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PUBLIC BROADCASTING FINANCING ACT OF 1970

GOVERNMENT

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HEARINGS BEFORE THE SUBCOMMITTEE ON COMMUNICATIONS AND POWER OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE HOUSE OF REPRESENTATIVES

NINETY-FIRST CONGRESS

SECOND SESSION

ON

H.R. 16338 AND H.R. 16580

BILLS TO AMEND THE COMMUNICATIONS ACT OF 1934 TO
PROVIDE CONTINUED FINANCING FOR THE CORPORA-
TION FOR PUBLIC BROADCASTING

APRIL 14, 15, 27, AND MAY 1, 1970

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PUBLIC BROADCASTING FINANCING ACT OF 1970

TUESDAY, APRIL 14, 1970

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMUNICATIONS AND POWER,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 2322, Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman) presiding.

Mr. MACDONALD. The hearing will please be in order.

This morning we start hearings on H.R. 16338, introduced by the Honorable Harley O. Staggers, chairman of the full committee, and the Congressman from West Virginia, and Representative William Springer, a Representative from Illinois and ranking minority member of the committee.

The legislation as set forth would amend the Public Broadcasting Act to provide further financing authorization for the Corporation for Public Broadcasting. It is my understanding that this legislation is intended to provide financing for the Corporation while work on a permanent financing plan can—and I say hopefully will—go forward.

The bill would provide for the authorization of such sums as may be necessary for the next 3 fiscal years. Section 2 of the bill authorizes additional unspecified sums to be authorized for appropriation for the next 3 fiscal years, to provide matching funds not to exceed the amount of contributions received by the corporation from non-Federal sources during each year.

It is my hope that the testimony will be heard concerning a determination to proceed expeditiously on the adoption of a permanent financing plan, and that the 3 additional years of direct appropriations provided for here are not regarded as a grace period during which no progress on permanent financing need be made.

Our committee's longstanding policy also requires me to advise the gentlemen here from the administration that the subcommittee will need, as it has in the past, recommendations from the administration on the level that authorizations in the bill should be set. These recommendations for a specific dollar ceiling will, it is hoped, reflect both the measure of the projected need for the corporation to fulfill its duties under the Public Broadcasting Act, and a measure of the administration's present estimate of the achievable level of support that might reasonably be expected to prevail in the light of competing budgetary considerations.

I might add at this point that late last week the House Appropriations Committee acted favorably on another program essential to the cause of public broadcasting. Funds for educational broadcasting equipment and facility grants were increased by the committee to \$6 million, a level \$2 million higher than the original proposal. It might be hoped that this recognition of the need for more and better public broadcasting, with its already established benefits and potential, is to be reflected by an equal measure of generosity for future funding plans for public broadcasting.

To that end I would like to suggest that it might be well in our deliberations on H.R. 16338 to see that any limits that are set will be adequate to take advantage of the support for public broadcasting, which, in my opinion, is now gathering momentum.

(The text of H.R. 16338 and H.R. 16580 and departmental reports thereon follow:)

[H.R. 16338 and H.R. 16580, 91st Cong. 2d sess., introduced by Mr. Staggers (for himself and Mr. Springer) on March 5, 1970, and Mr. MacGregor on March 19, 1970, respectively, are identical as follows:]

A BILL To amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Broadcasting Financing Act of 1970".

SEC. 2. Subsection (k) of section 396 of the Communications Act of 1934 (47 U.S.C. 396(k)) is amended to read as follows:

"(k) (1) There are authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1969, the sum of \$9,000,000, and for the fiscal year ending June 30, 1970, the sum of \$20,000,000, and for each of the next three fiscal years such sums as may be necessary.

"(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, 1973, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation under section 396(g) (2) (A) of this Act, during each fiscal year."

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 18, 1970.

HON. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of March 9, 1970 for the views of the Bureau of the Budget on H.R. 16338, a bill "To amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting."

H.R. 16338 is identical to a bill submitted by the Secretary of Health, Education and Welfare to implement the President's recommendation, as set forth in his Message on Education Reform, to extend federal support of the Corporation.

Accordingly, we strongly favor enactment of H.R. 16338 which would be in accord with the program of the President.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., April 14, 1970.

HON. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, Washington, D.C.:

DEAR MR. CHAIRMAN: This is in response to your request of March 9, 1970, for a report on H.R. 16338, a bill "To amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting."

This bill embodies the recommendations of the President in his March 3, 1970, Message on educational reform relating to continued Federal support for the Corporation for Public Broadcasting. It is the same as the bill which we transmitted to the Speaker of the House of Representatives by letter dated March 3, 1970. For your convenience a copy of that letter is enclosed. An identical letter and bill were sent to the President of the Senate.

For the reasons stated in the Message of the President and in the enclosed letter, we urge prompt and favorable consideration of the bill.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

ROBERT H. FINCH,
Secretary.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., March 3, 1970.

HON. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: We are enclosing herewith a draft bill, "To amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting." This bill would be cited as the "Public Broadcasting Financing Act of 1970."

The Corporation for Public Broadcasting was established by Public Law 90-129, enacted November 7, 1967, in order to facilitate the development of public radio and television broadcasting. The enclosed legislative proposal is designed to carry out the President's recommendation, as set forth in his Message on Education Reform, to extend Federal support of the Corporation.

The bill would authorize annual appropriations for the Corporation through fiscal year 1973, in order to provide a sound basis for its continued growth and improvement. Such sums as may be necessary would be authorized for each of the fiscal years 1971 through 1973.

The Congress did not intend the Corporation to derive its resources solely from the Federal Government. Accordingly, in line with the President's recommendations, the bill would also create an incentive for additional financial support for public broadcasting from non-Federal sources, by providing for federal matching (on a dollar for dollar basis) of non-Federal contributions to the Corporation.

Paragraph (2) of section 396(k) of the existing law, which limits grants or contracts to any one station or for any one project to \$250,000 for fiscal years 1969 and 1970, would not be extended. This provision has an unduly restrictive effect on the operations of the Corporation.

We should appreciate it if you would refer this draft to the appropriate Committee for consideration.

We are advised by the Bureau of the Budget that enactment of this bill would be in accord with the program of the President.

Sincerely,

JOHN G. VENEMAN,
Acting Secretary.

A BILL To amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Broadcasting Financing Act of 1970."

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"(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970 to June 30, 1973, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation under section 396 (g) (2) (A) of this Act, during each fiscal year."

Mr. MACDONALD. Our first witness this morning is a member of this subcommittee, the Honorable Robert O. Tiernan of Rhode Island.

Mr. Tiernan has a statement he would like to present to us.

Welcome, Mr. Tiernan; proceed as you see fit.

STATEMENT OF HON. ROBERT O. TIERNAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF RHODE ISLAND

Mr. TIERNAN. Mr. Chairman, it has been over 3 years since the Carnegie Commission published its report on educational television. That report proposed a plan that would free the Corporation for Public Broadcasting from the annual Government budgeting and appropriation procedures, by providing for long-range financing through a manufacturer's excise tax on television sets. It is now a year since Prof. Dick Netzer's report on long-range financing of public broadcasting was published. Yet, today, the Corporation for Public Broadcasting and the Chairman of the FCC are before us in support of another stopgap piece of legislation.

I am surprised that there is such general agreement on the thought that the Corporation should not be subject to the yearly ordeal of trying to cajole Congress into giving a paltry sum of money to finance its work, yet that there is so little action. Congressmen, Senators, FCC commissioners, the administration, and a host of private concerns have voiced support for the idea of long-term financing. Most agree that the Corporation should not be subject to the political pressures that year-to-year financing causes. Yet we continue to procrastinate on the formulation of such plans.

America has been derelict in its duty to its people. The Government will continue to bear the weight of this criticism as long as it chooses to relegate educational television to a position of infirmity due to inadequate financing. We love to think of Americans as the best educated people on the face of the earth, yet we fail to utilize the most potent instructional tool in our educational arsenal to its full potential. U.S. Federal budget outlays for education in 1970 are estimated at \$10.1 billion—yet the CPB is lucky to get \$20 million. Why should we expect full quality instructional broadcasting when we allocate such a meager sum?

The Carnegie and Netzer studies on educational TV have proposed a number of long-range financing plans. I think it is time that we in Congress call on the expertise of the FCC and the Corporation for Public Broadcasting to report to us on the feasibility of these proposals, so that next year we will have legislation before us dealing with this problem.

"Sesame Street" has shown that TV can be highly instructional yet interesting. We must now show that America is prepared to plan intelligently for the educational needs of today's citizens. We need to try new teaching methods, imaginative technological experiments, and a host of other innovations to cope with today's problems.

It is time that each of us stops passing the buck to another Government agency on this issue. We in Congress will pass the needed legislation if only the experts at the CPB, FCC, and HEW will present us with the most viable alternatives. I am today offering to the subcommittee a draft of a concurrent resolution, which calls on these groups to formulate reports and send them to us by October of this year. Each of these groups is charged with dealing with educational TV—here is there opportunity to bring forth the expertise they have.

The 1960's witnessed the advance of educational TV as a broadcasting entity—the 1970's have the potential of seeing it put in a position of major influence and prominence. There should be no partisanship on this issue for we all have been a bit negligent. Let us now resolve to begin the new decade on a positive step.

(The draft of concurrent resolution referred to follows:)

DRAFT OF LEGISLATION BY CONGRESSMAN ROBERT O. TIERNAN¹

Whereas there is widespread support for long-term financing for the Corporation for Public Broadcasting; and

Whereas the Corporation for Public Broadcasting is in need of a long-term financing that is insulated from political and economic interference with programming; and

Whereas the Corporation for Public Broadcasting now receives its funding on a year-to-year basis: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring). That it is the sense of Congress that the Federal Communications Commission, the Corporation for Public Broadcasting, and the Department of Health, Education, and Welfare should immediately undertake—

(1) to each separately study the question of long-range financing for the Corporation for Public Broadcasting; and

(2) to each separately report to the Congress the findings of these separate reports by October 1, 1970.

Mr. MACDONALD. Thank you, Mr. Tiernan, for a very fine statement.

Mr. TIERNAN. Thank you, Mr. Chairman, for the opportunity to express my views this morning.

Mr. MACDONALD. Next we shall hear from our colleague from the State of Indiana, the Honorable John Brademas. Welcome, sir.

STATEMENT OF HON. JOHN BRADEMAS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. BRADEMAS. Mr. Chairman, I appreciate this opportunity to testify on behalf of H.R. 16338, a bill authorizing appropriations and matching funds for the Corporation for Public Broadcasting for fiscal years 1971, 1972, and 1973.

I have been watching with great interest the development of public—or as it used to be called, education—broadcasting over the years. It

¹ Mr. Tiernan introduced this resolution (H. Con. Res. 576) on April 16, 1970.

has only been in the last year, however, that I have sensed a new spirit of progress that indicates we are at last on the threshold of making the best possible use of the media of radio and television to inform and educate as well as entertain large numbers of Americans.

The President and the administration seem to share the view that now is the time for a decisive move to make the best possible use of educational technology. In his message of educational reform, the President specifically mentioned the Corporation for Public Broadcasting as an organization capable of helping us reach the goal of increasing the use of television to stimulate the desire to learn and to help teach.

Mr. Chairman, I support H.R. 16338 because it gives the Corporation the resources to allow planning for at least 3 years the development and production of programs in the complex business of radio and television. I would, however, have been more favorably impressed if the administration had provided a plan of permanent financing for the Corporation as provided by the Public Broadcasting Act of 1967, which this committee did so much to fashion after long hearings and creative work.

The need to plan ahead in television is best illustrated by the extraordinary success of "Sesame Street," the outstanding program series for preschool children now being seen daily over television stations coast to coast. That this program—which is really "educational" in the best sense of that word—is also so popular is due not only to the creativity of the producers and the staff, but also to the level of funding and the adequate leadtime necessary to do thorough research and testing.

Mr. Chairman, the striking success of "Sesame Street" should convince all of us of the capability of television, properly used, to provide dramatic improvement in learning. I was very gratified last week to learn that the Corporation and other supporters of the program have made funds available for another year of "Sesame Street," and that these new programs will contain a segment to help prepare young children to read.

It is also significant that funds were made available for research and development of a completely new series of programs for other age groups to assist in teaching reading. This type of complicated challenge cannot be met creatively in a few months. It takes time and money, and the Corporation, properly funded, can provide the continuity of support that is essential to enable us to make use of the tremendous potential of television in helping to solve major educational problems.

Programs such as "Sesame Street" are designed basically for viewing in the home or in day care centers, not in the classroom. This opportunity to view programs outside the classroom provide great advantages for learning, not only for the very young but for all segments of our society.

For example, in hearings that I chaired of the Select Subcommittee on Education, John W. Macy, Jr., President of the Corporation, told of a joint venture between the Corporation and the National Foundation on the Arts to create a series of programs on the "Artist in America," introducing audiences to contemporary American artists and craftsmen in all fields and allowing them to explain their work.

Through public radio and television stations, audiences in all parts of the country—in rural areas as well as large cities—have been able to view and appreciate locally based art festivals and the best regional music and drama groups. These educational opportunities can only be provided by public radio and television on the extended basis necessary to teach an appreciation and instill a desire to learn more about contemporary American art and artists.

In another area—one of vital importance to all of us—the Corporation is now organizing its resources to provide general audiences, as well as classroom audiences, with an understanding of ecology and what can be done by individuals and community groups to help save our environment. Mr. Macy, in fact, is scheduled to testify before my education subcommittee on this subject tomorrow.

Television—commercial as well as public—has done much to inform Americans of the dangers of air and water pollution and other environmental problems. The mass media have helped to make a national issue of the dangers to man's survival on earth. Public television and radio can now focus on translating this national concern into positive suggestions on what individuals and communities can do to bring man into closer harmony with his environment.

Mr. Chairman, the leadership of the Corporation for Public Broadcasting, adequately staffed and funded, is also necessary if a greater number of school systems are to make use of the creative techniques of television in their instruction programs. At the present time, about 49 percent of the broadcast day of the 193 public television stations is devoted to the delivery of programs into the classroom for instructional purposes. Many school television programs are excellent. Many make use of the unique power of the medium to interest and motivate students. Unfortunately, low budgets have caused many instructional programs to fall back on the less expensive arrangement of putting a teacher before the camera without providing her with the audio and video techniques used so effectively in commercial television.

I know that the Corporation is highly aware of this problem and, especially after the success of "Sesame Street," it is moving to provide a dramatic demonstration of how creative television communicators teamed up with educators and researchers, can substantially enhance the learning process of millions of additional students.

In conclusion, I hope very much, Mr. Chairman, that your subcommittee and the full committee will act favorably on H.R. 16338 so that the Corporation for Public Broadcasting will be able to grow and to meet the challenges Congress addressed in the 1967 Act.

Thank you, Mr. Chairman.

Mr. MACDONALD. Thank you, Mr. Brademas, for a fine statement.

Our next witness is from the State of Florida, the Honorable Claude Pepper. Welcome, Mr. Pepper. Proceed as you see fit.

STATEMENT OF HON. CLAUDE PEPPER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. PEPPER. Mr. Chairman, I appreciate the time extended to me by the Subcommittee on Communications and Power for the purpose of testifying on behalf of H.R. 16338, the Public Broadcasting Financing Act of 1970. I have appeared in the past as a friend of pub-

lic broadcasting and I am always happy to do so again because of my firm belief in the many public benefits which this service offers.

H.R. 16338 would authorize such sums as are necessary for the operating expenses of the Corporation for Public Broadcasting for each of the fiscal years 1971, 1972, and 1973. In addition, the bill authorizes an amount equal to the total grants, donations, bequests, and other contributions by non-Federal sources. The Corporation for Public Broadcasting has budgeted \$40 million for fiscal 1971, including \$32.5 million in Federal revenues. However, the President has only allocated \$22.5 million for this purpose in his budget—\$15 million in Federal appropriations, the same as in fiscal 1970, and \$7.5 million in matching grants. Therefore, the Corporation will probably have to hobble through with a \$30 million budget in the new fiscal year. This kind of inadequate support cannot be allowed to continue.

It is very important that our support not lag. The Corporation for Public Broadcasting is now well organized. It has able leadership in Mr. Frank Pace, its Chairman, and Mr. John Macy, its President. Talented people are in responsible positions in all capacities, making it more imperative that we provide the funds enabling them to implement their plans and assuring them that we view public broadcasting as a serious endeavor.

Congressional encouragement of public broadcasting has contributed to significant year-to-year advances. Since the enactment of the Educational Television Broadcasting Facilities Act of 1962, over 100 stations have been established. The Corporation for Public Broadcasting itself was established by legislation in 1967. During the past year it has done a great deal to organize the necessary supporting institutions for successful public broadcasting. In order to make the most of scarce resources, a permanent interconnection of public television stations was established. Beginning January 5, 1969, 140 stations were interconnected on a regular basis. In November this interconnection was made permanent through the incorporation of the Public Broadcasting Service. Now 3 hours of national programming are made available every night, Sunday through Thursday. Public Broadcasting has achieved the flexibility needed for the presentation of its many news specials.

Radio has received added emphasis and will be more fully integrated into the general public broadcasting plans in the year ahead. A Radio Advisory Council of 12 members has been set up to ascertain the needs of public radio. In addition, national public radio has been incorporated to facilitate production of programming for distribution to individual stations. General support is being made available by the proposed budget for 73 qualifying radio stations. Each station will receive \$7,500 and a fund will be available to help other stations reach minimum standards.

Most attention in the past year has been devoted to public television. Several of the programs have received widespread national acclaim. The most notable programs have been "Washington Week in Review," "NET Journal," "Sesame Street," "World Press," "Forsythe Saga," "Book Beat," "Misterogers Neighborhood," and "The Advocates." "Sesame Street" has probably attracted the greatest amount of publicity because of the energy and resources which have gone into its production. The program has recently won a Peabody Award for its

imaginative use of television in teaching. The creator of the program is Miss Joan Ganz Cooney of the Children's Television Workshop of National Educational Television. It has been designed to stimulate the intellectual and social growth of the Nation's 12 million preschool children. A survey of television viewers in eight cities by the Q.E.D. Research, Inc., indicates that 73 percent of households with children under 6 years of age watched the program. The Corporation for Public Broadcasting has contributed to the success of this program with a production grant of \$250,000 and the arrangement of a special morning hour interconnection. Another popular children's program, "Misterogers Neighborhood," produced by National Educational Television, has been made available by CPB to local stations on a no-charge basis.

Other programs have also benefited from CPB support, and the ingenuity so far demonstrated has inspired those now involved in public broadcasting to take full advantage of the unique opportunities now available for service to the public. The Corporation for Public Broadcasting has attempted to give first priority to strengthening local stations to insure a broad creative base. Recently announced grants to local stations are triple the previous year, ranging from \$12,500 to \$32,500 per station. Special grants of \$50,000 are also available to participating stations for the production of program material.

Besides strengthening local stations, CPB policy has sought to establish a sound interconnection system which it now has in the Public Broadcasting Service. This will substantially augment the inventory of programs available for local use, and strengthen the total system. The latter goal is being promoted through career fellowships, audience surveys, financial support plans, program publicity and program development. As I stated earlier, the Corporation for Public Broadcasting is under sound management and this management has devised a very intelligent "game plan" for future growth.

Congress has given the Corporation for Public Broadcasting a mandate to provide "diversity and excellence" in television and radio broadcasting. It is our hope that by carrying out this mandate, it will add significantly to the quality of American life. H.R. 16338 provides the interim financial authorization for public broadcasting's continuing existence. Therefore, I heartily support this bill and urge its prompt enactment.

Mr. MACDONALD. Thank you, Mr. Pepper, for sharing your views with us this morning.

Mr. PEPPER. Thank you, Mr. Chairman, it has been my pleasure.

Mr. MACDONALD. Our next witness this morning is the Honorable Dean Burch, Chairman of the Federal Communications Commission.

STATEMENT OF HON. DEAN BURCH, CHAIRMAN, FEDERAL COMMUNICATIONS COMMISSION; ACCOMPANIED BY HENRY GELLER, GENERAL COUNSEL

Mr. BURCH. Thank you, Mr. Chairman.

I welcome this opportunity to give you the Commission's views on H.R. 16338 and H.R. 16580 designated as the "Public Broadcasting Financing Act of 1970." These bills, identical to S. 3558 on which I

testified April 1 before the Senate Subcommittee on Communications, are designed to carry out the President's recommendation, as set forth in his Message on Education Reform, to extend Federal support of the Corporation for Public Broadcasting.

The bills would authorize annual appropriations for the Corporation through fiscal year 1973. Such sums as may be necessary would be authorized for each of the 3 fiscal years of 1971 through 1973. They would also encourage public support of the Corporation by providing for a Federal contribution equivalent to the non-Federal contributions given to the Corporation. Paragraph (2) of section 396(k) of the Communications Act, which limits grants or contracts to any one station or for any one project to \$250,000 for fiscal years 1969 and 1970, would not be extended.

The Commission supports these bills as a needed extension of the interim financing for the Corporation for Public Broadcasting which had been earlier provided in Public Laws 90-129, 90-294, and 91-97, and also supports the deletion of paragraph (2) of section 396(k) of the existing law which has an unduly restrictive effect on the operations of the Corporation.

We note that a portion of the annual Federal funding would be based on matching the dollars raised by the Corporation from non-Federal sources. The Commission favors the anticipated stimulation of increased contributions from private sources through the incentive offered in this matching process.

Most important, however, is the provision of the bills authorizing "for each of the next three fiscal years" after 1970 the appropriation of "such sums as may be necessary." Authorizing funds for the Corporation for a 3-year period will permit the Corporation to grow in an orderly and planned way so important to a new undertaking. We believe that the Corporation's need for funds will likely increase during this 3-year period. The open end provision for authorization of such sums as may be necessary, taken together with the above matching process will thus provide suitable flexibility to meet these rising needs.

The Commission wishes to stress, however, as it has in the past, the crucial importance of obtaining for the Corporation at the earliest possible time a permanent financial base not dependent upon annual appropriations. The committee will recall that the Carnegie Commission recommended establishment of permanent financing of a very substantial order at an early date. Too great a delay in finding the permanent financing solution will adversely affect the development of the Corporation and thus of the Nation's noncommercial educational system. Mr. Chairman, the Commission believes that there is no matter of greater importance or significance than this, in "promoting the larger and more effective use of radio in the public interest" (sec. 303(g) of the Communications Act of 1934, as amended). The Commission and its staff would therefore be most happy to work with your committee and other interested agencies to achieve a solution.

For the foregoing reasons, the Commission supports the enactment of H.R. 16338 or H.R. 16580.

Thank you, Mr. Chairman.

Mr. Chairman, I would like to point out one thing which is not in my statement at this time, that I personally feel that some of the

actions of the Commission in attempting to obtain diversity in programming sources, although possibly effective, are not as effective in the long run as a well-financed corporation for public broadcasting could be.

I recently returned from Chicago where I spoke to the National Association of Broadcasters and commented on the level of children's programming in this country, and made the observation that "Sesame Street" should not stand alone in the United States at this time, and that commercial broadcasters could well emulate the success of that particular show.

Mr. Chairman, Mrs. Cooney, who is here, and I were classmates at the University of Arizona, and despite that parochial observation, I feel very strongly about her show. I think that it is exemplary of what the Corporation can do in setting a benchmark and what the Corporation can do in providing diversity that simple tinkering with our existing network system would probably not accomplish.

Thank you, Mr. Chairman. That concludes my statement.

Mr. MACDONALD. Thank you, Chairman Burch. Do you have any personal thoughts about how public broadcasting can be financed in a long-range plan?

Mr. BURCH. Mr. Chairman, when I first came to the Commission, I had a rather extensive briefing by a number of the members of the staff and it became quite obvious that there are really only three or four approaches to this, or a combination of those particular approaches.

As I stated before the Senate, I have talked with members of the White House staff about this, as I feel that ultimately the White House will have to propose some sort of long-range financing program. I must confess that there is no one easy way to accomplish this purpose.

I have great sympathy for those Members of the Congress who feel that it should be done on an annual appropriations basis, because they want to receive some idea of how the Corporation is proceeding, and yet I personally feel that that is not the most satisfactory way of financing.

I would suspect that in the long run, the permanent financing is going to come from a combination of appropriations, matching funds, and some sort of excise tax on television receivers or some sort of equipment.

Now I don't think it is going to be a popular tax. Of course, I don't know of a popular tax. But I think that ultimately that is the direction that the Congress and the administration is going to have to go, because that is the kind of money that this organization is going to need, large amounts of money, far larger than they have had in the past, and I think the only way that they could have any sense of security in making long-term commitments is if they have some means of anticipating income for some years in advance.

That is, of course, the main drawback to an annual appropriations process.

Mr. MACDONALD. Chairman Burch, when you say a tax on the sets, do you mean it could be a user's tax that applies to people who have purchased sets and probably won't purchase them again for another 5 or 6 years, or would your plan go to new sales only?

Mr. BURCH. Mr. Chairman, this isn't particularly my plan. It is

a plan that has been examined by the Carnegie Commission and by our staff, for example. I at one time was enamored of the possibility of a user tax, somewhat like they have in Germany or England, whereby each person who has a television set would pay a relatively small amount of money per year.

However, I can see that the administration of such a program in this country, where the Post Office Department does not run the communications system, as it does in some of the other countries might very well militate against that sort of a tax. Because the difficulty would be in collecting the money, and to prosecute those who did not pay.

I would doubt that the Internal Revenue Service would want to take this on as part of their function. So I am inclined to think that the easiest solution to it would be an excise tax on sales of television sets. It is not the most desirable way, because the sales fluctuate from year to year and it is difficult to know exactly how much income would come in any particular year from such a tax, but it would be a step in the right direction, and I think that or a combination of user-excise or whatever is going to ultimately have to take place.

Mr. MACDONALD. Mr. Van Deerlin?

Mr. VAN DEERLIN. Good morning, Mr. Chairman. I would agree with you that to ask people to start paying for something that they have today that they have been getting free for all of these years would be rather difficult. We do have the example of England where they have snooper cars that go around to find people who are surreptitiously watching the "telly" without paying their tax.

The excise tax at point of sale would not be a strange new wrinkle, though, would it?—it would be something that people have become accustomed to in many fields, so that I should judge that your tentative proposal of a combination of that with matching grants—through which Congress could keep its oversight function alive by the dispensation of funds—would be the ultimate answer.

Do you have any idea, Mr. Chairman, how soon we might be getting some White House proposals in this regard?

Mr. BURCH. No, sir, I don't. I have no idea at all.

Mr. VAN DEERLIN. I take it that one of your functions would be to keep the pressure on to get some proposals.

Mr. BURCH. I sort of conceive of my function somewhat as a catalyst, in the sense that I might provide some input into the analysis of the situation, but I think it would be unbecoming for the FCC as an institution to be proposing legislation in a field which is really not our bailiwick, although we obviously do have an interest in the Corporation for Public Broadcasting.

I don't believe that we are the legislative representative or advocate.

Mr. VAN DEERLIN. Thank you.

Mr. MACDONALD. Mr. Broyhill?

Mr. BROYHILL. I have no questions, Mr. Chairman.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. I was very happy, Mr. Chairman, to know today your strong interest in this field. I am sure that most of us, or all of us on the committee, share your views. I was particularly interested in your comment that you admonished the members of the NAB at their convention in Chicago about getting more "Sesame Streets" on television.

What was the reception?

Mr. BURCH. It definitely wasn't applause, but it was not badly received. That was not the whole speech. It was one portion of the speech. I was not really advocating another "Sesame Street." I was simply advocating "Sesame Street" as an example of what can be done in children's programming, a program that is not only entertaining, but instructive and one that children enjoy watching.

That to me is probably one of the great things that the Corporation can do is act as a benchmark of what can be done, if people are appropriately financed and have the talent and ability to put on a show. I think that probably "Sesame Street" will become a measuring device by which other children's programming will be measured.

If it never amounted to any more than that, it is a great contribution, despite the fact it is also a very entertaining show and which will be entertaining for many years.

Mr. ROONEY. It seems to me, Mr. Chairman, that because of the tremendous amount of education and benefits we get out of educational television, that to me I think the administration, the Director of the Bureau of the Budget, the general Treasury can pick up the tab for such a worthy program as this. I see no reason why we should have additional burdens, some excise taxes on the sale of televisions.

When do you think the administration will come up with some kind of a proposal, or do you think that they are necessarily going to come up with some kind of a tax proposal, Mr. Burch?

Mr. BURCH. Mr. Rooney, I just can't answer that question. I don't know the answer. That isn't one of my responsibilities, and I just don't know. I think the point that the Bureau of the Budget could very well finance this is well taken. One of the problems with that is that it would require an annual appropriation, or at least a biennial appropriation by the Congress. There are those who feel that that is not the best way to fund a Corporation for Public Broadcasting.

I must confess in all candor that I have considerable sympathy for that kind of view, that the Congress, if it is going to spend large amounts of money on a program, should have some oversight function in it, and I also am well aware of the disinclination of Congress to earmark funds via excise taxes, so that they have no control over those funds once the tax has been imposed.

I only point those out to make the point that it is not an easy question. It is not a simple question. It is not one that is just dying to be resolved. It is a difficult question and it is going to take some difficult decisions on the part of the Congress and the administration.

Mr. ROONEY. I have no further questions.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. I would like to welcome the Chairman to our committee again. I didn't hear all of the questions, but it is my understanding, first of all, that you do endorse H.R. 16338 as it is constituted, is that right, Mr. Chairman?

Mr. BURCH. Yes, sir.

Mr. BROTZMAN. In your capacity as Chairman of the Federal Communications Commission, what would you say the general reaction is to public television?

Mr. BURCH. We have a great deal of correspondence on public tele-

vision some of which is laudatory and some of which is highly incensed. Some people feel that their programing, some of the radio programing is a little gamey, or some of the television programing is not what they would choose. But we have the same correspondence about the commercial programs, and I suspect that we always will have that sort of correspondence as long as we have television.

The most correspondence we have received at all, I suspect, is over "Sesame Street," and I would say that is almost 100 percent laudatory. The correspondence is generally along the line that this is what children's programing could be and why don't we have it other places?

So it is a little hard to summarize exactly how people feel about public television. I don't think there is any question but what public television has many hard, difficult days ahead, because basically Washington, D.C. is an example, the noncommercial stations on UHF, and many people have some difficulties in receiving it, and despite the comments of my friend Robert Lee, who says there is no difference between UHF and VHF, there is a difference when you are receiving it in your home.

Those are difficult areas, and will take some time to resolve, if they can be resolved.

I think probably the corporation does have some very difficult problems to resolve. Obviously none of them can be resolved without funds.

Mr. BROTZMAN. I guess that is true. I wanted to ask some more questions about the dispersal and location of stations, and perhaps Mr. Macy will be the correct witness.

Thank you very much.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Mr. Burch, it is good to see you again. In your statement on page 2 you mention the fact that in your opinion too great a delay with regard to the solution of this permanent financing could have an adverse effect on it.

Now it seems to me that it has been 3 years since we had the Carnegie Commission report, and that report certainly made a very strong case for proposing long-range financing, and yet I find the FCC has not come up with any proposal or at least has not presented any proposal to this committee.

Have you presented any proposal to the administration that we don't know of?

Mr. BURCH. I have had conversations with members of the White House staff concerning the overall time, but not in terms of specific recommendations. As far as the former point is concerned, I do not conceive of the FCC as the agency that would write legislation in this field.

Maybe I misconceive our role.

Mr. TIERNAN. Don't you think the administration has told us before when we had the bill with regard to financing the corporation on a present basis, that they were going to submit a proposal? I assume that would involve your agency and also the Department of HEW. The administration would have to present the proposal, and I can't conceive of the administration sending any proposal up without having had some discussions relative to that with you as Chairman or at least the Commission.

Mr. BURCH. I would agree, I think probably we would at least be shown any proposed legislation, and asked for comments on it or something of that nature. But I have not been shown any.

Mr. TIERNAN. You have not?

Mr. BURCH. No.

Mr. TIERNAN. As the Commission Chairman, does this concern you since the statement says that too great a delay would have an adverse effect? You mentioned earlier that you are a catalyst or hope to be, and you feel that is your role. I think it is, too.

We had a hearing I think a year ago, when we had this bill before us, at which time the administration proposed to cut back the amount of monies that were in the bill at that time. It seems to me that they certainly should move a little faster on this.

Has your Commission prepared any studies with regard to this matter at all?

Mr. BURCH. Any studies?

Mr. TIERNAN. Yes.

Mr. BURCH. Just staff briefing papers for me.

Mr. TIERNAN. Since you have come aboard?

Mr. BURCH. Yes, sir.

Mr. TIERNAN. What form of financing do you see or does the Commission see as a possible feasible form?

Mr. BURCH. I don't think I can speak for the Commission.

Mr. TIERNAN. How about for yourself?

Mr. BURCH. For myself, I told Congressman Van Deerlin and Congressman Macdonald, both, I think probably the more attainable type of financing is in the excise tax area for a number of reasons.

One is, I think, a use tax would be extremely difficult of administration. It would be advantageous in the sense that you could have a forecast of almost exactly how much money would come in each year, whereas with an excise tax there will be fluctuations depending on the sales of television sets. But I should think that the excise tax does have some overriding benefits.

First of all, it is not something that is particularly unusual. People are conditioned—if that is the word—to paying exercise taxes on certain articles. It would be contrary to the general feeling of Congress that it doesn't like earmarked funds and the Bureau of the Budget feels the same way.

But if it is going to come out of some sales tax, that is probably the most realistic approach to it, and annual appropriations obviously would be most equitable, I suspect, in the sense that that way everybody who is a taxpayer is contributing his pro rata share to the amount of money that goes to the corporation each year, as opposed to the person who happens to buy a television set that year.

But I think we are all aware of the difficulties in the annual appropriation approach to it. So my own feeling, and this is not the result of any great study, I want to point out, that this is rather a casual observation, although I have read much of the literature on the subject.

My own feeling is that probably some form of excise tax or excise tax plus appropriation or excise, appropriation and matching funds will be the ultimate solution.

Mr. TIERNAN. I think one of the more recent developments has been with regard to licensees who are under suspension. Maybe I am incorrect in this, but is there now before the Commission a proposal that during the period of an appeal moneys received from the operation of the licensee be placed in trusteeship?

Mr. BURCH. I think you are talking about the Jackson, Miss., situation, and things like that. Well, since I have been there, we have only had the one interim operation problem and that has not been resolved, but I believe those have taken a variety of forms.

Mr. GELLER. The court of appeals in remanding that particular case directed the Commission to consider impounding the profits, and the Commission has under consideration that and the question of whether it should be used for educational television.

Mr. TIERNAN. Which I would strongly urge be considered. I would think that would be possibly a small source of additional revenue. The other thing that, of course, is bothering me a bit is the fact that the A.T. & T. has been negotiating with the corporation for over 2 years with regard to the reduction of rates.

Has the Commission been in a position to exert any influence in this area?

Mr. BURCH. The Commission has been used as an agency to bring the parties together, to further discuss the problem. I think in fairness, Mr. Tiernan, the act that established the corporation was not terribly explicit over just exactly what A.T. & T.'s responsibility was in that regard, I think, and honest difference of opinion exists between the two parties, as to the level of payments.

In the satellite proposal that went out recently—

Mr. TIERNAN. I want to applaud you on that.

Mr. BURCH. You will notice we included in that a paragraph asking the parties to comment on provisions for public broadcasting, and also the so-called people's dividend which would be taking some of the funds which might be derived from satellite operation and making it available for education.

Mr. TIERNAN. Thank you, Mr. Chairman.

Mr. MACDONALD. Chairman Burch, I take it that you have noted a sort of an undercurrent of frustration by some members of the subcommittee and it might sound as if it were politically motivated, but I can assure you it was not. Just by way of background, Mr. Tiernan mentioned we had the hearings a year ago, and we had a member of HEW representing that agency, and we had to force him to ask for a reasonable recommendation on the amount of money. So when the bill cleared our committee in a very close vote, and went to the floor, I tried—and other members, also tried—to raise the amount that the Appropriations Committee had appropriated on the floor of the House.

A friend of mine on that committee came to me and said, "You had better take it a little easy, because you could be made to look very foolish," and I asked him why, and he said that in testimony before the appropriations subcommittee the representatives of HEW said that they couldn't use the amount of money that I was asking for.

So I had to sort of subside without getting cut from not behind, but beneath, in asking for money in the face of opposition that could say,

"Well, the Department itself doesn't want this money." The only reason I raise this difficulty is, one, to explain the undercurrent of dissatisfaction, because you to us represent the administration, and, secondly, to ask you if there is much liaison between the Department of HEW—that section of HEW—and the FCC.

It seems to me that there is not much communication between the two. Am I right in that?

Mr. BURCH. I must be very candid, there is not to my knowledge, not with me at least.

Mr. MACDONALD. Don't you think it would be a good idea if both HEW and yourself had some liaison about this, because you both have a part of it, so to speak. If you could come up with sort of a united front, because you both represent to us the administration, I think it would be helpful.

Mr. BURCH. I will see if I can do something on that.

Mr. MACDONALD. Are there any further questions?

Thank you.

Mr. BURCH. Mr. Chairman, I wanted to add that Commissioner Johnson has a concurring statement on our Commission report which I would like to present for the record at this time.

(Mr. Johnson's concurring statement follows:)

STATEMENT OF COMMISSIONER NICHOLAS JOHNSON, FEDERAL COMMUNICATIONS COMMISSION, CONCURRING IN THE STATEMENT OF THE COMMISSION, APRIL 14, 1970

I am heartened by the leadership of our Chairman, Dean Burch, in urging the more adequate and permanent funding of the Corporation for Public Broadcasting. I join the Commission's statement supporting this important legislation, and would like to add a few concurring words of my own.

Nothing is more important to a free, self-governing people than education and information.

No single instrument has a greater impact upon education and information today than television.

No institution has a greater potential for positive influence—both in its own right, and in its impact upon commercial television—than the Corporation for Public Broadcasting. "Sesame Street" has given us a glimpse of what television could offer our people.

Other civilized nations have recognized this fact. Both Japan and England, for example, have public broadcasting corporations and commercial television operating side-by-side. Both have not just one, but *two*, nationwide public broadcasting television networks. (Each *also* has three or more nationwide radio networks.) Both have been prepared to spend 100 to 250 *times* as much as President Nixon has asked for the Corporation for Public Broadcasting budget.

We should demand fully as much—if not more—for the American people as is made available to the English and the Japanese. On the satisfaction of such demands turns nothing less than the national well-being and international position of the United States during the remainder of this century.

The American people spend, and gladly, some \$50 to \$60 *billion* a year on public school and university education. And yet our children receive more of their education from television than from school and parents combined. A mere 1 percent of this amount would provide a public broadcasting budget of one-half billion dollars a year. Not enough, perhaps, but at least closer to our needs than the \$10 or \$20 million we've been debating.

Public broadcasting also requires, of course, adequate facilities. Congress has made a great contribution with the Educational Television Facilities Act. The FCC of an earlier era made a contribution by reserving some channels. But the fact remains that we are a long way from the two or more nationwide public broadcasting networks that most civilized nations possess today.

Even if the FCC were to decree a nationwide VHF television network, and a nationwide UHF television network for our largest 100 urban centers (which the FCC could do); and even if \$500 million a year were instantly available; it would still take until the year 2000 for us to have a public broadcasting system that would have an impact upon the people of this nation equivalent to public broadcasting in foreign countries.

The alternative methods of funding have been identified and examined: an excise tax on television set sales, a use tax (as in Great Britain and Japan), a special check-off on the tax return, appropriations from general revenue funds, an excess profits tax on the commercial broadcasters, and so forth. None is perfect. And, alone or in combination, are decidedly better than nothing.

All we need is the will to act. History will smile upon those who do.

Mr. MACDONALD. The next witness is Mr. John W. Macy, Jr., president of the Corporation for Public Broadcasting. He is accompanied, I believe, by the Honorable Frank Pace, Jr., Chairman of the Board.

**STATEMENTS OF FRANK PACE, JR., CHAIRMAN OF THE BOARD, AND
JOHN W. MACY, JR., PRESIDENT, CORPORATION FOR PUBLIC
BROADCASTING**

Mr. PACE. First, permit me to say how privileged I am to appear before your committee. May I also say that the comments of Dean Burch were most encouraging to me, and also, if I may say so, the nature of the questions and the obvious attitude of the committee. Particularly your own statement, Mr. Chairman, which was both affirmative and restrained, seems to me to point to the issues before us.

The committee knows that I am Chairman of the Board appointed by the President, confirmed by the Senate, to provide both overall guidance and the assurance of independence of this organization, which has been created in a very unique and special fashion. So I normally take this occasion to give an account of our stewardship to this committee, which is compelling to the future of public broadcasting.

First, let me say that, as you know, all members of the board serve without compensation, and therefore our assessment of this situation, I think, is both abstract and of greater value than if we were active participants. Let me say that I guess the most important thing that has happened in last year has been the appointment of John Macy as president.

The committee that selected Mr. Macy was composed of John Rockefeller, Milton Eisenhower, and Oveta Culp Hobby, with myself ex officio. I think all of them, if they were here, would tell you that we have found that Mr. Macy has exceeded our expectations in his performance of the year's work.

Since I had the responsibility of carrying the burden until he came, I think that I have maybe a deeper insight into the performance, and it is one that has provided us with real satisfaction.

Second on the subject that was very close to your heart, our independence, this has turned out to be really no problem. We have found to my personal satisfaction that there have been really no efforts made whatsoever in the executive branch or the legislative branch to exercise influence over the course of this particular operation from either the performance or the programing standpoint.

There have been indications of satisfaction, and dissatisfaction in certain areas, but these have been expressed in a completely abstract fashion that has made our problem in this area minimal.

I should say to you that our relationship with the commercial broadcasting fraternity has been a most satisfactory one. They have contributed to our cause in terms of money and in kind and have been helpful in the local communities. By and large they have come to regard us as the other side of the coin rather than as a competitor to be eliminated.

Now let me just discuss with you for a moment some of the areas of performance in which you have expressed an interest in the past. The first of these is interconnection because unless we are nationally organized we are not really basically functional as you conceived it and, therefore, I can say to you that for over a year now we have been operating an interconnection system. It has operated with some difficulties, but it has operated and it has brought satisfaction.

We have not, on the other hand, found a satisfactory solution with the telephone company. We have been in discussion and negotiation, and I am satisfied they are negotiating in good faith. I think, however, that we have to come to a determination both in terms of our own planning and, in fact, in terms of your planning as to how great a burden this is going to be on the Corporation.

When we are talking in terms of very small total sums, as we have been with the Corporation, this burden is indeed large, unless the original provision of the Congress that either free or reduced rates be established. Otherwise, it becomes an abnormally large part of our budget.

You have charged us with the development of the stations. I think it is fair to say that we have in a very sensible way found a means of leadership for the stations throughout the country. They look to the Corporation not in terms of a centralized operation, because we are not that, but in terms of guidance, planning, and direction of the overall course and in terms of intelligent and specific assistance.

We were charged with seeing that there were multiple program sources. We have sought to do this by building the stations up as program centers. Today our national programs reflect the programing of stations, and we expect this to develop over a period of time.

You are, of course, interested in the educational facets of public broadcasting. Even though the name was changed from educational television to public television, I find that there is very little we do that does not have a substantial educational impact. By and large we are either engaged in supporting classroom education, or more importantly, supporting the educational process outside of the classroom both the young and with the adult, and in my estimation this will increase over a period of time.

I think in short, Mr. Chairman, that I can report to you that after 2 years of, first very intimate association with the Corporation, and in this later year in my proper role of assessor of the Corporation, that I find a deeper sense of the value of this than I had when I originally agreed to undertake this assignment.

I think that I can say to you that this is one of the very rare institutions that I have seen that appears to me better under the X-ray than it does under the photograph. I share Dean Burch's sense that the days ahead are difficult. We are tiny, and our progress, while satisfying to us, still leaves much ahead.

In terms of the authorization that is proposed here, I would hope that we as well as this committee might regard this as an interim determination, because quite obviously it is not a long-range solution to an extremely difficult problem.

I have traveled to both Japan and Great Britain where I have talked extensively with the heads of NHK in Japan, which is doing a remarkable job, and the BBC, which is better known to this committee.

By way of comparison, NHK's annual budget is \$256 million. In this there are remarkable capacities for research, and the development of young, imaginative affirmatively creative people, which is really the underlying basis of growth of this operation, for promotion of their programs in an intelligent fashion and a specialization in certain areas that produce real results.

Mr. MACDONALD. Was that England or Japan?

Mr. PACE. NHK is Japan. In short, I believe we have made a sound, careful, and worthwhile start. I believe we are organized to spend the money that comes to us in an effective fashion. John Macy has carried on a very vigorous personnel control policy, one that I instituted.

I reported to this committee last year that every staff member who came to the Corporation served a 3-month period in which a determination was made as to whether they really could fulfill the requirements. Unless they could, it was understood on both sides that they would not come on.

I said to the committee that if you hired six people and one of them was bad, you had made a bad deal, because you would spend more time getting rid of the one bad one than you would effectively using five good ones. I still believe this.

I am happy to say that this process has paid off. We are lean, I am sure we are competent, and I can assure the committee that this is a uniquely hard-working organization.

In the fiscal area, the vice president of finance, in whom I have developed real confidence, reports to me weekly. It is understood that he is responsive to the Board, and all Board members know that any time they have a problem, he is available on call to talk to them.

The board itself meets a full day once each 2 months, and I think is as fully informed by the president and his staff as any board with which I have been associated.

In short, Mr. Chairman, I think that I can report to you a start that is well undertaken, a future that could be extremely exciting, but an enormously difficult future and one in which the certainty of funds in the planning process becomes extremely important.

I myself have no desire not to have congressional review. I frankly welcome it. I think it is healthy. But we need a certainty of where we stand, and an ability to plan ahead, because this is not a programing organization—this is a total entity that needs to deal with each program as a total problem rather than purely a production problem.

If we are to do these things, we will need a greater certainty of knowledge as to where we go. That fact, I think, will be determined by you over a period of time.

I welcome this opportunity to appear before this committee.
(Mr. Pace's prepared statement follows:)

STATEMENT BY FRANK PACE, JR., CHAIRMAN OF THE BOARD, CORPORATION FOR
PUBLIC BROADCASTING

Mr. Chairman and Members of the Subcommittee, HR-16338 extends the authorization for the Corporation for Public Broadcasting for a period of three years and provides a Federal matching arrangement to stimulate additional private financial support for the Corporation. I am pleased to appear today to support both these purposes.

