive, fickle and fake, when applied to black people," said **Dwight Ellis**, vice president, minority and special services, **National Association of Broadcasters**, last Wednesday. Addressing first Scholarship Awards Dinner of Black Journalists Association of Southern California, Ellis said blacks and Hispanics represent only 9% and 4% of over 146,000 workers in broadcasting, most of them "on-air personnel, camera operators, clericals and blue collar workers—not decisionmakers." There are eight blacks and two Hispanics among approximately 600 VP's at ABC, CBS and NBC combined, he said, and only 6% of some 4,500 decisionmakers in cable TV industry are minorities. In spite of such statistics, Ellis said he is "encouraged and optimistic [at] the groundswell of activities and actions for and by minorities in telecommunications" and noted FCC Chairman Mark Fowler's special committee on financing minority ownership (see story, page 41), efforts by NAB to adjust FCC's tax certificate policy so nonminority shareholders can obtain tax break by transferring shares to minority shareholders and appointment of former FCC Commissioner Tyrone Brown to board of BROADCASTAP, nonprofit, minority enterprise small-business investment corporation founded by NAB.

Prior to regular ABC-TV affiliates board meeting with network Nov. 30-Dec. 3 in Maui, Hawaii, board will have special "preparatory session" Oct. 29 in Dallas to weigh key issues and unify position. Normally advance session is held day before meeting with network executives, but this year, according to affiliate chief Ward Huey, issues warrant more planning. Huey, president and chief executive officer of Dallas-based Belo Broadcasting, who has called meeting, said main areas include prime-access/expanded news, ABC's news and sports cable ventures, overruns, compensation and Viewer Information and Education Committee organized to promote over-the-air commercial networks and to counter cable. Board now is polling affiliates by mail to see what they want discussed in Maui. Poll taken earlier, according to Huey, showed 91% of affiliate body against expanded news if it involves time now local.

As had been expected, **CBS last week reported earnings for third quarter that were down 3% to \$54.3 million, \$1.95 per**

share, on revenues that were up 5% to \$995.1 million. Culprit was identified as foreign currency exchange losses which cost 25 cents per share in quarter. CBS/Broadcast Group profits were said to be up, on revenues that rose 10%. CBS also noted that development spending for cable programming, home video and theatrical films was "sharply higher" than in year-earlier quarter.

Time Inc. income tumbled in third quarter, down 41%, to \$19.6 million, as losses from discontinuing *Washington Star* and *Time-Life Films* (with paper's closing said to have been chief factor) totaled \$19.2 million. Income from continuing operations grew fractionally, to \$38.8 million, while earnings per share dropped slightly from 69 cents to 63 as average shares outstanding grew. Sales in quarter were \$808.5 million, up 19%. "Time's video group grew at an accelerated pace in the period," according to Time President J. Richard Munro, despite added pay television development expenses.

FCC budget problems do not end with personnel and program cuts. Commission does not have money for long-anticipated move to consolidate its Washington offices, now scattered among four buildings, Edward Minkel, assistant to Chairman Mark S. Fowler for management, told Congress last week. Minkel, in testimony before House Subcommittee on Public Buildings and Grounds, said, "We do not have funds in our FY 1983 budget to cover the costs of relocation or the substantially increased rental costs expected in FY 1983 and beyond—whether we move to a new building or remain in our present location." He said the cost for FY 1983 would be \$4.3 million. Three leases expire next year; fourth in 1985.

Direct Broadcast Satellite Corp. has outlined changes in its equity ownership in amendment to its DBS application. Filed at FCC on Oct. 9, amendment gives revised list of 10 largest stockholders and details agreement entered Oct. 8 with Kansas City Southern Industries. KCSI will purchase 38% of common stock of DBSC for \$1,000,000. DBSC says it has also received "strong expressions of interest and other commitments for funds necessary to construct and operate" its DBS system, from, among others, General Electric Corp. and Bank of Montreal.

Final prime-time ratings for week ended Oct. 11—first of 1981-82 season—gave CBS-TV 22.1 rating and 35 share to ABC-TV's 18.1/29 and NBC-TV's 14.6/23. ABC average wasn't known until late last week due to ratings delay on Oct. 9 baseball (see page 61); telecast eventually turned up with 13.1/22. Twenty-two-minute Sunday football-runover rating on CBS, also delayed, brought 17.2/33.

Reagan administration outlined proposals for **amending Freedom of Information Act** at hearing before Senate Judiciary Subcommittee on Constitution last Thursday (Oct. 15). Amendments would charge attorney general with defining categories of investigations to be exempted from FOIA requests, permit government to withhold information that would "tend" to disclose identity of confidential sources, prohibit release of records that might endanger law enforcement personnel, witnesses or potential witnesses, preclude persons involved in administrative or judicial proceedings from using act as tool of discovery, permit government to charge for documents that provide information with commercial market value and require agencies to notify individuals or businesses that had supplied commercially sensitive information and permit them to contest release of data. Hearing was fourth in series on proposed amendments to FOIA, among them three bills pending in subcommittee, S. 587, S. 1235 and S. 1247 (BROADCASTING, July 20).