I would be less than candid, however, if I failed to express my belief that this bill falls short of an ideal solution to the problem of operating an effective broadcasting service in the public interest. However, in the context of fiscal and other problems faced by the Administration, this appears to be the best bill that could be proposed at this time. I accept this as a fact and strongly urge this Committee to act favorably on it.

The Corporation for Public Broadcasting now has had two annual authorizations and appropriations. I do not believe it is necessary for me to review the disadvantages characteristic of this annual process when they are applied to the corporation. Program preparation requires lead time, for example, just to mention a practical problem. All the disadvantages were dramatized in 1970 because the bill carrying the Corporation's appropriations was long delayed. We received our funds on March 28 after very nearly three quarters of the year had passed.

The Corporation was created in order to provide leadership and strength in the development of a valuable public resource and to assure the independence from Government control or influence essential for a program service for homes and classrooms. Annual appropriations so far have rendered the work of the Corporation most difficult.

HR-16338, by providing authorizations for three years of appropriations, represents substantial progress over the previous state of things. The bill is not ideal, however, because it fails to provide any permanent financing solution.

I understand the Administration gave serious consideration to various permanent financing plans, but concluded it had to reject them all for the time being. I further understand the Administration views the proposal before you as an interim plan to serve for a period of time during which the Corporation will develop more experience and during which additional study can be given to the basic problem of providing a long-term solution to the financing problem.

I understand the position of the Administration and accept it. Well before the period of time covered by this bill expires, I am confident a permanent proposal will emerge to replace it.

CORPORATION ACCOMPLISHMENTS

On behalf of the Board of Directors of the Corporation, I want to express the Board's conviction that the purposes of the Public Broadcasting Act of 1967 are being fulfilled soundly and with a rapidity that is little short of amazing.

John Macy, the President of the Corporation, will discuss the activity of the Corporation during the past year in more detail when he testifies. This activity includes very commendable progress toward all of the objectives assigned to the Corporation: development of programs of excellence and diversity, support of station operations, establishment of a system of interconnection, and improvement of the skills and capability of the personnel involved in public broadcasting.

The terms of the members of the Board are staggered so as to provide for the periodic introduction of new members. Five members of the first Board were appointed for two year terms in order to establish the desired pattern, and now the terms for this first group of five have expired. I would like, for the record, to express my deep appreciation and respect for the service that has been

rendered by all of my colleagues. Without their advice and counsel, the Corporation would not have made as much progress.

THE AUDIENCE FOR PUBLIC BROADCASTING

No service is performed by public broadcasting unless someone watches the television program or listens to the radio. In the past, very little was known about this audience, but as we begin to get information as the result of studies done by and for the Corporation, we are heartened to find public broadcasting has a very substantial audience representative of the whole public. Hopefully, future budgets will enable us both to undertake additional study of the audience and also to do those things necessary to create a better understanding and awareness of the programs available through public broadcasting so that still more people will make themselves a regular part of the audience.

We now realize that some eight million families consisting of about 24 million people watch public broadcasting in an average week. This is a much larger group than ever before estimated. To some extent, these larger numbers are recorded because of our improved information about the audience but also to a large extent this greater audience has emerged because of the more attractive programs now being offered by public broadcasting.

The fact that substantial numbers of people are turning to public broadcasting—if you will, voting for public television by turning their dials—ties in with and supports a key provision of HR-16338. I refer to subsection (k) (2) that provides additional appropriations for each of the next three years in amounts equal to the private contributions to the Corporation.

I think it is entirely appropriate for us to turn to the public for an increasing share of our total financial need. During the short life of the Corporation, private contributions have been few in number. During the longer history of public broadcasting stations, private contributions similarly have represented only a small but vital part of the total financing received.

The matching provision in subsection (k) (2) will serve as a useful incentive for stimulating increased private participation in the financing of public broadcasting. We accept this provision for the purpose intended and expect our application of it will be fruitful.

INDEPENDENCE MAINTAINED

During the hearings preceding the creation of the Corporation, and since, many words have been spoken about the potential threat to public broadcasting posed by the use of Government funds.

In actual practice, I do not see that this apprehension about loss of independence is justified in any way.

According to the most recent financial data that have been collected, more than half of all public broadcasting station revenue has been received from state and local government—and this apparently has been the condition for some time.

State and local governments funds have been instrumental in developing the system we have today and supporting station operations.

During the two years that Federal appropriations have been available, no case has come to my attention to indicate that the nature of programs or the broadcasting of programs have been influenced in any way. Of course, this is exactly the way Congress intended it to be and one of the principal reasons that the independent Corporation for Public Broadcasting was created as the instrument for applying Federal funds to broadcasting operations.

The provision of authorization for each of three years under HR-16338 should help still further to allay the fears of any who still feel Federal appropriations constitute a threat to independence.

In summary, although it does not represent an ultimate solution, the bill before you represents very desirable progress in the planned development of public broadcasting in the public interest. I urge this Committee to act favorably on it.

Mr. MACDONALD. Thank you, Mr. Pace. Are there any questions of Mr. Pace?

Mr. BROTZMAN. May I ask a question, please? On the foreign broadcasting arrangements you mentioned, is it correct that in Great Britain there are two public channels, and one commercial?

Mr. PACE. As I understand it in Great Britain, there is BBC which operates some four channels, and I believe there are two competing commercial networks.

Mr. BROTZMAN. Well, in London I only got two channels, which they call BBC 1 and 2, and then they have the commercial channel, but that was all that I saw.

Now are these channels funded exclusively by the government?

Mr. PACE. To the best of my knowledge, yes. I am not an expert on the subject.

Mr. TIERNAN. They are both financed by the government, and the commercial is taxed and has just been imposed by a second tax to help pay for the operation.

Mr. BROTZMAN. We can talk about it later, but I was trying to ascertain how the thing really does work out financially, and if there is support coming from the commercial channels to the BBC.

Mr. PACE. Could I fill in the record on that?

Mr. BROTZMAN. Anything you have on that would be helpful.

Mr. PACE. If I might, I would like the privilege of amending my statement by giving you the specific facts on it.

(The following supplemental statement was received for the record:)

SUPPLEMENTAL STATEMENT REGARDING THE BRITISH BROADCASTING CORPORATION

Facts in brief on the British Broadcasting Corporation received from Mr. Leonard Miall, representative for the BBC in the United States:

There are three television alternatives in Great Britain:

BBC 1.

BBC 2.

ITV (the network of commercial stations, usually only one to a particular area although, in rare instances, there is some overlap between two commercial stations which program the same material but not simultaneously).

For the fiscal year ending March 31, 1969, BBC 1 and 2 received a total of \$142,923,220.80 (or 59,551,342 pounds) and BBC radio received \$50,400,000.00 (or 21 million pounds).

The total amount of revenue from the sale of radio and television licenses was \$206,386,223.60, (or 85,994,264 pounds). The amount charged by the Postmaster General for the collection and detection of said revenue was \$12,720,000.00 or (5.3 million pounds.)

BBC 1 and 2 garner 50% of the viewing population—but everyone in Great Britain watches BBC 1 and 2 randomly—the 50-50 share with ITV is per hour or per program.

Everyone in Great Britain pays for a radio and television license. An extra charge is made for a car radio; an extra charge is made for a color television otherwise the fee covers any number of radio and television sets per household.

The fees are paid on a yearly basis (calculated from the time one bought his first radio or TV and paid on the anniversary date thereafter) and are collected by the local post offices. The Postmaster General also maintains huge detective vans which roam the streets electronically picking up signals of people listening or watching—this, plus a reliance on the honesty of the viewing and listening audience, is the way the system works.

A combination radio and TV license costs \$14.40 (or 6 pounds) per year. An additional \$12.00 (or 5 pounds) is collected for color TV.

The BBC 1 and 2 (domestic broadcasting) receive no subsidies from the government. They are financed by the sale of licenses.

In the early days of BBC, the growth in the number of purchases of TV and radio sets was sufficient to meet the rising costs of productions. As the sale of sets leveled off, production costs continued to mount and the cost of a license rose approximately \$2.40 (or one pound). There has been only *one* such increase.

ADDITIONAL INFORMATION ON THE BRITISH BROADCASTING CORPORATION, COMPILED
DECEMBER 11, 1968, BY THE CORPORATION FOR PUBLIC BROADCASTING

1. *Legal Origins*

The British Broadcasting Corporation (a conglomerate of 6 wireless and electrical manufacturers) was founded as a radio firm in 1922 with a government license under the auspices of the Postmaster General. The government had decided to try radio broadcasting in Great Britain on a country-wide scale, but did not want the industry in the hands of private interests. They authorized the formation of the company with revenue from receiving set licenses sold at the Post Office. The trial period lasted 5 years. In 1927 the government gave the new British Broadcasting Corporation the job of public information and entertainment. Legally, the government has full control over all Corporation activities, however, the BBC has developed as a separate entity because successive governments have agreed to hold their legal powers in reserve and have given the responsibility to day-to-day operation to the Corporation.

The TV operation of the BBC started in 1936 under the same legal controls and mandates as radio and as an extension of the Corporation organization. Operations were suspended between 1939 and 1946. Unrest among government leaders concerning the monopoly of the BBC led to the Television Act of 1954 which established the Independent Television Authority. The ITV was organized as a commercial operation under "effective" government control for the purpose of broadcasting in the public service and to provide programs of the high quality of the BBC. The government exercises its lawful control over program standards in the ITA, but leaves daily decisions to the network and its contractors.

2. *Management*

The BBC is managed by 9 Governors, each appointed for 5 years by the Queen on advisement of the government. These governors are responsible for the conduct of the whole broadcasting operation including content and presentation of programs, installations, and equipment. The governors are advised by a General Advisory Council, regional advisory councils for the English and Northern Irish regions, and a number of councils and committees giving advice on matters of charity, music, agriculture, schools, education, science and engineering.

The ITA management consists of a Chairman, Deputy Chairman, and 11 ordinary members appointed by the Postmaster General. The ITA is advised by a General Advisory Council and by 3 committees on educational broadcasting, religious broadcasting, and advertising.

3. *TV Public Programming*

There are two BBC networks—BBC 1 and BBC 2. BBC 1 was the TV network as it was established in 1936. BBC 2 came into being in 1964 when the government saw a need to provide divergent programming in identical time slots. BBC 1 and BBC 2 cover the entire country. (See map, fig. 1.) Each viewing region (London, Southeast, Midlands, Southwest, North, Wales, Scotland, and Northern Ireland) is represented by several stations for each network. BBC 1 carries fifty hours a week of programming and BBC 2 carries thirty hours a week by government law. BBC 1 broadcasting a 405 scanning line system on VHF and BBC broadcasts a 625 scanning line system on VHF. BBC 2 is the only network currently broadcasting consistent color programs (25 of their 30 weekly programs). BBC 1 and the ITA are not scheduled to begin color broadcasts until late 1969 or early 1970.

BBC AND ITA BROADCAST REGIONS



FIGURE 1

Both BBC 1 and BBC 2 provide a mixture of education, information, and entertainment in their programming. The two networks are programmed so that at any prime time juncture, there is a definite choice for the viewer. BBC 2 allows more opportunity for experimentation and generally provides programs of minority interest against BBC 1's majority interest programs. Each station licensed by the government for the BBC carries 94% of its programming from the BBC studios in White City, London. 6% of the station's programming is produced locally. Approximately 3,000 hours of programming yearly are produced by regional stations. 2,000 hours of this total are aired regionally, 1,000 hours are produced for network use. The break down of program content for both BBC networks reveals feature films occupying 15% of the programming, outside broadcasts (?) 14%, information programs 13% presentational material 11%, drama 11%, family programs, school broadcasts, light entertainment, and news 6% each. Percentages for each network largely follow these same figures. Two major exceptions in individual network break downs indicate that BBC 1 carries half again as much drama as BBC 2 and programs twice as much light entertainment as BBC 2.

The Independent Television Authority operates on 625 scanning lines on UHF for 65-70 hours a week in each region. The ITA operates its network by contracting with different broadcasting companies to produce programs on each of 28 stations serving all regions of England, Wales, and Scotland. The programming, of course, is localized or regionalized under this system. If a contractor is not doing a sufficient job of programming, its 2 year contract is withheld at renewal time. The ITA own their network stations and rent the facilities and equipment to the companies receiving contracts. The revenue from these transactions and from the sale of commercial time supplies the ITA with operation and program money plus a small profit.

There are 15 contractors in the ITA and each has responsibility for a week or portion of a week in different regions. The Associated TeleVision Company, Limited (ATV) is one of these contractors. It broadcasts Saturday and Sunday ITA programs in the London area and Monday through Sunday broadcasts in the Midlands. Other major broadcasting companies are the Granada Television Limited, ABC Limited, Rediffusion Television Limited, Anglia Television, and Scottish Television. In general the programs of this network do not differ drastically from those of the BBC. 20% of the programs shown in the 65-70 hours of weekly programming are drama or serials, 10% each are news, feature films, light entertainment and music, and sports.

4. Radio Programming

The BBC has the only "sound" service in Great Britain. It is divided into 4 parts the way BBC-TV is divided into two. Each wavelength is reserved for a separate programming entity. Radio 1 is popular music programming on a 247 metre wavelength. The content of this broadcast is all music. Radio 2 is the Light Programme on 1500 metres and VHF. Aside from some family favorites when Radio 1 is playing all pop, Radio 2 programs talk shows, interviews, situation comedies, and telephone audience-participation shows. Radio 3 consists of the Third Programme, a cultural music or drama program; the Music Programme, a cultural music or drama program; the Music Programme, broadcast to all tastes; the Study Session, an adult education series; and the Sports Service. Each of these have stationary time periods in each broadcast day. Radio 4 is devoted to full news coverage, commentary, and discussion. Late last year the BBC radio opened 6 local radio stations designed to program to local needs. The pilot project of this enterprise were very encouraging, but there is no information now available on the status of this new program.

5. Educational Programming in TV and Radio

BBC 1 broadcasts 16 programs a week to the schools for instructional use. All of these programs are in series form and are directed at particular age groups of school children. BBC 2 does not program in-school viewing. The ITA broadcast 33 series of instructional matter within 28 weeks of 1967. The subject matter of these programs covered current affairs to science, language, literature, drama, and religious and sex education. There are 18,000 viewing schools in the receiving area of these TV broadcasts.

BBC radio broadcasts 68 programs a week of instructional matter. These programs cover most subjects normally taught to pre-school and grammar school age

children. There are 32,000 listening schools within receiving range of these broadcasts.

6. Income and TV Audience

The BBC income for 1967 totaled 72 million pounds (168 million dollars). 20 million pounds of this total came from radio licenses, 52 million pounds came from TV revenues, and 1 million pounds came from publications. The government, of course, received all this sum.

The ITA recorded an income of about 100 million pounds (233 million dollars) in 1967. Approximately $\frac{3}{4}$ of this sum was received from commercial sponsorships, and all but 22 million pounds of it was claimed by the government.

The BBC estimates its average audience to be 7.2 million people. The ITA estimates their average as 15.2 million with peak audience viewing as high as 17 million. (This can be compared with U.S. commercial peak audiences of 17 or 18 million and an average of 12 million viewers.) During 1967 in homes able to view both ITA and BBC programs, 60% of the total viewing time was spent watching Independent TV and 40% of the time was spent watching BBC-TV.

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Mr. BROTZMAN. The reason I am asking the question, is because I think sometimes we might be able to learn from what someone else has done successfully. All I am trying to find out is how we can solve this dilemma that we find ourselves in relative to financing.

Let me ask this question: What are the circumstances in Japan? You mentioned NHK. I assume that is their public broadcasting channel?

Mr. PACE. NHK is the major public broadcasting network in Japan. This is financed by an excise tax on the television set itself.

Mr. BROTZMAN. Now there are commercial channels also in Japan, is that correct?

Mr. PACE. That is correct.

Mr. BROTZMAN. I probably shouldn't take too much time right now, but I wonder if it wouldn't be intelligent for us to study some of these other successful systems a little bit. That might give us a clue as to a better approach.

I am not disagreeing with the Carnegie report, but I am wondering if there might not be something that would open our eyes and might help us to promise an adequately funded system. I think it is our biggest single problem right now.

Mr. PACE. I agree with you, Mr. Congressman, and if I could, I would like to get the facts accurately for you, and include them in the record, and let the committee make its decision based on the facts that are there.

Again let me say that the thrust of the committee's sense in this, I share very heavily. We do have to find a solution to a very difficult problem if we are going to manage our affairs correctly.

*Available in the Corporation for Public Broadcasting office.

(The following information was received for the record:)

FACTS IN BRIEF ON PUBLIC BROADCASTING IN JAPAN

There are 6 television alternatives in Japan:

NHK General TV (what we consider public TV).

NHK Educational TV (what we consider instructional TV) and 4 commercial networks.

NHK's viewership is held at 11 million families (regular viewers in any one hour of programming) out of 22 million households—or 50%.

Each of the 4 main networks (commercial) has about 30 affiliates.

Subscription fees are charged: approximately \$1.00 per household per month (\$12.00 per year) for both radio and TV; approximately \$0.15 per household per month (\$1.80 per year) for radio only.

Collections are made in two ways:

1) by a once every two months visit to each household by NHK (there is no collection agency such as the post office as in Great Britain).

2) by deduction from a subscriber's bank account.

ADDITIONAL FACTS ON PUBLIC BROADCASTING IN JAPAN FROM NKH HANDBOOK, 1968

Character of NHK

Nippon Hoso Kyokai (NHK), or Japan Broadcasting Corporation, is the sole public broadcasting service organization in Japan operated with the support of the Japanese people for the purpose of conducting broadcast activities throughout the nation to meet social requirements and thus contributing to the enhancement of public welfare and culture through its broadcasts in accordance with the provisions of the Broadcast Law.

NHK depends for its finances solely on revenues derived from fees paid by radio listeners and television viewers throughout the country who subscribe to its services. It receives no financial support from the State for its operation. In this respect, therefore, NHK is fundamentally different from those governmental or semi-governmental organizations which are either operated or financed by the government, such as public corporations and agencies which have branched out from government offices. In this sense, it may be safely said that NHK is a broadcasting organization set up by the people themselves who are listeners and viewers as defined in the Broadcast Law.

Such financial basis of NHK naturally ensures editorial freedom for its program production as a medium of communication, as well as an independent status regarding its management. At the same time, such an independent character of NHK constitutes the very backbone whereby it enjoys the unqualified support of the entire population as a public broadcasting organization.

Broadcasting has become a very essential part of the life of people because of its various functions in the fields of reporting, education, culture and entertainment, and, therefore, its impact on our society is immeasurable. Moreover, broadcasting is an enterprise which has a strong public character because of its utilization of radio waves which are the common property of the people, and, hence, in this respect broadcasting holds a key to influence social progress.

At present, radio and television in Japan are operated on a dual system of management: by NHK and by commercial broadcasts conducted by a number of commercial broadcasting companies of private enterprise. These two systems of broadcasting are striving for the progress of broadcasting in Japan by stimulating each other while operating on their own merits.

The year 1967 falls on the 42nd year of the inception of broadcasting, which commenced in March 1925. At that time, the number of households which subscribed to radio reception numbered only 5,400 or so throughout the country. When television was started in February 1953, the households registered for TV reception were as few as 900. Today, the combined total of the receiving households throughout the country has reached the level of 22,000,000, comprising about 91.3% of the entire number of households in the nation which number about 24,100,000 (based on the National Census of 1965).

In the mean time, NHK's broadcasting stations continued to increase year after year to a total of 577 for the General TV, 563 for the Educational TV, 170 for the Radio 1st, 133 for the Radio 2nd and 127 for the FM as of Oct. 1967. The coverage of service over the national households has reached 95% by the

General TV, 94% by the Educational TV, 99.7% by the Radio 1st, 98.4% by the Radio 2nd, and 85% by the FM. Thus at the present almost all the Japanese people have access to the benefits of radio and TV broadcasts.

Audience Services

Service to Subscribers.—It is the prime mission of NHK to provide subscribers to its broadcasting services with high quality programs in good reception conditions. Therefore, the cornerstone of the service lies in the general effort to meet the requirement in the productions of programs for the listening and viewing public. Another important task is the implementation of various measures in all fields of its services to comply with various demands from listeners and viewers. It is for this purpose that NHK has established "NHK Consultation Rooms" at 68 places throughout the country for the purpose of receiving requests and solicitations from the listeners and viewers and to offer replies to them so that the results summed up through these consultation activities may be reflected in the daily business of NHK. While consolidating the organization of the windows through which the requests of the audience are cleared, NHK constantly bears in mind ways and means of improving receiving conditions so that the audience may enjoy better reception. These involve measures for suppressing noise by cooperation of the competent government offices, manufacturers and television dealers. They also include advices provided for repairs on defective receiving sets.

Listeners and Viewers—Subscription Fees.—The subscription fees are charged at present on the basis of reception contracts concluded with the listeners and viewers according to the provisions of the Broadcast Law. The contracts are on the basis of households, viz. one contract per one household. The fee is ¥ 330 (about \$1.00) monthly for the general contract which covers both radio and TV receptions, and ¥50 (about 15 cent) monthly for the contract for radio only. Collection of fees from more than 20 million households is, as a rule, made by visits to individual homes once in two months. Collection, moreover, is made directly by NHK and indirectly by the Ministry of Posts and Telecommunications entrusted by NHK to handle this work. Also, a system of paying the fee into the subscriber's bank account has been enforced for the entire country since 1963. Through such means nearly 100% collection of fees is made, showing the deep trust and support the public accords NHK.

Publicity Regarding NHK's Activities.—It is an important prerequisite for the work of NHK as a public service to publicize its mission, administration and details of its broadcasting programs as widely as possible among the listeners and viewers in order to seek their understanding and cooperation. For such purposes, NHK utilizes all sorts of media to publicize its business operations.

As a means of public relations through broadcast programs, NHK presents radio and television programs, including the "Audience and NHK," a round-table forum in which the president of NHK answers questions put to him by those present.

Meanwhile, publicity through newspapers and magazines as well as various types of printed matters is also actively undertaken.

There are also informal conferences of the audience established in various parts of the country in 1961 for the purpose of presenting the actual state of NHK and reflecting frank opinions of the audience in NHK's management. Such meetings have already been held for a total of 2,000 up to September 1, 1967, and these have been attended by as many subscribers as 35,000.

Mr. BROTZMAN. I think we have to because we have made certain representations to the rest of the Congress. I think that the Chairman has touched upon this as have others on the committee, but when we started out it is my recollection that we said we were looking forward to some kind of better financial arrangement here, and I think that we are going to have to come up with it or we are going to run out of gas, as well as money.

Mr. BROYHILL. Mr. Pace, I want to commend you for taking your time to serve on this board, particularly to serve as its unpaid leader. I did want to comment at least on one part of your statement.

You indicated that you felt we should have another financing system so that it would be unnecessary to come to Congress, and then you

amended your statement and said you did not object to congressional overview.

Mr. PACE. I don't think I was contradictory in this. In the one case I was looking only to certainty of financing over a period of time for planning.

Mr. BROYHILL. The reason I made that statement, no matter what financial arrangement we make, I think that you are still going to have some congressional overview of this program.

Mr. PACE. I would favor that, I would favor it very strongly, and I think it is useful.

Mr. BROYHILL. Thank you.

Mr. MACDONALD. I was going to wait for Mr. Macy, but I think under the circumstances—

Mr. PACE. We are part of the same team. If he were to testify, then I think we could jointly answer anything, although I am prepared to move as you see fit, Mr. Chairman.

Mr. MACDONALD. The thing I am sure that bothers all of the members of the committee and bothers me, I know, very much indeed is that I have said on the floor of the House that there will be a permanent financing arrangement reached and warded off some attacks on the program on that basis.

I am not being difficult with either of you about it, but when I read your statement I was wondering what facts you had in mind when you say, on page 2, that you understand the position of the administration about permanent financing plans, and then you add, "I am confident a permanent proposal will emerge."

Do you have any facts to base that pious hope on?

Mr. PACE. I am afraid your words of art are better than mine. Mine is a highest hope. I think what I am really saying is that I think this has to be. I can't see this vehicle functioning any other way.

I know the difficulty that has been faced in the administration in coming up with a firm conclusion in this matter. My statement of confidence was borne not because I know of specifics, but largely because I think this has to be. What you are really asking me is if I had any inside information as to a specific, and unfortunately the answer to that, Mr. Chairman, is no.

Mr. MACDONALD. So your confidence is borne more of hope than of knowledge?

Mr. PACE. I would like to think necessity, Mr. Chairman.

Mr. MACDONALD. I will repeat what I said to Chairman Burch, it will sound political, but it isn't. I was wondering if you have any assurance from the administration that when and if this proposed bill clears the committee and goes to the floor, the administration is going to do anything to help it, because I can guarantee you that the last two times that we took this to the floor, we had no—and I mean no—help from the administration, even though you read in the paper how the administration is all for this concept of broadcasting. When it comes down to actually getting something through, they oppose it.

Because I am a member of the Democratic Party, I hesitate to attack on a political ground, but your patience—I mean that of the Public Broadcasting Corporation itself—your patience with the administration has been phenomenal, and I was wondering once again, is there

any reason for it, or you are just laying low and knowing that they are going to help eventually? This will be the third strike.

Mr. PACE. My instinct, Mr. Chairman, is this: Mind you, a year ago this administration really had had no chance to assess public broadcasting. They did not really know what it was doing, how it performed, or how it would function. They have had a year to look at us. I happen to think that in that year their sense that we are capable of producing an affirmative result for the American people has firmed.

I would be deeply disappointed if in this bill you did not get administration support.

Again, this is not the result of any conversations on this matter, it is a matter of instinct that there has been a shifting sense on the part of the administration that this is something that is something that is of value to the country and that it is being toughly and soundly managed.

They have had a year of intimate look. If they did not support it this time, I think I would be more disappointed than you would be.

Mr. MACDONALD. We would be tied.

Mr. MACY. I think that it might be well to add, this year, in contrast to last year, the administration, the President himself has endorsed the Corporation for Public Broadcasting and its purposes in his educational message of March 3, and advocated a stronger funding and a greater role of leadership for the Corporation.

Mr. MACDONALD. He could have taken that speech out of the context of some speeches made by members of this subcommittee on the floor. We could have used his help then.

Mr. TIERNAN. Mr. Macy or Mr. Pace, first of all, I want to join with my colleague, Mr. Broyhill, in congratulating you for your services to the Corporation and, Mr. Macy, I hope you are having a good first year. What percentage of your operations does the rate paid to A.T. & T. play today?

Mr. MACY. How much of our funding, you mean?

Mr. TIERNAN. Yes.

Mr. MACY. Well, at the present time our funds available for 1970 comes to \$17.4 million, including the \$15 million appropriated funds. The amount that we will be paying to A.T. & T. during this year will come to about \$2.7 million.

Mr. TIERNAN. Now, you make a strong recommendation in your statement and I was going to go through it while you testified. You know that Senator Pastore has been very strong in suggesting to the major broadcasting networks that they should be making greater contributions to supporting this broadcasting. Do you endorse that in your statement or do you just leave that up to them?

Mr. MACDONALD. I don't mean to interrupt, but why don't we let Mr. Macy testify and then we can question both of these witnesses.

STATEMENT OF JOHN W. MACY, JR.

Mr. MACY. I would be happy to.

Mr. Chairman and members of the committee, I appreciate the opportunity to come before you and to report on the stewardship of the Corporation for Public Broadcasting and to support the legislation that you have before you. I will proceed with my statement and I will

be happy to be interrupted at any point if that would be helpful to you and the members of the committee.

Two major announcements in the last week illustrate better than any words I can use the fact that a great deal of progress has been made in public broadcasting since I appeared before you last year shortly after I became president of CPB on June 18.

First, 1 week ago today an announcement was made assuring the future of "Sesame Street" for a second season and establishing the framework for a new program series by the Children's Television Workshop designed to help prepare youngsters for reading.

This showcase series, which has captured the imagination of the entire country, is being seen by about 6 million children every day, in their homes, in day-care centers and, in many instances, in schools.

Second, the Corporation announced last Wednesday a series of public television grants of major significance. Totaling \$9.2 million, the grants included \$2.75 million to NET and \$2.95 million to stations for national programming, \$2.8 million in general support grants available to all television stations, and \$700,000 in program production grants to be awarded to 14 stations on a competitive basis.

This pattern of grants to NET and the stations implements a policy designed to structure public television in a form unique to American broadcasting. The policy involves the allocation of funds to permit the development of a number of public television stations with the capability to produce regularly programs for national distribution.

This is a departure from the traditional pattern of broadcasting, which has seen production concentrated in one or two places. We believe the result will be to provide public television with a variety of talents and opinions that accurately reflects the diversity of our Nation.

H.R. 16338

The bill before you, H.R. 16338, will contribute to a continuation of progress in the years immediately ahead. I agree with the characterization of the bill provided by Frank Pace in his statement to you. It represents a desirable step forward from the practice followed in the first 2 years and, I believe quite rightly challenges the Corporation and the public to provide additional financing from private sources.

I regret that the administration has not found it possible to propose a permanent financing bill instead of this interim measure. To the extent we can contribute to a resolution of the longer term solution, we will do so. Certainly before the expiration of the 3-year period covered by H.R. 16338, a permanent solution should be forthcoming.

CORPORATION PURPOSES

As the result of a year's total immersion in practically every conceivable aspect of public broadcasting, I now see the purposes of the Corporation as falling into four main categories.

The public television or radio station is the prime element in the public broadcasting system. Our first and primary purpose is, and must continue to be, to strengthen the local station so as to augment its ability to serve the community in which it operates.

The most obvious and direct way to strengthen the local station takes the form of general support grants of the type we have just announced. Last year, operating with only a small initial fund, we were able to provide the 120 television licensees then eligible with grants of \$10,000 each to be applied to purposes identified by the stations themselves. Small though this fund was for each station, and inequitable as it was inasmuch as large stations and small alike received only the \$10,000, still the infusion of little new money enabled stations to undertake activities that otherwise would have been impossible. Now, for 1970, we have invited television licensees to apply for \$2.8 million in general support funds and have added a \$700,000 radio station program for a total of \$3.5 million. This amount is very nearly triple the \$1.2 million that was made available in the prior year.

For 1970, we also improved the basis for making general support grants so that the amount received by each licensee will vary depending on station size and ability to serve the community audience. The smallest grant will be for \$12,500 and the amount will range upward in five steps to a maximum of \$32,500.

In the case of radio, general support grants of \$7,500 each are available to the 73 qualifying radio stations presently eligible. Additionally, a separate radio fund is available on a competitive basis to assist stations presently not eligible under the standards that have been established. The special grants are intended for the purpose of enabling such stations to strengthen their operations and rise to the eligible standard.

Although the general support grants may be used for the production of programs, they are not restricted to that purpose. A separate program assists in the production of broadcast material for use locally or, if appropriate, for distribution throughout the system on a national basis.

We have announced a \$700,000 program for this purpose and expect the grants to be up to \$50,000 to each of the participating stations. Characteristically, there will be more proposals than we can fund, so a selection of the winners from among competing projects will have to be made.

INTERCONNECTION

The second principal purpose receiving our time and resources is the interconnection system, which Mr. Pace has already referred to. The plan to create an interconnection agency previously discussed with you has now been implemented by the creation of the Public Broadcasting Service.

Public Broadcasting Service will manage the national distribution of programs utilizing the system of lines provided by A.T. & T. and supplementing that system, if necessary, by providing copies of video tapes. PBS is a nonprofit organization with a nine-man board of directors, five of whom have been selected by the stations themselves. The president of NET and I are also members of that board, and the other two members will be selected from the general public. The management of PBS, then, quite properly will reflect the point of view and interests of the stations. Since the station manager has the ultimate decision on what is or is not broadcast to the citizens in the station's

community, he should have the principal voice in determining what material shall be distributed to the stations through the interconnection facilities.

The success of any operation is largely determined by the quality of its personnel. The success of PBS is certain because Hartford N. Gunn, Jr., has agreed to serve as its first chief executive officer. Mr. Gunn moves into this position after serving for 12 years as the chief executive of WGBH in Boston. During that time Mr. Gunn built WGBH into one of the strongest public stations in the country and one of the leading stations in Boston where the station performs extremely well alongside strong commercial stations in that area. Mr. Gunn will testify later in these hearings.

The availability of an effective distribution system is clearly basic in the improvement of public broadcasting. The final form of the interconnection system has not yet been determined. Negotiations with A.T. & T. have been moving step by step, with periodic involvement by the Federal Communications Commission. Our plans call for provision of a dedicated network of lines connecting 65 points serving 166 stations on a full-time basis. The Public Broadcasting Act provided that such services could be provided by carriers at "free or reduced rates." In our negotiations, delay has been attributable to difficulty in setting the rates that should be charged for this service. Our position—that is, the CPB position—has been that the service should be free. The FCC has determined, after hearings and the review of briefs, that there should be a charge for the service. We are now in the process at arriving at a determination of the amount of the reduction to be provided when that charge is made. Meanwhile, we continue to operate the interconnection system under temporary tariffs adopted when an experimental system was first put into operation slightly more than a year ago.

Creation of PBS and the beginning of its operations represents an important milestone in the development of a national system of public television.

PROGRAMS

Our third main purpose is to augment the national inventory of programs available for station use—"programs of diversity and excellence," to use the language in the Public Broadcasting Acts.

Together with financing by others, we have supported program production by National Educational Television (NET). NET produces 5 hours of programs a week, the basic core of national programming.

National programs produced by stations also provide a substantial segment of programs distributed nationally. As rapidly as our financing permits, we plan to develop the national program production capability of additional stations so the need for national programs will be supplied by a number of centers in various parts of the country. The grants announced last week began this pattern of development.

NET has contributed greatly to the quality, attractiveness, and usefulness of national programming. For example, NET was able to obtain the rights to the "Forsythe Saga," which now has American families hanging on every episode in much the same way that British families did when the program was first broadcast by the BBC. A

measure of the success of the program lies in the decision to repeat the series immediately for the benefit of those who previously failed to see it.

Without doubt, new program material offered to the stations and used by them has contributed significantly to the ability of the stations to serve and enlarge their audiences.

"Sesame Street," produced by the Children's Television Workshop, has been a success from every point of view.

In the first place, it succeeds in advancing the education of preschool children. And it is succeeding with a very large number of children. A recent study made in eight cities indicates that of those families with children aged 6 or under, viewing of "Sesame Street" ranges from a high of 89 percent of all families with children in this age group to a low of 56 percent. The critical comment by parents and professional critics has taken the form of extravagant praise in almost every instance. And finally, we discover that contributions from the public to the stations carrying "Sesame Street" have increased. This is a most welcome expression of appreciation from the public.

With funding for another year assured as announced last week, the Children's Television Workshop is planning a continuation of "Sesame Street" and in addition is undertaking the research and development preceding a possible new program for the teaching of reading. The Corporation has participated in financing the Children's Television Workshop and accepts as a fact of life that the share of financing from the Corporation must increase in future years if the workshop is to be sustained.

STATION PRODUCTION

The stations in Boston and Los Angeles have combined during the past year to produce a major national show, "The Advocates." This program broadcast live each Sunday night uses a courtroom setting to present information on both sides of a decidable issue. Qualified witnesses discuss the specific issue. Qualified witnesses discuss the specific issue of any one program in the presence of a "decisionmaker"—an official faced in the near future with the necessity of making a decision about the issue under discussion. The viewers of the programs and the listeners in the studio are encouraged to express their point of view both before and after the broadcast discussion. Audience participation, measured by mail response running anywhere from 5,000 to 15,000 letters per program has been most satisfying. The change of opinion, as recorded by audiences before and after discussions, also indicates that the programs are capable of communicating information that helps the public clarify problems and arrive at their own positions.

Teenagers tend to turn off television more than other age groups. The station at Hershey, Pa., is now producing a program for teenagers, called "The Show." "The Show" combines entertainment with participation—sometimes quite intense participation—by the teenage studio audience. In its development, this program underwent careful research and evaluation, starting with a pilot program moving through studio presentation and audience interviews, reconstruction of the show in accordance with the guidance given by the teenage viewers, and a continuing analysis of the attitudes of audiences toward current productions. The Corporation is financing this effort to reach teenagers.

In addition to financing or assisting in the financing of these new programs among others, the Corporation has made grants for the purpose of continuing other station-produced programs on the air. Continuation of "Washington Week in Review" by the station here in Washington, "World Press" and "Bookbeat" has been made possible in this way.

"Misterogers Neighborhood" is a shining example of a station production distributed by NET. This award-winning children's show is a tribute to the genius of Fred Rogers, who does his productions at the station in Pittsburgh. Previously it was necessary to charge stations \$100 a week for the use of this show, and as a result not all stations were able to afford it. Last February the Corporation provided a grant for the purpose of making the show available on a no-charge basis to the stations not then using it and, in the fall when a new cycle starts, the program will be made available to all stations on a no-charge basis. The cost is \$500,000, which we view as a very prudent investment in constructive child development.

RADIO PROGRAMS

Support for programs has not, and will not be, limited to television. The Corporation has outlined a plan of development assistance for the public radio stations serving communities in all parts of the country. One of the most important accomplishments in this effort was the establishment of National Public Radio, the first national program production center for noncommercial radio. NPR will provide informational, educational, and cultural programs on a daily basis for use by the Nation's public radio stations. In the year to come, this service, along with direct Corporation grants to the stations themselves, should be of great assistance in strengthening the program schedules of most stations.

SYSTEM IMPROVEMENT

The fourth main purpose has to do with strengthening the total system.

We still need a great deal more information about the system, but a significant step has been taken to improve our knowledge. NAEB, operating under a grant from CPB, has begun systematic collection of data, and a first—still incomplete—report produced under this grant has just become available. Key findings are shown in attachment A, which is the first attachment to my statement.

The chart before you shows the funds, the source of funds for public television stations during the past year. You will note that the total funds from all sources came to \$84 million, and the distribution by sources is illustrated here with the largest portion of the money—more than a third—coming from State government and agencies, a total of \$21 million.

The second largest amount comes from schools and local agencies. In both of these instances these are sources of revenue from public agencies. The amount from the Federal Government largely in the form of capital grants for facilities and equipment came to \$3.7 million, or nearly 6 percent of the total.

The sources for the stations from CPB, and NET, came to 4.7 percent, slightly over \$3 million. Below this point you come to the funding that was received from nonpublic sources—the foundations contributed \$5.5 million, or 8.6 percent. Individuals and subscribers nearly \$4 million to the total system last year, or 6.1.

The actions which are almost a standard part of the fund-raising processes of public stations produced nearly \$2 million, again from individual subscribers.

Business and industry provided nearly \$1.4 million, or 2.2 percent. Other contributions of an unrestricted nature were \$1.6 million, or 2.5 percent. So from this point down you have about a third of the total funding of the stations that came from nonpublic sources. The balance was from the Federal Government, the State government, and local government.

The previous chart is significant because it illustrates the present distribution of the 190 public television stations. You will note that there are still substantial white places on the map where there is no public station presently in existence. There are two States, Montana and Wyoming, where there is not a single licensee up to the present time. And through much of the Rocky Mountain and western area there is inadequate coverage.

Where you see a heavy concentration of dots, representing the stations, it is primarily due to the move by individual States to set up statewide systems with a total coverage. That is what has happened in Kentucky, South Carolina, Georgia, Alabama, and Nebraska, and we find in our experience over the past year that this is one of the prevalent trends, that more and more of the States are organizing public broadcasting authorities into which the States are appropriating funds to put stations on the air and to assist them in their support.

So in a very real sense, Mr. Chairman, this system is emerging as a cooperative system between public and private sources and on the public side among the Federal, State and local governments.

Mr. MACDONALD. Is there one in the Virgin Islands?

Mr. MACY. There is one. Puerto Rico has some. I think Alaska has only one station at the present time that is in the process of development. There are 24 in the process of acquiring the facilities to go on the air. This represents, just to give one more statistic—this represents coverage of 76 percent of the television households in the United States.

Mr. BROYHILL. You indicate that you have a statewide system, Nebraska or North Carolina and Georgia—they are transmitters, and the dots represent not stations but transmitters.

Mr. MACY. There are two originating stations in the Nebraska system, and the rest of them are transmitters. In North Carolina, the system is centered on Chapel Hill, and the other stations are transmitters, although there is also a station at Charlotte that is run by the city and county school board. But you are correct, that is generally the pattern that you see in the States, so that you don't have each one of these dots representing a totally separate station.

This makes it necessary to distinguish between licensees and stations. We have roughly 124 licensees, and we have 191 stations.

Mr. BROTZMAN. Could I ask one question?

You alluded to the lack of dots down through the Rocky Mountain region and it is quite noticeable. Is that because of a lack of local interest or have they not come up with a program suitable to the Corporation or what?

Mr. MACY. The Corporation is not involved in putting the station on the air, but basically it is a combination of factors. You have a serious terrain problem with a line-of-sight delivery.

Further, you have many communities which are widespread, with relatively small populations. This has been the problem in getting Montana and Wyoming in the picture. In Colorado there will be a new licensee at Pueblo, and there presently are State surveys as to what happens in the central valley—and what happens on the western slope.

In New Mexico there is a single station. There are two in Arizona, and these two in Utah just cover the top portion of the State.

The initiative for the license obviously must come from the local communities. We would view the role of the Corporation to be one of assistance and encouragement in the development of additional stations in the sections of the country that are not covered.

Mr. BROTZMAN. If I understood your answer, really there is a lack of local initiative for whatever reason. But it is not lack of sponsorship on the part of the Corporation in any sense. It is a lack of local enthusiasm for that particular project.

Mr. MACY. Yes, and let me say I think that they are moving at the present time in the Rocky Mountain area to do something about that. They have recently created a Rocky Mountain Corporation for Public Broadcasting, and that group is working on an interstate basis to design a more effective coverage for public television.

The preliminary results show total station income of about \$84 million, with 61 percent coming from schools, universities, or State or local governments. Analysis of operating expenses shows an average cost of 32 cents a year for each person within the signal area of public television stations. Total capital investment to date is 71 cents per person in the signal area.

We do not have data from all stations yet. When the returns are complete and we have digested the information more fully, I know we will find this information of great value in our planning.

Employment information and identification of personnel needs are also covered in the new reports. We have been active in developing personnel resources since our inception. Through our program of career fellowships, for example, we assist the stations in attracting new talent to public broadcasting and developing that talent in productive ways. Fellowships are available for television, radio, and film operations.

Program promotion is essential if the investment in programs and facilities is to be maximized. Within the limits of tight budgets, we provide funds to program producers for the purpose of building audiences for specific broadcasts in communities across the country.

A knowledge of the audience—its size, characteristics, and attitudes—is basic to the planning and improvement of the system. Knowl-

edge about the audience had been woefully lacking. During the past year we have undertaken studies that have increased information about the audience and the performance of specific programs, and, although this work represents a huge percentage increase in the data available, it has just scratched the surface of the problem. Last fall Louis Harris and Associates undertook for us a national survey of the audience for public broadcasting and provided some eye-opening information.

Seventy-four percent of the households in the country are reached by a public television signal. This proportion stands at around 80 percent in all parts of the country except the Midwest, where only 60 percent of the families are within reach of a signal. Obviously we have a long way to go before we fulfill the requirement of reaching all the citizens with this public service. Extension of the system depends almost entirely on the Federal program for facilities grants administered by the Department of Health, Education, and Welfare and local interest in organizing new local stations where none now exist.

FACILITIES GRANTS

Largely as a result of your efforts, Mr. Chairman, and the efforts of this committee, facilities grants were authorized for 1971, 1972, and 1973 at \$15 million a year. At these hearings, facilities are not part of the bill under consideration, but I cannot refrain from some comment on this subject. The need for construction of new stations and the improvement of existing ones is reaching alarming proportions. Appropriations under authorizations that have been provided have, in recent years, fallen well below allowable totals. In 1968 there was no appropriation; in 1969 only \$4 million; in 1970 the appropriation was \$5.08 million, but after the Administration exercised authority to cut appropriations there will be just over \$4 million available, and the request for 1971, as carried in the President's budget, is again \$4 million.

As you pointed out earlier, Mr. Chairman, the House Appropriations Committee has acted to report out a bill for \$6 million for this particular program, which certainly will be helpful in moving toward the needs level in this program.

We view the need for a new commitment to the importance of the facilities grant program as a matter of the highest importance. An excellent program of the most basic value is being fed a starvation diet.

So the ability of public broadcasting to reach the public is limited by the number and strength of the signals that are being generated. Of those within reach of a public signal, 8 million households watched in the week before the survey, and 15 million households watched one or more times during the 6 months preceding the study. This is a considerably larger audience than previous fragmentary reports had indicated.

The characteristics of this audience are noteworthy, in some respects indicating a more representative cross section of the country than the audience for commercial television. Of the audience in the viewing area, 39 percent of the men and 38 percent of the women watched public television in the 6-month period. Thirty-eight percent of the

white households and 39 percent of the black households were tuned in. When looked at from the point of view of education, 51 percent of those with college education watched public television as did 38 percent of those with high school diplomas and 29 percent of those who stopped their schooling before finishing high school. By economic levels 49 percent of those earning \$10,000 a year or more were viewers and 25 percent of those earning less than \$5,000 also watched.

The Harris survey provides us with many other stratifications of the data. Now that we have a benchmark, we expect to be able to make measurements periodically so as to determine the performance of programs and the trends of public response. This kind of study applies to the system as a whole, but we are also undertaking analysis of specific shows in specific cities in order to get that kind of information as well.

STATION FUNDRAISING

Any program for the purpose of assisting stations to strengthen themselves would be incomplete without tackling the financing problem. The Corporation has created a new station development support operation, under the direction of Mr. Roland Fenz, who until recently was the development director for station KQED in San Francisco, for the purpose of providing technical assistance in planning and conducting fundraising efforts by the stations in their own communities. At the same time, in order to respond to the incentive provided by subsection (k) (2) in the bill before you, the Corporation has organized a development operation to raise private funds. This activity is headed by Mr. Thaddeus Holt, a Rhodes scholar, a lawyer, and a man who knows broadcasting.

Our efforts to strengthen the system have included close attention to the emerging cable and satellite technologies. As president of the Corporation, I serve as chairman of a task force representing the public broadcasting industry in a project with NASA involving experimental use of ATS satellites. After thorough engineering tests, we undertook to use the NASA satellites for the coast-to-coast transmission of public programs. The tests, experiments, and actual broadcasts have provided useful information. There are engineering problems that must be resolved, but the experience indicates that distribution of programs by satellite can be a practical reality.

FUTURE PLANS

Financially 1970 has been a year of travail. Up until March 5, when the President signed the Labor, HEW, and Related Agency appropriation bill, we operated under continuing resolutions at the rate of \$5 million a year. Plans for 1970 were based on a much higher level, and the actual appropriation was for \$15 million. Since January, we had a firm plan for the application of the full amount of that \$15 million appropriation. Last week we acted on a major portion of that program and expect to act on remaining projects possible within our funds before June 30.

Attached to my statement is a summary of the budget for 1971,

1972, and 1973, together with more detailed narrative description of the 1971 program. As you will see from that attachment, attachment B, we visualize program requirements of \$40 million in 1971, \$55.7 million in 1972, and \$67.7 million in 1973. Given that level of programs by 1973, we will still be 2 years behind the line laid down in the Carnegie Commission study for Corporation financing. I should point out that the \$40 million level required for 1971 is \$10 million more than the President's budget request.

I don't mean to dwell now on the details of the plans for future years, but a few general comments are appropriate.

Analysis of the 1971 budget shows that 64.2 percent of the funds apply to local activities and 35.8 percent to national. When analyzed TV versus radio, 87.2 percent applies to TV and 12.8 percent to radio.

SUMMARY

In quick review: We have made satisfying progress during the past year but have far to go.

The station keystone, although still requiring considerably more financial cement to hold it securely in place, is today somewhat less precarious.

The introduction of some new programs has been favorably received by the public and is working to improve the relationship between public broadcasting and audience. As a byproduct, the public seems to be showing its appreciation by a greater willingness to make contributions.

The interconnection agency, PBS, is in being and beginning to operate.

National Public Radio has been organized and is ready to begin producing a full radio service as soon as funding can be provided.

We are probing the boundaries of present technology in order to assure public broadcasting avails itself of the improvements that can be expected in the future.

We are studying our audiences so as to determine what programs work well and why for the purpose of continually improving the relevance and the communication value of programs we support.

We are actively engaged in making public broadcasting a more attractive market so that young people, writers, filmmakers, artists of all types, will think of public broadcasting as a place of their careers and for their creations.

We have a coordinated plan for the balanced development of Corporation support in the years immediately ahead.

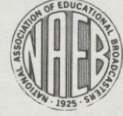
The crucial missing ingredient is financing. Authorization for that financing is provided by the bill before you. The Corporation strongly favors the bill and recommends that you act favorably on it.

Thank you, Mr. Chairman, I will not go through the attachments. I would be happy to answer questions that will supplement my statement.

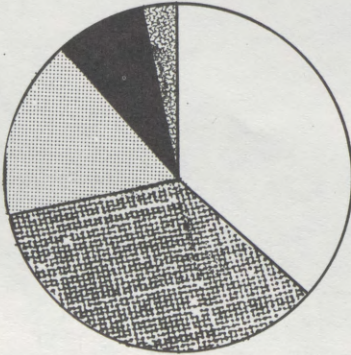
(The attachments to Mr. Macy's statement follow:)

ATTACHMENT A
PUBLIC TELEVISION STATIONS





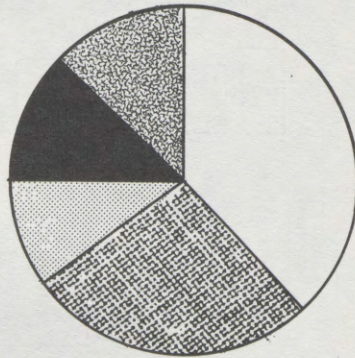
LICENSEES BY TYPE



44	Community	36.5%
42	University	35.0%
21	School	16.4%
11	State Authority	8.1%
6	State Board of Education	4.0%
124		100.0%

TOTAL FULL-TIME EMPLOYMENT

2014	Community	38%
1035	University	27%
537	School	10%
668	State Authority	12%
552	State Board of Education	13%
4806 ¹		100%



¹ There are also 2200 part-time employees for a total of 7000.

NON-COMMERCIAL TELEVISION LICENSEES*
FISCAL YEAR 1969

*Licensees Reporting - 96

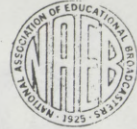
Licensees Estimated - 28

SOURCES OF FUNDS:

-All Licensees

AMOUNTS
REPORTED

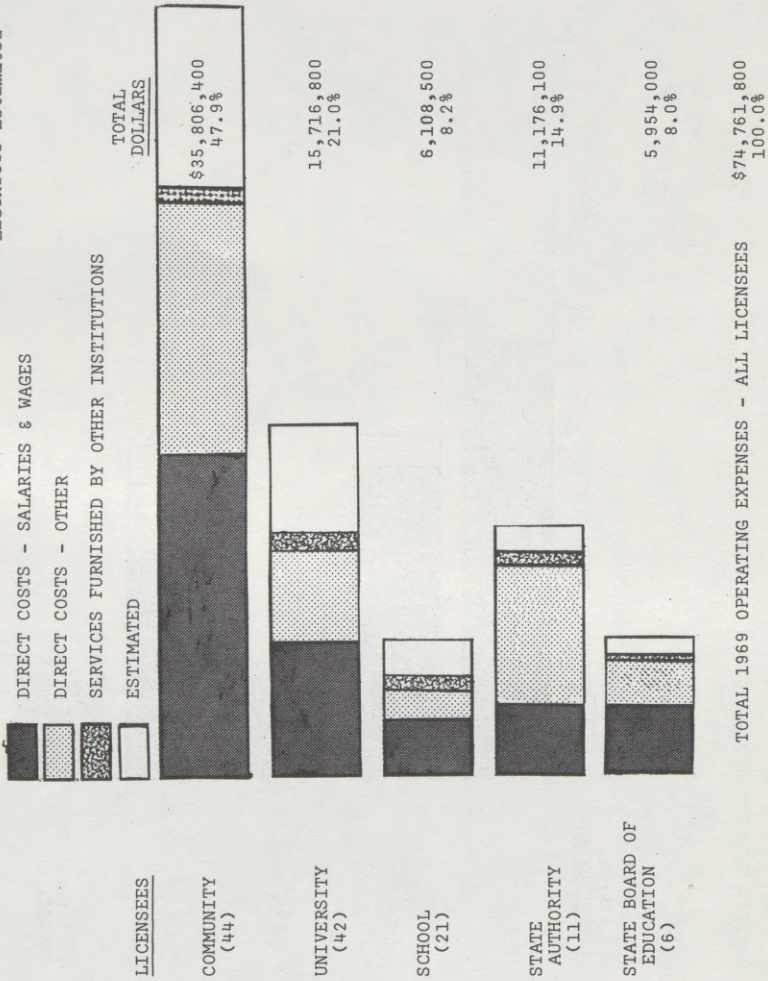
FEDERAL GOVERNMENT	\$ 3,790,400		5.9%
CPB, NET & OTHER	3,030,600		4.7%
SCHOOLS & LOCAL AGENCIES	14,472,800		22.5%
STATE GOVERNMENT & AGENCIES	21,538,400		33.5%
STATE UNIVERSITIES	3,195,200		5.0%
FOUNDATIONS	5,502,600		8.6%
SUBSCRIBERS & INDIVIDUALS	3,912,400		6.1%
AUCTION INCOME	1,875,700		2.9%
SPECIFIC PROGRAM SUPPORT FROM BUSINESS & INDUSTRY	1,397,300		2.2%
OTHER CONTRIBUTIONS FROM BUSINESS & INDUSTRY	1,633,500		2.5%
OTHER PRODUCTION CONTRACTS	1,948,300		3.0%
ALL OTHER SOURCES	2,059,500		3.2%
TOTAL REPORTED FUNDS RECEIVED	64,356,700		100.0%
ESTIMATED INCOME (TO BE REPORTED)	19,937,300		
TOTAL ESTIMATED INCOME	\$84,294,000		



NON-COMMERCIAL TELEVISION LICENSEES*
FISCAL YEAR 1969

*Licensees Reporting - 96
Licensees Estimated - 28

OPERATING EXPENSES



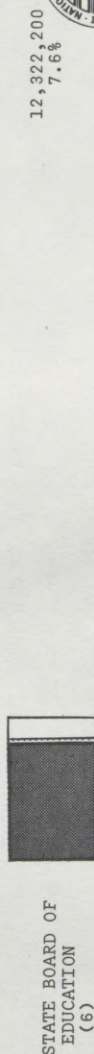
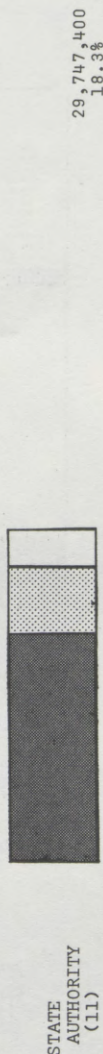
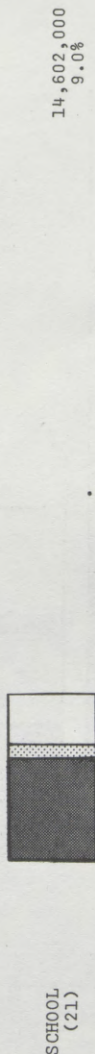
NON-COMMERCIAL TELEVISION LICENSEES*
FISCAL YEAR 1969

CAPITAL EXPENDITURES

* Licensees Reporting - 96

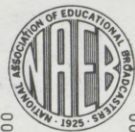
Licensees Estimated - 28

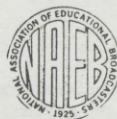
LICENSEE CLASSIFICATION	TOTAL DOLLARS IN THOUSANDS		
	EXPENDITURES THROUGH JUNE 30, 1968 - REPORTED	EXPENDITURES DURING FISCAL 1969 - REPORTED	EXPENDITURES THROUGH JUNE 30, 1969 - ESTIMATED



TOTAL CAPITAL EXPENDITURES TO DATE - ALL LICENSEES

\$162,548,100
100%





LICENSEE CLASSIFICATION	NUMBER OF STATIONS		STATIONS WITH COLOR TRANS- MISSION	AVERAGE HOURS IN-SCHOOL	WEEKLY BROADCAST SUMMER	COST PER PERSON WITHIN GRADE B COVERAGE	
	VHF	UHF				ANNUAL OPERATING EXPENSE	TOTAL CAPITAL TO DATE
COMMUNITY	23	29	46	72	40	\$.28	\$.50
UNIVERSITY	32	29	46	59	28	.33	.95
SCHOOL	6	16	14	52	21	.19	.46
STATE AUTHORITY	14	25	39	77	40	.70	1.87
STATE BOARD	<u>9</u>	<u>7</u>	<u>13</u>	<u>74</u>	<u>41</u>	<u>.42</u>	<u>.87</u>
ALL LICENSEES	84 (44%)	106 (56%)	158 (83%)	68	35	\$.32	\$.71

ATTACHMENT B

CORPORATION FOR PUBLIC BROADCASTING
BUDGET SUMMARY

	<u>1970</u> <u>estimate</u>	<u>1971</u> <u>budget</u>	<u>1972</u> <u>budget</u>	<u>1973</u> <u>budget</u>
(IN THOUSANDS)				
1. Programs for television				
(a) By national centers	\$2,625	\$7,750	\$11,500	\$14,750
(b) By regions	---	500	750	900
(c) By stations	2,852	7,600	11,400	14,700
(d) By others	<u>40</u>	<u>850</u>	<u>1,000</u>	<u>1,000</u>
Total	5,517	16,700	24,650	31,350
2. Programs for radio				
(a) By national centers	250	1,275	2,000	2,500
(b) By regions			200	400
(c) By stations	191	700	1,000	1,250
(d) By others	<u></u>	<u></u>	<u>200</u>	<u>250</u>
Total	441	1,975	3,400	4,400
3. Technical				
(a) Planning and research	200	220	300	350
(b) Interconnection	<u>4,050</u>	<u>6,775</u>	<u>8,000</u>	<u>8,750</u>
Total	4,250	6,995	8,300	9,100
4. Development and support				
(a) Improving quality	596	900	1,125	975
(b) Supporting stations	4,798	10,135	14,635	17,815
(c) Developing awareness	<u>125</u>	<u>1,045</u>	<u>1,200</u>	<u>1,445</u>
Total	5,519	12,080	16,960	20,235
5. Administration	<u>1,666</u>	<u>2,250</u>	<u>2,400</u>	<u>2,600</u>
Total Program	17,393	40,000	55,710	67,685

FINANCING

Federal appropriation		25,000	40,000	50,000
Federal matching		<u>7,500</u>	<u>8,000</u>	<u>8,500</u>
Total Federal	15,000	32,500	48,000	58,500
Non-Federal grants	<u>2,393*</u>	<u>7,500</u>	<u>8,000</u>	<u>8,500</u>
Total Program	17,393	40,000	56,000	67,000

*Includes carryover.

BUDGET SUMMARY

INCREASES OVER PRIOR YEAR

	<u>1971</u>	<u>1972</u> (in thousands)	<u>1973</u>
1. Programs for TV	\$11,183	\$7,950	\$6,700
2. Programs for Radio	1,534	1,425	1,000
3. Technical	2,745	1,305	800
4. Development & Support	6,561	4,880	3,275
5. Administration	<u>584</u>	<u>150</u>	<u>200</u>
Totals	\$22,607	\$15,710	\$11,975

PERCENTAGE ANALYSIS

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
1. Programs for TV	32	42	44	46
2. Programs for Radio	3	5	6	7
3. Technical	24	17	15	13
4. Development & Support	32	30	31	30
5. Administration	<u>9</u>	<u>6</u>	<u>4</u>	<u>4</u>
Totals	100	100	100	100

BUDGET -- 1971

FUNCTIONAL ANALYSIS

	<u>TOTAL</u>	<u>TV</u>	<u>RADIO</u> (in thousands)	<u>NAT'L</u>	<u>LOCAL</u>
1. Programs for television	\$16,700	16,700		8,600	8,100
2. Programs for radio	1,975		1,975	1,275	700
3. Technical	6,995	6,225	770		
4. Development & Support					
a. Improving quality	900	750	150	100	800
b. Supporting stations	10,135	8,390	1,745		10,135
c. Developing awareness	1,045	1,025	20	1,020	25
5. Administration	<u>2,250</u>	<u>1,800</u>	<u>450</u>		
Totals	\$40,000	\$34,890	\$5,110	\$10,995	\$19,760
Percent (TV and radio)		87.2	12.8		
Percent (Nat'l and local)				35.8	64.2

1971

1. Programs for public television, \$16,700,000.

The Public Broadcasting Act of 1967 sees attainment of its objectives as requiring that programs of high quality obtained from diverse sources be made available for use by the stations.

Public television stations operate six or seven days a week. On the average, a station transmits programs 56.1 hours a week with 27.5 hours (49 percent) devoted to material for use in the classroom during the school day and 28.6 hours (51 percent) programmed for reception in the home.

Community stations operating in the larger cities schedule an average of 40.3 hours per week for home reception. They produce 15.5 of these hours locally and are dependent on other sources for the remaining 24.8 hours.

The purpose of this activity, together with financing by others, is to provide the programs needed by the stations in order to serve their communities.

As shown here, the total of \$16.7 million planned for television program production is divided with \$8.1 million available for production of national programs by the stations and their regional organizations, and \$8.6 million for production by national organizations or other producers.

Plans now being studied may change this distribution. Consideration is being given to the creation of national program production divisions at a number of stations in various parts of the country so that more stations will have the capacity to supply needed national

programs. Funds shown below for (a) national production centers or workshops and (c) stations may be reprogrammed to finance one or more of these national program production divisions in 1971 if plans become firm.

The \$16.7 million total breaks down as follows:

(a) National production centers or workshops, \$7,750,000

National Educational Television (NET) has been the principal source of general programming. In the past NET has been financed almost entirely by the Ford Foundation; but, in 1971 a substantially larger burden must be assumed by the Corporation. This shift in the base of support applies as well to the Children's Television Workshop.

(1) This estimate provides \$5,500,000 for NET and any other national program production unit or units that may be established in 1971.

The payment to NET, together with other financing NET receives, is for the purpose of enabling NET to improve the quality of programs by allowing for an increase in the present average production cost of \$45,000 an hour and by enabling NET to undertake more original production work to replace repeats.

(2) This estimate calls for \$2,000,000 for programs for children. Of that amount, \$500,000 is for "Misterogers's Neighborhood" and

\$1,500,000 for the Children's Television Workshop.

In the past, it was necessary to charge stations for "Misterogers's Neighborhood." Not all stations could afford the charge and so approximately 50 stations did not broadcast it. The program will be made available to all stations on a no-charge basis at a cost of \$500,000.

CTW plans a continuation for a second season of "Sesame Street" with minor changes in the format of the program but an increase from 130 to 150 episodes. Some segments dealing with reading may be introduced into "Sesame Street." At the same time, work is planned for developing a new program for the teaching of reading. The total cost for 1971 will be approximately \$6.5 million. Substantial funding from others is anticipated, but the requirement for CPB financing is estimated as \$1,500,000.

(3) Already produced broadcast material, of both domestic and foreign origin, can add significantly to the variety of programs available for station use. The estimate provides \$250,000 for the purchase of such material. Depending on the nature of specific properties acquired, an estimated twenty to forty hours of additional programming a year would be added.

(b) Regional organizations, \$500,000

Supported initially in FY 1969, the six regional networks can be expected to play a larger role in program production and associated functions during FY 1971.

Original programs on regional themes can be anticipated. These might be commissioned by the network from single stations for sharing with others in the particular region. Unit cost would exceed local station production costs by a ratio of approximately five to one.

Regional networks may also be expected to acquire suitable materials from outside or independent sources, for offering to member stations.

The regions will have the further option of using the Corporation grant to facilitate intra-regional distribution of existing local-station series. Funds will pay for the cost of extra videotape of film copies and for any necessary rights and network fees.

The importance of state networks and the contribution they may make to the total system has become increasingly clear as the result of study and analysis recently undertaken. This item also is for support of state organizations now in being or in the process of being formed.

(c) Stations, \$7,600,000

During FY 1971, various projects proposed by individual stations will be funded, while additional projects will be commissioned by the Corporation. In certain cases stations will compete for production grants and will be expected to produce programs for potential use on the national interconnection. In other cases projects will be purely local in character.

The \$7,600,000 shown here is subject to reprogramming depending on implementation of the plan being considered to create national program production divisions at stations.

(1) Station production, \$5,600,000

Stations will be invited to submit proposals and undertake production of program series. Although cost per program will vary widely, an estimated 400 to 500 hours of programs will be provided in this way for local use and available for scheduling on the national interconnection.

(2) Local production reserve, \$500,000

Frequently, local stations uncover program ideas and opportunities during the course of a fiscal year; often they lack funds to initiate such projects, or to use in seeking out matching dollars from local contributors. Creation of this reserve will enable the Corporation to respond to these purely local projects. Each will have a ceiling of \$15,000, and no station may receive support for more than one during the year. Hence, a total of thirty-three stations could participate. Whenever possible, the Corporation will concur in the station's use of the funds to secure matching support from local donors.

(3) Production for special audiences, \$1,500,000

The Corporation will continue to respond to its obligation to produce programs for specialized audiences, particularly for adult education but also for such groups as youth and young adults and elder citizens. These projects will be generated in various ways, such as in response to cooperating national organizations, or to special study groups. In each instance, however, it will be the Corporation's objective to assign production to a local public television station or production center. Maintaining a unit-cost ceiling of \$15,000, and anticipating production of series averaging thirteen programs each, it will be possible to produce eight series, at average costs of approximately \$190,000 each. Where practical, a parallel radio series will be developed in conjunction with the television production.

(d) Others, \$850,000

(1) To the greatest extent possible, the Corporation will initiate program production through the various local stations and production

organizations of public television. However, it is anticipated that under certain circumstances it will be necessary to make use of independent production capabilities. This may occur when an independent creative individual has presented to the Corporation a highly useful and germane production proposal. Or it may evolve in connection with the Corporation's on-going efforts to initiate major productions on vital national issues. In such situations, independent producers would be invited to coordinate production of appropriate programming. Not inconceivably, completion of these projects can be done at public television stations. In all cases, the resulting program units and series will be of the highest possible quality, and as a general characteristic they will be designed for use on the national inter-connection. Unit cost of these programs will approximate the costs experienced by NET, which average \$45,000 per hour, and so about 10 hours of programs would be produced by expenditure of \$500,000.

(2) The estimate also includes \$350,000 for grants to film makers for the purpose of providing a flow of film material for potential use. Of the total, \$150,000 would be channeled through the American Film Institute as a continuation of an existing program. This will provide ten grants of \$15,000 each and an estimated twelve to fifteen half-hours of film programs. The remaining \$200,000 provides for co-production with American Film Institute of four hour-long film productions for national distribution.

2. Programs for public radio, \$1,975,000

The Public Broadcasting Act of 1967 encourages "the growth and development of noncommercial radio" and the establishment of programming activities that "will most effectively make noncommercial educational radio. . .service available to all citizens of the United States."

Currently, over 400 noncommercial educational radio stations are authorized by the Federal Communications Commission to broadcast in the public "interest, convenience, and necessity." Accurate statistics regarding the extent and impact of these stations' services are not available, although research by the CPB staff in this area is now underway. Broadcast hours range, however, from 24 hours daily on a few major stations to a part-time broadcast schedule during the academic year only at others. Similarly, there is a wide range in broadcast purpose by noncommercial radio stations. Some program schedules are devoted to instructional, in-school programs only; others are devoted to educational, informational, and cultural programming for a general, adult audience; still others are primarily training devices for the aspiring campus disc-jockey, with most programming devoted to currently popular music and news headlines. In many cases, noncommercial radio schedules reflect a combination of broadcast purposes, including the production of programming for minority audiences.

In order to assure that limited CPB financing will appropriately serve the public interest, minimum standards for radio station operations have been established. Stations meeting these standards are eligible for financial support; others are not. At present, 73 stations

qualify for support. A special grant fund will be maintained in order to assist non-qualifying stations to improve their operating characteristics so as to become eligible for financial support.

A nonprofit organization called National Public Radio, has been incorporated in the District of Columbia in order to provide a national program-production facility capable of producing a significant informational, educational, and cultural programming service for daily broadcast by the nation's public radio stations to a general adult audience. Plans call for initial funding of National Public Radio in FY 1970 for the purpose of organizing staff and planning start-up of operations.

The 1971 request also includes funds for developing programming capability at the station level.

The \$1,975,000 total for 1971 includes:

(a) National production centers or workshops, \$1,275,000

Prior to the establishment of National Public Radio, there were two public radio program agencies: National Educational Radio Network (NERN) and the Broadcasting Foundation of America (BFA). Both are clearing houses for tapes and transcriptions produced by stations, overseas broadcasting services, and private production agencies. Neither NERN nor BFA has anything more than token production capability.

This budget provides for the operation of National Public Radio (NPR) in Washington, D. C. to provide programming to an interconnected network of noncommercial educational radio stations meeting the criteria outlined in the document, "Policy for Public Radio Station Assistance." Costs are estimated at \$200,000 for personnel, \$100,000

for facilities development, \$150,000 for operations, and \$475,000 for program production and acquisition.

An additional \$350,000 is budgeted to activate a News Bureau to produce news and public affairs programming as part of a projected, eight-hour, daily NPR program schedule.

(b) Stations, \$700,000

Three major areas of program development by stations are planned for 1971.

(1) Live music development, \$375,000

Stations in areas supporting major musical organizations will be invited to compete for production grants to provide live musical broadcasts to the interconnected public radio stations. Exclusive of interconnection costs, it is estimated that each broadcast will cost approximately \$5,000 to \$7,000, allowing for national broadcast of one major musical event each week. A repeat broadcast also will be permitted.

(2) Drama development, \$250,000

Stations in the New York and Los Angeles areas, where professional acting talent is readily available, will be invited to submit proposals for the production of original and innovative sound dramas. The cost per production, including scriptwriting and acting, is estimated at \$4,000. Approximately sixty new dramas, all of which will be available for repeat broadcast, will be produced.

(3) International program development, \$75,000

Proposals for the placing of three overseas producer-reporters in widely scattered geographical areas will be sought from all public radio stations and agencies. Producers will be charged with developing

local and national program material in English, and in foreign languages for specialized local audiences, and with acquiring program material from foreign broadcast organizations and production agencies for possible local and/or national broadcast.

3. Technical, \$6,995,000

The purpose of this category is to assure application of available technology to the public broadcasting system.

(a) Planning and research, \$220,000

Satellites and cable television systems are emerging as alternatives or extensions to the present means of signal distribution. This item provides for establishing a CPB technical capability in order to keep abreast of these and other basic technical changes and to represent the requirements of public broadcasting in scientific, engineering, and regulatory discussions. Of the amount requested, \$20,000 will be applied to problems specifically related to radio, the remainder to television or to broadcasting in general.

(b) Interconnection, \$6,775,000

The Public Broadcasting Act of 1967 provides that CPB will assist in establishing one or more systems of interconnection, but will not operate such a system or systems. The amount requested is for the purpose of funding Public Broadcasting Service, the organization that will operate an interconnection system serving public television and radio stations.

Costs of the interconnection organization that require funding are shown below. Of the total, \$6,025,000 applies to television or

general activity; \$750,000 specifically to radio.

- (1) Administrative costs, \$829,000 (includes \$150,000 for radio).

This item provides for the cost of the staff necessary to manage and operate Public Broadcasting Service (PBS) and rent and other office expenses associated with that staff.

- (2) Support services, \$750,000

Effective selection and scheduling of material distributed by the interconnection depends on a flow of communications to and from the stations. To provide necessary linkage, the organization will provide field services (\$200,000) and information services (\$200,000) and operate a dedicated TWX service interconnecting the system (\$350,000). This request assumes NET will continue to provide services of this type in support of programs it produces. Otherwise the requirement would be \$400,000 more.

- (3) Lines, TV, \$2,785,000.

CPB is presently negotiating with AT&T for free or reduced rate services. Until that negotiation is complete, actual costs will not be known. The request is based on the cost called for under the last proposal made by AT&T. This proposal is based on providing "hard" connections and full service over a period of time.

During FY 1971 there will be a mixture of tariff arrangements. The request assumes fifteen points (serving 60 stations) will start the year under the new tariff and that the remainder of fifty points (serving 106 stations) will continue under the old tariff until April 1, 1971, at which time they will be converted to the new tariff.

(4) Lines, Radio, \$600,000

Present plans call for the identification of key public radio stations to be provided with an interconnection service.

(5) Origination and Delay, \$1,336,000.

The request is based on costs of \$85 a machine hour for origination and for the Los Angeles delay and \$50 per machine hour for Denver delay. Origination cost assumes that PBS will own and operate origination facilities which require an investment of \$1.5 million not included as an expense in 1971.

Machine operations are calculated on the basis of five hours of programming a day five days a week for the first nine months of the fiscal year, and increasing to eight hours a day for the last three months of the year. Four hours of machine operation are required for each hour of program.

(6) Other distribution cost, \$500,000

Some program material will require distribution in video tape form in order to serve non-interconnected stations. In addition, provision has been made for additional video tape duplication and distribution for secondary use by stations after the original live transmission. The estimate assumes continuation of the present operation at Ann Arbor for this purpose.

4. Development and support, \$12,080,000.

The Public Broadcasting Act of 1967 calls for improvement in the quality of programs, support of station operations, and an increase of public understanding and awareness.

(a) Improving quality, \$900,000

(1) The quality of the broadcast service will be improved by enlargement of the pool of materials from which programs for public broadcasting are developed. Existing talent that might contribute to the pool has not generally been oriented toward public broadcasting. The estimate provides \$450,000 for operating four film production centers and \$100,000 for contracts with established writers and artists who will create the original scripts, plays, or music from which programs can be produced.

(2) Searching out and applying new techniques for programs, production, and presentation can add to quality. The estimate provides \$350,000, of which \$200,000 is for experimentation and development through the National Center for Experiments in Television established at Station KQED in San Francisco, and \$150,000 is for innovational work in radio, including the National Audio Experimental Center in Madison.

(b) Supporting station operations, \$10,135,000

(1) The stations are the keystone of the public broadcasting system. Station managers have complete responsibility for determining what programs will be broadcast in order to serve the community in which the station is located. For the public to be served, therefore, the stations must have qualified management and operating personnel. Grants for the general purpose of strengthening station performance require a high priority. Although grants received by stations may be used to augment the production of programs at the station level and thereby augment the CPB funds devoted directly to program production,

the application of these grants is determined by the station itself. A total of \$7,225,000 is applied as follows:

Grants to TV stations	\$5,225,000
(150 stations, average \$35,000)	
Grants to Radio stations	1,500,000
(150 stations, average \$10,000)	
Fund for operating emergencies	<u>500,000</u>
	\$7,225,000

The fund for operating emergencies is visualized as necessary in order to meet unanticipated critical situations. Until the operation of the system as a whole is more mature, such critical situations must be anticipated. The \$500,000 for this fund is proposed as the initial investment in a revolving fund. Stations awarded grants from this fund for operating emergencies will be required to reimburse the fund so that emergencies in future years can continue to be met without additional new investments in the fund.

(2) Of the \$10,135,000 for station support, \$750,000 is provided for a career fellowship program and \$120,000 for training management and operating personnel now employed by stations.

The fellowship program consists of the following:

TV and film-making

30 career fellowships	\$450,000
2 American Film Institute fellowships	30,000
6 fellowships abroad	90,000

Radio

10 career fellowships	\$100,000
2 fellowships abroad	30,000
Workshops for summer students	50,000

(3) The estimate also provides \$275,000 to support storage, re-production, and distribution of existing program material for use by stations. Of the amount, \$250,000 is for library services for TV programs and \$25,000 is for development of a radio library support system.

(4) Program promotion and audience research, \$1,765,000

In order for programs to be of service to the people for whom they are intended, potential audiences must be informed about programs and schedules. An advertising grant is planned in concert with production grants.

In the case of national programs, an amount equal to approximately 10 percent of the production grant is provided since the programs will require advertising in a large number of markets.

In the case of locally produced programs, some will be used nationally, some in groups of markets, and some only in the local community. An amount equal to approximately 5 percent of total production grants is used in this case.

On this basis, the requirement for direct program advertising support is:

TV programs

Grants to interconnection organization for national programs	\$900,000
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Grants to stations for locally produced programs	425,000
Radio programs	
Grants to interconnection organization for national programs	55,000
Grants to stations for locally produced programs	<u>35,000</u>
	\$1,415,000

Additionally, the request includes \$350,000 for audience research at the national and station levels.

(c) Develop public awareness and understanding, \$1,045,000

Responsive to the charge in the Public Broadcasting Act to increase public understanding and awareness, a general advertising campaign is planned in addition to a basic public information effort and continuing activities with national organizations representing public interests.

(1) Public information activity, not including specific program promotion, is estimated at \$150,000. In addition, assuming successful test results, a \$700,000 general advertising campaign is planned.

(2) Knowledge of the public desire and need for the kind of services that can be provided by public broadcasting is basic to the ability to provide a true public service. The Corporation has organized a group of advisors constituting the Advisory Committee of National Organizations. This group meets at the national level periodically, and additionally conducts programs with the local chapters that make

up the national organizations represented in the Advisory Committee. The budget estimate provides \$125,000 to cover the costs of the activities involving these groups representing the public, \$25,000 of which is directly related to radio activities.

(3) A journal as a means of distributing both professional articles and news about public broadcasting is viewed as potentially valuable. The estimate provides \$70,000 for the purpose of exploration and initial development of a journal.

5. Administrative support, \$2,250,000.

This item covers all costs of CPB personnel, its Board of Directors, consultant and professional service, and associated costs (rent, office equipment and supplies, travel, etc.)

(a) Personal services, \$1,314,000

Total permanent personnel in the New York and Washington offices number 44. The estimate provides for the addition of 20 new positions in 1971--a total of 64 positions.

In accordance with the directive of its Board of Directors, the CPB operation has been kept lean in order to make the maximum amount of limited funds available for grants to others. The scale of planned operations and the undertaking of more of the activity called for by the Public Broadcasting Act now require staff additions in order to provide the necessary level and quality of services, particularly for radio and television program activity, technical, audience and constituent group programs, and development work. Supporting staff for clerical and secretarial work and for developing additional private financing is also required.

Establishment of a development office to provide assistance to stations for their own fund raising efforts and for solicitation of non-Federal funds for the Corporation is essential in order to augment Federal financing. The development effort requires 12 of the 20 new positions planned in 1971. In addition this effort adds \$140,000 in non-personnel costs, mainly for printing and reproduction.

(b) Board of Directors, \$24,000

This item covers travel and subsistence cost of Directors when attending meetings, per diem allowances, and costs directly associated with Board meetings.

(c) Consultant and professional services, \$300,000

Included here are the costs of legal counsel, accounting services for annual and other appropriate audit, and management and professional services for development of information and analyses necessary for effective operations. For the time being, these services are being used instead of adding necessary permanent staff to the organization.

(d) Logistical support, \$612,000

Travel and transportation of persons	\$ 57,025
Transportation of things	5,000
Rent, communications, and utilities	268,010
Printing and reproduction	46,095
Supplies and materials	25,010
Equipment	20,000
All other	51,000

Mr. MACDONALD. I would like to thank you for coming here, Mr. Macy, and giving us a very thorough and detailed outline of how the Corporation is doing. Since time is limited, I won't go into many of the details. I would like to point out, and I know that you understand, Mr. Macy, that I have been for this program ever since its inception.

Mr. MACY. Yes, indeed.

Mr. MACDONALD. However, the one thing that baffles me is why on page 2 you say, "I regret that the administration"—meaning, I take it, the administration not of the Corporation, but of the administration downtown—"has not found it possible to propose a permanent financing bill instead of this interim measure."

Then on page 15 you say, "The crucial missing ingredient is financing. Authorization for that financing is provided by the bill before you."

I know that this is a difficult subject, and I know that you were a little late in getting into the program personally, and there is nothing personal in what I am about to say, but what I don't understand is why the Corporation is looking to the administration or to the Congress to propose permanent financing. Why doesn't the Corporation come up with a plan of its own and then let the Congress in its wisdom see whether or not it is a feasible thing, or have the administration veto it if the administration doesn't think it is feasible?

I repeat there is nothing personal in this, but just to sit by and wait for the administration to do something or for the Congress to come up with a plan—why is it that you people don't come up with a plan?

Mr. MACY. During the past year, we have been working with the representatives of the administration, representatives of the executive branch, to try to gain an agreement on a plan that the administration would send forward in response to the mandate placed upon it by the Public Broadcasting Act, with a proposal for long-range financing.

The Corporation has expressed its views to the administration, as to what is desirable.

Mr. MACDONALD. Is this secret, Mr. Macy?

Mr. MACY. No, I would be happy to discuss it.

Mr. MACDONALD. Could you outline what the Corporation desires?

Mr. MACY. The Corporation proposed last year to the administration, a combined long-range financing program which would have provided for some funds through matching of private or non-Federal funds raised by the public broadcasting industry, as item No. 1.

Now, that particular feature with certain modifications has been carried over into the bill that you have before you, as an interim bill. The 3-year authorization is there with the provision for a matching of a portion of the appropriation. It is in this bill, and it is in the President's budget.

The second aspect of the proposal, namely, a dedicated excise tax on the sale of sets, was not acceptable to the administration. They viewed this as not in keeping with the fiscal program of the administration at that time. They evidenced an interest in arriving at a long-range financing plan, but not one that would involve additional revenue-seeking this year.

The review with the administration included a review of several different options for long-range financing, not only the dedicated ex-

cise tax, but also what we have come to call the "user charge." The user charge is employed by the BBC, which means an annual fee collected on each set that exists in the society.

We have considered the prospect of long-range financing which would come from a tax on the gross receipts of commercial broadcasters, or upon the net profits of commercial broadcasters or on the basis of fees that might be charged for access to the spectrum.

The argument on that last one was that spectrum represents public property, and it is made available under license to a qualified licensee, and it then becomes a valuable commercial property to that holder. It would perhaps be appropriate public policy to have that access paid for in some way.

Another proposal has been a permanent appropriation based upon some matching formula, so that all of these ideas have been presented.

Mr. Chairman, I am very eager to get on with this. I view the necessity for permanent financing to be my top priority responsibility. I feel it is necessary, not because of any desire to be freed of the stewardship of the Congress, but in order to permit longer range funding and to permit really the massive funding that is necessary in order to support an enterprise of this particular type.

Now I say that I am also aware of the policy problems that face both the administration and the Congress in dealing with this kind of unique financing arrangement. The Corporation is eager to work with the Congress and the Congress and the administration to move this forward as quickly as possible.

The reason I say on page 15 that this bill will provide the financing—I view this as strictly an interim measure to give us a bit more time to shape up a plan. I am realistic enough to realize that any plan that we propose is going to have hard going, because it is not going to be a popular measure.

Mr. MACDONALD. I could just point out that a plan that hasn't been suggested will run into even worse flack than a proposed plan. We are still operating in the Congress, from my knowledge of what is happening, as we were when the whole concept first came up.

Mr. MACY. The only thing in this legislation is that there would be a 3-year authorization rather than a single year authorization, which is what we had in 1969 and 1970. This would mean that there would be the possibility of a longer term assurance, but as you point out, the funding is going to be on a yearly basis, determined by the President's budget and the action of the appropriations committees and the Congress on the estimates that the President offers.

Mr. MACDONALD. My last question is this: Of all of those alternatives, which alternative plan do you think the Corporation feels has the best chance of success, not in the Congress or with the administration, but in funding on a reasonable basis this entire program.

Mr. MACY. I favor the two-pronged approach, of utilizing the incentive of matching, matching the non-Federal funds that are raised by the system, combined with a dedicated excise tax on the sale of sets.

I feel that this is the least difficult revenue measure upon which to gain public support.

Mr. MACDONALD. I said that would be my last question, but this will be:

How big a revenue gainer would that actually be? I purchased a couple of sets and I hope that they are good for a few more years, my color set especially, and I would think that most people have already made a sizable investment in the equipment, and I don't quickly understand how your plan of excise tax on new sales will raise much money per year.

Mr. MACY. On the estimate of anticipated sales, both color and black and white, the annual figure would be about \$60 million. That is the best estimate that we have.

Mr. MACDONALD. Who estimated that?

Mr. MACY. This information we drew from published data covering set manufacturing and value.

Br. BROTZMAN. I hate to ask this question, but what would that be, what kind of an excise tax would that amount to?

Mr. MACY. It would work on the average life of the set—unless greater obsolescence is built into them—of \$1 or \$2 a year per set in the case of color TV.

Mr. BROTZMAN. This is on the original set?

Mr. MACY. Yes, but I am applying this over a period of time. I moved too quickly. This would result in an addition of about \$10 to the sale price of a color TV set, which when factored out over the life of the set would mean \$1 or \$2 per year.

Mr. BROTZMAN. So you are really talking about a one-shot tax?

Mr. MACY. At the time you purchase the set, just as other excise taxes are handled. I think we need to recall that for general revenue purposes there was an excise tax of 10 percent on television sets for many years. That tax was dropped in 1965. That has been reduced and will be ultimately taken off.

Mr. VAN DEERLIN. You wouldn't be proposing actually 10 percent?

Mr. MACY. No, \$10.

Mr. VAN DEERLIN. That would be a flat charge?

Mr. MACY. A flat charge.

Mr. VAN DEERLIN. Based on the value of the set?

Mr. MACY. It would be a percentage of the sale price of the set, which would average out about this figure for the more expensive sets. I am using shorthand in my figures, but basically those with the estimates that we collected.

Mr. VAN DEERLIN. And on the basis of the present rate of sale, this would bring in about \$60 million a year?

Mr. MACY. Yes.

Mr. BROYHILL. There are 6 million television sets being sold in the country?

Mr. MACY. There are 60 million television families at the present time, and nearly 30 percent of them have two sets.

Mr. BROYHILL. I don't want to get into this too deeply, but could you explain the rationale of the substantial support that you are giving the individual stations? Is this money better spent by doing this, or is it programming costs or programming that all stations need more?

Mr. MACY. We believe it is very important that the individual stations be strengthened, to serve the communities in which they are licensed. These stations are operating on the average with very low marginal budgets. The average annual budget of a public television

station is about \$400,000. That might produce two hours of "Mission Impossible," but that is the annual budget.

So even though these contributions that we are making appear small, they are of relatively significant assistance to the station. We feel in public broadcasting, in contrast to commercial broadcasting, a significant amount of the programming should continue to be provided by the station itself in terms of the individual station or the individual community, as determined by the station manager.

Therefore, a significant proportion of our funds should go to the station in order to augment its capacity to serve that community.

I have been impressed with the use that the stations have made of these small amounts during the past year, in the form of direct public services. Many of them have used the money to take the camera to town council meetings, or to school board meetings, or to other public events.

They have used it to help stage town meetings, to discuss issues that relate to the needs of a particular community. I think that we need to strengthen the station at the base of the system, at the same time we are providing greater diversity and higher quality of national programming that is made available to them. To that end we have tried to balance the application of the funds that have been available.

Mr. BROYHILL. I notice in your budget summary that you are planning to spend roughly 25 percent in this area and that your actual program development was less than that. I just wanted to get an explanation of why that is.

Mr. MACY. If we may turn to attachment B, the first sheet, and the column for the 1971 budget, we have in programs for television, \$16.7 million.

Mr. BROYHILL. In later years the figure for program does go up.

Mr. MACY. That is right, but we feel that the money that we have down here in 4(b), \$10 million for supporting stations, is a very important basic contribution to the strength of the system at the local level. Up in 1(a) and 1(c) we are indicating money for support of programs like "Sesame Street," like "The Advocates," like other programs that are either produced by NET or by the production centers for national programs located in individual stations.

Mr. BROYHILL. In the (c) are these programs available to other stations to use, or is your program such that it is good for a local audience?

Mr. MACY. The bulk of the \$7.6 million in 1971 would go for programs produced by stations for national distribution to the total system. There is also in there some funds for the production of local programs that have a potential, but not a guarantee, of subsequent distribution to the entire system.

Mr. BROYHILL. Those stations that compete for these grants, you indicated in your own statement, would they have to compete and you have to make a selection?

Mr. MACY. That is right.

Mr. BROYHILL. This means that you would select those programs, which do have a possibility of distribution nationwide.

Mr. MACY. We would apply that standard plus desire for diversity, innovation, and high quality.

Mr. BROYHILL. Let me talk about the bill just a moment. Do you have any figures to recommend for section (k) (1) on page 2?

Mr. MACY. I think the best way to approach the figures is to, first, observe what is in the President's budget. The President's budget carries a figure of \$22.5 million for the Corporation in 1971. Assuming the passage of this authorization, and permission for matching, the administration plan would limit that appropriation to \$15 million as a regular appropriation, with the balance of \$7.5 million available only if matched by an equivalent amount through the efforts of the Corporation to secure private funding. That is the present picture.

Now, as far as the Corporation's needs are concerned, if this bill were to require numbers rather than the general phrase in section 1, we would propose \$40 million as reflecting our requirement for 1971—\$56 million for 1972, and \$67 million in 1973.

That conforms with the budget figures that we have included as attachment B to my statement.

Now, the actual formula for those amounts between the regular appropriation and the matching amount is flexible. It is our frank belief that the requirement in the administration's proposal for us to raise \$7.5 million in order to reach a total of \$30 million this year is an excessive standard. We would much prefer to see a goal of \$4 to \$5 million for the coming year, and a higher fixed appropriation amount.

Please be assured we are in no sense opposing the incentive that is involved here for private fundraising. We believe that is appropriate, but we think that the amount that we have to secure in this first year is an excessive amount.

So basically, to be specific, our preference would be that the figure under (k) (1) in the bill for 1971 read \$30 million. Under (k) (2), which is the matching amount, that should be \$5 million; that would be a combined Federal figure of \$35 million, plus the \$5 million raised privately in order to give us the \$40 million.

I apologize for that being so complex, but I hope I am reasonably lucid about this.

Mr. BROYHILL. Now, do you have 1973 and 1972 recommendations?

Mr. MACY. I would propose a figure for \$45 million in (k) (1) with \$5.5 million in (k) (2), for a total Federal contribution of 50.5, with the understanding we would raise 5.5 from the private sector for a total figure of \$56 million.

For 1973 the numbers would read 55 in (k) (1) and 6 in (k) (2), for a combined Federal of 61. Private would be \$6 million, and a gross of \$67 million.

Mr. BROYHILL. Thank you, sir.

Mr. ROONEY. Mr. Macy, you stated in your statement that you find that teenagers are the ones who turn off television sets more than any other group. Isn't that an opposite view from what the administration took, and President Nixon said that the average individual reaching the age of 18 has acquired 11,000 hours of school and 12,000 hours of television?

Mr. MACY. Perhaps I should have added a conditioner by saying "the upper teenagers." We are talking about the 17-, 18-, and 19-year-olds in this particular group. Our research shows that although the President's figures are valid for the sweepup to that level, that after that point there tends to be a massive turning away from television, and not just public television but commercial television as well.

What we were endeavoring to do in that particular program was to see if we could hit that particular audience gap, with a program in which the young people themselves were active participants in designing the substance of the program.

Mr. ROONEY. What would you think of CPB taking over the control of pay TV as a means of long-range financing?

Mr. MACY. I don't really know. I don't have an informed position on that because I really am not well enough advised at this time as to just what the economic situation of pay TV really is.

Mr. ROONEY. Don't you think that perhaps you could solve some of your financial dilemma, if you got involved directly in this type of pay TV?

Mr. MACY. We might. However, it seems to me that it would produce a commercial factor here that might be contradictory to our purpose. It is my understanding that the bulk of the audience interest in pay TV has been largely for sporting events and motion pictures. I am in favor of both of those activities, but I am not sure that a steady diet of that through public television would meet the standard of diversity that we are seeking.

Mr. ROONEY. I have no further questions.

Mr. BROTZMAN. I think my questions have been answered.

Mr. TIERNAN. Mr. Macy, on chart A where you indicate that non-commercial television licensees get about 61 percent of their revenues from State sources or local government sources, as opposed to just under 6 percent from the Federal Government.

Mr. MACY. That was the case in 1969; yes, sir.

Mr. TIERNAN. Would that be changing under this bill in the next year? What percentage increases do you envision?

Mr. MACY. I think there would be some increase in the percentage of money from CPB sources, and some increase in Federal sources due to the facilities program. But it would be my hope that the proportion of money provided by State and local governments would keep in step.

I think one of the significant developments has been the high degree of State commitment to the development of these systems, and certainly we want to work with the States and it is not our intent to seek funds to replace the funds that the States are putting into the system.

Mr. TIERNAN. Could you tell me was "Sesame Street" a program that was commissioned by CPB?

Mr. MACY. Let me be clear, lest we appear to take over as an adoptive father a program of success. No, really the genesis of "Sesame Street" and the Children's Television Workshop was prior to the formation of the corporation, and it was largely brought about by the genius of Joan Cooney and Lloyd Morriset, who came to the Office of Education with evidence of the great potential of television as a means of conveying learning to preschoolers, with their conviction that, with the amount of time the preschooler is already spending before the television set, that could be a means of giving early education.

Mr. MACDONALD. I would like to point out that Mrs. Cooney is going to testify.

Mr. MACY. Let me say when the Corporation came into the picture, it was quickly convinced of the value of this program and joined with some of the essential funding to make it possible to put it on the air.

In addition, the corporation became the means by which this program was nationally distributed. We are putting \$1 million into the second year of the program—one out of \$6 million that goes being contributed for its support.

Mr. TIERNAN. In response to a question by the Chairman, you obviously have spent a great deal of time in analyzing the different suggestions and proposals that have been made with regard to long-range financing, and you have indicated that some of your own thoughts of the Corporation have not been acceptable to the administration at the present time.

Would you have any difficulty in preparing a separate report to the Congress of your findings and your recommendations with regard to the long-range planning on or before October 1, 1970?

Mr. MACY. I would welcome the opportunity.

Mr. TIERNAN. I have no further questions.

Mr. BROYHILL. Mr. Macy, would you explain to the committee why you are asking for the deletion of language in the present section (k), which limits the payment for any one project or any one station of more than \$250,000?

Mr. MACY. Yes, that provision was in the original bill and the provision is not being continued in this authorization because it has been our experience that this unduly restricts the funding that the Corporation would provide for certain projects. We find that in this business, the cost of national programming runs about \$40,000 an hour, and if we are going to support a project that involves more than 6 hours—and most of them involve a series of 13 or 26 or 36 hours—that we are handicapped by that restriction. Therefore, it is our recommendation that based on our experience the restriction be deleted with the understanding that clearly we will report on the necessity for funding any project at the level of dollars that we judge to be necessary.

Mr. MACDONALD. We appreciate your coming.

Mr. MACY. Thank you, Mr. Chairman.

Mr. MACDONALD. The next witness is Mrs. Joan Ganz Cooney, president of the Children's Television Workshop.

Mr. ROONEY. May I make a personal observation?

Ordinarily I would make a point of order, but I do want to hear your statement and I want to say next to my mother-in-law, I don't know who has made more of a contribution to my family than you.

Mrs. Cooney, Timothy couldn't count to four until he saw "Sesame Street."

STATEMENT OF MRS. JOAN GANZ COONEY, PRESIDENT, CHILDREN'S TELEVISION WORKSHOP, INC.

Mrs. COONEY. Less than a year ago I had the privilege of appearing before this committee, during your hearings on public broadcasting legislation, to describe our plans for a new program to be known as "Sesame Street."

We are now approaching the end of the first experimental season of this daily series for preschool children with the satisfaction of knowing that we have started something that will have an effect on television for several years to come.

It has been an exciting time for those of us associated with the program. We have all been deeply affected by the response of the American people to the show. Our fans include not only the very young children, but their parents, teachers, Members of Congress and even the President of the United States.

I won't dwell on the details here except to say that we are being seen by an estimate 6 to 7 million children each day through nearly 200 television stations and our research indicates that we are reaching large numbers of the disadvantaged population for whom the show was initially created and that we are also teaching these children in very concrete and demonstrable ways. And our cost per viewer for this first 142-program series, averages out at less than one penny per day.

The facts of our success and the large audience the show has generated and the results and the cost per viewer are all pertinent to your deliberations today. You are considering whether or not to fund the Corporation for Public Broadcasting for a period of 3 years. I can speak in favor of such a recommendation because "Sesame Street" is living testament to the value of long-range funding and planning.

Without the year and a half of leadtime allowed the project before it went on the air, there would have been no "Sesame Street" as we know it today. And without similar leadtime for other projects, no matter how well intentioned or how well financed, there might well not be another "Sesame Street."

The Children's Television Workshop was founded to operate over an initial period of 2 years—1 year was to be devoted to research and development of a very specific type of program and to assemble a staff capable of executing the idea, and another year to produce and broadcast the series. It would have been impossible for me, or anyone else in television, to collect the caliber of staff we have today if the approach had been made on the basis of piece-meal budgeting available on a year-to-year basis.

Time, talent, and money then became the key factors behind "Sesame Street's" success, and talent and money would not have been available or sufficient without the factor of time.

Before "Sesame Street," noncommercial broadcasting had not often enjoyed the luxury of funds to undertake any projects. A chronic shortage of money made it almost impossible to recruit and retain first-rate talent for long periods of time and there was little incentive to create the type of innovative broadcasting that takes 1, 2 or more years to research and develop and bring to fruition.

But given the opportunity, public television is in a unique position to develop and nourish programs requiring as much detailed planning as "Sesame Street." And unlike their counterparts in commercial broadcasting, public TV stations can provide the type of air time needed to give experiments full exposure in most markets and even on weekends.

Such efforts, as in the case of "Sesame Street," can have far-reaching effects. It is interesting to note that all three commercial networks have appointed children's program directors since the advent of "Sesame Street" and all three have promised more education and less violence in their future programming for children. Thus public television is establishing the benchmarks against which all of television can be judged. This is as it should be.

Because of this unique and unparalleled opportunity which public broadcasting boasts, I hope this committee will accept the President's request for expanded financing for the Corporation for Public Broadcasting.

Thank you.

That concludes my prepared statement.

Mr. MACDONALD. Thank you very much, Mrs. Cooney. We welcome you back here again. I join in the chorus of praise that you must be very used to now.

One question I have, when you talk about the cost per viewer for your 142-program series, what is the cost of production?

Mrs. COONEY. Well, we had an \$8 million budget that was to cover the two and a half years. Of that a little less than \$5 million went right on the set, the costs of talent, studio and so forth. We spent \$500,000 on research and about \$750,000 to promote the show, particularly in inner-city areas.

This coming year we have asked \$6 million for next season, about \$4 million of that will be for production and \$2 million for the services.

Mr. VAN DEERLIN. What have been some of the point-system ratings for "Sesame Street"?

Mrs. COONEY. The means of finding the audience?

Mr. VAN DEERLIN. What have been some of the achieved ratings?

Mrs. COONEY. Well, according to Nielsen, I don't know the rating numbers, but Nielsen estimates we reach about 6 to 7 million children a week. The problem is that Nielsen does not measure many low-income families, so we have done separate studies in New York City, Washington, D.C., and we are currently doing one in Chicago.

In New York City, where we are on a commercial station as well as on a VHF educational station, we are reaching, according to the Yingalovic Study, 80 or 90 percent of the preschool children. In Washington, D.C., where it is tougher with the UHF, and we have no commercial station here, we are reaching 32 percent, which surprised us.

We did find that 80 percent of the inner city families had UHF, so it was a failure in communication to get to them. We hadn't tried to reach them massively because we didn't feel that most poor families had UHF. We were wrong, and we will go about it differently next year.

In Boston the Nielsen reports say that "Sesame Street" is way ahead of "Dark Shadows," which is supposedly the most popular soap opera, and it breaks even with "David Frost" and it dominates the morning, so that wherever we have Nielsen information, it has been extremely encouraging.

The national rating, they bet we wouldn't register a number, and I think we registered 4 or 5 every week.

Mr. VAN DEERLIN. This success, of course, accounts for the influence and impression you have already had on broadcasting generally, does it not?

Mrs. COONEY. Yes, I think commercial broadcasting didn't believe you could produce educational content and register large numbers, and I have heard it has been quite a surprise.

Mr. BROTMAN. I have just two questions. You mentioned the sum

expended on production, plus certain research expenses. Where did the money come from to pay for that?

Mrs. COONEY. The original, about \$8 million, was raised originally from the U.S. Office of Education, Headstart, Carnegie Corporation, and the Ford Foundation. Then the Corporation for Public Broadcasting was brought into being, and made a grant of a quarter of a million dollars, but much more importantly provided the means of distribution, which had been budgeted at \$500,000. But that wouldn't have covered the cost.

So that the Corporation really provided a critical part of our budget.

The coming year, the mix is about the same. We expect the U.S. Office of Education has said that it will try to raise 50 percent of our budget through OEO and HEW, the Early Childhood Development Department. Food Foundation has said that they will give us X amount, and they haven't said what it will be, but somewhere between \$500,000 and \$700,000.

Carnegie Corporation just made a grant of \$600,000. The Corporation for Public Broadcasting is making a grant of \$1 million and again providing the means of delivery.

Mr. BROTMAN. What I was really trying to relate to your excellent show is the role of the Corporation for Public Broadcasting, and I think that that makes the record more complete.

Now I assume that when you speak of "we," you are talking about the Children's Television Workshop, is that correct?

Mrs. COONEY. Yes.

Mr. BROTMAN. Now I have one more question: When this goes out to the stations, do they pay something back to the Children's Television Workshop, or do they pay something to the Corporation for Public Broadcasting, or what kind of a financial arrangement occurs at that step?

Mrs. COONEY. No, the Corporation and now Public Broadcast Service provides the programs on its line at no charge to the public broadcasting stations. We have been, in addition, on about 14 or 15 commercial stations where there are no educational stations, and we have provided that without cost to those stations. If we continue, and there are a number of commercial stations who have expressed interest in carrying the show where there are no educational or public broadcasting stations, we are considering asking a fee from those stations since they pay for other programs as a means of keeping the workshop going.

We must find several other means of income other than we have to keep going, I believe. But the public broadcasting stations are given the program at no charge.

Mr. BROTMAN. You actually anticipated my last question, but there are presently no commercial stations that run this particular show?

Mrs. COONEY. There are presently about 15 in noneducational markets in New York. That is the only city where commercial and non-commercial carry it.

Mr. BROTMAN. They do not pay currently for that?

Mrs. COONEY. That is correct.

Mr. BROTMAN. But you, the Children's Television Workshop, are considering some sort of a charge in this regard if other commercial stations want to use it, is that right?

Mrs. COONEY. Yes.

Mr. BROTZMAN. Thank you very much.

Mr. TIERNAN. With regard to that, has there been any offer or any negotiations with any of the commercial broadcasting companies to obtain your show for commercial television?

Mrs. COONEY. Yes. There have been expressions of interest from commercial television. We have had to make a decision here. We hope we will be in business for quite a while providing educational material to the children. We believe in our long-range interests. It is to build up public broadcasting as the means of carrying those programs, and that is where the air times goes, and that is what you need. I think it would weaken stations immeasurably, noncommercial stations, if they had competition in their communities on a large-scale basis. What would be the incentive to send money to the noncommercial station for carrying "Sesame Street" if you saw it on a commercial station?

So we have decided that it is to our mutual interest to build up a strong public television network to get this kind of material to young children.

Mr. TIERNAN. But the Public Corporation doesn't enter into any restrictive contract with you on that?

Mrs. COONEY. No.

Mr. TIERNAN. What about outside of the United States, are there any negotiations for Canada?

Mrs. COONEY. The CBC has bought this year's show for next year.

Mr. TIERNAN. Where does that money go that you receive from the Canadians?

Mrs. COONEY. The U.S. Office of Education and Children's Television Workshop have agreed that it can go to meet the budget of this year's "Sesame Street."

Mr. TIERNAN. What is the amount of money we are talking about?

Mrs. COONEY. They are paying a quarter of a million dollars to carry the series.

Mr. TIERNAN. Now, the shows that you produced in the past, the type of shows that could be continually shown to the age groups that they affect.

Mrs. COONEY. That is not the way broadcasting works exactly. You really have to keep doing new shows, and introduce the current culture into the show and so on. I think they have a life of a year or so, and we expect to sell them abroad, and we expect to use pieces from these shows, and the animation will stay good. But if you are broadcasting, you have to keep freshening up the material.

Mr. TIERNAN. About selling abroad, you would be restricted to English-speaking countries?

Mrs. COONEY. We have had a great deal of interest from non-English-speaking countries who want to put in new tracks, and we will consider that. We want to move slowly on this, and we don't want to make mistakes, and we don't want to have a great "Sesame Street" in the United States and an inferior one in Japan or Mexico, so we want control of the situation.

At the moment we are only considering English-speaking countries, but we expect to consider others.

Mr. TIERNAN. The workshop owns the rights to "Sesame Street"?

Mrs. COONEY. Yes, it was granted by the Office of Education.

Mr. TIERNAN. Yes, it was granted by the Office of Education. would go back into your budget?

Mrs. COONEY. That is correct.

Mr. TIERNAN. Thank you.

Mr. MACDONALD. I have just one last question.

Before you got into a dialogue with Mr. Tiernan, I made a note here to ask this, because during pay TV hearings we had an awful lot of talk about siphoning off of programs. I was wondering if there had been any approach to siphoning you off educational programs, not "Sesame Street" itself, but your talent would be siphoned off to commercial TV, because it would be more financially remunerative to you.

Mrs. COONEY. I think if I let it be known that we were available, we could probably get an offer or two. I think commercial networks and the pay TV people would be very reluctant to make an offer and have it succeed and the word spread that they were trying to break up the Children's Workshop. I think commercial broadcasters like what we are doing and would like to see it continued. It is really good news in broadcasting.

Mr. MACDONALD. Thank you very much.

The hearings are adjourned until tomorrow at 10 a.m.

(Whereupon, at 12:25 p.m. the subcommittee adjourned, to reconvene at 10 a.m. of the following day, Wednesday, April 15, 1970.)

PUBLIC BROADCASTING FINANCING ACT OF 1970

WEDNESDAY, APRIL 15, 1970

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMUNICATIONS AND POWER,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 2322, Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman) presiding.

Mr. MACDONALD. The hearing will come to order.

Today, Wednesday, April 15, we renew the hearings on H.R. 16338 and H.R. 16580.

Our first witness this morning is Mr. Hartford N. Gunn, Jr., president of the Public Broadcasting Service.

We are very happy to welcome you, Mr. Gunn.

STATEMENT OF HARTFORD N. GUNN, JR., PRESIDENT, PUBLIC BROADCASTING SERVICE

Mr. GUNN. Mr. Chairman and members of the committee:

It is a real pleasure to be with you again, this time in a new capacity, as president of the Public Broadcasting Service. PBS is a private non-profit corporation chartered in the District of Columbia last November, for the purpose of managing the nationwide network which will distribute programs to 190 public television stations.

Our organization is a newcomer on the scene since the last time your committee had the opportunity to study the progress of public broadcasting. So I am here today to bring our greetings, to tell you something about us, and to testify to our enthusiastic support of H.R. 16338, the Public Broadcasting Financing Act of 1970.

I would like to associate myself with the remarks of my colleagues from the Corporation for Public Broadcasting and those which you will hear in a moment from the National Association of Educational Broadcasters. PBS serves the stations, and is financed by the Corporation for Public Broadcasting. If the corporation is not adequately financed, then PBS, the stations for whom we work, and in turn the public that they serve, suffer the consequences.

What, then, have we done, and what do we propose to do, with the corporation's support?

PBS is a direct heir to the basic philosophy of the Carnegie Commission on Educational Television, as enacted in the Public Broadcasting Act of 1967. For in that legislation you placed your emphasis on the local station as the fine touch point with the local community and its

citizens. The Carnegie Commission and the Congress placed their faith in the local station and the local station's ability to seek out and understand best the needs of its local audience.

Public Television—

The Commission said—

is to be provided with such abundant programing as to offer for each local station both diversity and choice.

It correctly saw that, if the local station were to be free to determine how best to serve its own community, the station must have available to it sufficient programing of genuine quality, for, in the Commission's words:

Freedom is scarcely present when the choice lies between the program that is supplied or nothing at all.

To achieve abundance of programing and diversity, Carnegie recommended multiple sources of programing for national distribution—from the great national program producers such as National Educational Television and the Children's Television Workshop, from the newly appointed station production centers, and from local stations, wherever located.

The problem became, as we know, how best to distribute these programs so as to provide for choice and diversity in programing while insuring the maximum insulation from the possibility of dictation of content by the source of funding—whether it be Government, foundations, or other sources.

Thus the original Carnegie concept of the Corporation for Public Broadcasting as the network agency was replaced by another concept calling for a new organization devoted exclusively to networking. The Public Broadcasting Service, with station managers themselves as the controlling members of its board, is that new organization.

It is within this framework, with the mandate of providing the maximum of program diversity and choice, that PBS has set out to do its job.

What specifically is its job?

First, to ascertain through the use of the best research available what the stations and the many publics that make up the American audience want and need. Then to make that information available to the program producers to aid in their program decisionmaking process as well as in PBS's network scheduling operation.

From programs offered by producers PBS, working closely with these producers, will construct two types of network schedules. One will be for possible "real time" usage by the stations. The other schedule will be for prefeeding on the network in off-hours, to be taped and held for later broadcast, also at the discretion of the local station.

We have been at work at PBS for just over 1 month and while it is too early to report on the performance of the Public Broadcasting Service, it is my belief we will be successful. This is a statement that obviously has to be taken at this point largely on faith—but if a combination of a good staff and the full and enthusiastic backing of the stations and the Corporation for Public Broadcasting count for something, it will work and work very well.

The Public Broadcasting Service, however complex the arrangements that it works under, is part of the larger public broadcasting system—a continuum from producer through scheduler and distributor to the stations and the American public. The attempt here is to maximize the possibilities, potentialities and freedom in each part of the system to assure that the public will be best served. It follows that only by observing the performance and interplay of the total system, and by evaluating the programming which reaches the public, can any or all of us be judges.

We in public television have built, in 16 years, one of the world's largest and most powerful communications systems. Though we have been reminded painfully each day of its inadequacies to the task we and others demand of it, we have witnessed its constant growth and improvement. We are offering more programs of greater quality and diversity than we did 2 years ago, and we have every reason to expect this progress to continue. As in so many other fields today, our expectations rise—and rise increasingly rapidly—as our ability to perform rises—and, quite correctly, too. For I think we are beginning to see the potential greatness of the overall Public Broadcasting System and to sense the challenge that comes from knowing it is now possible for us to help solve the cracking problems that crush our society.

When we started out 16 years ago—in fact, only a short time ago—public television did not have to be much concerned with the problems of our cities, States, or our country. So minimal was our audience, so limited our capacity to help heal and solve the problems in our communities, that we were forced to ignore them. We, in turn, so often underfinanced and understaffed, could be ignored by our communities, and unfortunately often were. This is no longer possible. While we can no longer be ignored, neither can we any longer ignore the problems of our society and our very real ability now to help solve them. We have now reached the point of being able to begin to fulfill the promise of public television as seen by the Carnegie Commission.

The Carnegie Commission put it this way in one of its paragraphs:

Public television programs can help us see America whole, in all its diversity. To a degree unequalled by any other medium, public television should be a mirror of the American style. It should remind us of our heritage and enliven our traditions. Its programs should draw on the full range of emotion and mood, from the comic to the tragic, that we know in American life. It should help us look at our achievements and difficulties, at our conflicts and agreements, at our problems, and at the far reach of our possibilities. Public television programs should help us know what it is to be many in one, to have growing maturity in our sense of ourselves as a people.

We are now beginning to achieve the ability—and hence the responsibility—to accept that challenge. PBS does accept that challenge, and with your help, we can meet it.

Thank you, Mr. Chairman.

Mr. MACDONALD. Thank you very much, Mr. Gunn.

First of all, I would like to welcome you to the Washington community.

Mr. GUNN. Thank you.

Mr. MACDONALD. I may say that I think PBS did a very wise thing in bringing you down here. I know Boston will miss you, channel 2 will miss you, and inferentially too I will miss the services you performed on channel 2.

One direct question: I am not quite sure of the duties that you will have to perform now. Could you explain those in a little more detail than is contained in your statement?

Mr. GUNN. Yes, sir. The Public Broadcasting Service is charged with the responsibility of scheduling programs which will be furnished to it from a wide group of sources, including NET, the Children Television Workshop, and the various stations around the country.

From the program materials offered by these various groups we will construct a schedule and offer this schedule to the stations, some 190 of them, around the country. Most of them buy direct leased circuits from A.T. & T. Some of them buy video tape, delayed.

These programs will then become the basis for the national schedule that will be run on these stations. The stations are obviously free to accept or reject the programs which this system feeds to them, as they have in the past. So our primary function, then, is the scheduling of a network and the distribution of the program so scheduled to the individual stations, by tape or by line.

Mr. MACDONALD. And by scheduling, to a layman, do you mean that your approval about whether a program going into production ends up in the schedule? Do you have anything to do with the producing of the shows?

Mr. GUNN. No, we have no part in the production of the programs. Under this new system, these programs are to be produced by individual agencies in the public broadcasting system. And then the programs are offered to the Public Broadcasting Service for distribution. So we are not producers in any sense of the word.

Mr. MACDONALD. How about the interconnection, has that improved? How many stations can you put on at one time?

Mr. GUNN. We have now some 164 stations out of the 190 which are served directly either through our own leased circuits or through circuits which are in turn leased by the various States to serve their State systems, or over air radio relays. So that the network now serves with a live interconnected system a total of 164 stations.

Mr. MACDONALD. In other words, say "The Advocates" was on, it at one time can serve 164 stations?

Mr. GUNN. Directly. And then it serves another 26 stations by video tape later in that same month.

Mr. MACDONALD. As I am sure you know, the basic thing about this bill is the money involved. And I would like to have your opinion as to what money you think you would need, not yourself, but in light of the public broadcasting service, that this would be a significant that, many of us who have embraced the idea of public broadcasting wholeheartedly have been somewhat disappointed in the quality of many of the productions. And once again we are looking forward hopefully to the time when this can be the quality network of the country.

I would like to have some comments about how much money you will need.

Mr. GUNN. We completely endorsed the request of the Corporation for Public Broadcasting as it was presented to you yesterday. My understanding is that their basic fiscal plan for 1971 calls for \$40 million. And it is certainly our feeling, speaking from the standpoint

of the Public Broadcasting Service, that this would be a significant step forward in the strengthening of the network.

As you may know, we will work under contract to the Corporation performing services.

Mr. MACDONALD. Is that amount of money adequate?

Mr. GUNN. I think in terms of our expectations for what the system might be, that it is a small step forward. I do not think it is adequate to make a quantum jump in program quality, and in terms of our ability to reach all of the stations, as opposed to some of the stations.

Mr. MACDONALD. Without pressing you, would you have any figures in mind that you think would permit you to do an adequate job?

Mr. GUNN. I think the Carnegie Commission itself talked in terms of a system which would call for significantly more funds. We have not made such a projection. We feel that that is not our area of responsibility, but rather the Corporation's area, to make those judgments.

Mr. MACDONALD. Thank you, Mr. Gunn.

Mr. Van Deerlin?

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

Mr. Gunn, you have described the two types of feed that you would make, one for simultaneous—

Mr. GUNN. If the stations chose to use it that way. The other system is deliberately designed for delayed use.

Mr. VAN DEERLIN. I suppose this makes quite a difference as to the line costs with the telephone company, does it not, whether you send at peak viewing hours or in the off-hours?

Mr. GUNN. I would under normal circumstances. The telephone company has been quite cooperative in providing us with a temporary arrangement whereby, given their availability of circuits, they can provide us with these facilities at a very nominal cost.

What we are in the process of working out with the phone company now—and the Corporation for Public Broadcasting actually handles these negotiations—is a dedicated network for the Public Broadcasting Service that would be available 24 hours a day, 7 days a week.

The reason for such a service is not so much in terms of moving a great quantity of programs as it is to solve our present problem, which is preemptions in various parts of the country. We are using backup circuits, alternate circuits, protection circuits at the phone company for our present distribution system. And this means that we are subject to preemption, especially in Minnesota, in the northwest, and in the southwest. The new system, when it becomes available—and it should be available from the telephone company by the fall of 1972—would give us a system such that we could feed at any hour of the day or night the quantity of programing that the stations need at the time it would best serve them, without any consideration of the problem of possible preemption and loss of programs, which is our present problem.

Mr. VAN DEERLIN. I judge from Mr. Macy's testimony yesterday that about 15 percent of their outlay will be for line charges. And I should think this is probably less than what commercial television spends, isn't it?

Mr. GUNN. I really can't answer that. I think it depends upon how you account for the commercial program service, sir.

Mr. VAN DEERLIN. The total outlay and how much you pay the telephone company?

Mr. GUNN. I think our system—and this is part of the present negotiations with the telephone company—will be a system which would be much less expensive, relatively speaking, than the commercial broadcasting system. But how much less I do not know at this point.

Mr. VAN DEERLIN. What judgments would go into determining what type of programs went out live, so to speak, and what went out for delayed broadcast?

Mr. GUNN. As to the programs that go out on a live basis, I think the priorities would go to those programs which are of a topical nature, especially those programs that would be very rapidly dated—public affairs programs, for example.

The second priority for so-called live distribution would go to those programs which are of such bulk, such magnitude in terms of number of hours to be transmitted each week, that they would be extremely expensive for the stations to record and lay back on a delayed basis.

"Sesame Street" is a good example of a program which, though not topical, would overload the facilities of individual stations if they had to record and handle five 1-hour programs each week at the various times when they wish to schedule it.

I think it is these types of programing, either the bulk programing or topical programs or those programs which constitute or could constitute a basic evening schedule, which should go out on a real time basis.

Programs which can be used in off hours—which can be used by stations that for various reasons, mainly financial, have a shortage of local programs—would be transmitted in the morning hours for recording and use at the discretion of the individual stations.

Mr. VAN DEERLIN. Your prepared testimony was not very specific in the direction of programing. Perhaps that was by necessity.

Mr. GUNN. It is in part, because we have been here 30 days, a little over 30 days, and we are just getting our feet on the ground.

Mr. VAN DEERLIN. If you were to name two or three programs that were particularly exciting that you have got coming up, what would they be?

Mr. GUNN. There is no question that the program that is exciting the stations most, and certainly the public in the various cities, is "Sesame Street." And obviously we are looking forward to the second season of "Sesame Street," which will begin in the fall.

We are also trying to make arrangements with the telephone company to carry not only "Sesame Street" in the morning but to carry it on the network in the afternoon along with "Mr. Rogers."

Mr. VAN DEERLIN. We will agree that "Sesame Street" is here to stay. What else have we got coming up?

Mr. GUNN. The other programs which are under consideration at this time include the continuation of "The Advocates," which has proved to be a very popular program this past season. It focuses, as you know, on both sides of a major issue, and brings to bear some of our best experts to deal with that issue.

It is also the plans of National Education Television to begin experimentation with a new term of television which they are calling

tentatively "Wednesday Night." It would bring together, in a television magazine form, materials drawn from all over the country, from a variety of production centers. The exact nature of that show we are still waiting to see, because they have not set their dates yet for the first pilot production.

Mr. VAN DEERLIN. Will it be somewhat on the lines of "Second Tuesday?"

Mr. GUNN. Yes, but I think much broader than that. I think its purpose is not just to deal with public affairs, but to try to give, I think, the country a more adequate feel for itself in all of its diversity and all of its interests, rather than just focusing on specific topical issues, which is the general design of a program like "First Tuesday" or whatever.

The other things in the schedule that are proposed and that are currently being worked on is to try to do a series which will take advantage of the current concerns on the part of the consumer, the individual consumer, to be heard and to have his influence felt.

I think there is a substantial feeling that this is one of the areas where the majority of citizens have a concern, but their voice is very weak. They have not had an opportunity to be seen and heard. So there would be an attempt to focus on this area.

There is under discussion now the possibility of a series of programs coming from Chicago which would bring back the very popular Burr Tillstrom and "Kukla, Fran, and Ollie."

We are trying, with all deference to "Sesame Street," to enlarge on the children's program area as one of our major concerns. We have, in addition to "Sesame Street," "Mr. Rogers." And if to this we could add the Chicago series of "Kukla, Fran, and Ollie," we would expand quite considerably our service, diversify our service to children.

These are some of the things that are under consideration.

But the fall schedule is not set. We are in the process of working this out with the individual producers.

Mr. MACDONALD. Mr. Broyhill?

Mr. BROYHILL. Mr. Gunn, it is good to see you again here.

Mr. GUNN. It is good to be back.

Mr. BROYHILL. I would like to ask a question or two about the Public Broadcasting System.

You are financed in total by the Corporation?

Mr. GUNN. That is going to be the major source of funds. Yes.

Mr. BROYHILL. Can you give us a breakdown on how you will be financed? Is this for publication?

Mr. GUNN. The arrangement is that within the next 4 to 6 weeks we will submit a proposed budget for the Public Broadcasting Service. And this will become the basis, then, for a contractual arrangement with the Corporation. The exact amount has not been arrived at because our budget is largely dependent on the rates that we have to pay to the telephone company for the interconnected service. That forms about three-quarters of our budget. And that is now in the status of negotiation and refinement with the telephone company. When those things are ready, we would then package them in the form of a budget and negotiate the various arrangements with the Corporation. And that will become the basis for the financial arrangement.

So in fact I cannot give you a specific figure, because of this major element, which is not yet decided.

Mr. BROYHILL. Who else will contribute to it?

Mr. GUNN. I would expect that there will be a substantial capital cost in establishing this network, and that the major contribution toward that capital cost, which might run well over a million dollars, might come from the Ford Foundation. It has indicated an interest in possibly making such funds available to assist.

Mr. BROYHILL. Would the individual stations contribute?

Mr. GUNN. No, sir; they will not.

Mr. BROYHILL. Who are the controlling officers and directors?

Mr. GUNN. The Public Broadcasting Service will have a board made up of six station managers elected by the managers themselves at an annual meeting. Five already have been selected. In addition to the six station managers, there is the president of the Corporation for Public Broadcasting ex officio; the president of National Educational Television, Jim Day, ex officio; and two public members to be elected. One has already been selected. He is Dr. Jerome Wiesner, the provost of MIT and former presidential advisor and internationally recognized communications expert. And the other—we are awaiting word on the second public director. The final director is the president ex officio of the Public Broadcasting Service itself.

So that of the board of directors—

Mr. BROYHILL. The station manager will be the controlling factor?

Mr. GUNN. Right. They have the majority of the votes on the board and are the controlling factor in the operation of the network.

Mr. BROYHILL. Do you have any idea of how many hours of programming will you be responsible for at the outset of your service?

Mr. GUNN. We would hope that beginning this fall we would be able to transmit 2 hours in the morning. One hour would be "Sesame Street," and the other hour would be a variety of programs that the stations would offer that could be fed off for recording by the stations across the country to use at their pleasure. We would then—and this is now subject to negotiation with the telephone company—hope to have another 2 hours in the late afternoon between 4 and 6 eastern time—1 hour again for the repeat of "Sesame Street," and the second hour for "Mr. Rogers Neighborhood," a children's program and other children's services to be determined.

Then, between 8 to 10 in the evening, we would hope to feed a basic evening service. This would be roughly on a 5-day basis. Also, there is a hoped-for arrangement whereby some of the children's programming would be made available to stations which are interested in carrying it on Saturday morning.

Mr. BROYHILL. Will the stations be carrying this programming simultaneously?

Mr. GUNN. As for the morning and afternoon programs, I think about half the stations would carry them simultaneously. I would guess that another half would carry them at other times—at times convenient to them. As for evening programs, I think most stations would carry pretty much at the time the network feeds the programs, in the interest of economy of operation at the local station level.

Mr. BROYHILL. I want to ask this question. It may appear to be a

stupid question, but I am curious. What would be the difference in cost in sending out these programs by wire as opposed to putting them on tape and sending them through the U.S. mail, if they are not going to be used?

Mr. GUNN. I do not have those figures here with me. But my recollection is that we have now reached a point where, if we are successful with A.T. & T. in our negotiations, that it has become less expensive to distribute programs by wire, that is, by microwave, than on tape.

We now have so many stations, 190, that the total problems of tape handling and tape duplication and cost to the stations now is becoming enormous. I think those costs would be considerably higher than any possible charges we anticipate from the telephone company.

Mr. BROYHILL. Thank you.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. Mr. Gunn, just to clarify a point that was brought up by Mr. Broyhill, I think yesterday Mr. Macy testified that your organization will get something like \$6,775,000, that is what they budgeted. Is that correct?

Mr. GUNN. That is my recollection, although that, as I say, is subject to a specific negotiation by us and the Corporation, which has not taken place. Part of that negotiation process is this enormous A.T. & T. charge, which is still being arranged.

Mr. ROONEY. I believe also yesterday Mr. Macy stated that they are having some problems with A.T. & T. Are you aware of those problems?

Mr. GUNN. I am to some extent.

Mr. ROONEY. What are the problems?

Mr. GUNN. The Public Broadcasting Service is not in direct negotiation with A.T. & T. This is handled for us by the Corporation staff, in conjunction with FCC and A.T. & T. My understanding of that situation is that the Corporation has asked now for A.T. & T. to begin the installation of a so-called hardened or permanent network, and that A.T. & T. and the Corporation will try to arrive, together with the assistance of FCC, at a reasonable price for those facilities.

It could run as much as a third of the commercial rate, or it could, under the Public Broadcasting Act, be furnished at no charge by the telephone company. Well, that is a rather wide range for negotiation. My understanding is that this is the area within which they are attempting to arrive at a figure, and that there are complications in so doing, because the telephone company had stated that it does not wish to throw any of the costs incurred in furnishing this system off onto other customers.

But this becomes a rather sophisticated discussion of accounting as it relates to the present services or for the services that are proposed to the Corporation for PBS operation. I am not expert in that field. I think that is the subject of the discussions, and it is where the problems are at present.

Mr. ROONEY. What does the Public Broadcasting Service do as far as classroom education is concerned?

Mr. GUNN. At the moment, aside from the use of "Sesame Street" in some classrooms, the Public Broadcasting Service is not currently feeding any instructional programs.

Mr. ROONEY. Why?

Mr. GUNN. The reason for that, I think, has to do with the fact that the network is new, and that it has not had the mandate from its board to do so. It is significant that at the last board meeting, which occurred about a week ago in New York City, we brought before the board a request to begin the distribution of instructional materials on an experimental basis on the network, and received approval from the board. So that beginning next fall we would hope—possibly beginning with a series on ecology, as a matter of fact—to feed out on an experimental basis for use by local educational stations, public television stations, a certain amount of instructional programing.

This is an area which we are approaching very carefully, because there are already rather substantial libraries of instructional television materials available to the individual stations. We do not want to duplicate what they already do. On the other hand, we think there are areas where again, because of topical material, or because of special requirements in terms of getting information to a wide number of stations across the country, that there are areas where this network could serve a very important educational need. We think the present concern with the environment and ecology and the desire on the part of many schools and many stations to program in that area, to provide course material for that area, that that is one area where we could be a service. And so we will begin this fall.

Mr. ROONEY. No further questions.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. How about reading, writing, and arithmetic?

Mr. GUNN. These are areas that are now under consideration. Mrs. Cooney from the Children's Television Workshop, I am sure, reported yesterday that she has had under development a reading service. This is an area where again I think the service that we are now starting to operate could be of real assistance. We are looking forward to working with her.

Mr. BROWN. Is it your thought that this would be in the pre-July, "Sesame Street" area, or is this going to be in the instructional area?

Mr. GUNN. I think it is going to be in the instructional area. Certainly it is her intention that this can be used in school as well as out of school.

I think in that connection that more and more we are seeing a direct connection between what takes place in the school and what takes place out of school, and we are seeing a desire on the part of school administrators, on the part of station managers and the public, to tie together the materials available in school with those that are available to the children in leisure time.

So I think this distinction between what occurs in school and out of school is going to blur and properly so, because I think that one of the problems—

Mr. BROWN. Where do you see the Public Broadcasting Service functioning most extensively?

Mr. GUNN. In the immediate future I think our services are going to be split between providing instructional services and general programing services. In the long run I would think that we may well come—and we are giving some thought to this, although it is by no

means refined at the moment—to the possibility that we may need additional circuits, and need to considerably expand the whole instructional field.

Mr. BROWN. Let us assume for a minute that you do not get additional circuits, let us assume that you are faced with the situation as it exists today, and that you provide, which I understand from your testimony you will be doing, broadcasting service, and programing, to the public broadcasting system, where do you envision the Public Broadcasting Service exerting the primary effort?

Mr. GUNN. Speaking for myself, but not for the producers who supply us with these materials—

Mr. BROWN. Apparently it will dominate the policy, because it dominates the board, is that correct?

Mr. GUNN. The stations are the controlling factor in this, and they will set the policy with regard to the overall mix of programing that they wish to have fed to them. And it is important, I think, to recognize that the Public Broadcasting Service is but one of a number of distribution agencies that supply programs to stations.

Mr. BROWN. But as you have suggested, the most economic, and therefore probably the most influential?

Mr. GUNN. I would think that that is probably true, that the two would go together, that the economy of the service plus its ability to move materials rapidly may make it the principal service.

But this is not to take anything away from the other present existing services. We have the educational television station program service, which is a tape library service. We have the Great Plains Instructional Television Library, which many of the stations draw upon for programs in the instructional area. We have the National Instructional Television Library in Bloomington, Ind. And that is another major source of instructional materials.

So I think it depends upon this service that you are talking about. If you are talking about general public broadcasting I would think that PBS would be the major force, because there are not as many other groups active in that area. If you are talking about instructional broadcasting, there are a number of sources, all of which now aggregate much larger than PBS at present.

And I would hope that that would continue, not necessarily the balance in size between the two, but I would hope that the diversity of sources of instructional material would continue. I would like to see PBS as a major supplier of instructional materials, but I would not like to see it as the only supplier, for all sorts of reasons.

Mr. BROWN. You recognize, of course, that that was not the substance of my question. I concur heartily with what you have said, and I assume that those tape libraries will continue to exist and I will assume that they will begin to be replaced by new tapes, when they become out of date.

But the question that I asked was, What do you see as the primary function of the Public Broadcasting Service, the service that provides programing for the Public Broadcasting System or network? Is it to be in the instructional area, or is it to be in the noninstructional area? And we do not have to go into the subtle distinction about "Sesame Street." I understand that it is instructional, but is broadcast in noninstructional time.

Mr. GUNN. That is correct.

Mr. BROWN. I understand those subtleties now. But we have been all around the question, now let us answer the question.

Mr. GUNN. This would seem to be begging your question, but I would have to say that when you put that question in that way, the correct response from my standpoint, given our board of directors, is that we will feed to the stations the mix of programs which they need.

Mr. BROWN. What would you anticipate they would need or want?

Mr. GUNN. I would anticipate that they would want both instructional and public programs fed on this service.

Mr. BROWN. In what proportion?

Mr. GUNN. When you ask the question, in what proportion, you have to look at it from their standpoint. If we were to be the major service for public programs, and they got—well, likely, four other sources of programs on the instructional side—they would expect that the Public Broadcast Service would feed them more public programs and less instructional programing, because their range of choices is greater in one area than it is in the other.

Now, as time goes on, and these libraries change, and things happen that you and I cannot foresee, this balance may change. But we are totally responsive to the total programing situation as it is viewed from the local station.

Mr. BROWN. Are you telling me, then, that the Federal funds in the Public Broadcasting Corporation—which are transmitted to the Public Broadcasting Service—will be spent primarily in the public broadcasting approach rather than in the instructional broadcasting approach?

Mr. GUNN. I would expect, based on what the stations now have available to them, that that statement would be correct for the next year or so. I could not make a prediction beyond that.

Mr. BROWN. Speaking only for myself, the answer does not please me, because once again—and I have made this lecture every time for 3 years—it seems to me that the great need of this system is in the area economies in the education system in our country, that there are tremendous strides that can be made in instructional educational approaches utilizing the medium of television. And the great passion of the Public Broadcasting Corporation, and the Public Broadcasting System, is to provide alternative entertainment which may be collaterally educational to the public in this country, but does not utilize television in the educational area. It seems to me, therefore, that it is an economic luxury at a time when we need an economic necessity—improving instructional television.

And since you are “in the cradle” now my interest as an individual Member of Congress is to educate you. Today when money is tight and when the shortage of money is depriving education, it seems to me that you ought to give a little more attention to that area, rather than less.

I recognize the existence of all these other tape sources. I also think that they are not as economic in their utilization as the public broadcasting network would be in terms of transmitting programing in the instructional area.

If you are going to do any program development, it seems to me that it would be advisable for public funds on the Federal level to be put the instructional area.

Mr. MACDONALD. Would the gentleman yield at that point?

Mr. BROWN. I would be happy to yield.

Mr. MACDONALD. Would it be a fair statement, Mr. Gunn, to say that you would not be responsible for the programing really, inasmuch as the demand of the various areas of the country through the station managers will determine what they think is best serving that area, and therefore you have to be, I would expect, as we are in the Congress, responsive to the needs of the various sections of the country? Those needs might vary from place to place.

And while Mr. Brown makes a very eloquent—and I know from private conversations with him, a very determined effort about this—that what might be needed in Ohio, as a concrete example, might not be needed in California or Massachusetts. And therefore the answer to Mr. Brown's question, I would think, would be that it would all depend. It would depend on the needs of the area.

I quite agree with many things that Mr. Brown has pointed out. But isn't it a fact that it would be overall policy to vary from, as I have said twice now, section to section?

Mr. GUNN. Yes, sir; and as you know, more than half of the average educational station schedule is made up of instructional materials, most of which are produced locally by that station.

Now, I think in time this will begin to change as more and better materials are available nationally. And I would expect that the stations would begin to look to the Public Broadcasting Service to furnish them with some of those materials. But I do not think they would ever look to the Public Broadcasting Service for total instructional service, because of their present very substantial local production, as well as the other sources.

But it is an area in which we are interested, and in which we are starting this fall to program. As the responses come back from the stations and from the various areas, we will then have a gage of our usefulness to the stations. But that is going to be the criterion—not what we think the stations ought to have, but rather what the stations say to us they would like to have.

Mr. BROWN. I hope that you will never be the only resource for instructional television.

Mr. GUNN. Agreed.

Mr. BROWN. I would expect and want a multiplicity of sources of instructional broadcasts in the school systems of the country.

And I think many of the local stations will probably want to develop their own programs. I am concerned that we are putting national resources—tax dollars—which while very worthwhile, is not the primary need.

My guess is the pressure will increase on you to move more resources into instructional broadcasting. I do not think that the Congress intended for public broadcasting to be a cultural network to compete with commercial broadcasters. I do not think that is what the Carnegie Foundation had in mind either.

I would hope that with the very considerable resources both in dollars and talent, that are available to the Public Broadcasting Service, that the leadership of the Public Broadcasting Corporation, and the station managers of the country, would direct themselves to

the enormous public need of instructional television, and I feel this need exists all over the country.

In Ohio, at least, the kinds of resources in instructional television which are available to the local schools—whether from local public broadcasting stations or from the regional tape libraries referred to earlier—are not of sufficiently better quality than what the school already has available to warrant using television either as a substitute or in addition to the classroom teacher.

It seems to be that the vast resources of the Public Broadcasting Service, most of which the Congress provides, ought to be able to do more and do a better job in this area, just as you have done in "Sesame Street."

I probably represent a minority in Congress and you will probably receive your money anyway, but I hope that you will give consideration to spending it in the manner I suggest.

Mr. GUNN. That is certainly our intention.

Mr. MACDONALD. Thank you, Mr. Gunn.

I would like to say one thing. It is just my personal opinion, but I think "Sesame Street" is both a great advantage and a disadvantage. Of course, it is a good program. And when one says, "What is good public broadcasting?" you can say, "Look at 'Sesame Street.'" But I think we have to do more than look at "Sesame Street."

I might observe that one program does not a network make, or some words to that effect.

Mr. GUNN. I think we all agree.

Mr. MACDONALD. And therefore, while I urge Members of Congress to give you more money to do a better job, I also urge you and your association not to just reply "Sesame Street" when they ask, "What have you done for us lately?"

Mr. GUNN. Yes, sir.

Mr. MACDONALD. Thank you very much.

Mr. GUNN. Thank you, sir.

Mr. MACDONALD. The next witness is the Honorable Albert L. Alford, Assistant Commissioner of Education for Legislation in the Office of Health, Education, and Welfare.

STATEMENT OF ALBERT L. ALFORD, ASSISTANT COMMISSIONER OF EDUCATION FOR LEGISLATION, OFFICE OF EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. ALFORD. Thank you, Mr. Chairman, and members of the subcommittee.

It is a pleasure to appear before this subcommittee which has provided such outstanding leadership for the growth of educational and public broadcasting on behalf of H.R. 16338, the Public Broadcasting Financing Act of 1970.

The Office of Education and the Department of Health, Education, and Welfare endorse this measure which would carry forward one of the principal recommendations made to Congress in the President's March 3 message on education reform.

In his message, the President underscored what this subcommittee and those knowledgeable in communications have known for some

time; namely, that there has been a revolution in the way the American people get information of all kinds—a revolution attributable in large measure to television. The President noted that the average high school student spends about 11,000 hours in school by the time he is ready for graduation, and 15,000 hours watching television.

The President said:

Our goal must be to increase the use of the television medium and other technological advances to stimulate the desire to learn and to help teach.

H.R. 16338 is in accord with that administration goal, since the Corporation for Public Broadcasting is prominent among those non-government organizations designed to expand and improve noncommercial broadcasting to help "stimulate the desire to learn and to help teach."

The bill authorizes funds for the Corporation for a 3-year period and provides that a portion of these funds be based on a formula matching Federal dollars to dollars raised by the Corporation from non-Federal sources.

Mr. Chairman, I ask permission to include as part of my presentation the appropriate portions of the President's message dealing with these subjects.

(The excerpt referred to follows:)

EXCERPT FROM PRESIDENT'S MESSAGE ON EDUCATION REFORM, MARCH 3, 1970

(c) *Television and Learning.* Most education takes place outside the school. Although we often mistakenly equate "schooling" with "learning," we should begin to pay far greater attention to what youngsters learn during the more than three quarters of their time they spend elsewhere.

In the last twenty years, there has been a revolution in the way most boys and girls—and their parents—occupy themselves. The average high school student, for example, by the time he graduates has spent 11,000 hours in school—and 15,000 hours watching television.

Our goal must be to increase the use of the television medium and other technological advances to stimulate the desire to learn and to help teach.

The technology is here, but we have not yet learned how to employ it to our full advantage. How can local school systems extend and support their curricula working with local television stations? How can new techniques of programmed learning be applied so as to make each television set an effective teaching aid? How can television, audio-visual aids, the telephone, and the availability of computer libraries be combined to form a learning unit in the home, revolutionizing "homework" by turning a chore into an adventure in learning?

The National Institute of Education would examine questions such as these, especially in that vital area where out-of-school activities can combine with modern technology and public policy to enhance our children's education. It will work in concert with other organizations and agencies dedicated to the educational uses of television technology. Prominent among these is the Corporation for Public Broadcasting, which the Congress established in 1967 as a private entity to channel and shape the use of Federal funds in support of public broadcasting. With its authorization for Federal funds expiring shortly, the time has come to extend the Federal support for the Corporation to stimulate its continuing growth and improvement. Accordingly, the Secretary of Health, Education and Welfare is today transmitting a bill to authorize funds for the Corporation for a three-year period. This will permit the Corporation to grow in the orderly and planned way so important to a new undertaking. A portion of the annual Federal funding would be based on matching the dollars raised by the Corporation from non-Federal sources. The Congress did not intend that the Corporation derive its funds solely from the Federal Government. Therefore, increased contributions from private sources should be stimulated during the early years through the incentive offered in the matching process.

Mr. ALFORD. The President's proposed budget for fiscal year 1971 provides \$15 million for the Corporation's activities, plus a maximum of \$7.5 million in Federal funds to match, on a dollar-to-dollar basis, contributions made to the Corporation. If the Corporation raises this amount from non-Federal sources, the entire package would provide a program of \$30 million, \$22.5 million of it in Federal funds.

This combination of direct appropriations and matching funds for private contributions represents our best effort at this time to provide a viable base for permanent financing of the Corporation. The 3-year authorization will give us an opportunity to see how well this combination works and measure the public response to support of the Corporation.

At the same time it provides the Corporation with the mechanism for orderly growth while encouraging its officers to engage in a serious and sustained fundraising effort of their own.

The Department of Health, Education, and Welfare believes that a 3-year authorization is essential at this time in the life of the Corporation to allow its board and its officers to plan effectively and to commit funds for radio and television projects for the home as well as the school for more than a 1-year basis. Television and radio production—especially well-researched quality production that will stimulate learning—is an expensive and time-consuming business. Writing, research, and creative talent must be given the opportunity to approach their missions in a systematic manner. This cannot be done, in the case of major series of programs, if they believe the Corporation's support will be terminated at the end of a fiscal year.

Mr. Chairman, the Office of Education itself has some experience on this subject. As you know, we are one of the principal supporters of the Children's Television Workshop series for preschool children, "Sesame Street." Using the television industry's own criteria this program has been considered most successful. It results as a teaching tool are being continually evaluated and there is every indication that it is also successful as measured by educational standards. To accomplish this, however, the Children's TV Workshop staff had to enter a period of research and development lasting 20 months before the program went on the air.

It might be worth mentioning at this point that the Corporation—also a sponsor of "Sesame Street"—and individual public television stations have made it possible for the program to be seen in all parts of the country simultaneously and without network or air time charges to local stations of any kind.

One of the most encouraging benefits of the existence of the Corporation is the fact that it is able to build on the lessons learned from the "Sesame Street" experience. In testimony last December before the general Subcommittee on Education of the House Education and Labor Committee, John W. Macy, Jr., president of the Corporation, announced his intention of researching and planning for additional television series that would use the successful "Sesame Street" techniques in helping to teach as well as entertain other segments of the American society. The Corporation has the mission, the organization and the kinds of expertise to do this in a broad range of fields. This mission is a vital one if we are to make the best possible use of the television

medium to do more than entertain. We in the Office of Education—particularly our new Bureau of Libraries and Educational Technology—are already working closely with the Corporation, and we are in the process of planning several cooperative jointly funded educational television projects. Contributions outside the classroom are becoming increasingly more important as a part of our total educational effort.

In our "Right To Read" program, for example, we believe that ETV must play a critical role. In this light, we are exploring as a part of the renewal negotiations for "Sesame Street" the possibilities of introducing more elements in the program with a focus on preparation for reading. This would be a most valuable contribution to our overall effort to make reading a reality for all in the seventies.

In the newly developing area of environmental education, we are exploring with the Corporation for Public Broadcasting the possibility of a series of programs dealing with the environment and the quality of life in general. To master, improve, or preserve our environment in an optimum state for human life will require extensive resources outside the classroom. The development of more effective programs is essential in these and other areas, and a bringing of excellence to programing is the purpose of the Corporation, as I see it.

Mr. Chairman, the Department feels that a 3-year authorization requested by the President is the next logical and measured step in the development of the Corporation. I would reiterate that it is more important today than ever before to do all we can to make use of television as an effective tool in education—both in school and out. We feel that it will pay tremendous dividends as we try to raise the quality of education—both in school and out. We feel that it will pay tremendous dividends as we try to raise the quality of education of the people of the country and that the Corporation for Public Broadcasting is a key element in that effort.

Thank you for the opportunity to support this legislation, and I will be happy to try to answer any questions you have at this time.

Mr. MACDONALD. Thank you, Mr. Alford.

Obviously you support the legislation here that is before us. But as I understand it, the legislation is open ended about money.

Mr. ALFORD. Yes, sir.

Mr. MACDONALD. It talks about "sums that might be necessary."

What does the Department feel would be a reasonable sum to be expended during the 3-year period covered by the bill?

Mr. ALFORD. Well, I might indicate, Mr. Chairman, that in this regard, in establishing legislation, we ordinarily only give the first year figure under the Bureau of the Budget general provisions that have prevailed for a number of years.

In dealing with the other committees we normally deal with we frequently will provide what is known as an 801 table, which is a projection of reasonable expenditure needs over the next few years. And in this we also put the proviso that the Bureau of the Budget is not under obligation to request these amounts of money.

So I am prefacing these remarks in this regard.

I think that if you will accept that, we probably would assume the Corporation for Public Broadcasting figures, which represent a com-

promise of a level of \$30 million for 1971. I think we are fixed on that, the 22½ Federal and the 7½ from private contributions.

Mr. BROTZMAN. Let us go very slowly on that, Mr. Chairman. I want to be sure that we check it out. I have the figures from yesterday, and I want to be sure we get them right.

Mr. ALFORD. That would be the Federal, the Corporation. And that assumes a matching of \$7½ million, which brings it up to a total of \$30 million. And then for 1972 our total would be \$46 million, which would involve—well, I do not know that we need to get into the combinations of what is in it, but the level is important here, I think.

Mr. BROTZMAN. Do you have the combinations?

Mr. ALFORD. The combinations on this particular basis would give a total of \$38 million Federal and \$8 million from private for 1972.

Mr. BROWN. Mr. Chairman, I do not want to take anybody's time, but what do you mean the combinations yield the total of Federal?

Mr. ALFORD. Because it is equivalent to the \$22½ million appropriation we are asking this year. But that includes \$15 million that we expect as a direct appropriation for the Corporation. And then if they can get 7½ million dollars—

Mr. MACDONALD. To save time—I think most of us understand the formula—would you just put down for the record what you think the Federal Government would appropriate. That will simplify everything.

Mr. ALFORD. That would be \$22½ million for 1971.

Mr. MACDONALD. \$22.5 million in 1971?

Mr. ALFORD. Yes. And then the \$38 million for 1972, and \$38.5 million for 1973.

Mr. BROYHILL. And for 1973 what is the total amount?

Mr. ALFORD. \$67 million.

Mr. BROYHILL. \$67 million total?

Mr. ALFORD. Yes. That is \$8½ million from private sources. There is an assumption here once again that we have to rely on the Public Broadcasting Corporation estimate in these areas. And apparently this matching area of around \$8 million seems to be an optimum.

I suppose that the experience would show in the first year of the program that if we are able to acquire more than this, then in subsequent years you could adjust the pattern.

Mr. MACDONALD. That was my next question. If more money is raised, do you feel that the appropriation from the Federal Government should be raised to meet the formula that you now propose?

Mr. ALFORD. I am not sure. I guess this is a question of how much—we would sort of assume these levels. But you are always subject to adjustment internally as to the amount the Federal Government is furnishing as a result of this combination.

Mr. MACDONALD. I understand that. And I understand you cannot appropriate the money. I understand that very well. If the public supported this to an extent that had not been foreseen, does the Department feel that the Government, recognizing this public support, recognizing that there is a need for the Public Broadcasting System, should in turn raise this amount?

Mr. ALFORD. Yes, I think there is an implicit assumption, because in the bill the matching part is open ended too, as it is currently worded,

though under the 1971 budget conditions it is assumed that the \$71½ million will be the matching portion and \$15 million direct appropriation.

Mr. BROYHILL. Of course, the Appropriations Committee is going to work with some figure, and we may as well work with that figure too.

Mr. ALFORD. Yes.

Mr. MACDONALD. What do you personally feel about these amounts of money? I was amazed yesterday—and perhaps this subcommittee and perhaps the full committee should be more acquainted with the progress of this type of broadcasting in other countries—but we were told yesterday, I think by Mr. Pace, or maybe it was Mr. Macy, that Japan, on their educational broadcasting system, spends \$256 million a year.

Now, assuming those figures are correct—and I am sure you probably know more about it than I do, or should, anyway—don't you think that makes our figures look rather niggardly?

Mr. ALFORD. I think we are faced with this problem generally, that of course in other countries in the world public broadcasting has played a bigger role. As a matter of fact, if you take countries like England, it has played the essential role.

Mr. MACDONALD. You are talking about past history. But I am not asking about that. Perhaps they were smarter to get on the ball earlier than we did. But just because we have not done it, does that mean that we should forever ignore this great potential?

Mr. ALFORD. I do not think we want to ignore it, but I think at the same time we recognize—

Mr. MACDONALD. How many million persons do we have in the United States now?

Mr. ALFORD. About 206 million, as I understand it.

Mr. MACDONALD. How many do the Japanese have?

Mr. ALFORD. It is around 80 million, I am not sure, but it is a considerably smaller number.

Mr. MACDONALD. The only reason I raise the question—I do not really care about the figures—but just in proportion, don't you think that the request of the administration in your department is absurdly small? If this program is going to work at all—and up to now I would not swear that it has had a real success—if it is to succeed, don't you think we ought to give them enough money to do a decent job to see whether it will succeed or not?

Mr. ALFORD. I think this is true. And I think that we feel that under this current budget and this kind of projection that I give here, that this would give a basis for orderly growth.

One of the things we face regularly—

Mr. MACDONALD. It might be orderly growth. You know that you can proceed at one-half percent for 20 years, and that is orderly, literally, but it does not necessarily mean that it is good.

Mr. ALFORD. We have a real problem to get the people and the resources—

Mr. MACDONALD. I have read the President's message, and everything he says is exactly correct, everything he said has been said here, and it has been said on the floor of the House, and everyone agrees with him.

But when it comes down to putting up the money for it, it seems to me that our Government has been rather lax. How can you expect these stations across the country to do good production with the kind of money they get from the Federal Government?

Mr. ALFORD. Well, there are certain advantages that they have in this area. As I understand, for example, even in a production like "Sesame Street" the rates that are charged by the people who produce the materials are noncommercial rates, and contrasted to the case of a corporation that would be developing the same kind of program, perhaps their cost would be two or three times what the production costs are in "Sesame Street."

Mr. MACDONALD. Name me another program that does well on public broadcasting. I am tired of "Sesame Street." It is a great program. But as I said to Mr. Gunn a little while ago, one program does not a network make.

Mr. ALFORD. I think you are absolutely right on this. I would hope that "Sesame Street" becomes the standard rather than the outstanding—

Mr. MACDONALD. How can they do it if they do not have any money? They lucked in one time.

Mr. ALFORD. I think the level we are dealing with here—"Sesame" was produced for in the range of \$5 or \$6 million in the first year—if we have available \$30 million, this means that you could produce four or five similar programs.

Mr. MACDONALD. Mrs. Cooney said yesterday, as I remember, that it cost \$8 million. How much does that leave for the rest of the program in 1971?

Mr. ALFORD. Of course, the Corporation for Public Broadcasting is not picking up the total cost of "Sesame Street." We would still be involved as we were formerly. But if you assume \$30 million I think you have the equivalent here of creating four "Sesame Streets."

Mr. MACDONALD. And how many hours a day were they on the air?

Mr. ALFORD. One. But this would add four to it. And I think that would be a substantial improvement.

Mr. MACDONALD. Meanwhile, say Channel 2 in Boston has "Sesame Street" for an hour, then with what do they fill the void between then and the next day when "Sesame Street" comes back on?

Mr. ALFORD. I think one of the things that we have to bear in mind—I think this is the question that Mr. Brown is getting at—is that the educational television stations do a large part of their operations in the instructional area. And as you know, a majority of them are affiliated with educational institutions or systems, and they are used as instruments of these systems.

Mr. MACDONALD. I do not want to preempt the time. I will just ask you this last question. Are you satisfied what the amount of money that HEW said will do the job, you personally?

Mr. ALFORD. In this? Yes, I am satisfied with it at this time.

Mr. MACDONALD. Mr. Van Deerlin?

Mr. VAN DEERLIN. Just a comment—that maybe the administration lacks full confidence in the House Appropriations Committee.

Thank you.

Mr. MACDONALD. Mr. Broyhill?

Mr. BROYHILL. No questions.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. I did not hear your response to what the station does. I realize that they will have a program or two. Are there other programs available? Or how do they program out the time, and how many hours a day do they in fact present material to the public?

Mr. ALFORD. I think actually these questions are generally outside of my bailiwick, because we in the Department do not have a direct connection with the programming as such. In fact, this was the reason for the creation of the Public Broadcasting Corporation, to bring it outside of the normal controls of Federal agencies.

But my statement in response to this was that a large portion of this time was used for instructional television directly related to the schools, the universities or colleges. I do not know what the approximation would be. I think the Congress has expressed an opinion in passing the Public Broadcasting Act in 1967 and saying we want to move into this field. But we recognize the fact that we already have a very large established commercial broadcasting system in this country that plays the major role in public entertainment and education.

Mr. BROTZMAN. I recognize that there are perhaps better witnesses from whom to get the answer to this but I just heard the question, and it stimulated my thought along that particular line. By the same token, while we are interested in programming, neither do we want to superintend or impose our philosophy on any type of programming. I think that is clear in the act.

Mr. ALFORD. Right.

Mr. BROTZMAN. Those are all the questions I have.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. On page 1 of your statement you cite the President's statement with regard to our goals. And your statement makes no mention of other technical advances. What other technical advances have you in your agency proposed, if any?

Mr. ALFORD. Well, television of course is one of the most exciting of these. But we have the general audiovisual field, and we have supported for a number of years programs in these areas, the use of materials in the schools, equipment, teaching machines, and the use of computers in education. I think this is what you are referring to in the other technological devices, which are not necessarily related to television.

Mr. TIERNAN. And we are going to increase those?

Mr. ALFORD. Yes, we are hopeful that we can.

Mr. TIERNAN. How and when?

Mr. ALFORD. Well, this has been going on for sometime. In the area of research, at least, in trying to find the most effective instruments to use in this area.

Mr. TIERNAN. You do not make any concrete suggestions in your statement with regard to that aspect of it?

Mr. ALFORD. No, and we do not have any concrete or specific sums of money in the budget this year in that area.

Mr. TIERNAN. You make no mention in your statement of any long-term financing plan.

Mr. ALFORD. No; only in the sense that this combination of matching

private contributions to the Federal appropriations is at least an interim term plan.

Mr. TIERNAN. Yesterday Mr. Macy told us that he had met with representatives of the administration, and that he had discussed the long-term financing for CPB. And Mr. Macy offered the administration a proposal with a number of options. Do you know why that was turned down, and what is the administration offering in place of those proposals that Mr. Macy made?

Mr. ALFORD. What we are offering is this proposal that is in the bill.

Mr. TIERNAN. That is not long term, though?

Mr. ALFORD. It could be, if it works out. We are not precluding this as a possibility, a combination of appropriations and private contributions.

Mr. TIERNAN. Nobody in public broadcasting has suggested to this committee that the proposal before us is anywhere conceivable as a long-term financing proposition.

Mr. ALFORD. I think when you get into the term long-term financing you are thinking of the field of taxation which would be tied to this.

Mr. TIERNAN. But you are telling us that this could be the long-term financing that you could support and the administration would support?

Mr. ALFORD. Unless there is a definite change. Because one of the problems we have some concern about, for example, is earmarking taxes for particular functional purposes. There are a number of difficulties in this area.

Mr. TIERNAN. So that your idea on long-term financing depends on what develops, is that correct?

Mr. ALFORD. I think right now this is what our long-term financing is.

Mr. TIERNAN. This bill?

Mr. ALFORD. This bill. And unless this changes—in other words, if this does not work, then obviously you will have to go back to review the situation. If somebody makes a convincing argument internally that will satisfy all forces within the administration, the fiscal as well as the program people—and this is always a combination that we have to balance out—then if we get this we may be able to come up with another plan. But right now this is it.

Mr. TIERNAN. Let me ask you, what is your proposal to the administration on what the long-term financing on public broadcasting should be?

Mr. ALFORD. I think that our concern, speaking for the Office of Education, when we speak in terms of long-term financing, is simply an assurance that there will be financing available.

We have to recognize that the way in which the money is raised is frequently not within our jurisdiction, you do have the Treasury Department and others concerned with it.

Mr. TIERNAN. But supposing after this bill runs out the Congress decides not to appropriate any more money, what is your solution then?

Mr. ALFORD. I think the same thing could happen if we are tied to a tax form. The Congress could become disenchanted with the operation and simply cut off the sources of taxes.

Mr. TIERNAN. You have not answered my question.

Mr. ALFORD. What I am saying is that I think that we feel that this

is not going to terminate at the end of 3 years, and we will come up with an extension of the program.

Mr. TIERNAN. Could you, if you were directed by the Congress, supply the subcommittee or the Congress with a report by October 1, 1970, on what you would propose as a long-term financing of public broadcasting?

Mr. ALFORD. I suppose we could. But I think what it would turn out to be right now, unless there is some immediate change in the near future, would be this plan that you have in the bill at the present time. Because this could be renewed for a 3- or 5-year interval. In our other areas of education, for example, we rely upon the long-term authorization.

Mr. TIERNAN. Have you had an opportunity, Mr. Alford, to read Mr. Macy's testimony?

Mr. ALFORD. The earlier portion, not the one before your committee. I was out of town.

Mr. TIERNAN. He nowhere in that statement substantiates your statement in regard to this being a possibility of long-term financing, isn't that correct?

Mr. ALFORD. That is correct. And what I am saying to you, I think—I want to be candid on this situation—I believe that the Corporation for Public Broadcasting obviously would prefer maybe a different kind of long-range financing. But I am saying to you that in developing legislation that this is what we have been able to come up with, and that this could be an administration long-term financing proposal.

Mr. MACDONALD. Would you yield for just one question?

Mr. TIERNAN. Sure.

Mr. MACDONALD. You say that this is what you came up with?

Mr. ALFORD. No, not me—

Mr. MACDONALD. I do not know who, individually. You said this is what "we" could come up with. Are you talking about HEW?

Mr. ALFORD. No, this goes broader than that. This is at the Bureau of the Budget level.

Mr. MACDONALD. Who came up with this plan? It wasn't anyone on this committee that I know of.

Mr. ALFORD. No.

Mr. MACDONALD. And it apparently was not the public broadcasting people. I am curious as to who came up with this plan.

Mr. ALFORD. That is what I was trying to explain. I think it came up because the proposals that have been made in this area have been in most cases a form of taxation, which is earmarked—

Mr. MACDONALD. Who came up with this specific plan?

Mr. ALFORD. The person? The individual? I am not sure. It developed out of—

Mr. MACDONALD. What department?

Mr. ALFORD (continuing). Conversations with the Bureau of the Budget.

Mr. MACDONALD. What department?

Mr. ALFORD. I think it is a combination. The Bureau of the Budget represents a compromise between the departments—

Mr. MACDONALD. I understand about the Bureau of the Budget. What I don't understand is who put forth this plan? And I would hope that you would know, since you are up here testifying for HEW about it.

Mr. ALFORD. No, our department did not per se, if you mean this combination—what I am saying is that the combination was worked out, as I understand it, actually within the Bureau of the Budget after they had considered these other proposals, and had the reactions from the departments—from the Treasury Department, and so forth.

Mr. MACDONALD. So you are saying that this plan was submitted to us from the Bureau of the Budget?

Mr. ALFORD. The compromise—yes, I think the Bureau of the Budget worked out this compromise.

Mr. MACDONALD. I am just talking about this bill that is being considered now.

Mr. ALFORD. I do not want to really put it in those terms. The compromise was worked out by the Bureau of the Budget.

Mr. MACDONALD. Who sent it up to us?

Mr. ALFORD. The President sent it up, and it was transmitted on his behalf.

Mr. TIERNAN. The Department of Health, Education, and Welfare by the Acting Secretary on March 3 sent a letter to the Speaker of the House and said that they are enclosing herewith a draft bill to amend the Communications Act of 1934 to provide continuing financing for the Corporation for Public Broadcasting. If you are saying that the Bureau of the Budget said this—then there had to be some compromise between what your Department and what you as the Assistant Commissioner of Education for Legislation proposed, is that correct?

Mr. ALFORD. No, not necessarily. I want to be clear—I want to be clear here—

Mr. MACDONALD. Will you just answer his question, and then you can go on any way you want to.

Mr. ALFORD. How do you want my answer? Was there a difference? That was your question, I think.

Mr. TIERNAN. Yes; was there a compromise?

Mr. ALFORD. Not from the Department's point of view. There was a compromise from that of the Corporation for Public Broadcasting.

Mr. TIERNAN. You mean that your recommendation was exactly the same as that which went to the Bureau of the Budget and that was sent up to us in this draft legislation, is that correct?

Mr. ALFORD. No; I think that we would have to say that the Department did not make a specific recommendation in this regard. They were involved in the conversations in developing this proposal.

Mr. TIERNAN. You mean to tell me that the Office of Education made no specific recommendation with regard to either short- or long-term financing of public broadcasting?

Mr. ALFORD. I think only in the sense that we wanted support in dollar terms for the program. We did not make a recommendation as to the specific nature of the long-term financing program.

Mr. TIERNAN. You know that many, in and out of educational television, claim that HEW has shown absolutely no initiative in this field, and in fact they are dragging their feet. What do you think about that charge?

Mr. ALFORD. I do not think it is true that we are dragging our feet. I think the problem that you have here is that this particular function is not really located in the Department of Health, Education, and

Welfare. I have faced this several years running now, that we have sort of picked up the ball in making the presentations before the Congress. But in fact, of course, it is the Corporation for Public Broadcasting that has the program responsibility here. And we are trying to provide it support, moral and financial, if possible.

But I do not think that we should necessarily be painted as the ones who have the primary responsibility for determining the policy in this area. We simply make our contributions along the line in evolving this policy in the administration and transmitting this legislation to the Congress.

I think I could say safely that is what the Secretary was doing on behalf of the administration, and that this represents an administration proposal and not an HEW proposal per se, and certainly not a Corporation for Public Broadcasting proposal per se.

Mr. TIERNAN. One more question, Mr. Chairman, if I may.

In your statement you merely speak of programing financing. And yet in your statement just now in response to that question you speak of your role as being in support of public broadcasting. You make no mention of any idea of financing the development of stations, or other support other than in programing.

What do you think the role of HEW should be in that area?

Mr. ALFORD. In that area of course we do have a direct role, in that the Office of Education administers the broadcasting facilities program. And here—I do not know how to respond—we have the role, this is our program that we administer.

So I think we carry the full responsibility here.

Mr. TIERNAN. Can you tell us whether the allocations this year are higher or lower, and give us the breakdown?

Mr. ALFORD. The actual appropriation request this year is the same as last year, \$4 million. The amount that will be allocated for expenditure is somewhat above that, I think it is \$6 million.

Mr. TIERNAN. Above last year?

Mr. ALFORD. No.

I think I have the figure here for you if you want it.

On obligations, we estimate for 1970, \$2,856,000. And for 1971 our estimate is \$6,226,000. So it is a little less than \$4 million above.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. Mr. Alford, let me just say, with reference to your interest in instructional televising or broadcasting by the Corporation for Public Broadcasting, you and I seem to share an interest in that field. And I am glad to have you express it.

With reference to the expenditure of public funds, if I interpret your testimony correctly, is there a need in the instructional area for the use of public broadcasting as a means of assisting in reducing or maintaining the costs of education and innovative ideas in educational technique?

Mr. ALFORD. Yes. I think this is important.

Maybe I ought to clarify it. You know, in the Department of Health, Education and Welfare, and particularly within the Office of Education, our primary concern is instruction. Now, we are interested in the public broadcasting function that goes to the public. But I think that you really have to rely to a greater extent for testimony on the import-

ance of the public aspects of this broadcasting upon witnesses from the Public Broadcasting Corporation and from the other people that are directly concerned in the field. And I do not want to give the wrong impression here when I indicate, that, for example, we did not come up with a recommendation for a specific kind of long-range financing, because we are not normally concerned with this kind of fiscal activity.

Mr. BROWN. You mean HEW is not concerned?

Mr. ALFORD. That is right.

Mr. BROWN. HEW is concerned with what kind of results?

Mr. ALFORD. And also the total amounts of money involved in the program, we have some ideas along these lines.

Mr. BROWN. You are talking about the relationship of how much money you put into public broadcasting as contrasted with how much money you put into building college classroom facilities?

Mr. ALFORD. This would be a matter of concern, although here we would rely largely on the Public Broadcasting Corporation and their need. When it comes to the public facilities, we would estimate their need in this area.

But in response to your question, I want to say that we have a great interest in the instructional aspects, because we are closely related to what goes on in the classroom, and what goes on in the college and university and elementary and secondary schools in this country.

And we are also interested in the Public Broadcasting Corporation's activities and public broadcasting, because we think, as we have indicated here, that television is such an important aspect of our total educational system that perhaps every kind of program has potentialities for instruction. And I think "Sesame Street" is what illustrates this.

This is a combination, but it has strong instructional elements in it.

And in the area of reading, for example, we would hope to introduce, say, into "Sesame Street" some preconsideration of reading, even though at preschool level it would not be thought of as touching reading per se.

You can condition the children to the use of reading symbols, and this sort of thing, so that they become acclimated and then are receptive when they move into the classroom under the specific reading programs.

It is also possible to use television to directly teach reading. And this was referred to in the testimony before. And I think this would be valuable.

Mr. BROWN. And it is possible, if you could use it to teach reading, and a beginning made for reading as is the approach in "Sesame Street," that you could move on into other elementary level courses and other high school courses and other college courses?

Mr. ALFORD. That is right.

Mr. BROWN. It occurs to me that when you start teaching ecology, that you have graduated very quickly from "Sesame Street" preschool into postgraduate work. And I think that is fine. I am glad to see Public Broadcasting getting into that area. But it seems to me that there is a considerable area in between that attention ought to be given to.

I gather from comments I have seen from the President that there is a new direction in this administration in education, concerning the effectiveness of the money that we spend in education.

Mr. ALFORD. That is of very great concern to the administration. And one of the focuses has been to try to develop resource evaluation techniques which can tell us what things are best. And this is one of the reasons I think we have a great interest in the educational television, because this offers one of the ways of making education interesting and perhaps getting across very effectively to the student the things you want him to learn.

Mr. BROWN. I might point out for Mr. Tiernan's benefit—you asked a question about other techniques—I have an elementary school in my area which is an experimental elementary area funded by HEW initially, and now it continues with the support of the community, in which television is being used, not as an instructional tool for the classroom, but an instructional tool for the teacher, because the teacher is televised and then taped and has a chance to go back over it again and see the errors she made in her classroom instruction of the elementary youngsters.

And it apparently is a program that has paid off to some extent in the upgrading of quality education, but not in the utilization of television.

Mr. ALFORD. This is a closed circuit system, yes?

Mr. TIERNAN. Will the gentleman yield?

Mr. BROWN. Yes.

Mr. TIERNAN. I thought the witness might refer to that, and that is the reason I also mentioned what other technical advances. And I think "Sesame Street" was also the response I expected from the witness.

Could I ask one other question?

Mr. BROWN. I would be happy to yield to you. I just want to make one or two more observations.

I think "Sesame Street" is a great program too. At \$8 million I cannot assess whether it is as good as I think it would be if it were two. But I am sure that it is a better program at \$8 million than it is going to be at \$67 million, and I would hope that we go some place besides "Sesame Street."

As the chairman indicated, we can sell that for a couple of years, but there will have to be some further advances. And I am sure that the Office of Education will share that view.

Also, I am concerned with the method of financing. We are predicting financing into the sixth year. Our short-term or interim financing has a way of becoming long-term financing.

Unless we tackle this problem pretty soon of going back to some kind of a base to determine how we finance a program, we have in fact made the decision to finance it out of the General Treasury.

The concern of the chairman is not one that I share. It would take us another 3 years beyond the program here—if my mathematical extrapolation is correct—to parallel the Japanese system, and then about 2 years after that to get an amount of money proportional to our population compared to the Japanese. That is, about 5 years, and we would then be spending as much as the Japanese on a per capita basis, and of course if we go on from there, a great deal more.

It seems to me that we have got to find some method of coming up with that money outside the General Treasury. I am sorry that the ad-

ministration came in with this continuing approach that we all decided initially was not the approach we desired.

But apparently at this point there is now some fundamental weakening in that viewpoint, if I read your remarks correctly, and your answers to the question, is that correct?

Mr. ALFORD. I think the weakening is when we come down to recommending some specifics in these areas, and then we are left with falling back on the appropriations process. Of course, it comes out of the Treasury programs either way, if you use the tax system, for example.

Mr. BROWN. Except that we find a way to put it into the Treasury if we find a method to support it independently.

Thank you.

Mr. MACDONALD. My last question.

Are you seriously recommending that this committee, if it passes the bill out, go to the floor of the Congress and tell the Congress that this bill that we have before us is the solution to permanent financing?

Mr. ALFORD. No, I am not sure that I am saying that.

Mr. MACDONALD. You did say it.

Mr. ALFORD. I said when asked that this is the best thinking at the present time. And unless something better comes up that is acceptable internally, this will be the recommendation.

Now, several things could happen. If this does not work, then obviously the pressure is going to be on to come up with a different kind of solution.

Mr. MACDONALD. I do not know how long you have been with the Department, but I am sure that you must know that we have been going to the floor saying that soon there is going to be permanent financing of this very worthwhile project, soon. We said that 3 years ago, 2 years ago, and again last year.

Now, I for one will not go to the floor and tell the other Members of Congress that HEW thinks that the bill that is being considered on the floor, if it ever gets to the floor, is the solution to a permanent financing of the obviously necessary public broadcasting system. And I cannot conceive of how you can come up here, sit there and tell us that this is the answer.

Even Mr. Macy, who is probably much more involved than you are—

Mr. ALFORD. Very much more.

Mr. MACDONALD (continuing). Indicated that he felt there had to be a permanent financing, and that this was just another interim thing.

So I do not want testimony to go in the record and have people read it in which the Federal Government—HEW—says that this is the answer until proven wrong, while at the same time the people who are intimately involved say that this is not the answer.

Did you ever think of getting together, say, with the FCC, or the Corporation, or the producers, and come up with a thought that you could all present uniformly? Or is this too direct a method?

Mr. ALFORD. No, I think this is what has been done, and this is what has resulted.

Mr. MACDONALD. Yesterday when Commissioner Burch testified he said that he had never heard from anyone from HEW.

Mr. ALFORD. I think that is where we have to clarify the situation. Do you feel that it is HEW's responsibility?

Mr. MACDONALD. It is partially.

Mr. ALFORD. Partially. But I think that this has to be considered as an administration proposal in terms of long-range financing.

Mr. MACDONALD. And you are cutting off the FCC from the seaboard and letting it float into the Atlantic Ocean? They are part of the administration too, aren't they?

Mr. ALFORD. That is right. But I consider basically it is the responsibility of the Bureau of the Budget to do this. The Bureau of the Budget acts as our agent, when you are talking about administration programs, to bring together the views of all departments and agencies in the Federal Government on matters of their concern.

Mr. MACDONALD. Did you ever sit down with anyone from the FCC—I guess you probably have the primary responsibility for HEW or you would not be testifying today—have you ever sat down with any other arm of the Government to discuss this matter?

Mr. ALFORD. Yes, in earlier periods.

Mr. MACDONALD. When, and with whom?

Mr. ALFORD. I have not been directly involved in this particular bill for this year on the negotiations.

Mr. MACDONALD. Then why did they send you up to testify?

Mr. ALFORD. Because I guess in the sense that the department is not the prime mover in this area.

Mr. MACDONALD. I am not talking about prime mover, secondary mover, tertiary mover. It is an administration bill, we all agree, isn't it?

Mr. ALFORD. It is.

Mr. MACDONALD. You are part of the administration?

Mr. ALFORD. Yes.

Mr. MACDONALD. The FCC is, and the Bureau of the Budget is.

Mr. ALFORD. Yes, sir.

Mr. MACDONALD. Why don't you all sit down and get together before you send people up here to testify. Instead of testifying you are mystifying. I frankly do not know what the position of the administration is.

Mr. ALFORD. As nearly as I can express it to you, you have the position of the administration in this legislation.

Mr. TIERNAN. Mr. Chairman—

Mr. MACDONALD. Mr. Tiernan.

Mr. TIERNAN. You testified with regard to the facilities, expenditures.

Mr. ALFORD. Yes.

Mr. TIERNAN. How much did you say you spent last year on facilities?

Mr. ALFORD. It was \$4 million.

Mr. TIERNAN. Do you know that the committee authorized \$15 million, and they appropriated \$5 million? And we understand that this year the Office of Education is going to spend a little bit over \$4 million. Does that strike you as being less than what we are striving for in this area?

Mr. ALFORD. I think we are caught regularly in this particular

problem. As far as our total authorizations, for example, we have appropriations at a level that run something like 38 or 39 percent. And even when we get appropriations, as you know, then there are certain reductions that take place in those, for various fiscal reasons. And it is rare—I think I would say this honestly that it is rare that we ever get as much money as we in particular program fields feel that we could use.

Mr. TIERNAN. You have got it, but you do not spend it. And also, in regard to this, you gave a million dollars for "Sesame Street" for the production of that one program, and yet you only contribute \$4 million for construction of facilities, and you talk about your role as supportive. I find it very contradictory. I think your whole approach to this in the Office of Education has been low key, and I for one am very disturbed by the testimony received today. And I think that the Commissioner of the FCC, which is an arm of Congress said that he should act as a catalyst. And I think this is what the chairman is trying to point out to you, that you people have a very substantial role, in view of what the President has said about the need for development of this tool for educational purposes. And I do not think you admit that at all. And I think this testimony today is just lukewarm.

Mr. ALFORD. I think our role is supportive. In the case of "Sesame Street" I think, considering the discretionary money that we have, that we have done very well in providing support for this program.

I do not know that this is enough. But I am not sure that you can get it—

Mr. TIERNAN. Why don't you ask for more money? The money may be appropriated. And if it is not enough, why don't you ask for it? Do you know any reason?

Mr. ALFORD. Well, internally the requests are higher than those that finally come out. And this is an internal process. But once we decide in the administration that this is the way we are going to allocate the request, this is what we support.

Mr. TIERNAN. You are representing the administration, and on the one hand the President said he wants to go further in this educational program with new technology, with TV, and on the other hand you say you are being held back because you cannot get money internally.

There is a conflict here, and you are representing the administration.

Mr. ALFORD. No, I think what I am saying is that you can be in favor of going forward in those areas, but you have to take them a step at a time within the limits of the resources that you have.

We come to an impasse here, and I doubt that we can solve it in this sense.

Mr. MACDONALD. Well, thank you very much, sir.

Do you have any breakdown of how much HEW does spend on educational TV, public broadcasting?

Mr. BROYHILL. Coming for authorization of other committees other than this committee. Could you furnish that?

Mr. ALFORD. Yes, sir. But I think the basic would probably be in the "Sesame Street" support.

Mr. BROWN. What is that?

Mr. ALFORD. The figure is a million dollars.

Let me provide you with an analysis and see what we can dig up along these lines.

(The information requested was not available to the committee at the time of printing.)

Mr. MACDONALD. Thank you. We appreciate your coming here today.

The next witness will be Mr. William Harley, president of the National Association of Educational Broadcasters, accompanied by Mr. William J. McCarter, general manager of the educational station here in Washington, and Mr. Sheldon P. Siegel, general manager of WLVT, Allentown, Pa., whom I know my colleague from Pennsylvania would be happy to introduce.

Mr. ROONEY. I want to take this opportunity to welcome Mr. Siegel to our committee this morning. Mr. Siegel is also the vice president for instructional television for the Eastern Television Network. In my opinion Sheldon Siegel runs one of the finest educational television stations in the United States, channel 39 in the Lehigh Valley. It has got the overwhelming support of the entire community. And I welcome Mr. Siegel here today.

I also was asked by Congressman Flood, although he cannot be here, he is a member of the Appropriations Committee, to welcome Mr. George Strimel, manager of station WVIA in Wilkes-Barre, Pa.

We welcome both of you here today.

STATEMENT OF WILLIAM G. HARLEY, PRESIDENT, NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS; ACCOMPANIED BY WILLIAM J. McCARTER, GENERAL MANAGER, WETA-TV, WASHINGTON, D.C.; SHELDON P. SIEGEL, EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER, WLVT-TV, ALLENTOWN, PA.; AND GEORGE STRIMEL, MANAGER, STATION WVIA-TV, WILKES-BARRE, PA.

Mr. HARLEY. Mr. Chairman, the administration has testified, the corporation has testified, and now it is the change, the opportunity, the privilege for the stations to testify.

As you have indicated, I am the president of the National Association of Educational Broadcasters. I have three of my colleagues who are managers of educational television stations with me. Each of us, except Mr. Strimel, has a written statement to submit for the record, and we would also like to make brief oral comments.

I would like to begin briefly by speaking on behalf of the association as representing all of the educational radio and television stations, and then turn to my colleagues who can speak specifically about the benefits of the corporation impacting upon their local operations.

And I would like to begin by congratulating you gentlemen and the rest of your colleagues on the full committee for what you have brought in the Corporation for Public Broadcasting.

I think that the first year record has been excellent indeed. The stations are enthusiastic about the way it is operating under the dynamic leadership of Mr. Macy. And I think it has well begun in its carrying out of national program goals and the benefits it is providing to our stations by enhancing their opportunities for public service in their own communities.

I can remember the exhaustive and conscientious hearings that were conducted by the Commerce Committee 3 years ago. No one knew quite what we were getting into or how to go about it or how it would work. You put a lot of faith into it on the basis of what many of us told you was needed. And I am here to say that it is working. It is on target. To use a Greek phrase, what we need now is to "allow it to become what it has within it to be." And that means, the corporation has to be properly fueled now after its takeoff to really go into the kind of orbit that will allow it to develop to its full potential.

In the interest of time I will not go through all the provisions of the legislation before you. Let me just say that we are enthusiastic in support of this legislation. And we recommend that this committee report it out favorably as a way of helping the Corporation for Public Broadcasting to go forward with the work that it has so excellently begun.

And now, if I may, I would like to introduce my colleagues.

Turning first—

Mr. MACDONALD. Mr. Harley, would you like your statement to be put in the record?

Mr. HARLEY. I would like all of our written statements to be put in the record.

(Mr. Harley's prepared statement follows:)

STATEMENT OF WILLIAM G. HARLEY, PRESIDENT, NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS

Mr. Chairman and Members of the Committee, I am William G. Harley, President of the National Association of Educational Broadcasters. The NAEB is the professional association of institutions and individuals engaged in radio and television for education. Its membership consists of universities, colleges, schools and non-profit community corporations which are the licensees or permittees of almost 200 educational television stations; 192 educational radio stations; 90 closed-circuit and instructional television fixed-service systems; and over 3500 individuals who are involved in various phases of educational communications.

We appreciate this opportunity to reemphasize our strong support for the Corporation for Public Broadcasting and urge approval of this proposed legislation, designed to provide an intermediate method for its financing. The NAEB fully concurs with those who have testified here as to the need for adequate funding for the Corporation.

HISTORY OF THE CORPORATION

Mr. Macy spoke on behalf of the Corporation; I speak on behalf of the stations which the Corporation serves. Let me say at the outset that the NAEB feels that the activities of the Corporation to date have been highly beneficial and finds them entirely consistent with the major national goals for public broadcasting and, indeed, moving precisely in the direction that was envisioned for the Corporation as an effective agency to serve public broadcasting and our society. The NAEB has been associated with the development of the Corporation from its very beginnings—indeed, we take credit for launching the series of circumstances that eventuated in its establishment. It was at a meeting of the educational television station managers, which NAEB held here in Washington in 1964, that the notion of establishing a national commission on educational television was initiated. To this end, the NAEB appointed an ad hoc committee which waited upon President Johnson. His support for the idea led to the establishment of the Carnegie Commission on Educational Television. That distinguished group developed recommendations that were translated into legislation that established the Corporation for Public Broadcasting. So, the NAEB has been in-

volved every step of the way and it would like to take this occasion to publicly assert that the Corporation has not only lived up to the expectations envisioned by the Carnegie Commissioners, by the Congress and by the many other people who helped this legislation come into being, but we feel it has even surpassed these expectations.

ACTIVITIES OF THE CORPORATION

Previous witnesses from the Corporation have detailed its activities, so we merely want to say that its program of grants to stations for operational help, have been very useful; and its activities in funding program production at the state, local and national level have been extremely beneficial.

I do want to call attention briefly to some of the support activities in which the Corporation has been involved which, through not so immediately visible as are programs, will have important effects in time. One of these support activities is the development of new talent for the medium. In 1969 CPB established a career fellowship program. In the first year 14 persons were chosen as the first CPB career fellows to spend a year working and learning at various public radio and television stations. It is hoped that upon completion of the year they will choose to remain in public broadcasting lending added youth, vitality, and skill to the medium. CPB also initiated a program of foreign fellowships which in the first year sent 4 individuals from public broadcasting to national broadcasting establishments in Japan, Sweden, Canada and Great Britain. The Corporation has established at KQED in San Francisco, a national center for television experiments to bring together artists from various disciplines to explore and exploit the unique features of the television medium. And, in a separate effort in conjunction with the American Film Institute, CPB awarded grants to seven film makers for the production of films for public television and also gave grants to KLRN, in Austin, Texas and WGBH, in Boston, to establish creative film centers. In connection with the ten weeks series of original dramas written, directed by and starring blacks titled, "On Being Black," on the job training was established for black directors with financial help from CPB. And to insure that the public is genuinely involved in public broadcasting, the Corporation established an advisory committee of national organizations including some 27 national organizations to assist the Corporation.

Radio

As of March 1, 1970, 429 noncommercial radio stations were on the air—26 AM stations, 403 FM stations, with permits granted for an additional 46 FM stations. Each year, about 25 new noncommercial radio stations begin broadcasting. Almost half of these stations operate with budgets of less than \$20,000.

The Corporation for Public Broadcasting, working in cooperation with the radio division of the NAEB, has taken initial steps to assist underfinanced local stations, and has funded a number of special radio projects. For example: a National Center for Audio Experimentation was created at the University of Wisconsin to investigate new program forms and techniques; radio station WBFO, Buffalo, New York, received a grant to expand the activity at a storefront broadcast facility where programs are planned and produced by members of the black and Puerto Rican communities; the Corporation assisted public radio by funding a workshop in public broadcasting at American University, providing two radio foreign fellowships as well as establishing a Radio Advisory Council to assist the Corporation in determining radio priorities.

Next month, the Corporation will announce direct support grants to 78 radio stations totaling \$547,000 and between now and June 30, the Corporation plans additional radio programing and support grants expected to total \$250,000.

Thus, a beginning has been made to ameliorate the condition in which half the noncommercial educational radio station stations currently have annual operational budgets of under \$20,000.

While support is being directed to the local stations, the NAEB and CPB have been working together to develop a national programing, production and distribution center for public radio. Noncommercial radio has never had a live, interconnected radio network. Before the end of this year, such a network will be in operation with Corporation funds, activated in Washington, D.C., and providing a daily radio broadcast service.

In short, the Corporation's track record for the first year of operation, under the dynamic leadership of Mr. John Macy, has been outstanding and is a clear

indication of even better things to come . . . providing the Corporation receives adequate funding to enable it to implement its plans.

These grants which the Corporation has awarded have been only a beginning, but they have been important. Your approval of the proposed operation for the next three years would significantly increase the Corporation's ability to provide greater assistance to the stations and hence to increase their service to the public.

In November 1969 the educational television stations of the country met here in Washington in conjunction with our national convention to discuss educational television stations' programming goals for 1970. The managers of the stations were unanimous in feeling that the presentation of local government affairs and local issues, coupled with active citizen participation relating to these issues, was the first priority. As to the specific subjects for such discussion, the managers named environment first, followed by programing for children and youth, cultural presentations, the crisis in public education, special programing for minority groups, and consumer education. The managers felt that these were all topics that deserved urgent attention, but recognized also that the speed at which they would be able to progress toward achievement of these goals depends very heavily on whether the Corporation is provided with the funds to make more and larger programing grants to the stations. Mr. Macy, President of the Corporation, has given vigorous and affirmative response to these programing priorities, and has stated that he intends to give them his full support. At the same time the President of the United States, in a letter addressed to the NABE convention, indicated his belief in the programing priorities we had identified:

THE WHITE HOUSE,
Washington, D.C., November 6, 1969.

The National Association of Educational Broadcasters holds its 45th Annual Convention at a particularly crucial moment in its commitment to America.

As I look over the contents of your program, I am heartened by the variety of areas you will probe in your deliberations. As you discuss the problems of social responsibility, ethnic participation, quality education and conservation, you will be weighing some of the primary concerns of this Administration, and giving direction and inspiration to some of our fundamental goals for America.

Educational broadcasting is a vivid reflection of the larger business of government and the needs and aspirations of our people. It has a strong potential to serve and a brilliant opportunity to enhance the quality and quantity of education. It is a profession that builds for the future. I know it will build wisely and well. And to those of you who are involved in its important work I express my warmest admiration and my every good wish for continuing achievement.

S/ RICHARD NIXON.

FUNDING FOR THE CORPORATION

H.R. 16338 contains two separate provisions, both of which we can enthusiastically support. The first of these authorizes annual appropriations for support of the Corporation through fiscal year 1973. In previous testimony before this Committee, we have stated the stations' conviction and that of the Carnegie Commission that, in the long run, federal funds for support of the Corporation should be divorced from the annual appropriations process in order to provide insulation to the Corporation in its activities related to the development of noncommercial radio and television programs. We have also stated the stations' belief that the Corporation should not be totally dependent upon federal funds, however they are received, and that the required insulation would be strengthened by the Corporation's ability to receive funds from a variety of sources.

Obviously the development of a means by which federal funds can be transmitted to the Corporation without going through the appropriations process and yet maintain some provision for Congressional review is difficult. During the 2½ years since passage of the Public Broadcasting Act of 1967, a number of plans have been circulated for comment among the interested departments of government and educational broadcasting organizations but none have been totally satisfactory. H.R. 16338 recognizes the difficulty of finding a solution and proposes an interim method of financing which gives adequate time for evolution of the long-term financing plan. Thus, although we would be deeply reluctant to accept annual appropriations as the basis for permanent Corporation financing, we agree that the provision for direct appropriation through 1973 is necessary if the Corpora-

tion, the Administration and the stations are to have time to work out an acceptable plan.

Further, we are pleased at the inclusion of a second provision which provides for the appropriation of federal funds to match on a one-for-one basis the dollar value of contributions and gifts made to the Corporation during each of those fiscal years, up to ceilings to be established at the time the annual appropriation is made. We are certain that this will have the salutary effect of increasing non-federal contributions to the Corporation, thus broadening the base of its financial support and significantly increasing the funds available annually for the Corporation's activities.

As this Committee well knows, the Educational Broadcasting Facilities Program established in 1963 to make possible the establishment and improvement of educational television and radio stations was based on a matching-grant formula. Experience during the seven years that this program has been in operation tells us that each federal dollar which goes into the program has the effect of generating, over the long run, approximately \$11 from other sources. Attached hereto are two statistical tables one of which lists sources of funds for educational television stations during fiscal 1969, drawn from a survey conducted annually by the NAEB. Although this current survey is not yet complete, those reports which have been filed make it clear that, as in past years, approximately one-third of the funds received by educational television stations in fiscal 1969 were from non-tax sources. This is evidence that virtually all ETV stations are supported by both public and private funds drawn from national and local sources—a diversity of support which we feel is healthy in that it involves the total community in the development of a public television system and, by its very diversity, decreases the likelihood of undue influence from any single source.

Undoubtedly, some of the non-federal dollars would be available whether or not the federal funds existed. But it is clear to us that the federal grants have had a strong catalytic effect in generating and focusing local interest and commitment productively.

The record of the Facilities Program speaks for itself—II to I is a pretty good yield! We point out with some regret however that it would speak more eloquently if a reasonable proportion of the funds which this Committee authorized for that program had actually been appropriated. Unfortunately, only about 25% of the authorizations has been funded up to the present time and during one year—1968—not one penny was appropriated. By July 1, 1970, HEW estimates that there will be a backlog of facilities projects awaiting funding, the total of which will equal the federal funds which have been actually appropriated to the project since its inception; about \$40,000,000 in facilities projects waiting to be funded, which if past experience holds would generate almost half a billion dollars in local capital and operating costs as the years go on. But in spite of the low level of funding for the facilities program, the project has been a success, and stands as clear evidence of the effectiveness of the concept of federal matching grants.

We recognize, of course, that this Committee is not at the present time setting a specific dollar authorization for the appropriations for the Corporation in 1971, 1972 and 1973. We do wish to register some concern, however, with the figures stated in the Administration's budget for fiscal 1971 which would indicate that the direct appropriation for that year will be only \$15,000,000, with another \$7.5 million available for matching non-federal contributions to the Corporation. The Corporation has already submitted to this committee its budget for that fiscal year, together with a summary of the projects which it hopes to undertake. We agree with them that the Corporation's budget represents the minimum necessary for the effective operation of the Corporation during fiscal 1971. We would hope that when the Senate gives consideration to the actual 1971 appropriation for the Corporation, it will be guided not by the figure contained in the President's budget, but by the figures submitted to you today.

REMOVAL OF LIMITATION ON GRANTS

H.R. 16338 also proposes to delete from the Public Broadcasting Act of 1967 that provision which establishes \$250,000 as the largest sum which can be spent by the Corporation on any one project or to any one station for any single year appropriation. We opposed that limitation in 1967, stating that we felt it placed an unreasonable curb on the Corporation particularly in the light of the costs of series productions and of interconnection. We acknowledged, however, that with

no track record and with so limited an authorization as was proposed in the Corporation's first year, there was some virtue in directing the Corporation to expend its funds on the broadest possible base so that as many projects as possible might be enhanced by its activity.

We feel, however, that to maintain that limitation during the fiscal years 1971 through 1973 is no longer necessary. We feel that the Corporation's "track record" to date gives clear indication of its intention to benefit the public broadcasting system by wise and widespread funding of a variety of effective projects. We urge this Committee therefore to delete that provision, leaving it to the good judgment of the Corporation's staff and its distinguished board to continue on the judicious course on which they have set forth.

In summary we urge that this Committee report favorable H.R. 16338 in order that the Corporation for Public Broadcasting, which this Committee so wisely created, can continue its work of support and guidance toward the development of an effective exemplary system of public broadcasting for the American people.

Mr. ROONEY. Following Mr. Siegel's statement I would like to ask permission to include in the record an excerpt from the Congressional Record which includes a copy of the letter that he wrote to the TV Guide on classroom education. I am sure that my colleague Mr. Brown would be interested in it. (See p. 127.)

Mr. MACDONALD. Without objection it is so ordered.

Mr. HARLEY. Let me turn first to the manager of the facility by which most of the Members of Congress experience public television, at least on a daily basis: the manager of WETA-TV, Channel 6 in Washington. He is William McCarter, who, in addition to that responsibility, has a number of prominent posts within our industry.

He is president of the Eastern Educational Television Network. He is a member of the board of directors of our educational television division. And last week he was elected a director of the executive board of the National Association of Educational Broadcasters.

And turning to Bill, I ask him, has CPB made a difference to WETA?

STATEMENT OF WILLIAM J. McCARTER

Mr. McCARTER. Mr. Chairman and members of the subcommittee, I was sitting there mulling over what my opening remarks may consist of as I appear here this morning. And I would just have to say that as one of the station people that has worked in the field for many years, I was more than delighted to hear what I heard this morning.

And I do not mean that as a polite formality in being here. I think I would share with my colleagues—if many of our people in the field could have heard some of the comments that came from this committee on the understanding of this whole question of public broadcasting, you would indeed have given us a shot in the arm. And for that we are quite thankful gentlemen.

We in public broadcasting like to feel that we have become somewhat skilled at making a little bit of money go a long way. We did not start out to develop those skills, but we certainly have had occasion to develop them.

In the case of the Corporation they have really shown us a thing or two. And we have been in this field before the Corporation evolved.

I think, at the expense of rhetoric, I would just like to cite some examples of a local station, and one which might perhaps be somewhat familiar to you hopefully, as to just how this has worked right on the firing line. The thing that has meant so much to us about the Corpora-

tion, apart from their normal grant-making mechanism structure, is the creative leadership and how it has applied throughout public broadcasting so far and so effectively, and really with so little to work with, as was pointed out a few moments ago.

The Corporation, in a word, or in a few words, has really galvanized an industry, if you will, that was loosely held together by its own limitations and bonds over the years. And they have provided us, if you will, with that high octane spark at the right places at the right time that I think has manifested itself in the last couple of years in many ways. And I certainly share the Chairman's thoughts, "Sesame Street" is one of them.

And there are many others. That happens to have the spotlight on it right now. But as they did this, they stressed all the time, and have never relinquished, that the authority of the local station is really the bedrock of public broadcasting. And this has been a marvelous thing to watch.

The Corporation from the beginning has tried to use its resources, its people, and its leadership in sowing the seed in a way that we can match to get much more burst for the dollar, if you want to put it in those terms. But it manifests itself in many ways.

What are some of those?

An example: Last year the corporation station grants procedure allowed for a maximum of \$10,000. Our station, like the other, applied for this grant. And we were successful. We used the money two ways. It is important to call attention to the programs of public broadcasting. We have been derelict in this for all too many years. We put here in Washington roughly half of these moneys to other moneys we had, roughly \$5,000, and moved in to a heavy advertising and promotion campaign which we badly needed. We took the balance of those moneys, and put a burst of new energy into our membership prescription plan, which must indeed always be carried on, because it begins to form the bedrock of the financing support of the local community station.

Now, that sounds interesting. But what are the results?

As a result, we were at a plateau in our memberships at that time, roughly 15,000. I think that compared rather well in the country. We are a UHF facility, and have had a little bit of the limitations that come with that. And we think they are diminishing fast today.

But now, as a result, we have close to 20,000 people in the metropolitan area who are subscriber members of our station in a contribution sense.

And I am happy to report that after a new mailing last week, just to bring this testimony very current, last Monday and Tuesday, the individual contribution receipts to the public station in this area totaled \$6,500.

The January, February, and March contributions to the public television station in Washington were at a record high. And we continue now roughly averaging at a thousand to eleven hundred dollars a day. That means a great deal to us. And this is another example of how you can take a little bit and really make it work for you if you use it the right way.

Another example: We applied to the Corporation last year for a modest sum, \$3,000 to match some moneys we had, to provide an

internal program for some of the minority members of the broadcasting community, or coming out of the communications schools and the colleges. We brought in three young people, they worked with us on a 10-week program, a rather intensive apprentice program with our people in the various production areas.

What happened to them? One moved on to Julliard as a musician; the other one moved on to Pratt as an artist; and the third was immediately offered a job with a film company in New York. Several months later this person wrote us saying he had heard about the advent of our new news program, and asked to come back to us. He was qualified. And now he is a full-fledged member of the film team of one of our on-going programs.

That is an example of a little money going a long way and coming back to reward you.

Another example: The Corporation has recently taken on some fund-raising expertise. I have already met with one of these gentlemen, who is one of the most distinguished in the field, having come from KQED, the San Francisco public TV station. He immediately has been helpful to us.

We have a particular dilemma, in that there is a lack of real corporation activity in a large business sense in the Washington area, and therefore we do not have a very high return in a contribution sense from that sector, of the private sector. He is helping us get to this right away along with our people. And we believe that just this liaison and advice will manifest itself in some real help to us within a 6 months to 1 year period.

Another example: The Corporation plans to move right away to support PBS. Mr. Gunn gave testimony this mornnig as to how that organization is going to once and for all take the very complicated negotiations and machinery of establishing a long-range network system and perhaps even eventually moving into a rather centralized library system to provide this service to the stations in a fast, inexpensive way.

It is not necessary for us to share in that support. Obviously our resources would not make that much of a difference. But what it does mean to us is that it frees the very vital machines to the broadcaster, like the video tape recorder—

Mr. BROTZMAN. I am sorry to interrupt, but I have to be on the floor at 12 o'clock, and I regret that I have to leave. I will read your testimony, and if I have some questions as a result of that testimony, I can see one of your representatives here. I must apologize here for having to absent myself now, but I just have to be over there.

Thank you, Mr. Chairman.

Mr. McCARTER. Thank you, Mr. Brotzman.

The advent of PBS has enabled us to use our machinery much differently within the station. Whe you have some of these programs in the prime-time hours moving down on long lines, we then are saved the problem of having to use our video tape recorders for transmission or recording off the air, and we can apply them to local production needs.

This is the subtle mechanics of how we work. But it means a great deal to us.

Another example: The Corporation has just established their program of midcareer fellowships. We immediately had two people on our staff apply. And I wrote the letters 2 weeks ago. In one way we would miss them, but in another way these are very deserving people, and if they are rewarded, if one of them is rewarded with one of these fellowships his skills would be expanded by virtue of this program, and then he would return to us and keep the infusion of creative energies always moving back into public broadcasting.

Along that line the comment was made this morning, I believe—in earlier testimony—are there people available to come into public broadcasting, or to really move forward if we had the money to hire them? We are bursting at the seams with people that want to come in to public broadcasting all the time.

All we lack is the resources to be able to attract as many as we would like to.

Next, in the new CPB station grants, which will be up very shortly, we just received an indication from the Corporation as to the level to which we can apply to them in the local station. What would these moneys mean to us? Right away we would apply those to moneys we have of our own, and it would make possible to us right here the continuation of things like the District of Columbia City Council hearings, which channel 26 participated in through the evening many weeks ago on two occasions.

We have two other hearings identified that we would like to move in to; one on drug addiction, which will focus particularly on heroin; and another one we thought we wanted to move into is the landlord-tenant hearings before the District of Columbia Council.

The infusion of mail and calls to our station after these hearings was really something to behold. This is right within the purview, we believe, of public broadcasting.

Another thing, the new Arlington school superintendent, who recently arrived on the scene here—we had a chat with him—and he was very interested in our school broadcast service, and was an active member in it. And he right away wanted to address the members of his constituency, if you will.

He chose to do that on your station. And naturally we cooperated with him on that, in prime-time hours. And that makes a great deal of difference. He could talk to the parents and the members of his faculty in their homes.

There are other examples of how we would use these moneys. And I would not belabor the point, but I think these are two interesting highlights.

Next we developed a program in Washington called "Washington Week in Review." And it became a very popular program among the stations. It was really a very simple program. It took journalists and let them speak to one another as to their particular beats in this very important hub, and question one another's observations during the week. The stations around the country immediately wanted this made available to them.

If it were to be made available to them, we would probably have to make a little more money available to the participants, an honorarium or some kind of a fee structure. The Corporation helped there to make

that possible. So that a program that worked well for us as it turns out now could become available to 150 stations in the country at a very modest additional expense.

It is rather obvious too that the Corporation is now participating in the program schedule of NET and helping to fund NET. And these programs mean an awful lot to our schedule. And other things have been made available.

"The Advocates" for instance, has been brought to us partially through the good offices of the Corporation. And things like the San Francisco World Press program is now available in Washington again through the good offices of the Corporation. And things like the "Book Beat" program in Chicago. And I could go on.

You might say, "Well, is this working, do you have any results?" We are often asked this. "What kind of results do you have?" "Indeed, do you have an audience for all of this?"

Well, for years we in public broadcasting ducked that, as you know. We said, "We do not play the numbers game"—which is really somewhat of a rationalization, because we knew that the numbers did not look very good, and therefore we did not want to get into a conversation with them. But we knew the numbers were. We just did not want to talk about that.

Things have changed. Let us use an example. What about Washington? Let us take that. It is UHF. That may be even a better example.

Some facts: Within the last month the Corporation—CPB—has completed a survey done by an independent concern which established the fact that 55 percent of the television audience in Washington, in the metropolitan Washington market, watches channel 26 several times a week.

Last week I received a call from the Nielson Co.—which is well known as the rating firm within the commercial broadcasting structure, and many programs and enterprises rise and fall on their ratings at the end of the month—they called to inform us—we do not subscribe to their services, it is very expensive—but they did say that they certainly wanted to let us know that there has been a trend developing, and they are happy to tell us that during the 9 a.m. strip across the board for the months of February and March, WETA, channel 26, was the top rated station in the seven-station market.

It took all its competition. And what was that competition? Things like the Mike Douglas program; like "Captain Kangaroo," on the CBS station. I will have to tell you that this particular program was "Sesame Street." It has been very helpful to us in this area. But it goes to prove that if you have the programming you can make your mark.

Nielson further made the point to us, that you will be anxious to hear, that in at least 12 to 15 other prime time areas we are not just pulling a minus, not registered, or doesn't register in the book; we are pulling what you call ratings. And now you will probably find the public broadcaster very anxious to talk about ratings, because he suddenly has some success in this field. And this is very interesting to watch.

Lastly, we did have an interest and a liking in the television industry for awards, as you know.

Well, the Washington Academy of Television Arts and Sciences several months ago gave our Washington public broadcasting station more awards from its colleagues in commercial broadcasting for local programing than any other Washington station. We felt pretty good about that. Forgive me the immodesty of wanting to share it with you. It means that this industry has arrived.

Let me say, lastly, after hearing a lot of earlier testimony this morning, gentlemen, if you could untie our hands, as you are obviously trying to do, and let the Corporation for Public Broadcasting, and John Macy and his distinguished staff, whom we are 100 percent behind, spread their wings a little, I think you and we would even be surprised at the good results.

Thank you.

(Mr. McCarter's prepared statement follows:)

STATEMENT OF WILLIAM J. MCCARTER, GENERAL MANAGER, WETA-TV,
WASHINGTON, D.C.

Mr. Chairman and Members of the Committee, I am William J. McCarter, General Manager of WETA-TV, Channel 26, and WETA-FM, Washington, D.C. These are noncommercial community television and radio stations. We are governed by a Board of Trustees, the names of whom you will find attached to this testimony.

I am also a member of the Executive Board of Directors of the National Association of Educational Broadcasters, and a Board Director of the Educational Television Stations division of NAEB. I serve as President of the Eastern Educational Television Network.

I appreciate this opportunity to appear here today to emphasize my support for the Corporation for Public Broadcasting. As a local community station manager, I fully endorse H.R. 16338, The Public Broadcasting Financing Act of 1970.

I would like to review briefly for the Committee what the Corporation for Public Broadcasting, and the ETV Facilities grants have meant to WETA-TV.

From the Corporation, WETA received the same \$10,000 grant made last year to all public television stations in the country. Additionally, we were granted about \$120,000 to help support the production of the public affairs program "Washington Week in Review", and another \$3,000 for a Summer Intern program—by which WETA gave training to three minority group candidates. These grants from the Corporation have been of great benefit to WETA in allowing the station to give the Washington community better public television programs.

And now, I want to make mention of "Sesame Street", the public television program that has become a household viewing habit for children. Since its debut in November, Channel 26 has been telecasting "Sesame Street" twice each weekday—at 9 a.m. and 4 p.m., with a rerun of the five episodes on Saturday. At the time of its premiere, Washington Mayor, Walter Washington, believed the program to be of such educational value to pre-school children that he renamed a Washington street "Sesame Street" for a one week period. About 75 day care centers in the area use "Sesame Street" as a teaching tool.

In suite of the advancement that public television and radio have made in their programming, it has little usefulness without proper equipment. The educational Facilities Act of 1962 has provided WETA-TV and WETA-FM with approximately \$305,000 which has been used for television cameras, and assistance in the activation of WETA-FM, which will go on the air shortly.

In conclusion, I reiterate my endorsement of H.R. 16338—the Public Broadcasting Financing Act of 1970. Thank you.

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 Dr. Francis O. Wilcox, Johns Hopkins University, School of Advanced International studies.
 Dr. George H. Williams, President, American University.
 Laurence Wyatt, Board of Education, Montgomery County Schools, Md.

Mr. MACDONALD. Thank you, sir.

Mr. HARLEY. May I ask you gentlemen now to listen to another station manager who can testify to the benefits of the Corporation. This is Mr. Sheldon Siegel, the executive vice president and general Manager of WLVT-TV in the Lehigh Valley Educational Television Corp., in Allentown, Pa.

STATEMENT OF SHELDON P. SIEGEL

Mr. SIEGEL. Mr. Chairman and members of the committee:

I would like to express my special thanks to Congressman Rooney for his very kind remarks at the outset in my introduction.

My name is Sheldon P. Siegel and I am executive vice and general manager of WLVT-TV, the Lehigh Valley Educational Television Corp., a noncommercial public television station primarily serving the cities of Allentown-Bethlehem and Easton, Pa., and the seven county area of southeastern Pennsylvania encompassing Lehigh, Northampton, Carbon, Monroe, Berks, Schuylkill, and Pike Counties. I also serve as a member of the executive committee and vice president for instructional television for the Eastern Educational Television Network.

We take a modest sense of pride in the fact that our station accomplishes nearly 90 hours per week of television programming, with a significantly high percentage of local programming, with a staff of 15 full-time employees. We draw heavily on local universities and other resources within our community, to provide substantial part-time production personnel for our station.

The key to the success of any business enterprise is its local orientation, or in a sense, to be "market-oriented." And we feel that in educational and public television, local television, local production is the name of the game.

To reach out into a community through remote programming provides a still deeper dimension of community service that a local ETV station may perform.

Many managers of local ETV stations in small and medium size markets have been benumbed by the constant chorus of one report after another, one survey after another, one commission after another, echoing the need to provide some measure of base operational, unrestricted support for the local programming activities and station operations for ETV stations. It was a lot like the weather—everyone talked about it, but no one did anything about it.

For the first time in history last year, the Corporation for Public Broadcasting put the money where the words were. For the first time, our station, and countless others throughout the country, could go into the community to produce programs of substance, without having to seek local underwriting which more often than not, simply was not available on anything but a sporadic basis.

Programs went unproduced, not because they were not worth doing, but because local business and industry under heavy financial pressure from other demands on their resources, simply could not provide the funds.

In 1969 our station received a \$10,000 grant from the Corporation. We used the funds essentially in remote community programing, but applied them in a myriad of other ways also. It opened whole avenues of community programing heretofore closed to use.

We purchased substantial advertising space on reception of UHF and our station in local newspapers. We televised the first high school wrestling meet ever done in our area. (College and High School Wrestling is a major sports attraction in the Lehigh Valley).

We produced a triple soundtrack stereo-TV telecast (we think the first in history), when we originated a 3-hour telecast of Handel's "The Creation" from Muhlenberg College with a local FM radio station. We originated a special remote telecast on "Violence in America" held at a college symposium at Lafayette College. We commenced Saturday programing. We started an extensive development campaign for local fundraising.

We produced two live instant election specials on primary and general election nights. We televised a meeting of the Bethlehem Area School Board; the first time this had ever been done—and they have asked us to do it again in May.

One of the most ambitious television projects ever undertaken in the Valley was produced when the station telecast nine, 90-minute live debates featuring candidates for mayor, city council, and school board from our three major municipalities. Such coverage has never been provided before.

Our station produced a special parents' night concert at Lehigh University; a Jazz Festival at Cedar Crest College; a special remote on location at Muhlenberg College featuring a dramatic confrontation between college students and Dr. Benjamin Spock. Added to this, four other remote telecasts featuring traditional rivalries between the major colleges in our area.

Madison Avenue calls it "more bang for the buck," the petroleum industry calls it "more miles to the gallon," we call it "community impact"—made possible by the Corporation for Public Broadcasting.

As some of you may know, the Corporation kept public television in Pennsylvania in business during the month of February when the State had not adopted a budget for fiscal year 1970 and the legislature could not appropriate funds to maintain the network interconnection of the seven stations. Although their own funds were short—CPB did provide sufficient funds to help us over this crucial month until the State appropriation came through—which incidentally was for \$1.7 million in this fiscal year.

In 1970, our station will hopefully qualify for a grant in the neigh-

borhood of \$22,000 under the CPB general support program. This year, the funds are generally unrestricted. They may be applied to staffing, promotion, fund-raising, developmmt, expansions of operations and programing—plus other areas where station management feels critical needs exist.

We expect to again apply a significant proportion of these funds to defray the costs of special remote and study programing in the coverage of community and civic events.

Although we, and all other public television stations in the country could use several times this amount, it is a beginning. It represents a national commitment to help provide local television excellence.

ETV stations like our own in the Lehigh Valley will need continued and increased local financial support to survive in the new era of public television. This can only come when a station is responsive to the needs of its community; when a public television station seizes the opportunity to truly serve its community.

The Corporation for Public Broadcasting has realized that its true strength is the consummate strength of all the local ETV stations. Its responsiveness to us, enables us in turn to respond and react to the constituency we serve. The Corporation for Public Broadcasting has helped to open the door to our community. I urge your support of their appropriation, so they in turn may help us return this dividend to the American people.

Thank you.

Mr. MACDONALD. Thank you, sir.

(Mr. Siegel's prepared statement follows:)

STATEMENT OF SHELDON P. SIEGEL, EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER, WLVT-TV, ALLENTOWN, PA.

Mr. Chairman and Members of the Committee:

My name is Sheldon P. Siegel and I am Executive Vice President and General Manager of WLVT-TV, the Lehigh Valley Educational Television Corporation, a noncommercial public television station primarily serving the cities of Allentown, Bethlehem and Easton, Pennsylvania in the seven county area of southeastern Pennsylvania encompassing Lehigh, Northampton, Carbon, Monroe, Berks, Schuylkill and Pike counties. I also serve as a member of the Executive Committee and Vice President for Instructional Television for the Eastern Educational Television Network.

Our station went on the air in September 1965 as the 100th noncommercial ETV station in the country. We are a community television station licensed to a non-profit community corporation. Our station is governed by a Board of Directors composed of thirty people representing a wide spectrum of educationl, community and civic interests. Our station telecasts seven days a week and during the school year we telecast Monday through Friday from nine in the morning to three in the afternoon with in-school television programming for all schools in the area. Nearly 100,000 school children utilize our in-school television programming. We telecast from three to eleven p.m. weekdays with public television programming for the adult community and on Saturdays and Sundays from 4 to 11 p.m. We have color videotape and color network transmitting facilities, but at the present time we cannot produce local, live, color programming since we do not have the necessary funds for the purchase of color cameras.

The Corporation for Public Broadcasting, even during its short life thus far, has aided public television in many ways. But I would like to call your attention today to one area which I consider to be possibly the most significant of the Corporation's activities—direct grants to the local stations for local programming and production. Because of this grant program WLVT-TV has begun to make a significant impact on our local community. We own a mobile television unit which enables us to be on the scene when community events of significance are taking

place. We have possessed the physical facilities to produce this programming for four years, but it has only been in the last two years that funds have been made available to our station, through the Corporation for Public Broadcasting's general support grant program, thus making it possible for us to utilize these facilities to the fullest extent. We take pride in the fact that our station broadcasts nearly ninety hours per week of television programming, with a significantly high percentage of local programming, supported by a staff of fifty full-time employees. We draw heavily on local universities to provide substantial part-time production personnel for our station.

The key to the success of any business enterprise is its local orientation or, in a sense, its "market-orientation." A public television station accomplishes this requirement through its purely local television programming. The ability to reach out into its community through remote programming provides an even deeper dimension of community service by a local ETV station. Many managers of local ETV stations in small and medium-sized markets have, over the years, been benumbed by the constant chorus from one report after another, one survey after another, one commission after another, all echoing the need to provide some measure of basic operational, unrestricted support for the ETV station's local programming and operation. But like the weather—everyone talked about it but no one did anything about it. Then, for the first time in history, last year the Corporation for Public Broadcasting put money where only words had been. For the first time, our station and countless others throughout the country were able to go into the community to produce locally-oriented programs of substance without first having to seek local underwriting which most often was simply not available. Programs usually went unproduced, not because they weren't worth doing, but because local business and industry, under heavy financial pressure from other demands on their resources, could not provide the funds.

In 1969 the Corporation's grant to our station was \$10,000. We used these funds not only for remote community programming, but in a myriad of other ways also. The grant opened whole avenues of community programming heretofore closed to us. We purchased substantial advertising space in local newspapers on reception of UHF. College and high school wrestling is the major sports attraction in the Lehigh Valley, so we televised the first high school wrestling meet ever done in our area. We produced a triple-soundtrack stereo-TV telecast (we think the first in history) when we originated a three-hour performance of Handel's "The Creation" from Muhlenberg College in cooperation with a local FM station. We originated a special remote telecast on "Violence in America"—a college symposium at Lafayette College. We commenced Saturday broadcasting. We started an extensive campaign to increase local fund raising. We produced two live, instant election specials on primary and general election nights. We televised a meeting of the Bethlehem Area School Board—the first time this has ever been done and we've been asked to do it again in May.

One of the most ambitious television projects ever undertaken in the Valley was produced when WLVT-TV telecast nine 90-minute live debates featuring candidates for Mayor, City Council and School Board from our three major municipalities. Such coverage has never been provided before. We produced a special Parents' Night concert at Lehigh University, a jazz festival from Cedar Crest College, a special remote on location at Muhlenberg College featuring a dramatic confrontation between college students and Dr. Benjamin Spock. Added to this, four other remote telecasts featuring traditional rivalries between the major colleges in our area.

Madison Avenue calls it "more bang for the buck." The petroleum industry calls it "more miles to the gallon." We call it "community impact" and for us, it's made possible by the Corporation for Public Broadcasting. In 1970 our station hopefully will qualify for a grant in the neighborhood of \$22,000 under the Corporation's general support program. These funds are to be generally unrestricted and may be applied to staffing, promotion, fund raising development, expansion of operations and programming, or other areas where station management deems critical needs exist. And again we expect to apply a significant proportion of these funds to defray the cost of special remote and studio programs in the coverage of civic and community events.

Although we and other public television stations in the country can use several times this amount, such grants are an important beginning. They represent a national commitment to help provide local television excellence. ETV stations, like our own in the Lehigh Valley, will need continued and increased financial

support for local programming in order to serve in this new era of public television.

But no matter how responsive a station may wish to be to the needs of its community, it cannot serve adequately unless it has the resources to program locally every week in the year, as community needs arise. The Corporation for Public Broadcasting recognizes that in the support of local programming lies a large part of its true strength and the strength of all the local ETV stations. Its support of our efforts enables us in turn to respond and react to the people and the communities we serve. The Corporation has helped us to open the door to our community. WLVT-TV respectfully urges your support of H.R. 16338.

(The following is the excerpt from the Congressional Record that Congressman Fred B. Rooney requested be placed in the record at this point:)

[Excerpt from the Congressional Record, Apr. 15, 1970]

EDUCATIONAL BROADCASTING

(Extension of Remarks of Hon. Fred B. Rooney, of Pennsylvania, in the House of Representatives, Wednesday, April 15, 1970)

Mr. ROONEY of Pennsylvania. Mr. Speaker, for the last 2 days the Communications and Power Subcommittee of the House Interstate and Foreign Commerce Committee has been holding hearings that would provide for the further funding of the Corporation for Public Broadcasting. One of my constituents, Mr. Sheldon Siegel, who is executive vice president of WLVT-TV in Bethlehem, Pa., and vice president for Instructional Television for the Eastern Educational Television Network, gave noteworthy testimony to that subcommittee.

I include in the Record the following letter written by Mr. Siegel and printed in TV Guide. I believe it gives a very clear picture of the great strides now being made in educational broadcasting:

CLASSROOM TELEVISION

As vice president for Instructional Television for the Eastern Educational Television Network, and the general manager of an educational-public-television station, I would like to assure Mr. Doan that classroom television is not a national disaster everywhere. The instructional television service offered by the nearly 30 stations of the EETN is vibrant, vital, and utilized by more in-school classrooms now than at any previous period in our 10-year history. We know we have some problems, but we're a long way from a disaster area.

Mr. HARLEY. To wind up our team effort, Mr. Chairman, let me introduce finally George Strimel, who is the general manager of WVIA-TV in Scranton-Wilkes Barre, Pa.

STATEMENT OF GEORGE STRIMEL

Mr. STRIMEL. Mr. Chairman and honorable members, I have no written statement. I think these gentlemen have been most eloquent.

WVIA-TV in Scranton-Wilkes-Barre urges support of the Corporation for Public Broadcasting. We urge continual, long-term financing, with greatly increased local support. Our station, like all of the stations, continues to need help, both in programing and in facilities. We certainly appreciate the previous support and help of you gentlemen and other Members of Congress and Members from the areas we serve, including Mr. Rooney, Congressman Schneebeli from Williamsport, Congressman McDade from Scranton, and Congressman Flood from Wilkes-Barre, whose splendid leadership on the floor and in the Appropriations Committee has been appreciated by all of us in public broadcasting.

Like our fellow stations WVIA-TV produces community programming such as a weekly program on education and the problems in education in our area.

And we mention briefly, as Mr. Siegel mentioned, the financial crisis in Pennsylvania. Just to give a little insight into this, one kindergarten child in our area sold her dolls to help support the station so that we could get through the crisis, because it was a real crisis. We were definitely on the desperate edge. We had school classrooms saving pennies to help the station, students with placards saying "Save School TV," so it means something in their lives. We had teachers' associations collecting from their members and giving the money unrestricted so that our station could continue its service.

And finally, with PTA groups. And I think this gives some insight into the impact we have begun to make, and while we have much further to go, I think we have a splendid opportunity to really make an impact on the American community.

Thank you, gentlemen.

Mr. MACDONALD. Thank you, gentlemen, very much.

I would like to say to people from Pennsylvania that you are very fortunate in having a very strong voice here on the subcommittee. And I would add some gratuitous advice, which would be to stay in close touch with Congressman Flood. It will have some impact on whatever bill goes to the floor.

Are there any questions?

Mr. BROWN. I just have one that I would like to ask.

Mr. MACDONALD. Anyone else in the proper order?

Mr. ROONEY. I have one observation I would like to make, Mr. Chairman. I know back in the early days, back in 1966 and 1967, when we were discussing corporation broadcasting, A.T. & T. and Corporate Broadcasting were not getting along as well as we thought they might. And I am glad to see that this problem has been overcome.

And I was very much impressed with the comments of the three station managers about what the Public Broadcasting Corp. is doing for NET. It is very gratifying.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. With the little girl selling her dolls and the other gestures of support, do you think that you could get her mother and father to vote an operating levy to help pay the school district's share of what you are providing to schools in the way of educational television?

Mr. STRIMEL. That is a very good question. I do not have a very quick answer to it. I know at the time—not particularly her parents, but at the time of the first impact of our financial crisis, one of the inquiring reporters asked this question of a number of by-passers on the street, presumably, in front of the newspapers. And all of them were in favor of continual tax dollar support for public broadcasting, and specifically for our station.

We, as a matter of fact, are at this time increasing the amount of money we collect from our schools, increasing it from a dollar per year to an increased amount per student from the schools. And this was recommended and supported by all of the 38 districts that we do serve currently.

Mr. BROWN. It appears to me that it might be appropriate to ask for a levy, particularly for the support of the Public Broadcasting Service in each area, and help the station finance the programs that it supplies the schools for educational purposes, and in that way provide a continuing income from the public sector at the community level. Such an approach would assure that our instructional programs relate to the interests of the educational institutions in the area, and perhaps obviate some of the necessity for this financing.

Mr. STRIMEL. At the current time, sir, I believe with all of the stations, we do have direct support from the participating districts, in our case at the rate of a dollar per year per student for all of these 38 participating districts, to directly support that instructional service.

Mr. BROWN. And does that relate to how much instructional service you provide?

Mr. STRIMEL. They help to support the entire service. And of course it is in response to their need and their demand that we program the service and schedule the service. And whether they use all of it or some of it or how they use it of course is up to the individual school district. But they are determinants of what we program.

Mr. BROWN. How close is that relationship?

Mr. STRIMEL. We attempt to keep it quite close, with regular communications coming from our office, and with staff whose business is to coordinate directly with school administrators, with teachers in the classrooms, so that we can constantly keep up to date on this, so that it is a continuing process and a daily process.

Mr. BROWN. And totally voluntarily?

Mr. STRIMEL. On the part of the school, certainly. They can come and go as they wish. There is no mandate at any level that they must participate. They do this because it meets needs that they have in their school system. And of course when we fail to do that, presumably they will then leave the service. But that has not been the case, the service has only increased, at least in our case, over the 4 years we have been on the air.

Mr. BROWN. Have you given any thought to the prospect that it ties in with the State public instruction system or the State parochial instruction system and that the State might require certain televised instructional services?

Mr. STRIMEL. I know it has been discussed at the State level, but apparently they are undertaking a definite change in the administration of the entire district within Pennsylvania. Presumably there may be some mandated program at that time. But right now there are no mandates. It is simply that the State does give us support, but there are no mandates as to programs they must use from public or educational television.

Mr. BROWN. Thank you.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Mr. McCarter, with regard to the local programing, how many hours a week are you on?

Mr. McCARTER. Roughly 40 hours a week.

Mr. TIERNAN. Do you have a policy as to breakdown on local programing and the programs that you get from outside the area?

Mr. McCARTER. It is hard to establish a policy unless you are

aware of the total amount of money you know you will be able to work with. And very often the grants projects we may seek fluctuate during the year. And therefore our amount of local programing would vary in the areas according to our goals.

Mr. TIERNAN. Do you have any criteria that you shoot for?

Mr. McCARTER. We believe that one of the reasons for being for the Public Broadcasting Station is to provide a real strong local schedule. I think we stress that above all in trying to provide a local service, which I think has been exemplified by some of the programs I mentioned this morning.

Mr. TIERNAN. What are your criteria? What do you shoot for of those 94 hours? How much time do you feel your station should have locally?

Mr. McCARTER. We would like to build that to a 50-50 break.

Mr. TIERNAN. What is it now?

Mr. McCARTER. Right now it is more like a 30-70, 30 local, 70 national services, networks and libraries that we had to call on, et cetera.

Mr. TIERNAN. And of that 30 local, how is that broken down at the present?

Mr. McCARTER. It is probably a little higher than 30. It is broken down roughly half instructional, half public.

Mr. TIERNAN. And of the half public, what does that include? You mean council hearings?

Mr. McCARTER. Yes, a variety of things.

Mr. TIERNAN. Of that half is public, do you include any sports at all?

Mr. McCARTER. We have had a number of sports broadcasts—yes, we have sports programs.

Mr. TIERNAN. You say, though, that it is a rare occasion?

Mr. McCARTER. It is something we would like to do very much. We have worked in the tennis area, and we have been developing a consortium relationship in the athletic areas with the local universities, including the Naval Academy. And it is hard to come by the underwriting and the funding. When you leave the station to go out and pick up a sporting event you are talking about quite a bit of money.

Mr. MACDONALD. Mr. Harley, and members of the panel, thank you ever so much. We enjoyed your testimony.

Mr. HARLEY. Thank you, Mr. Chairman. We appreciate the hearing.

Mr. MACDONALD. This concludes our hearing, gentlemen. We are very grateful to you all.

(Whereupon, at 12:35 p.m., the subcommittee adjourned.)

PUBLIC BROADCASTING FINANCING ACT OF 1970

MONDAY, APRIL 27, 1970

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMUNICATIONS AND POWER,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 2123 Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman) presiding.

Mr. MACDONALD. The hearing will come to order.

This morning the Subcommittee on Communications and Power resumes hearings on H.R. 16338 and related measures concerning Federal funding of public broadcasting activities.

From the beginning of congressional consideration of Federal support for noncommercial educational radio and television, a foremost concern has been the necessity of guarding against undue influence on the content of public broadcasting programs. The congressional intent, as expressed in the Public Broadcasting Act of 1967, was that the decision power on programing should be as widely diffused as possible and not concentrated in one or a few hands.

Accounts of the WETA-TV "Newsroom" developments, which we are about to examine here this morning, raise important questions about whether public broadcasting, as the Congress intended, is in fact sufficiently insulated from funding pressures. Other issues raised by the station's decision to dismiss the editor of the "Newsroom" program are not in issue here. Our focus will be on the proper policy role of sources of financial support, which include the large foundations, individual contributors, and the Congress and to help our deliberations concerning permanent financing of the Corporation for Public Broadcasting.

It is not the subcommittee's intent to sit in judgment on the rights or wrongs of the station's decision. The immediate facts of that decision, however, are necessary to provide a framework for consideration of the allegations concerning the possible application of pressure on the station management, including the station's directors, by financial underwriters of the program.

Congress has made it national law that public broadcasting programing in overall balance should be objective and impartial. The Public Broadcasting Act is designed to prevent influence being brought to bear by the Congress, by members of the administration, or any other persons, on public affairs programing or personnel decisions by member stations in the Corporation for Public Broadcasting's sphere of influence.

I am sure that all would agree that a similar policy should apply to large financial contributors in the private sector; otherwise, a serious imbalance could thwart the intent of Congress and undermine public broadcasting in the eyes of the general public. I would hope that such a policy has been clearly accepted by the large private or quasi-public financing sources, and that those responsible are aware of the sensitivity of their positions.

It is our task to hear impartially all aspects of the immediate case before us and the policy positions of those who were directly involved or could have possibly been involved on an important decisionmaking level.

If policy has been faulty, or if there was a lapse in the application of policies that I have outlined and as was reported by the news media as being the case, the subcommittee will welcome testimony on corrective measures.

If the testimony shows that the incident demonstrates that the congressional intent is being followed in fact, then this hearing will have served the public interest by clearing the air and giving all the salient facts to the Congress and the public.

Our first witness this morning will be the vice president and general manager of the station, WETA-TV, Mr. William J. McCarter, accompanied, as I understand it, by people whom I hope he will introduce to the subcommittee.

Mr. McCarter.

We welcome you back, Mr. McCarter. It was just about last week you were here testifying.

**STATEMENT OF WILLIAM J. McCARTER, VICE PRESIDENT AND
GENERAL MANAGER, STATION WETA-TV (CHANNEL 26)**

Mr. McCARTER. I am pleased to be back, Mr. Chairman. I welcome the opportunity to, as you say, help clear the air on the mission of the committee in this particular situation.

Mr. Chairman, I have a statement to read, following which I will be happy to answer any questions you might have.

Mr. MACDONALD. Proceed.

Mr. McCARTER. Mr. Chairman, and members of the committee, I am William J. McCarter, vice president and general manager of WETA-TV, channel 26 and WETA-FM 90.9 MegaHertz, Washington, D.C., which are noncommercial, public television and radio stations.

I am also a member of the executive board of directors of the National Association of Educational Broadcasters, and a board member of the Educational Television Stations Division of the NAEB. I also serve as president of the Eastern Educational Television Network.

I was invited to appear before you today to help clarify questions you may have concerning the relieving of the editor-in-chief of his duties with the WETA "Newsroom" program. I am pleased to be given this opportunity to review for you this situation.

The "Newsroom" program is made possible by grants from the Ford Foundation and the Corporation for Public Broadcasting. Like the other programs we offer on our noncommercial, public television

station, it is designed as an alternative and supplement to the programming offered by the commercial broadcasting stations. On "Newsroom" the same working journalists who cover stories during the day, report, interpret, and analyze the stories each night during the broadcast. These journalists are also questioned by their fellow reporters on the air to bring out important aspects of the news which might otherwise be overlooked, and which might be on the minds of the viewers.

On this program, the role of the editor in chief is critical. He has final responsibility for the making of assignments, the choice of stories used, the time allotted per story, the emphasis a story will have, the choice of guests on the program, and the selection and editing of film footage to be used.

The independence, integrity, and reputation of any news operation must be above reproach if it is to be believed. This is particularly true for a community-owned, public broadcast station's first venture into a nightly news program. For this reason, we at WETA looked long and hard for an editor-in-chief for Newsroom who was not only a qualified journalist, but who was also a man with no potentially compromising affiliations. In November 1969 we selected Mr. William Woestendiek, in part because he was free and clear of these kinds of associations.

In succeeding months, Mr. Woestendiek, news director Lincoln Furber, program director Dr. Jack Hunter and I worked closely in the screening and selection of the Newsroom staff. After 15 months of planning and preparation, the program went on the air March 23.

Eighteen days later, on Friday, April 10, while at a meeting in New York City, I received a telephone call from Mr. Furber informing me that one of our Newsroom reporters had been told in the White House press room by another reporter that Mrs. Woestendiek had been appointed press secretary to the wife of the Attorney General of the United States. The UPI and AP wire services, in addition to the Washington Evening Star, were carrying the story. No member of the WETA management had been informed by Mr. Woestendiek of the possibility of this appointment prior to the public announcement. It was an accomplished fact, and we had had no opportunity to talk with Mr. Woestendiek about how this situation might affect the station or the Newsroom program.

My initial reaction to the sudden news of this appointment was one of deep concern over how this relationship might affect the credibility of our fledgling news program. This concern was shared by Mr. Furber, Dr. Hunter, and Mr. James Mitchell, chairman of the trustees' program committee.

Thus began 7 days of intensive discussions with Mr. Woestendiek, members of the WETA station management, and members of the board of trustees in an effort to clarify the nature of the situation, determine its possible effects, and, if necessary, develop workable solutions or alternatives.

The first opportunity I had to meet with Mr. Woestendiek was on Monday, April 13, since he was out of town the weekend following the public announcement of his wife's new position. At that time I explained to him the adverse effect we thought this situation might have on the Newsroom program. Mr. Woestendiek, however, could not see

that there was any problem at all. He appeared completely indifferent to the situation. I spoke to him twice on Tuesday, again on Wednesday, and again on Thursday. I explained to him that this was a steadily eroding situation, and asked him to help us find a way out of it. His position was that there was simply no problem.

During this week I also consulted with the chairman of our board of trustees, Dr. Max M. Kampelman; the vice chairman, Dr. Lloyd Elliott and Mr. Stephen Ailes; the chairman of the Newsroom liaison committee, Mr. Austin Kiplinger; and the chairman of the trustees' program committee, Mr. James Mitchell. With the exception of Dr. Kampelman, these men all agreed that the Woestendieks had placed the station in an unacceptable position, that the credibility of our news program was endangered, and that we could not accept Mr. Woestendiek in his very key position as editor-in-chief of Newsroom if Mrs. Woestendiek continued in her advocacy position, economically tied to a national public official. As Mr. Kiplinger put it, the editor-in-chief of Newsroom must be "completely free from any suspicion of bias, based on any personal or family involvement with sources of news."

On Tuesday night I called a meeting of the Newsroom reporters to find out how they felt about the situation. As I recall that meeting; the majority of reporters felt that there was a problem, that to some degree the program had been compromised, that some damage had been done, and that they certainly wished Mrs. Woestendiek had not accepted that position. Some were afraid that their news sources would be affected. But they all seemed willing to continue working on the program, despite these problems. After this meeting, four of these reporters, speaking for themselves and one other reporter, came to me and said that although this situation posed some problems for the program, they hoped we were not considering any serious alteration of the project.

In my discussions with Mr. Woestendiek, he indicated he felt that his wife's position was not that significant. But the amount and extent of the press coverage made me feel otherwise. Ten articles appeared during the week in the Washington newspapers on Mrs. Woestendiek's appointment. Several of them mentioned Mr. Woestendiek's connection to WETA. His continuing indifference to the situation troubled me. I wondered what this seeming insensitivity would portend for the future.

On Wednesday, after consulting once again at the management and trustee levels, I met with Mr. Woestendiek and told him that we found the situation unacceptable, and again urged him to suggest any possible alternatives or solutions. We met again on Thursday, and he told me that he was not going to do anything as he saw no problem and could not understand our concern.

Later on Thursday, I called Mr. David Davis of the Ford Foundation to inform him of what was happening, and to state that we would probably have to relieve Mr. Woestendiek of his Newsroom position. I didn't think that this was the kind of thing he should have to learn about in the newspapers. On Friday I called Mr. Fred Friendly, the Ford Foundation's television adviser, for the same purpose. I did not ask either of these men for their advice, nor did they offer any. There

is no truth to newspaper reports, which were later corrected by the newspaper which originated them, that the Ford Foundation influenced our decision.

Mr. Woestendiek was relieved of his newsroom duties following the telecast on Friday, April 17.

The problem of appearances in broadcast journalism is as great as it is on the courts or in the Congress, and it is essential that our journalists be free of any appearance or suspicion of influence. It is particularly important to the credibility of a new public television news program in the Nation's Capital that there be no ties—direct or indirect—between the man in charge of the program and the Government. When he was hired, Mr. Woestendiek had no such ties. If, at the time we were seeking an editor in chief for Newsroom, Mrs. Woestendiek had worked for the wife of a high Government official—any high Government official in any administration—we would not have considered hiring Mr. Woestendiek.

Such ties could make certain of our public affairs programs suspect. For example, our coverage of German Chancellor Willy Brandt's speech at the National Press Club became questioned as a result of the Woestendiek situation. A viewer wrote to point out that a question alluding to the Attorney General's wife had been deleted in our taped broadcast. As it happens, there simply wasn't enough time to include the question, and Mr. Woestendiek had nothing to do with this program. But we could see by this example how people would start to question our integrity, and how they would begin to see political influence even though none existed.

The Woestendiek situation, if allowed to continue, could have caused our reporters unnecessary and serious problems in the gathering and disseminating of the news. In covering stories dealing with the wife of the Attorney General, for example, our reporters would have had to deal with Mrs. Woestendiek at one end of the story, and Mr. Woestendiek at the other end. It wouldn't have mattered how professionally and objectively Mr. Woestendiek might have tried to cover stories about the Justice Department, the Attorney General or his wife—any stories on the Newsroom program from these areas could have been suspect. If a reporter simply and honestly missed a story about the Justice Department, to many the omission might have appeared to be intentional.

Other areas of the news could also have been affected. One reporter working on the H. Rap Brown story doubted he could tell his editor if he learned where Mr. Brown could be located. The fear was also expressed by another reporter that certain news sources might begin to dry up.

The more we realized how this whole situation could affect our news operations, our reporters, and the station, the more we felt dismayed by Mr. Woestendiek's apparent indifference to our concern and to the problems the situation posed for the reporters.

I feel strongly that a husband and wife should be able to follow separate careers of their own choosing without one interfering with the work of the other. However, in this particular situation, I feel there was a definite conflict created by the two jobs that would have adversely affected the confidence of the public in our news operation.

My decision to relieve Mr. Woestendiek of his Newsroom duties was based on my judgment that this action was necessary to preserve the independence, integrity, and reputation of the Newsroom program. The decision was in no way related to outside pressures or partisan political considerations. It was made entirely by the management of WETA after consulting with appropriate members of the board of trustees. It was a very painful decision to make.

Thank you.

Mr. MACDONALD. Thank you, Mr. McCarter.

I would just like to remind the members who came in after the opening statement that I think it is perfectly clear that the question of whether you were right or wrong in your decision to dismiss Mr. Woestendiek is not the business of this subcommittee. But the business of the subcommittee you dismissed rather quickly on pages 4 and 5 in about two sentences in which you say that you called the Ford Foundation and spoke to Mr. Davis to tell him what was happening.

What do you mean by what was happening—that you had decided to fire him or you asked his advice about it, or what?

Mr. McCARTER. No; the call to Mr. Davis was to inform him of our predicament and our concern, and that we had reached a decision. He thanked me for the call. It was an informational courtesy call, if you will.

Mr. MACDONALD. So by inference you are saying that he didn't take a position one way or the other?

Mr. McCARTER. None whatsoever.

Mr. MACDONALD. Later, why would you call Mr. Fred Friendly?

Mr. McCARTER. I received a call the following day from Mr. Davis and he merely said, "You might tell Mr. Friendly about this, inform him." I did the very same day.

Mr. MACDONALD. You don't feel it would have been perfectly adequate to have Mr. Davis tell Mr. Friendly of your decision?

Mr. McCARTER. That is why I called Mr. Davis. I thought that would be adequate.

Mr. MACDONALD. Had you reached a decision to fire Mr. Woestendiek?

Mr. McCARTER. Yes; I had.

Mr. MACDONALD. Then why would you have to tell Mr. Friendly personally? Wouldn't Mr. Davis' telling him what you had decided seem adequate?

Mr. McCARTER. It would seem helpful to call him.

Mr. MACDONALD. In what way helpful, to insure funds coming to you?

Mr. McCARTER. No, Mr. Chairman, just any other information I could shed on the predicament.

Mr. MACDONALD. You used the word "helpful." I am just asking in what way helpful?

Mr. McCARTER. Merely helpful to them as an informational matter. It was no help to us.

Mr. MACDONALD. But you had already called Mr. Davis who was the person, apparently, in the apparatus to call. Why did you feel it necessary to call and talk to Mr. Friendly personally?

Mr. McCARTER. I really didn't feel it was necessary. The call came back and it was just made rather informally, "if you have an oppor-

tunity you might tell Mr. Friendly of the predicament." That is all it was.

Mr. MACDONALD. Well, I am sure you have followed the press fairly carefully after this all happened.

Mr. McCARTER. Yes, sir. It would have been hard not to.

Mr. MACDONALD. You have been quoted directly as saying that you had been subjected "to pressures from outside" to get Mr. Woestendiek to resign. Are you saying that that is not true, that you didn't say that?

Mr. McCARTER. That really isn't true, Mr. Chairman. Let me add some light to that; first, by saying that the Ford Foundation has been really meticulous in insuring total freedom on all matters regarding this project. Once the grant is made to the station it is the station's decision. That is the way we want it and that is the way they would want it.

As to the articles in the newspaper, it began with one group where the comment regarding outside pressure was made. Then it was repeated several times, I imagine out of that story. It probably grew out of a meeting we had that evening with the reporters.

Mr. MACDONALD. What evening?

Mr. McCARTER. It was the Friday meeting at the end of the event.

Mr. BROWN. What date?

Mr. MACDONALD. This is what I want to get to.

Mr. McCARTER. Would you like the dates?

Mr. MACDONALD. When did you actually decide to discharge Mr. Woestendiek?

Mr. McCARTER. It became apparent that if Mr. Woestendiek could not shed some light or give us an opportunity to work ourselves out of this situation that we would have to relieve him. I explained to him the predicament on Thursday.

Mr. MACDONALD. I understand that and you have covered that amply in your written statement. What I am saying is, At what time did you decide to fire him?

Mr. McCARTER. The decision was clear to us if nothing else could help us out of the situation on Thursday and we then made the decision and actually spoke to him Friday.

Mr. MACDONALD. Thursday was April—what?

Mr. McCARTER. Thursday was April 16.

Mr. MACDONALD. When you say "we"—

Mr. McCARTER. Well, I mean my colleagues. I should say "I."

Mr. MACDONALD. Who made the decision?

Mr. McCARTER. I did.

Mr. MACDONALD. When did you make the decision?

Mr. McCARTER. Thursday in my mind, and I actually executed the decision on Friday.

Mr. MACDONALD. That is an unfortunate word to use.

Under the system did you have to have the approval of the board of directors or could you do it on your own?

Mr. McCARTER. No. This was a highly delicate matter. You can imagine by just our being here the sensitivity of this situation and what it may bring upon the public television station. We consulted long and hard within the management ranks of the station and

then I thoroughly consulted with officers of the board of trustees on this matter.

Mr. MACDONALD. I don't want to use time and I hope the other members and I, myself, will try to live up to the 5-minute rule because we have other witnesses and do not have much time.

What I am trying to ascertain is, Did you make the decision to discharge Mr. Woestendiek independently?

Mr. McCARTER. Yes.

Mr. MACDONALD. Then have it approved?

Mr. McCARTER. No, it was made. It didn't have to be approved. I sought the advice of the trustees.

Mr. MACDONALD. Before or after the fact?

Mr. McCARTER. Before the fact.

Mr. MACDONALD. Before the fact.

Then your call to the Ford Foundation on two occasions had nothing to do with your decision, you say.

Mr. McCARTER. Absolutely, Mr. Chairman.

Mr. MACDONALD. Well, I guess I will have to put the question in a very blunt way. You deny what has happened in the press, that as reported you told other reporters working on this program, News-room reporters, that you had been subjected to pressures.

Mr. McCARTER. In a conversation——

Mr. MACDONALD. You better, you know, think about it because other people have openly said, not just the press, but other people have openly said that, yes, you did say this.

Mr. McCARTER. In a conversation with the reporters that night it was a rather emotional gathering and certainly the question immediately came from some of them, "What kind of pressure have you had toward a decision such as this," or words to that effect. If the term "outside pressure" was used and if one of our reporters says it was used, then I would acknowledge it was used. It is difficult to recall all of your words that night. But very often that word carries a suspicious connotation. I was speaking to the overall public response and reaction that we felt was developing, the news stories that had developed throughout the week, making the connection, a couple calls from subscribers, not a significant amount but they were there, the concern for the public broadcasters' position in Washington and the trustees that I spoke to who concurred in the predicament we seemed to find ourselves in and, of course, the continuing concern of the news-room reporters. If you put them together, that to me was a response and a reaction to which the word "pressure" might have been applied.

I hope I have made it clear.

Mr. MACDONALD. In a way, you have, but I would say that, if you merely meant outside pressures meaning the public and other things, you chose very awkward words to describe the predicament you were in.

Mr. McCARTER. I would say it was unfortunate and, as you say, awkward words.

Mr. MACDONALD. What I am trying to establish, as I said earlier in the opening statement, and throughout my questions now, is that I am not trying to see whether you were right or wrong and whether in a situation involving, for example, Mrs. Volpe getting a secretary whose

husband worked for your station the same thing would happen. This is none of the subcommittee's business. What is very clearly the business of the subcommittee is whether or not you were subjected to any pressures, using your word, pressures from the outside, that would relate directly either to congressional pressure, to a foundation pressure or a big financial contributor to your station. That is the entire subject here this morning.

In one way you seemed to clear it up, but you haven't really definitely said that you were subjected to no pressures from anyone who has anything to do with funding your station and it might be helpful if you would make such a statement if it is true.

Mr. McCARTER. I will state it again.

We were in no way subject to outside pressure, to use that phrase, of the kind that you just described in making this decision.

Mr. MACDONALD. Then you deny what was said in the press?

Mr. McCARTER. Completely.

Mr. MACDONALD. Mr. Van Deerlin?

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

I think our chairman's questions emphasize the particular unfortunate timing of this incident, coinciding as it did with consideration by Congress to increase the funding of public broadcasting—as many of its friends are still hoping is possible. The thrust of your testimony this morning, Mr. McCarter, would be that, far from partisan political considerations going into this decision, the decision itself was taken to assure that the operation would remain free of partisan political influence; is that correct?

Mr. McCARTER. That is correct, Mr. Van Deerlin.

Mr. VAN DEERLIN. This program, of course, was less than a month old at the time that the unfortunate conflict, as you saw it, occurred.

Have there been earlier incidents, during your management of the WETA-TV operation, that might be described as touching on the area of political influence? Have you had some other tough decisions to make like this?

Mr. McCARTER. Yes; we have. I believe there was one notable one within the last 6 weeks to 2 months. Public broadcast stations by their very nature carry a rather heavy schedule of public affairs programming in prime time hours as opposed to the larger entertainment schedules of the commercial stations. Thereby, many of our programs become the subject of debate by our audiences and we are constantly involved in a dialog with our audiences concerning what did we mean by that or what did we mean by this. We move around the spectrum of political though certainly, and some of our programs deal with foreign policy. They also deal with social issues, et cetera, et cetera.

To answer your question, there was a notable example within the last 6 to 8 weeks. Our network ran a program called "Who Invited Us?" This is a program that was carried by most of the stations on the public television system. Some of the stations are able to preview programs of this sort.

Others are not because of their equipment, video tape recorders, particularly. We had enough recorders to be able to preview this before it ran on the air. Our program people and myself looked at this particular program and it appear to be a rather heavyhanded at-

tack on American foreign policy by way of its military intervention over the last years since the Spanish-American War. It was a broad topic. We cannot be nor are we experts in all of the fields of the programming we carry as broadcasters.

This appeared to have an identity problem and it appeared to have an accuracy problem to us. We followed the normal machinery within our organization, and I immediately called the chairman of our trustee program committee, Mr. Mitchell, and asked his advice as to what scholars in the area we might ask to join us and look at this program.

He suggested a few from the educational world. We brought these gentlemen out, plus Mr. Mitchell, from the station, showed them the program and indicated what we thought the concern was.

They corroborated and supported our concern completely. This took awhile to do.

In the meantime, through an inadvertent incident, a large newspaper ad appeared in the Washington press magnifying the attractiveness of this program. We frankly felt there was also some indelicate language used in the ad. I called the organization that produced the program, admittedly at a late hour, and said, "The best advice we could muster tells us that this program would not be a proper one to run, that it is improperly identified and it has enough inaccuracies in it to make this judgment."

This caused a furor for the next 2 weeks since this ad had already appeared in the paper. I must say, gentlemen, we were under a broadside from the more liberally oriented segment of the community as to a belief they had that we were kowtowing to unnecessary pressure. We indeed were not. It was a simple program decision, but such is the life of a metropolitan public television station.

Mr. VAN DEERLIN. I note in your prepared testimony that you several times urged Mr. Woestendiek to suggest possible alternatives to his separation from the program. Can you think of more than one possible alternative?

Mr. McCARTER. Well, there was the obvious alternative as to whether Mrs. Woestendiek would continue. I naturally hoped to engage in a discussion whereby perhaps the nature of the position would be a short one, maybe it was a tentative arrangement, maybe the term "press secretary" was really not the term. I was hoping it wouldn't be. It implied an official post and one that would continue for awhile.

I had hoped we could discuss the fact that there was no remuneration for this post or at least it would be a less consequential thing than it appeared in the newspapers.

Bill did not think it was that serious a thing. The newspaper reports certainly implied differently and that is the path we followed in our conversation.

Mr. VAN DEERLIN. I suppose you would admit the possibility that you overreacted to this situation, and still plead the defense that you would rather err, if you did err, on the side of protecting the political inviability of that program which was under your supervision.

Mr. McCARTER. In the 7 days that we worked this situation over in our own minds it certainly occurred to us whether or not we might have overreacted. We didn't build to this position. It wasn't a snap judgment. We merely in the early days moved to try to find a solution.

Mr. VAN DEERLIN. Do you feel you might have reached the same solution without all the newspaper publicity that was occurring?

Mr. McCARTER. It is difficult to say.

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

Mr. MACDONALD. Mr. Broyhill?

Mr. BROYHILL. I am curious if you checked the employment of all the other wives of the people on your staff to see if they might have conflicts and what this might mean in the future as you employ people. Does this mean that they are all going to get an investigation of their wives' background?

Mr. McCARTER. Mr. Broyhill, I imagine in the past 2 weeks I have become at least identified in the press as an opponent of marriage. Nothing is further from the truth. As I stated, we are terribly aware of this proposition and I believe that this is a situation where reasonable men can differ. No, there is no investigation of this sort. I imagine other examples might be raised, I would hope of a much lesser nature, which would perhaps throw some suspicion on our decision, but we felt the decision was proper.

Mr. BROYHILL. How about the trustees? Are the trustees' backgrounds going to be reviewed? Are they going to be permitted to hold their positions if they are involved in the political arena?

Mr. McCARTER. None of the trustees, Mr. Broyhill, are editors of our nightly news program.

Mr. BROYHILL. They certainly are in position to use some influence on the selection of a manager, and managerial people.

I have no other questions, Mr. Chairman.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. Mr. McCarter, what is the overall makeup of your board? There are, I understand, 11 members of the board; is that correct?

Mr. McCARTER. No; there are 14 members of the executive committee which speak for a larger board of trustees of some 68 people. These are broken down into officers, institutional trustees, and public trustees. I think I submitted to Mr. Guthrie the list of trustees, Mr. Rooney.

Mr. ROONEY. What is the overall makeup, as far as politics, of the board? Would you say it is a Democratic-dominated board or a Republican-dominated board or don't you know?

Mr. MACDONALD. I would hope you would say you don't know.

Mr. McCARTER. We have never tried to determine such a thing. It is a community board. I think that is what is important.

Mr. ROONEY. How much money did you receive last year from the Ford Foundation?

Mr. McCARTER. Last year?

Mr. ROONEY. Roughly.

Mr. McCARTER. In 1969 we received two grants from the foundation, one for the "Newsroom" program that we are talking about.

Mr. ROONEY. How much did you receive for the "Newsroom" program?

Mr. McCARTER. \$749,125. We received a second grant of \$932 which gave us some support in providing what we called our Newspaper of the Air program during the newspaper strike at that time. If you

recall when that happened, we placed a temporary newspaper of the air on the air for a couple of days and we applied to them for some assistance on that. It certainly cost more than that but that helped us over the edge.

Mr. ROONEY. How much did you get from CPB last year?

Mr. McCARTER. In 1969, we received \$10,000 from CPB under their general operating support grant mechanism to all public television stations. We also received several grants in support of our program "Washington Week in Review" which was selected for distribution on the interconnect network. We received, also, a \$3,000 grant, after we made proposals in each case, to help us support a 10-week summer training program in broadcasting for college students from minority groups.

Mr. BROWN. I missed the amount of "Washington Week."

Mr. McCARTER. We received for "Washington Week in Review" in 1969—some \$80,000, Mr. Brown.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. You stated you made more or less of a courtesy call to Mr. Davis and Mr. Friendly, it wasn't to ask their advice, it was merely a courtesy call informing them that you had made this decision; is that correct?

Mr. McCARTER. Yes; that is correct.

Mr. ROONEY. It was merely a courtesy call.

Mr. McCARTER. That is correct.

Mr. ROONEY. Had you thought about making a courtesy call to any member of the CPB, to Mr. Macy or Mr. Pace?

Mr. McCARTER. I did not make a call but leaving your hearing 2 weeks ago—I think it was on a Wednesday, as you recall Mr. Macy was here. As we walked out of the room I mentioned to Mr. Macy also that we had a predicament and that it looked like we might be headed for a rough decision. It was almost those words, and that brief. He said "Thank you" and we kept walking.

Mr. ROONEY. The fact that you received almost a million dollars from the Ford Foundation grant had no influence on your decision?

Mr. McCARTER. None whatsoever.

Mr. ROONEY. No further questions.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. Thank you, Mr. Chairman.

Mr. McCARTER, it is good to see you again.

I have a few questions here. First of all, how long have you been the manager at WETA-TV?

Mr. McCARTER. Since January 1964, Mr. Brotzman.

Mr. BROTZMAN. 1964?

Mr. McCARTER. That is correct.

Mr. BROTZMAN. I would assume that you have tried to apply basically the same standards down through the period you have been on the station; is that correct?

Mr. McCARTER. We have a growing station. In the early years of the station—

Mr. BROTZMAN. That isn't really responsive to my question.

Mr. McCARTER. I am sorry.

Mr. BROTZMAN. You just answer my question yes or no and then you can explain your answer.

Mr. McCARTER. Yes.

Mr. BROTZMAN. The answer is "yes" to my question?

Mr. McCARTER. Yes.

Mr. BROTZMAN. Now, go ahead and explain your answer.

Mr. McCARTER. Our station really began with a very strong school instructional service. That was the origin of WETA. In the earlier years that I was with the station that was our primary emphasis. Later, we began to move into a broader public broadcasting program service for the community. We lengthened our hours. We moved to a weekend service. So, really, it has only been in the recent years that we have moved into the news and public affairs arena with the impact we seem to have within this area now.

Mr. BROTZMAN. Would you say you have basically applied the same standard down through the years on this thing?

Mr. McCARTER. We have tried to.

Mr. BROTZMAN. These are the questions that are being raised, you know.

Mr. McCARTER. I understand.

Mr. BROTZMAN. For example, are you acquainted with Mr. Kampelman?

Mr. McCARTER. Yes.

Mr. BROTZMAN. He has been in print lately. I assume he is in the room. I don't know the gentleman, but what was his particular role with the station?

Mr. McCARTER. Mr. Kampelman has been the chairman of the board of trustees since I have joined the station.

Mr. BROTZMAN. How did he get that job?

Mr. McCARTER. He was elected by the other trustees.

Mr. BROTZMAN. How did he become a trustee in the first instance?

Mr. McCARTER. My history doesn't go back that far.

Mr. BROTZMAN. All right.

Now, is he just in an advisory capacity at the station or is he an active moving part of programming?

Mr. McCARTER. Well, all of the trustees are in an advisory capacity to the station. He did have an involvement beyond that.

Mr. BROTZMAN. All right, now. He had an involvement beyond the fact that he was a trustee. What was this particular involvement? What did he do?

Mr. McCARTER. At one point, Mr. Kampelman moderated a once a week program entitled "Washington Week in Review."

Mr. BROTZMAN. He was the moderator of the program?

Mr. McCARTER. Moderator. He was one of six moderators we have used on this program.

Mr. BROTZMAN. Now, you had six moderators?

Mr. McCARTER. Over the years.

Mr. BROTZMAN. Would you say that this is a fairly sensitive spot—I think that is the term you used, a sensitive spot—in regard to Mr. Woestendiek?

Mr. McCARTER. Not nearly to the degree of the editor of newsroom.

Mr. BROTZMAN. But is it a sensitive spot, that is my question. Then you may explain your answer.

Mr. McCARTER. Yes, it is.

Mr. BROTZMAN. It is a sensitive spot; right?

Mr. McCARTER. Yes, it is.

Mr. BROTZMAN. Now, explain your answer.

Mr. McCARTER. "Washington Week in Review" and the use of Mr. Kampelman as a moderator is certainly related to this decision.

Mr. BROTZMAN. All right.

Did Mr. Kampelman recently resign as a member of the board of trustees?

Mr. McCARTER. No, he removed himself with our concurrence from the program "Washington Week in Review."

Mr. BROTZMAN. All right.

Now, without getting into a lot of detail at this point, I think that he had a known affiliation with a prominent political figure; right?

Mr. McCARTER. That is correct.

Mr. BROTZMAN. Mr. Humphrey.

Mr. McCARTER. That is correct.

Mr. BROTZMAN. Just as Mrs. Mitchell has a known affiliation with a prominent public official and political figure.

Mr. McCARTER. That is correct.

Mr. BROTZMAN. Let me ask you this question: Did the problem about Mr. Kampelman's particular role ever come to your mind or to your conscience? Did you think that this was a problem to the basic integrity of this station?

Mr. McCARTER. I did think it presented a problem for us within the last year.

Of course, I would want to explain, but not to diminish the fact that I thought it was a problem, that the roles here are quite different. May I?

Mr. BROTZMAN. Yes; I understand the difference. I understand the difference in the roles. We have been talking about that and I understand.

You say it is sensitive but not as sensitive as——

Mr. McCARTER. That is correct.

Mr. BROTZMAN. Right.

Are there currently any other like cases that you know of at WETA? I say that with reference to a Washington Post article which suggests a sort of parallel fact situation. It relates to Walterene Swanston, who has a position with WETA, who I understand is married to a member of the staff of the junior Senator from California. Is this a true statement or not?

Mr. McCARTER. I believe that is true, Mr. Brotzman.

Mr. BROTZMAN. Does this conjure up any problems for you?

Mr. McCARTER. To our minds, that did not give us a problem in that Mr. Swanston was a reporter and could work on various beats and stories and was certainly not the editor of the program. I think that is where we drew the line.

Mr. BROTZMAN. My time is running pretty short, but I think your answers have been pretty fuzzy relative to your two conversations with Mr. Davis and Mr. Friendly. When I say "fuzzy" I know that you had a direct question asked you and you answered yes or no but the question I want to ask is this: First of all, when was the conversation, the date of the conversation with Mr. Davis?

Mr. McCARTER. Thursday, April 16.

Mr. BROTZMAN. Thursday, April 16, right?

Mr. McCARTER. Correct.

Mr. BROTZMAN. You initiated the call?

Mr. McCARTER. Yes.

Mr. BROTZMAN. Where did you call Mr. Davis?

Mr. McCARTER. At the Ford Foundation.

Mr. BROTZMAN. At the Ford Foundation.

He was at the office?

Mr. McCARTER. Yes.

Mr. BROTZMAN. And you have talked to him on the telephone before so that you know it was his voice, right?

Mr. McCARTER. Yes.

Mr. BROTZMAN. For the record, what did you say to him and what did he say to you?

Mr. McCARTER. It was a very brief call and I informed him of the predicament. Do you want me to go back and retrace my words?

Mr. BROTZMAN. I want you to paraphrase it as best as you can remember it so that we can evaluate the conversation.

Mr. McCARTER. I said we had a difficult situation developing here and I explained the nature of the conflict with the two positions. I said it appeared that we were unable to work this out, that to my mind the station had been placed in a take it or leave it position that it had no control over in the beginning, and that I was moving toward a position where I would probably have to release Mr. Woestendiek.

He acknowledged the predicament, and he said, thank you.

Mr. BROTZMAN. Is that all you talked about, really? Did you talk about his golf game or anything like that, anything else? I want to know exactly what you talked about.

Mr. McCARTER. That is exactly what we talked about.

Mr. BROTZMAN. You said you were moving toward a difficult situation, unable to work it out, put in a take it or leave it position, and he said, thank you.

Mr. McCARTER. I think you would have to acknowledge that we, too, are aware in the station of the contact with the foundation. This looked to be heading for a difficult conclusion and I was not anxious to talk to the foundation that much about it and I don't think they were anxious to talk to me about it. That is why it was a short phone call.

Mr. BROTZMAN. He didn't question you any more about it?

Mr. McCARTER. No more.

Mr. BROTZMAN. Well, since it is so short, could you do the same thing now relative to your conversation with Mr. Friendly? When did that occur?

Mr. McCARTER. That occurred the following day.

Mr. BROTZMAN. What was that date?

Mr. McCARTER. Friday, the 17th.

Mr. BROTZMAN. Friday, the 17th. All right.

You initiated the call?

Mr. McCARTER. Yes; I did.

Mr. BROTZMAN. Now, there is one part I should call to your attention. If I remember your earlier testimony, you said that one of the things in

your conversation with Mr. Davis was that he advised you to talk to Mr. Friendly.

Mr. McCARTER. Not at that point. He called me back on Friday and said——

Mr. BROTZMAN. There was another conversation between you and Mr. Davis?

Mr. McCARTER. Yes.

Mr. BROTZMAN. Okay.

We want to be sure. I just want the record to look clean. I am not trying to trap you, but I do want to know what happened because this is what, as the chairman said, we are trying to find out.

You talked to Mr. Davis initially. What was that date?

Mr. McCARTER. The 16th.

Mr. BROTZMAN. The 16th. And you had a rather short conversation with Mr. Davis, then a subsequent telephone call, right?

Mr. McCARTER. That is right.

Mr. BROTZMAN. Between whom?

Mr. McCARTER. Myself and Mr. Davis.

Mr. BROTZMAN. All right.

Who initiated that conversation?

Mr. McCARTER. Mr. Davis.

Mr. BROTZMAN. Mr. Davis did. Did he call you?

Mr. McCARTER. Correct.

Mr. BROTZMAN. And where were you at that time?

Mr. McCARTER. At the station.

Mr. BROTZMAN. At the station. All right.

Relate that conversation.

Mr. McCARTER. He said words to the effect, "If you have an opportunity, you might fill in Mr. Friendly."

Mr. BROTZMAN. If you have the opportunity, you might fill in Mr. Friendly?

Mr. McCARTER. That is correct.

Mr. BROTZMAN. What did you say?

Mr. McCARTER. OK.

Mr. BROTZMAN. You must have a very small telephone bill down there. Did you go back over this in any sense of the word? This is your testimony that is going to be in the record. It is not mine. Is this what you want us to believe you really talked about completely, nothing else, I am just asking you to relate what you said to him and what he said to you?

Mr. McCARTER. It isn't what I want you to believe, Mr. Brotzman. It is what it is.

Mr. BROTZMAN. Now, you said, "Thank you,"——

Mr. McCARTER. Thank you.

Mr. BROTZMAN. The first time and the second time you said, "OK."

Mr. McCARTER. I——

Mr. BROTZMAN. Do we have time to get to the final conversation?

Mr. MACDONALD. I wish the questions and answers were as brief as the conversations.

Mr. BROTZMAN. It doesn't take very long and we can get him to do that.

Then you had one more telephone conversation, this time with Mr. Friendly, right?

Mr. McCARTER. Yes.

Mr. BROTZMAN. When did that occur?

Mr. McCARTER. Friday, the 17th.

Mr. BROTZMAN. Friday, the 17th. All right.

What did you say to him and what did he say to you?

Mr. McCARTER. I repeated what I said to Mr. Davis, that we had a problem, a predicament, that we were unsuccessful in being able to find solutions and that we had made a decision, because by that time we were coming down to the wire and it was my decision to speak with Mr. Woestendiek at the end of the program Friday night. I told him this and he acknowledged the predicament. I think if I recall anything Mr. Friendly might have said, "That is a tough one" and that was that.

You must realize that our station has certainly had a relationship with the foundation and the matter of advice or anything along those lines was certainly running through our minds. The heart and soul of a public broadcasting station is it must maintain its local prerogative. That is what we are all about in the network scheme.

Mr. BROTZMAN. I just want to get the conversation because we are under a time limitation. He said, "That is a tough one," is that right?

Mr. McCARTER. I believe that is right. I don't recall every word.

Mr. BROTZMAN. You said what?

Mr. McCARTER. I said, "Just a point of information" and we moved on.

Mr. BROTZMAN. OK. Thank you.

Mr. MACDONALD. Mr. Brotzman had more than his share of time, but I thought it was useful, because it was to the very core of what we are here about. If, as you say, you didn't want to talk to the corporation and they were reluctant to talk to you, why did you have three phone calls to them?

Mr. McCARTER. I only made one initially.

Mr. MACDONALD. Well, you made one to Mr. Davis.

Mr. McCARTER. Yes.

Mr. MACDONALD. He called you. That is two.

Mr. McCARTER. That is right.

Mr. MACDONALD. And you called Mr. Friendly. That is three.

Mr. McCARTER. One we initiated and the one led to the others, Mr. Chairman.

Mr. MACDONALD. Why? I think we are going right to the core of the whole point of this hearing.

Mr. McCARTER. As an informational matter and because the decision was already underway. I am not sure how I can elaborate any further than the nature of the calls and the reason for the calls.

Mr. MACDONALD. Not to characterize the conversations, but they were laconic at best—Gary Cooper talking to Jim Arness or something. Did you feel dutybound to give this brief description of what happened and have them acknowledge it briefly just by saying "thanks" and hanging up?

Mr. McCARTER. Not at all.

Mr. MACDONALD. If Mr. Davis didn't react in any greater extent than you described, why would you feel it necessary to call Mr. Friendly who didn't react either?

Mr. McCARTER. It was a decision at the time.

Mr. MACDONALD. Don't you think you had done your bread and butter of giving them the courtesy of knowing, because they had so much money invested here, that the thing had not worked out and you had to let this gentleman go? One call is reasonable in my opinion, but I don't understand the second call.

Mr. McCARTER. The one call was to the one officer at the foundation that we from time to time have contact with in our grants mechanism, our grants proposals, and he merely, I guess, wanted his associate to hear the problem, brief as it was, from me in addition to the words he used.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Thank you, Mr. Chairman.

Mr. McCARTER. were any discussions had with Mr. Friendly or anybody with regard to hiring Mr. Woestendiek?

Mr. McCARTER. No. That decision was completely ours. However, I—excuse me.

Mr. TIERNAN. You may complete.

Mr. McCARTER. We made those decisions. Because of the significance of this program a lot of us have really looked forward to it for a long time. When Mr. Woestendiek and I had made our agreement to work together, we were in New York and Washington on succeeding days and on those days I recall, again—as a courtesy because a lot of people were looking forward to this project introducing Mr. Woestendiek to Mr. Macy, the chairman of the board of our station Dr. Kampelman, and Mr. Friendly. Mr. Friendly was in his office at Columbia. Mr. Macy was in his office here, and Mr. Kampelman was in his office here.

Mr. TIERNAN. And did you personally introduce him to them, or did you call them and tell them that you had hired Mr. Woestendiek?

Mr. McCARTER. They knew that it had happened and he was coming on board and we just went by and said, hello.

Mr. TIERNAN. That occurred on November 25, 1969, that you sent the letter; is that correct?

Mr. McCARTER. Yes.

Mr. TIERNAN. And on November 26, the Ford Foundation announced the grant of \$749,000; is that correct?

Mr. McCARTER. It was long after the announcement of the grant, Mr. Tiernan, that those introductions took place.

Mr. TIERNAN. Well, I have here the chronology.

November 26, 1969, the letter to you, "I am pleased to inform you that the Ford Foundation has approved a grant of \$749,125 to the Greater Washington . . ." Are you familiar with the copy of that letter?

Mr. McCARTER. Yes, I am.

Mr. TIERNAN. Is that date incorrect that is stamped on the top, November 26, 1969, signed by Assistant Secretary—

Mr. McCARTER. Nims.

Mr. TIERNAN. Yes.

My copy shows a stamp which I presume is an office stamp of November 26, 1969. It is a letter addressed to you announcing the grant that seems to follow 1 day after the announcement of the hiring of Mr. Woestendiek.

Mr. McCARTER. Well, no. The grant was really announced in a release from the foundation on April 9, 1969. This letter was a later piece of correspondence in the activity, Mr. Tiernan.

Mr. TIERNAN. Than the announcing that the money was available for you to go ahead with the program came after you hired the director for the program?

Mr. McCARTER. No. The grant approving our proposal to the foundation was announced on April 9, 1969, and their release, I think, is in your packet and then the correspondence you are referring to by Mr. Nims is November 26, was much later and was a mid-project piece of correspondence at that point.

Mr. TIERNAN. But in any event that was the day after you hired Mr. Woestendiek; is that right? November 25 is the date of the letter you sent to him saying how pleased you were to have hired him?

Mr. McCARTER. Those were the dates.

Mr. TIERNAN. How many people had you interviewed for this position? How many people?

Mr. McCARTER. Fifteen.

Mr. TIERNAN. Fifteen?

Mr. McCARTER. Yes.

Mr. TIERNAN. And I assume from the tone of your letter that you were very pleased to obtain his services for this program.

Mr. McCARTER. Yes, very pleased.

Mr. TIERNAN. And since it was a novel undertaking and one that had great expectations, you spent quite a bit of time in locating this type of gentleman for this position?

Mr. McCARTER. That is correct.

Mr. TIERNAN. Now, in the program that the staff put on, I think it was on Sunday evening—

Mr. McCARTER. Monday.

Mr. TIERNAN. Monday evening.

Mr. McCARTER. Yes.

Mr. TIERNAN. The staff certainly implied to me that there was quite a bit of disagreement as to whether or not there would be any compromising of the professional standard of the gentleman that you had hired.

Did you find that?

Mr. McCARTER. I think in my testimony I tried very carefully to describe what I found on meeting with the reporters on that Tuesday evening after the announcement the previous Friday of Mrs. Woestendiek's position. I could repeat this but the majority of the reporters felt this was a problem, that to some degree the program had been compromised, and that some damage had been done. I am trying to use their words here in my context.

Mr. TIERNAN. Mr. McCarter, the chairman of the board made it very clear to you that he didn't think you should release this gentleman at this time, and that it was prejudging his professional ability.

Mr. McCARTER. That is correct.

Mr. TIERNAN. And you didn't take his advice with regard to this as an alternative. You say you asked Mr. Woestendiek for possible alternatives and you had one presented to you by the chairman of the board and you decided not to take that, is that correct?

Mr. McCARTER. I had others at the same time, Mr. Tiernan.

Mr. TIERNAN. What other alternatives?

Mr. McCARTER. At the time I spoke with Mr. Kampelman I also met one morning at great length with the chairman of our trustee program committee Mr. Mitchell, the chairman of the newsroom liaison committee Mr. Kiplinger, and the two individual chairmen of the board Stephen Ailes and Dr. Lloyd Elliott. Out of that meeting and the reading we were able to give at that time, they concurred completely with our position and where we felt we were headed.

Mr. TIERNAN. Now, all the press quoted you as saying there were pressures on you. Also in the broadcast that I saw there was some conversations you had with one of the reporters indicating that there was pressure. I gathered from what he said that the pressure really was newspaper accounts of the hiring of the wife of your employee; is that correct?

Mr. McCARTER. No, that wasn't the only element to this reaction or response.

Mr. TIERNAN. What outside pressure other than the newspaper accounts could you tell the committee?

Mr. McCARTER. We felt no outside pressure although that term was quoted.

Mr. TIERNAN. Then there was no other outside pressure; is that correct?

Mr. McCARTER. The word "pressure" was used that evening. The meaning we had was one as I explained earlier of response and reaction.

Mr. TIERNAN. That reporter says that he is quoting you. He said that you said to him that you had received outside pressure.

Mr. McCARTER. Yes.

Mr. TIERNAN. Now, what outside pressure did you receive?

Mr. McCARTER. There were the newspaper articles. There were calls from subscribers. There was the internal station reaction.

Mr. TIERNAN. Excuse me. Do you call internal station reaction outside pressure?

Mr. McCARTER. In that context that is what I was referring to, when the comment was made "outside pressure."

Mr. TIERNAN. Excuse me, but I have to pin you down here.

Mr. McCARTER. OK.

Mr. TIERNAN. We are talking about the conversation you were having with a staff member telling him why you were making this decision or why you felt there was a conflict of interest.

Mr. McCARTER. That is right.

Mr. TIERNAN. And you make reference to outside pressure. In that context, I wouldn't think it would be some internal staff disagreement as to what the alternatives were.

Mr. McCARTER. Indeed, that was included in the feeling. When we have a problem with the program and where the mail suddenly picks up and the telephone switchboard begins to light up, we say to ourselves in any given public affairs program, "What is the reaction? What is the pressure?" That is the context with which we use this word, admittedly an important one.

Mr. TIERNAN. Mr. McCarter, I frankly feel that you overreacted

in the situation. I feel there were many alternatives. Would you tell me what you mean in your announcement "pending further consideration of his status?" What does that mean?

Mr. McCARTER. Mr. Woestendiek has been relieved of his duties as editor. He has publicly stated that he would be unable to accept any other position at WETA so that really takes care of any other plans we might have been able to work out. There might have been a possibility that he could have stayed with the station in another role.

Mr. TIERNAN. How far down the line do you go with regard to removing somebody in the position that he was in? Would it be employment as a secretary to Senator Kennedy's wife or Senator McCarthy's wife, as suggested by the chairman of the board? Would you relieve that employee?

Mr. McCARTER. As a press secretary?

Mr. TIERNAN. Yes.

Mr. McCARTER. It is difficult to draw a line here. It is probably impossible to draw a line. We certainly would have to say that in a similar role as press secretary at this level we would certainly have done the same thing.

Mr. TIERNAN. But the problem I have with this is the fact that I don't think you have applied the same criteria in like situations. This program received no funds, as I understand it, from CPB; is that correct?

Mr. McCARTER. Yes, it expects to receive funds.

Mr. TIERNAN. That \$10,000 grant?

Mr. McCARTER. No, roughly \$50,000.

Mr. TIERNAN. \$50,000. Whereas the program Washington Week in Review has been supported almost solely by funds from the Corporation?

Mr. McCARTER. The Corporation, yes.

Mr. TIERNAN. The moderator of that has been the chairman of the board; is that correct?

Mr. McCARTER. Yes.

Mr. TIERNAN. Did he receive any salary for that?

Mr. McCARTER. No.

Mr. TIERNAN. No salary?

Mr. McCARTER. None at all.

Mr. TIERNAN. But his associations with the former Vice President and former Senator from the State of Minnesota did not seem to interfere with his ability to be impartial?

Mr. McCARTER. There is a history there. There are some other comments surrounding that, as I told Mr. Brotzman. Yes, that is related to this decision and, yes, this has given us some concern.

Mr. TIERNAN. There was no action taken by you as the general manager?

Mr. McCARTER. Yes, there has been action taken.

Mr. TIERNAN. What action is that?

Mr. McCARTER. Mr. Kampelman has left that program.

Mr. TIERNAN. As I understand the account, he left on his own initiative.

Mr. McCARTER. We all concurred and we could all see that coming.

Mr. TIERNAN. That is a little different than action by you. He certainly has implied that he took that step because he felt that, in

view of the action that had been taken by you, it was necessary for him to do that.

Mr. McCARTER. I have for several months been in discussion with other trustees long before Mr. Woestendiek even joined the station about what possible appearance could be construed from Mr. Kampelman being on that program and I would want to make that very clear.

Mr. TIERNAN. Thank you.

Mr. MACDONALD. One point that Mr. Tiernan brought up that you ought to clear up for the record is that you indicated that you were thinking of keeping Mr. Woestendiek in another position in the station, which would indicate that you were perfectly satisfied with his performance within the station. Is that correct?

Mr. McCARTER. That is correct.

Mr. MACDONALD. And the only reason that you decided to let him go was because of the relationship that his wife would have with a member of the administration.

Mr. McCARTER. No, I wouldn't want to state it that way.

Mr. MACDONALD. State it any way you want to, but if you are satisfied with his performance, looking around for a place to keep him in the station, why would you let him go?

Mr. McCARTER. We relieved him of his duties on that particular job because the appearances were compromising to the station's position and because there was conflict on the Newsroom staff.

Mr. MACDONALD. What other place in a station that operates on a fairly close budget, I would guess, with a man who is earning \$50,000 a year—what would you have him do?

Mr. McCARTER. Probably no other place, Mr. Chairman.

Mr. MACDONALD. Then why did you write this letter that Mr. Tiernan referred to?

Mr. McCARTER. This was the terminology. I frankly didn't expect there to be another place. This is the terminology we used and also that we were advised to use by our attorneys.

Mr. MACDONALD. Are you still paying Mr. Woestendiek?

Mr. McCARTER. Yes.

Mr. MACDONALD. Who pays the salary? Does the station pay the entire salary?

Mr. McCARTER. The station does, yes.

Mr. MACDONALD. Where do the funds for the salary come from?

Mr. McCARTER. Our grant from the corporation and the Ford Foundation.

Mr. MACDONALD. In other words, the corporation contributes to Mr. Woestendiek's salary?

Mr. McCARTER. Yes, it is all one large amount of money.

Mr. MACDONALD. Is there any pro rata between the foundation and the corporation as to who will pick up what part of the tab?

Mr. McCARTER. I think it has been somewhat arbitrary in recent months. As we read of grants from the foundation and from the corporation to public television projects, for instance the recent NET grant, they seem to share in different proportions in each case.

Mr. MACDONALD. Perhaps you are not the correct person to ask. We will get to that later. My last question on this subject, to you as an expert in the field as a station manager, is \$50,000 the going rate for a man heading up a program on commercial broadcasting?

Mr. McCARTER. Let me say, Mr. Chairman——

Mr. MACDONALD. It seems awfully high for public broadcasting.

Mr. McCARTER. It certainly is.

Mr. MACDONALD. Once again, it is no business for this committee to second guess as to who gets paid what and we are not trying to do this. We just seek an explanation because out of the blue \$50,000 seems awfully high.

Mr. McCARTER. We found in our research that \$50,000 was average for this kind of ability. It is precedent-breakingly high, unusually high for public broadcasting and is considerably more than anyone receives in the station I am affiliated with. You would believe that the manager's salary would be the highest salary in our station. Until Mr. Woestendiek came this was the case. My salary is a little more than half of his salary and with one exception, everyone else in WETA is below half of that figure.

The other comparison I would want to draw is perhaps between a ball club's manager and a star player. This is somewhat the situation you have here or again a high network official and a very prominent news personality.

Mr. MACDONALD. I am sure that had nothing to do with the decision, did it?

Mr. McCARTER. No, it had nothing to do with the decision. Also, we had hoped that a salary of this type, and I think this is important, would help to insulate this person and eliminate any other need for income so that he could move unfettered.

Mr. MACDONALD. Thank you.

I have no further questions.

Mr. BROTZMAN. Would you yield to me for one question?

Mr. MACDONALD. Yes.

Mr. BROTZMAN. Mr. Tiernan suggested this line of questioning quite properly. What currently is Mr. Kampelman's relationship to the station?

Mr. McCARTER. Currently, Mr. Kampelman is chairman of the board of trustees, period.

Mr. BROTZMAN. What is his current relationship to the program that he moderated?

Mr. McCARTER. He has no relationship to the program currently.

Mr. BROTZMAN. Is this a temporary withdrawal or one of permanence?

Mr. McCARTER. The executive committee announced, and I want to read it, that they were establishing, appointing a special committee to consult with the staff, who were journalists and other experts in the community and elsewhere with a view of recommending a set of guidelines by which WETA as a public television station might judge any other similar problems which might exist or which might later arise and which WETA might make to avoid any future understanding.

Mr. BROTZMAN. You don't mean understanding.

Mr. McCARTER. Future misunderstanding.

Mr. BROTZMAN. All right.

Now, back to my question. Is that a temporary withdrawal?

Mr. McCARTER. I don't know. I would believe pending the trustees' decision in this matter this is something we have to grope with now.

Mr. BROTZMAN. You really haven't taken action relative to his resignation or withdrawal or whatever you want to call it?

Mr. McCARTER. He is off that program.

Mr. BROTZMAN. Temporarily?

Mr. McCARTER. I believe it to be reasonably permanent.

Mr. BROTZMAN. Reasonably permanent.

We have a lot of witnesses. It is either permanent or it isn't permanent, you see.

Mr. McCARTER. I seem to have a problem with some of the answers to your questions.

Mr. MACDONALD. Mr. Brotzman, I can't yield any further.

Mr. BROTZMAN. Just answer the question.

Mr. McCARTER. The trustees are determining this. I think this is the crux of this thing. We find ourselves in the middle of a very acutely sensitive situation as we broadcast news and public affairs programming. I and the members of the staff are the employees of this board and they are the community. Now, they have taken it upon themselves to see just how the station will develop a code of working in this area and in the meantime Mr. Woestendiek has been relieved and Mr. Kampelman has left this program.

Mr. BROTZMAN. All right. Thank you.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. Mr. McCarter, you explained, I believe, why Mr. Woestendiek was paid what he was paid. Did you have any discussion with the Corporation for Public Broadcasting with reference to hiring Mr. Woestendiek?

Mr. McCARTER. No.

Mr. BROWN. Do you know whether the station had any negotiation with CPB on this subject?

Mr. McCARTER. On hiring Mr. Woestendiek?

Mr. BROWN. Yes.

Mr. McCARTER. No.

Mr. BROWN. On setting the salary of the person who would be hired?

Mr. McCARTER. No, that was our determination. That was a station determination.

Mr. BROWN. Is the pay level of your other reporters on Newsroom comparably high?

Mr. McCARTER. No. Comparably high to what?

Mr. BROWN. You suggested that Mr. Woestendiek's salary was somewhat higher than the average in the industry, is that not correct?

Mr. McCARTER. No, I believe his salary in our explorations ran in the vicinity of what we found to be the case in broadcasting and journalism at that level of an editor.

Mr. BROWN. For Washington?

Mr. McCARTER. I believe, yes; in Washington.

Mr. BROWN. Would it interest you to know that I have some figures in front of me which would indicate that there is only one person on a Washington television station who makes a comparable salary. It is not necessary to go into names. I will be glad to share this information with the other members of the committee and be glad to discuss it with you privately. I think it would be a needless invasion of their privacy to list the salaries of people who are on television every night in stations around town. Only one makes \$50,000 and he does considerably more than one program and has a program of his own.

Mr. McCARTER. My reference was more to newspapers, the position of a newspaper editor as we moved around the country.

Mr. BROWN. It is interesting that you would compare public broadcasting television to newspaper salaries. My experience in the newspaper business is somewhat limited perhaps by the nature of the newspapers, but I found the salary a little unusual. But, back to the basic question, are the other reporters on "Newsroom" paid salaries comparable to the salaries of reporters in either electronics or written journalism?

Mr. McCARTER. They are paid salaries comparable to what they were paid on the newspapers or journals they came from.

Mr. BROWN. What are those salaries? Could you give me a range of the people who sit around the table on "Newsroom"?

Mr. McCARTER. Yes, I think they would range from roughly \$12,000 a year to \$25,000 a year.

Mr. BROWN. What is Mr. Gilbert's salary?

Mr. McCARTER. He does not have a salary. Mr. Gilbert is with the program on a 1-month look-see for both him and ourselves and we are merely reimbursing him a fee for that period of time.

Mr. BROWN. As to the pressures that you felt, Mr. McCarter, you indicated newspaper articles, calls from subscribers, internal station reaction and then were interrupted. Were there other pressures that you felt from outside or internally within the organization?

Mr. McCARTER. No, there were no other pressures.

Mr. BROWN. The subject of mail came up later on in your exchange with one of the other members of the committee. Did the station receive considerable mail on the question of Mr. Woestendiek's alleged conflict of interest prior to your decision to fire him?

Mr. McCARTER. Not considerable mail, just mail.

Mr. BROWN. Any mail?

Mr. McCARTER. Yes.

Mr. BROWN. How much?

Mr. McCARTER. I don't have an exact count.

Mr. BROWN. Could you estimate?

Mr. McCARTER. I would say less than 20 letters.

Mr. BROWN. Is that a significant return for the station?

Mr. McCARTER. No, it is not.

Mr. BROWN. What about the telephone calls from subscribers? How many of those did you receive?

Mr. McCARTER. That was an insignificant number.

Mr. BROWN. What would that insignificant number be?

Mr. McCARTER. Less than, I think generally less than 20.

Mr. BROWN. Then we have newspaper articles and internal station reaction. You indicated in your testimony that the internal station reaction was to the effect that everybody felt there was a problem but that five of the reporters came to you after the meeting and indicated that they hoped that no drastic action would be taken.

I assume that the drastic action that they had in mind or that you assumed they had in mind was the firing of Mr. Woestendiek. How many reporters do you have?

Mr. McCARTER. I think the drastic action they might have had in mind, as I recall that meeting, Mr. Brown, was that we would want to in any way alter the program or stop the program.

Mr. BROWN. You felt that they, of course, included as not-drastic action the possibility of firing the editor.

Mr. McCARTER. I don't know whether that was in their mind or not.

Mr. BROWN. Was the subject discussed at the meeting?

Mr. McCARTER. No, it was left at no interruption in the program, no drastic action.

Mr. BROWN. Wait a minute. The subject at issue was Mr. Woestendiek and the employment of his wife and his objectivity and whether or not he could longer serve the program. What was discussed with the other reporters on the program with reference to Mr. Woestendiek's future employment?

Mr. McCARTER. The subject at issue that night was more how the reporters themselves could continue to function in the community.

Mr. BROWN. Well, when they came in to you to discuss that subject, what did they suggest?

Mr. McCARTER. They didn't make a suggestion.

Mr. BROWN. I am quoting from your testimony:

After this meeting, four of these reporters speaking for themselves and one other reporter, came to me and said that, all this situation posed some problems for the program, they hoped we were not considering any serious alteration of the project.

I am not sure I know what that means. They didn't discuss Mr. Woestendiek's situation in terms of his continuation on the program?

Mr. McCARTER. There were several things discussed. I am sure that it was probably on their mind as to Mr. Woestendiek's continuation. As I say, three things come to mind. One, it would be undesirable to all of their thinking if we should in any way interrupt or cancel the project as a result of the concern in the meeting with the reporters that night; also, it was fairly well implied they felt they could continue with Mr. Woestendiek in this role, and they also made the observation that they certainly wished that Mrs. Woestendiek's appointment was not in this situation as it gave them an added burden to the burden they already had of trying to establish a news program in Washington.

Mr. BROWN. What I am trying to determine, Mr. McCarter, is the degree of pressure you felt and where it came from. You have told me that something less than 20 letters and 20 phone calls came in on the subject. Were the people from whom these phone calls came subscribers? Was that significant to you?

Mr. McCARTER. We are still dealing with the word "pressure?"

Mr. BROWN. Yes, sir.

Mr. McCARTER. Which was a word that was used not to connote outside pressure or inside pressure. We were dealing with reaction, overall reaction to the problem.

Mr. BROWN. I am trying to determine if I may what created your reaction and the list you gave me, was mail, calls from subscribers, internal station reaction, newspaper articles. Now, the newspaper articles are all a matter of record so I don't have to go into that.

The mail, I am trying to determine whether that mail was significant because of its volume, or from whom it came.

Mr. McCARTER. No, it was not significant by its number, its volume, or from whom it came. It was merely a contributing piece of informa-

tion. You would also add to this the reaction of the trustees I spoke to, which was, I think, a very important and significant point, and I think you could add to this the position of public broadcasting in Washington, D.C. emerging on the scene with its very first news program. I think if you mix all of these problems and these concerns, it is out of that that we made our decision.

Of course, perhaps the problem within Newsroom itself was one of the most severe problems we had.

Mr. BROWN. Let me switch to another area and that is Washington Week in Review which you called less sensitive than Newsroom and I am curious as to the reason for the use of that term. Was it because Washington Week in Review was networked or not networked that it was less sensitive?

Mr. McCARTER. Washington Week in Review is a background piece that occurs once a week. The producer-editor of the program is Mr. Lincoln Furber, our director of news and public affairs. He really is the person in the role comparable to Mr. Woestendiek's role on Newsroom.

Mr. BROWN. And Mr. Kampelman was in that role?

Mr. McCARTER. No, he has never been in that role.

Mr. BROWN. What role is he in?

Mr. McCARTER. He has been in the role of a moderator. By that we mean—and although he has been one of a half a dozen moderators that have appeared on the program, he is the one that has appeared on most occasion on the program—he is the program host. He gives an opening statement—he is the moderator—and then he maintains the producer's time schedule on the program.

Mr. BROWN. This was not Woestendiek's role?

Mr. McCARTER. No, Woestendiek's role was described in the statement.

Mr. BROWN. I am not sure I understand the definition of terms here.

Mr. McCARTER. I don't understand your question, Mr. Brown.

Mr. BROWN. We are talking about the program Newsroom and the relative comparison between the roles undertaken by Woestendiek and Gilbert on Newsroom and the role undertaken by Kampelman on Washington Week in Review.

Mr. McCARTER. The Gilbert-Woestendiek role combines the role of the editor-producer on Washington Week in Review, and the moderator.

Mr. BROWN. In other words, the determination of what is discussed and then the conduct of that discussion.

Mr. McCARTER. Yes.

Mr. BROWN. And Mr. Kampelman's role?

Mr. McCARTER. Was purely as the moderator to keep the discussion moving among the four reporters.

Mr. BROWN. But no decision as to what is discussed?

Mr. McCARTER. No decision as to what is discussed.

Mr. BROWN. Who made that decision on Washington Week in Review?

Mr. McCARTER. The producer-editor of the program, Lincoln Furber.

Mr. BROWN. Mr. Furber carried no such role on Newsroom?

Mr. McCARTER. No, he had no such role on Newsroom.

Mr. BROWN. Was Washington Week in Review networked?

Mr. McCARTER. Yes, it is networked.

Mr. BROWN. Was it networked when Mr. Kampelman served on it?

Mr. McCARTER. Yes, it was.

Mr. BROWN. Why would it be less significant then since it covers a broader audience? Is it because of the number of times that it appeared?

Mr. McCARTER. It's a different program. It is not a nightly news program and it was very successful on the network. I would add that.

Mr. BROWN. Wasn't it the presumption that Newsroom was going to go on the network also?

Mr. McCARTER. No, it was not the presumption that Newsroom would go on the network.

Mr. BROWN. There had not been discussion on that subject with either the Ford Foundation or the Corporation for Public Broadcasting?

Mr. McCARTER. There had been points in the discussion I think, with all of the Newsrooms as to wondering if the programs became successful as a local entity if at sometime they might be able to exchange stories among one another. That would be the extent of network involvement as you describe it and as I see it.

Mr. BROWN. I would like to conclude this series of questions with you if I may with one or two quotes. This description was given of your call to Mr. Davis that it was a call to seek very broad general advice. Would you say that that is an accurate description of your call to Mr. Davis?

Mr. McCARTER. Very broad general advice, did you say?

Mr. BROWN. Yes, with reference to this problem.

Mr. McCARTER. No, it is not accurate.

Mr. BROWN. Would it interest you to know that quote came from the transcript of Newsroom-discussion of this whole problem. On page 10 Mr. Janssen says:

McCarter says he called Davis as a courtesy call to seek very broad general advice. Davis said "It's a local decision. This is the Ford Foundation's policy. They make the grant. Any decisions as to hiring and firing are entirely up to the recipient of the grant."

Mr. McCARTER. There was no advice to ask at that point. The decision had been made.

Mr. BROWN. I wonder how Mr. Janssen got that impression.

Mr. McCARTER. You would have to ask Mr. Janssen.

Mr. BROWN. Maybe I will have that opportunity. Let me read to you if I may, one other quotation with reference to the pay level of your reporters and editor. When you appeared before us last week, and I quote from page 162 of the transcript, you said "We in public broadcasting like to feel that we have become somewhat skilled at making a little bit of money go a long way."

Will you continue to pay Mr. Woestendiek his salary for the balance of this year?

Mr. McCARTER. I don't know the answer to that. I will have to seek guidance of the counsel.

Mr. BROWN. Will you give me what your presumption is or a report of any discussion you have had with anybody on your staff, legal counsel or members of the board, with reference to whether Mr. Woestendiek's—

Mr. McCARTER. This has been discussed with our legal counsel and he had been unable at this point to arrive at just what that would be.

Mr. BROWN. Was this discussed at all before Mr. Woestendiek was let go?

Mr. McCARTER. No, it was not.

Mr. BROWN. In other words, whether or not he would continue to receive his \$50,000 a year made up of funds from the Ford Foundation and the Corporation for Public Broadcasting, which, of course, are taxpayer funds, was not a subject of discussion with reference to his firing?

Mr. McCARTER. No, it was not.

Mr. TIERNAN. Would the gentleman yield?

Mr. BROWN. I would be glad to yield.

Mr. TIERNAN. Mr. Chairman, could I ask the witness one question?

Mr. MACDONALD. Yes.

Mr. TIERNAN. In view of your letter of November 25 in hiring Mr. Woestendiek, wouldn't you have some difficulties in not paying it because in that letter you clearly say, "For not less than 2 years"?

Mr. McCARTER. This has not been determined, Mr. Tiernan, and I would want the advice of our counsel who is working on that. I could get a statement for you on that if you would like.

Mr. TIERNAN. Thank you.

Mr. BROWN. I would like to come back to the witness at a later time, if I may, to pursue what I think is a very important philosophical question with reference to the whole future of public broadcasting and its coverage of the news. Perhaps it is an interesting philosophical question with reference to the news generally, but it is specifically important when one considers that the objective of public broadcasting is to obtain freedom for the station and objectivity in their efforts. In this business that is a hard line to draw, as to who should be kept on and who should not.

It seems to me that that really is at the guts of whether or not public broadcasting can do the kind of job that it was presumed in the Carnegie Foundation report it would be able to do with funds that came from other than commercial sources.

Mr. Chairman, I would like permission to put into the record several quotes from the Carnegie report with reference to public broadcasting.

Mr. MACDONALD. Without objection the material will be placed in the record at this point.

(Quote from Carnegie report referred to follows:)

QUOTE FROM THE REPORT OF THE CARNEGIE COMMISSION ON EDUCATIONAL TELEVISION¹

If we were to sum up our proposal with all the brevity at our command, we would say that what we recommend is freedom. We seek freedom from the constraints, however necessary in their context, of commercial television. We seek for educational television freedom from the pressures of inadequate funds. We seek for the artist, the technician, the journalist, the scholar, freedom to be heard in this most far reaching medium. We seek for the citizen freedom to view, to see programs that the present system, by its incompleteness, denies him.

¹ Taken from "Public Television, a Program for Action," the report of the Carnegie Commission on Educational Television, ch. 4, pp. 98-99. Published January 1967.

Mr. MACDONALD. The time of the gentleman has expired. I would like to thank you on behalf of the subcommittee, Mr. McCarter, for being here. As Mr. Brown has indicated, I am sure that after we hear other witnesses perhaps, if you can make yourself available, we can hear you. I will have to announce at this time that the House is in session.

We have a rule of the full committee that when the full committee meets the subcommittee can't. The full committee is meeting on Tuesday. Therefore the next meeting of the subcommittee will be next Friday at 10 o'clock.

We thank you again.

(The following letter was received for the record:)

WETA, TELEVISION 26,
Washington, D.C., June 3, 1970.

HON. TORBERT H. MACDONALD,
House of Representatives, Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN MACDONALD: Several weeks ago I appeared before your Subcommittee on Communications and Power of the Committee on Interstate and Foreign Commerce, during hearings to determine whether or not there had been outside pressures exerted on WETA, the Washington public television station, regarding its dismissal of the Editor of its Newsroom program.

To recall for your convenience, Mr. Chairman, I was the witness who appeared as General Manager of the station, and on crutches due to a recent ankle injury. Needless to say, I found it a formidable experience while responding to the Committee myself for close to two hours. As you recall, certain misleading newspaper stories were later retracted, and I believe it became apparent to all in attendance that the station acted out of its own conviction and there was certainly no pressure from any source.

However, the purpose of my writing, Mr. Chairman, is to express my respect and, indeed admiration, for the Committee's tenacity and fair play in striving for accurate information concerning this matter. Particularly I was impressed and grateful for your unswerving leadership during what might have been emotional hearings at a most critical time in the development of public broadcasting in this country. I feel qualified to make this judgment, having felt the directness of your inquiry myself. Also, as the CPB bill approaches authorization in the House of Representatives, I would be happy to support or illuminate any further information you might require should this become necessary during the proceedings.

Since I didn't have an opportunity at the time, may I respond to an allegation by Mr. Woestendiek during his statement and establish my reply for the record? Page 293 of the Report of Proceedings quotes Mr. Woestendiek, on lines 8 and 9, as saying, "He also described Mrs. Mitchell as an awful woman, a terrible woman, as opposed to someone, in his words, like Joan Kennedy". I, of course, made no such statement, and in fact made every effort during this episode to refrain from any comment whatsoever regarding Mrs. Mitchell. My reasoning here, aside from human decency, is that I've simply never met, and never had any contact with Mr. or Mrs. Mitchell, and therefore naturally would have no knowledge of them as individuals, and indeed the thrust of our position during this matter was that individuals and political identities were the furthest considerations from our thinking. I would appreciate your recording my formal response to this allegation in the record.

Again, may I thank you for the courtesy and fairness extended by you and your Committee during these particular hearings.

Sincerely,

WILLIAM J. MCCARTER,
Vice President and General Manager.

Mr. MACDONALD. The next witness will be Mr. Max Kampelman, chairman of the board of trustees, and I saw on the list that under him is listed Mr. Austin Kiplinger, who is a member of the board of trustees and chairman of its Newsroom subcommittee. If you gentlemen care to appear as a panel, all right.

STATEMENTS OF MAX M. KAMPELMAN, CHAIRMAN, BOARD OF TRUSTEES, GREATER WASHINGTON EDUCATIONAL TELEVISION ASSOCIATION (WETA-TV), AND AUSTIN H. KIPLINGER, TRUSTEE, GREATER WASHINGTON EDUCATIONAL TELEVISION ASSOCIATION, AND CHAIRMAN, NEWSROOM LIAISON COMMITTEE OF WETA

Mr. KAMPELMAN. Perhaps we can sit together.

Mr. MACDONALD. We welcome both of you here this morning.

Mr. KAMPELMAN. Thank you.

Mr. Chairman, I have a statement. May I read it first?

Mr. MACDONALD. Please do.

STATEMENT OF MAX H. KAMPELMAN

Mr. KAMPELMAN. Mr. Chairman, my name is Max M. Kampelman. I serve as chairman of the board of trustees of the Greater Washington Educational Television Association. I am pleased to accept the invitation of this committee and to appear and answer any questions that relate to the operations of our board, our executive committee, and our station.

With specific reference to the subject matter of Mr. Woestendiek and our station's Newsroom program, you have heard testimony from our station's general manager setting forth the procedure he followed and the considerations that led him to make the decision that he did.

As chairman of the station, I want to state for the record that Mr. McCarter's action was overwhelmingly supported by the executive committee of our station at a meeting that took place late Wednesday afternoon, April 22. The vote that ratified Mr. McCarter's action with respect to Mr. Woestendiek was 11 to two. The press has already noted the fact that I did not share Mr. McCarter's conclusions with respect to this decision and so expressed myself to him and to the executive committee. Regardless of my own personal views, however, I have no hesitation in stating that it was the unanimous position of the executive committee that Mr. McCarter acted out of the motivation that his decision was necessary to preserve the independence, objectivity, integrity, and reputation of the Newsroom program.

Furthermore I want to state for the record that I believe I speak for all of the trustees when I state that channel 26 is fortunate to have Mr. McCarter as its vice president and general manager. We consider his dedication, ability, and his judgment to have been of tremendous value in permitting the station to grow as it has.

We have the fullest confidence in him and deeply regret any aspersions of any kind that have been cast upon him as a result of his decision. The decision was not an easy one for him to make, but he did so conscientiously and in making his decision carried out his responsibilities to the station.

I would be pleased to submit to the committee a copy of the statement issued by the executive committee, together with a separate statement of dissent, following the meeting of last week.

(The statements referred to follow :)

STATEMENT APPROVED BY THE EXECUTIVE COMMITTEE OF THE GREATER WASHINGTON EDUCATIONAL TELEVISION ASSOCIATION AT A SPECIAL MEETING ON APRIL 22, 1970

1. The Executive Committee of WETA unanimously expresses its confidence in Mr. William J. McCarter as Vice President and General Manager, and expresses its appreciation to him for his outstanding services to the community and the station.

2. The Executive Committee, by a vote of 11 to 2, approved and ratified the action of Mr. McCarter in relieving William Woestendiek of his duties as Editor of WETA's Newsroom program.

3. In arriving at his decision, Mr. McCarter properly consulted with the Chairman; with the Vice-Chairmen, Dr. Lloyd Elliott and Mr. Stephen Ailes; with Mr. Austin Kiplinger, Chairman of the Special Newsroom Liaison Committee, appointed by the Board of Trustees some months ago; and with Mr. James Mitchell, Chairman of the Trustees' Program Committee.

4. Mr. McCarter's decision was based on his judgment as to how best to preserve the independence, objectivity, integrity and reputation of the Newsroom program, and was in no way related to outside pressures or partisan political considerations. Nor was the decision related to any dissatisfaction with Mr. Woestendiek's performance as Editor of the Newsroom program.

5. Public broadcasting has a special responsibility, under Congressional mandate, to maintain a high standard of independence and impartiality, free of outside political or commercial pressures. Clarity is necessary as to proper standards in public broadcasting. The Executive Committee will appoint a special committee to consult with the staff and with journalists and other experts in the community and elsewhere, with the view of recommending a set of guidelines by which WETA, as a public television station, might judge any other similar problems that now exist, or may later arise, and which WETA can make available to avoid any future misunderstandings.

STATEMENT OF GARFIELD KASS AND PATRICIA ROBERTS HARRIS, MEMBERS OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF GWETA, APRIL 22, 1970

We are in profound disagreement with the action taken by Channel 26 in relieving Mr. William Woestendiek of his responsibilities as editor of the Newsroom Committee.

We believe that on a policy matter of this sort, involving an issue about which reasonable men may disagree, the Executive Committee should make a decision before definitive action is taken by the Station management.

We are in total disagreement with the reason given for relieving Mr. Woestendiek of his duties. The separate professional lives of spouses is a right to which both men and women are entitled, and we believe that Mrs. Woestendiek had the right to accept any lawful employment and that her husband had the right to retain his employment.

Whatever may be the spiritual union of man and wife, their professional independence must be protected, and Channel 26 had no right to interfere with this independence.

Mr. KAMPELMAN. Most particularly, I draw the attention of the committee to the fifth paragraph of the statement which was adopted at my suggestion, and which refers to the question that Mr. Brown asked Mr. McCarter toward the very end of his questioning. When an issue of propriety or judgment arises as to the fairness or the appearance of objectivity, to what standard does an editor, reporter or station manager refer? There is no written and accepted code of ethics for journalism—no clear guidelines. Thus, with respect to the Woestendiek matter, in speaking in recent days to two friends of mine, both Washington bureau chiefs of distinguished newspapers, I find they differed one with another, one supported Mr. McCarter,

the other did not, and pursued different policies in their own organizations. Which is right or wrong? To what standard could either Mr. Woestendiek or Mr. McCarter refer for guidance other than their own personal judgment?

This is a serious lack in journalism, in television and possibly more serious in public television, where it might well be argued that the need for care and precision is greater. I, for one, welcomed the request made by Congressman Brown to Sigma Delta Chi, the national professional journalism fraternity, to look into the problem faced by WETA and I hope this fraternity will address itself to the need for guidelines.

In any event, our station hopes to make a contribution to its own sense of responsibility to the community out of the unfortunate developments of recent days by arranging for a study to help us arrive at what is proper in public television news and public affairs programing.

Thank you, Mr. Chairman.

Mr. MACDONALD. Thank you, sir. Mr. Kiplinger?

STATEMENT OF AUSTIN H. KIPLINGER

Mr. KIPLINGER. Thank you, Mr. Chairman. I am Austin Kiplinger, a trustee of the Washington Educational Television Association and chairman of the Newsroom Liaison Committee. In connection with WETA's dismissal of its "Newsroom" editor, the early news stories contained much speculation about outside pressure and political motivation. These are understandable, and I would have had the same suspicions if I had not known the facts. In this case, the facts do not support the suspicions. The decision on "Newsroom" editor William Woestendiek to my knowledge was not politically motivated or forced by outside pressure. It was made in response to a creed of ethics which holds that an editor responsible to the public should not be personally involved with the news that he is called upon to evaluate.

Public television has a special obligation to remain free of extraneous pressures and suspicions, free of anything that might impair its ability to be objective and impartial. Mr. McCarter's decision, whether right or wrong, was made in this spirit. The attitude of members of the board of trustees and special committees, in response to his decision, followed no predictable political pattern. There were both approval and disapproval of the decision, but the discussion showed that this is an issue on which reasonable men can disagree.

As a lifelong journalist, I feel strongly that public journalism is a public trust. In view of this, the issue of journalistic ethics involving Bill Woestendiek and WETA can be compared to the doctrine of separation of powers in government, or a case of judicial ethics. A judge removes himself from the bench if a member of his family is involved in a case before the court. Most people would agree that a husband and wife who are both lawyers should not represent opposite sides of a legal case in the same court. Similarly, a person charged with impartial reporting and review of news should not be called upon to deal with policies and situations in which a close member of his family is involved as a participant.

The rule of noninvolvement does not have to wait until an incident

arises. A judge does not wait until some bias has been proven. He removes himself to avoid such bias, or any suspicion of it. In public broadcasting, a comparable commonsense approach is necessary.

There are those who say WETA should have waited until some difficulty became evident. This, I think, would have been temporizing. In applying the principle of journalistic objectivity, it is the responsibility of the management to head off conflicts of interest by avoiding an arrangement which would, by its very nature, create an opportunity for conflict. It was the situation itself which provided the difficulty.

Reporters and editors—like lawyers and judges—need institutional insulation against unnecessary conflicts in their work. The news itself involves a wide range of differences in opinion, challenges, and countercharges. For a reporter or editor to be burdened with another set of potential conflicts, such as Mr. Woestendiek would very likely have had, would have put an unmanageable burden on an educational news program. The issue is one of the basic journalistic procedures and ethics, not of personalities or politics. It was considered in this light, and decided on these grounds.

Thank you, Mr. Chairman.

Mr. MACDONALD. Thank you both for your contribution to the hearings. I would like to point out as I have earlier, if you weren't in the room, that I think it is the feeling of the subcommittee, and certainly it is my feeling, that Congress has no role in indicating whether or not channel 26 was right or wrong in its decision.

I think that you people would be the first to tell us that we had no business in that decisionmaking type of activity. But the possibility could be read into Mr. Kampelman's statement where it is stated that there is no code of ethics for broadcasting, which is a very good point.

Obviously you are not inferring, are you, that this subcommittee or the Congress should get into that field and draw up a code of ethics? Are you?

Mr. KAMPELMAN. I am not, Mr. Chairman.

Mr. MACDONALD. Because we have difficulty drawing up a code of ethics for the Congress itself, but there we know perhaps more than we do about this subject.

You agree that Congress should keep hands off, as has been the intention of this subcommittee. I quite agree that journalism as a whole on TV and radio obviously should stay free of pressures, but I am not sure the system permits it with advertisers having such a heavy hand in choosing and selecting among programs and personnel.

But in a system set up by the Congress and in the public interest, I think that you people in public broadcasting have even a higher duty—as I think you recognize—than even commercial broadcasting should have. As in the cliché about Caesar's wife, I think that these hearings will be a very good thing because, as was said, if you were on the outside and didn't know the true story, as Mr. Kiplinger has indicated he did, the circumstances would be suspicious. I think this is a good forum to put down the implication that there was undue influence used by Ford Foundation through its great powers of the purse.

I welcome both of you here and commend you for your forthright statements. Did any of you have anything to do with the calls to the

Ford Foundation? Did you advise Mr. McCarter—did the board of directors or anybody advise Mr. McCarter that it would be wise to call the foundation?

Mr. KAMPELMAN. I had nothing to do with it and Mr. Kiplinger can answer for himself.

Mr. MACDONALD. Do you know of any board action along this line?

Mr. KAMPELMAN. No.

Mr. MACDONALD. Then it was a matter, as you know, initiated and carried out by Mr. McCarter himself.

Mr. KAMPELMAN. Yes.

Mr. MACDONALD. Have you had any feelings that perhaps there were any pressures from the outside put upon Mr. McCarter or you as members of the board?

Mr. KAMPELMAN. I am convinced there was no such pressure, Mr. Chairman. As a matter of fact, as I heard Mr. McCarter's testimony this morning, it seemed logical to me that he did not want the Ford Foundation to read about this in the newspaper. So he telephoned Mr. Davis.

Mr. MACDONALD. I quite agree with that and, as I indicated to Mr. McCarter, I could understand one call, but why the second call? Is it a case of everyone in the foundation being equal, but Mr. Friendly is more equal?

Mr. KAMPELMAN. In a sense, Mr. Friendly may hold a more responsible position. I don't know the internal affairs of the foundation. It seemed fully plausible to me and I fully accept Mr. McCarter's action as chairman of the board.

Mr. MACDONALD. This doesn't mean that I don't accept it. Do you have anything to say, Mr. Kiplinger?

Mr. KIPLINGER. There was no indication in discussions I had with Mr. McCarter of any pressure or points of view from the Ford Foundation. We discussed this as a WETA decision, a very difficult decision, and that was the whole substance of it.

Mr. KAMPELMAN. Could I add a word that was not perhaps made clear, Mr. Chairman? The board of trustees was made aware that the Newsroom program was a very important program for our station. As a result of that and aware that difficulties might arise, though never anticipating this specific situation, the board appointed a committee headed by Mr. Kiplinger called the liaison committee. Mr. McCarter understood that if he had problems he was to discuss them with Mr. Kiplinger and in my judgment he followed that procedure properly.

Mr. MACDONALD. Thank you, Mr. Van Deerlin?

Mr. VAN DEERLIN. Thank you, Mr. Chairman. As board members, you two were on opposite sides in the 11-to-2 vote on Mr. McCarter's action?

Mr. KAMPELMAN. May I state that as chairman, I did not vote, but I indicated my position.

Mr. VAN DEERLIN. I see. Thank you. Even though you hold varying if not opposite opinions in this matter, you both agree that the action was taken to preserve the political integrity of the program and the station, rather than being a political step?

Mr. KAMPELMAN. Yes.

Mr. KIPLINGER. Yes; I would agree to that.

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

Mr. MACDONALD. Mr. Broyhill?

Mr. BROYHILL. No questions, Mr. Chairman.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. No questions.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. Thank you, Mr. Chairman.

Mr. Kampelman, you have been with WETA-TV for how long?

Mr. KAMPELMAN. 1963, toward the middle or latter part of 1963, is when I began my service, Mr. Brotzman.

Mr. BROTZMAN. What was your initial service, Mr. Kampelman?

Mr. KAMPELMAN. As a trustee and vice chairman of the board of trustees and shortly thereafter I succeeded as chairman of the board of trustees.

Mr. BROTZMAN. And how did you obtain this particular responsibility?

Mr. KAMPELMAN. I was elected by the board.

Mr. BROTZMAN. How is a trustee put on the board? How do you get to be a trustee?

Mr. KAMPELMAN. I can tell you the procedure now. I did not know the procedure as to how I was selected. I believe it is the same procedure. We have a nominating committee. The nominating committee submits a slate to the executive committee which in turn refers it to the board of trustees for confirmation or election. There are under our bylaws, I think, 30 public trustees. There are also institutional trustees who are automatically on the board of trustees.

I am a public trustee as is Mr. Kiplinger.

Mr. BROTZMAN. Mr. Kiplinger, you came to your particular position in the same general manner; is that correct?

Mr. KIPLINGER. I presume so. Again I wasn't aware of the electoral procedures. I have been on the board as a public trustee only since October 1968, which is just about a year and a half, and a member of the executive committee for slightly less than a year.

Mr. BROTZMAN. I see. All right. Now, I understand that you have or have had some other responsibilities with this particular station; right?

Mr. KAMPELMAN. You are asking me, sir?

Mr. BROTZMAN. Mr. Kampelman; yes.

Mr. KAMPELMAN. Other than chairman of the board?

Mr. BROTZMAN. Yes.

Mr. KAMPELMAN. Yes; I served as moderator of "Washington Week in Review."

Mr. BROTZMAN. All right. What was the time period you served in that particular role?

Mr. KAMPELMAN. I have served as moderator for more than any other single individual, longer than any other single individual, over two different periods. The program is 3 years old. I was not the first moderator. I believe I have probably been moderator for perhaps a total of a year and a half at different periods, maybe longer.

Mr. BROTZMAN. So you have had quite a bit of experience over a period of time in this role?

Mr. KAMPELMAN. Yes. Let me go on to say that I am very pleased over the fact and proud of the fact that I had a hand in its creation, in the creation of the program in the first place.

Mr. BROTZMAN. How are moderators selected?

Mr. KAMPELMAN. Generally the moderator is selected by the producer of the show, by the station officials. I believe it's the producer who selects the moderator.

Mr. BROTZMAN. How were you selected?

Mr. KAMPELMAN. Well, that was interesting. I think Mr. McCarter was going to explain that but I will be delighted to because he and I were refreshing one another's memories a few days ago as to how I was selected. I was very much interested in this program. Other stations around the country had been looking to our station for a national news analysis program and a number of us talked about how this could be done.

During the early days, sir, I played a very active role in it. We were in bad shape financially and I put in quite a bit of time in it. The program was developed. Mr. McCarter and his staff selected a moderator. For some reasons that moderator left. They experimented, I believe, at that time, with members of the panel as moderators. During one discussion Mr. McCarter suggested, since I am by profession also a political scientist and a political science teacher with a degree in the subject—

Mr. BROTZMAN. You say you have a degree?

Mr. KAMPELMAN. I have a Ph. D. in political science as well as a law degree.

Mr. BROTZMAN. All right.

Mr. KAMPELMAN. At that point it was suggested perhaps I would like to try the moderator's role and I did.

Mr. BROTZMAN. Suggested by whom?

Mr. KAMPELMAN. I believe it was suggested by Mr. McCarter. At least that is his recollection, that it was suggested by him or other members of the staff. We discussed that for a while and I did experiment with it, try it to see how it would go. It worked rather well, as a matter of fact. I enjoyed it and the reception was rather good in our community. They felt that it was effective.

I withdrew from the program, however, in 1968 when Vice President Humphrey announced that he was going to run for President and I therefore voluntarily withdrew from the program.

Mr. BROTZMAN. I appreciate your candor. I was going to ask you this question, but since you brought it up, what was your relationship to the former Vice President?

Mr. KAMPELMAN. I came to Washington in January 1949 soon after he was elected to the Senate and I came to serve on his staff as counsel. Well, actually, I came for 3 months but I stayed for 6½ years and I served for 6½ years as his counsel.

Mr. BROTZMAN. As his counsel?

Mr. KAMPELMAN. Legislative counsel on the Senate payroll.

Mr. BROTZMAN. This is on the Senate payroll, not in a lawyer-client relationship, but rather in a legislative representation; right?

Mr. KAMPELMAN. It was not a private lawyer-client relationship. It was a government lawyer-client relationship.

Mr. BROTZMAN. Have you represented him in the lawyer-client relationship?

Mr. KAMPELMAN. Since 1955, yes; and we are close friends. I have not been in any government employment since October 1955. Nor have I held any official political or governmental position.

Mr. BROTZMAN. Right.

Mr. KAMPELMAN. But I do remain his close friend, and lawyer on occasion.

Mr. BROTZMAN. I am not quite sure whether to accent it but maybe it is symbolic. I note that once again you have withdrawn from this particular role according to the press.

Mr. KAMPELMAN. I did.

Mr. BROTZMAN. Does that signify something as far as the Vice President is concerned? Let me pursue this just a minute on the termination which isn't quite clear in the record, Mr. Kampelman. I know you are an attorney and I find a political scientist too, but I wasn't quite clear from the initial testimony this morning just how this whole thing came about and I cite as a kind of a foundation for my limited knowledge in this area an article by Martin Weil, a Washington Post staff writer who says, "Kampelman said he is withdrawing temporarily from Washington Week in Review," and so forth. Was that your statement in fact?

Mr. KAMPELMAN. I made a public statement on the air at the close of the program on Thursday, April 23, and at that time I informed the viewers that I was withdrawing as moderator and set forth my reasons in a statement that took 2 minutes and 9 seconds. I would be delighted either to read it or to have it in the record now. I could summarize it as well.

Mr. BROTZMAN. Could we hold it right here for a moment.

Mr. KAMPELMAN. Sure.

Mr. BROTZMAN. Mr. Chairman, I know that we are under time pressure. I think that Mr. Kampelman is a very important witness.

Mr. KAMPELMAN. I can come back, sir; at any time.

Mr. BROTZMAN. If he could, I know that I am running over the five minutes and I don't want to pressure but I think it is most important to get his judgment and viewpoint and answers to any questions.

Mr. KAMPELMAN. May I add, Mr. Chairman, that I would welcome the opportunity.

Mr. MACDONALD. I am sure the witness has already indicated his willingness to come back at any time he might be called.

Mr. BROTZMAN. Because my time is short here and we are about to go into session, I would like to go back into that 2 minute, 9 second statement when you return to the committee.

Mr. MACDONALD. In the meantime, the statement, if you can furnish it to the committee, will be included in the record at this point.

Mr. KAMPELMAN. I will.

(The following statement was received for the record:)

WASHINGTON WEEK IN REVIEW, APRIL 23, 1970—CLOSING STATEMENT BY
MAX M. KAMPELMAN

Thank you. This program was originated more than three years ago by the educational television station in Washington. Having served as its moderator for a period longer than anyone else and, as Chairman of the Board of the station

having had a major part in its original creation, I have been proud of its acceptance by our viewers and by the public broadcasting community. This program is now shown over more than 150 stations each week and was in recent weeks found to be, in a survey of 8 major cities, the most popular public television program on the air.

In recent days there has been intensive discussion in Washington about the responsibilities of public television in presenting its news and public affairs programs fairly and without even the appearance of bias. The discussion did not arise because of any developments with respect to this program. Indeed, comments from our viewers and others representing all points of view have consistently praised the balance and fairness of the program and those of us who appear on it.

The Executive Committee of our Washington station has decided to make a study with a view toward establishing guidelines for maintaining high standards of independence and impartiality in our broadcasting. I have every expectation that its report will be significant for our station and for public television.

I have long been identified as a close friend and associate of former Vice President Hubert H. Humphrey. Indeed, recognizing the potential conflict of interest that arose from this friendship, I withdrew as moderator of this program during the 1968 Presidential campaign.

With the study now begun by our station, with my responsibility as Chairman of the station to permit that study to proceed freely without regard to me as an individual, and with my awareness that some might consider my identifications to present an apparent threat to the principle of balance and fairness which has, in fact guided us, I have decided to withdraw as moderator of the program until such time as our station has reached its conclusions at the completion of the study.

Until next week when this program will be with you again, this is Max Kampelman from Washington.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. I have no questions.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Sir, the Saturday New York Times had a piece covering your announced resignation and also it indicated that you said you would reconsider your move after WETA draws up new guidelines on independence and impartiality in broadcasting. Is that a fair report?

Mr. KAMPELMAN. Yes; it is, Mr. Tiernan. It is my personal view that my role as moderator is a perfectly proper one and that it does not violate the responsibilities of the station to maintain fairness on the air. But that is a personal view and I did not want my personal view to be the instrument that prevails. The executive committee and the board is going to undertake a study now on what is proper. If, indeed, the results of that study lead me to believe that my personal view is correct, I am going to reapply for the job. If on the other hand the conclusion of the board of trustees and of the experts as they consult with is that it is not proper, then I obviously will not reapply for the position and that is what I attempted to convey.

Mr. TIERNAN. And I gather from your statement and your testimony that you are now satisfied that whether the decision ultimately was right or wrong, that the action was taken in the best interests of WETA by the general manager?

Mr. KAMPELMAN. There is no question in my mind but that that was his motivation.

Mr. TIERNAN. Are you also satisfied that there was no outside pressure either of a political nature or of any of the supporters of WETA such as Public Broadcasting or Ford Foundation?

Mr. KAMPELMAN. I am fully satisfied of that.

Mr. TIERNAN. How are you satisfied?

Mr. KAMPELMAN. I have spent long periods of time with Mr. McCarter. Let me also state that we had an executive committee meeting last Wednesday which lasted for a number of hours and Mr. McCarter answered all questions of all members of the executive committee who were there and we unanimously concluded our sense of satisfaction as to what his motivation was.

Mr. TIERNAN. Your initial statement and memorandum that you prepared, was that in any way dictated by your own position at the time with the station?

Mr. KAMPELMAN. No; as a matter of fact, it was dictated from the Virgin Islands, Mr. Tiernan, over the phone and I noticed a few errors in transcription during the course of it, too.

Mr. TIERNAN. I wasn't speaking of that.

Mr. KAMPELMAN. You are talking about the memorandum of April 15?

Mr. TIERNAN. Yes; I am.

Mr. KAMPELMAN. It reflected my rather strong views. I just thought it was a mistake. That was my personal view.

Mr. TIERNAN. My question was, Was that statement of your view at that time dictated by the fact that you were yourself in a similar situation?

Mr. KAMPELMAN. No, I don't think so, because if I felt it was a mistake for me to continue as moderator, I would not have continued.

Mr. TIERNAN. But up to the removal of Mr. Woestendiek you had thought that you were not in any compromised position because of your associations in the past with members of the Democratic Party in reporting on the news?

Mr. KAMPELMAN. That is right. I do believe that an affiliation with an active Democrat is a burden to carry throughout your life. Similarly an association with a Republican or a relationship on the Hill.

Mr. TIERNAN. I am sure the committee members are happy to hear you say that. But if you say your decision on the memorandum was not that you felt you would be compromised because of your association with the former Vice President, why then would be compromises with the decision of the general manager in removing a man who has no doubt certain professional standards and excellence as an active journalist? He is one who was hired after a screening of 15 applicants, one who was taking on a very important news program. His salary certainly indicates that he was of the highest quality, and was removed merely because his wife had taken a position as a secretary to the wife of a member of the Cabinet, how far do we go down the line in setting the standard?

Mr. KAMPELMAN. Well, I think that is a good question. It was one of the questions in my mind and it is one of the reasons why the executive committee has decided to come up with a set of standards because it is a logical question.

Mr. TIERNAN. Thank you.

Mr. BROWN. Is there an answer? We all agree it is a good question. Could we hear what your answer is?

Mr. KAMPELMAN. I thought I stated.

Mr. MACDONALD. Does the gentleman from Rhode Island yield to the gentleman from Ohio?

Mr. TIERNAN. I concluded. Thank you.

Mr. KAMPELMAN. Mr. BROWN, I made my personal position clear that I would not have fired Mr. Woestendiek. So it is difficult for me to answer the question as to where one draws the line.

Mr. BROWN. Mr. Kampelman, it is very interesting that you feel that you were in no way partial in your responsibility as moderator. That is apparently the way Mr. Woestendiek feels. Yet the station got rid of him and didn't get rid of you. My question is what is the distinction? I don't understand the distinction personally, and I recognize that you feel that you were not biased. Mr. Woestendiek feels that he is not biased. Please draw the line for me.

Mr. KAMPELMAN. I would like to answer that if I may.

Mr. BROWN. Please.

Mr. KAMPELMAN. First of all, let me say that I fully accept Mr. Woestendiek's judgment that he did not believe he would be biased and I believe he would not have been. I am sure he would not have been. I have talked to him about it. I think what motivated the station manager was the appearance problem.

Mr. BROWN. That does not apply to you?

Mr. KAMPELMAN. There are differences between the two, and I would like to address myself to that, if I may. There are a number of differences although there are also a number of similarities. Mr. McCarter referred to the fact, which may or may not be very significant that there is a difference between a nightly news program and a weekly analysis program, but more important than that, it seems to me, is that my own role as moderator included no supervision or control over the substance, the direction, the content, the emphasis, the order, the priorities of what the program journalists say or what the program contains.

Nor did my role involve the selection of the panelists. Those responsibilities were in the hands and are in the hands of the program's producer, Mr. Lincoln Furber, who is the director of news affairs for WETA. In effect, it was his role which can be considered a closer equivalent to Mr. Woestendiek's role as editor of the "Newsroom" program.

Furthermore, Mr. Woestendiek's role as editor was questioned because of his wife's prominent current employment with a political figure in the news. The identification was a close one, that of husband and wife. Even though I do not, did not personally agree that this was sufficient reason to relieve him of his responsibilities and I made my position clear, I also think it is important to contrast his status with mine and to note that I hold and have held no political position of any kind, nor does my wife, nor any member of my family, nor have I been employed by a public political figure for more than 15 years, ever since I left the Hill in 1955.

In addition, I made no pretense at any time, nor did "Washington Week in Review" at any time that the moderator was a journalist. My identification has been as an attorney and political scientist. My degree and teaching experience in political science as well as my writing in the field warrant that designation and in my opinion qualify me for the role as analyst and moderator of a news analysis program.

Furthermore, as one of those who can claim parentage of the program more than 3 years ago, it has been my view that one of the strengths of the program is the fact that the moderator has not been a journalist by profession. My experience as moderator for most of the past 3 years, probably in more than 100 programs, has produced praise for its objectivity and fairness from the public and from political leaders of both parties.

I cannot recall receiving any letters or comments of any kind suggesting that lack of fairness in my role as moderator. I do not believe the program would have been as successful as it has been and with as wide an acceptance as it has received were there any significant evidence of any kind relating to a lack of balance, fairness of objectivity on the part of the program or its moderator.

In my career as a lawyer and a political scientist during this whole period, I have developed personal friendships and a set of value judgments like we all have and I have during my adult life identified myself as a Democrat. In the main this has been represented by my public identification as a friend of former Vice President Hubert Humphrey. This has given rise to a question obviously at this hearing, as to the appearance of objectivity. I felt and believe today that my performance as moderator for more than 2 years is sufficient to negate any concern about apparent lack of objectivity since the fairness was in fact present.

However, in spite of my personal views as to how best to assure requirements of fairness in public television or journalism, I am aware that reasonable men may differ with respect to this question. Since our executive committee last Wednesday overwhelmingly supported Mr. McCarter's decision and accepted my proposal and announced a study designed to recommend a set of guidelines by which our station could assure a high standard of independence and impartiality in its programming and since the purpose of those guidelines was "to judge any other similar problems that now exist or may later arise," and the "now exist" was intended by me to cover the question of Washington Week in Review's moderator's role, I considered it desirable that I retire as moderator and I did so.

Mr. BROWN. That is a well formulated answer. You must have anticipated the question.

Mr. KAMPELMAN. I did.

Mr. BROWN. As moderator you did not participate in any way in the selection of the subject or participants?

Mr. KAMPELMAN. That is correct.

Mr. BROWN. In other words, you walked in the day of the program and Mr. Furber tossed you the subject and said, "Today our guests are so and so and we are going to discuss the use of insecticides in agriculture"?

Mr. KAMPELMAN. No. About 4 or 5 o'clock on a Thursday I would receive a phone call from Mr. Furber. Mr. Furber would tell me the identity of the fourth panelist because the other three were standard unless one was absent, and would tell me the subject matters that they intended to cover.

Mr. BROWN. Mr. Brotzman is very anxious to have me yield for a question.

Mr. BROTZMAN. I wanted to have the record clear. Did you have any financial relationship with any of the panelists that appeared?

Mr. KAMPELMAN. None at all, nor did I receive any money from my role as moderator.

Mr. BROWN. Do you as chairman?

Mr. KAMPELMAN. I do not.

Mr. BROWN. So you have no financial interest in the station?

Mr. KAMPELMAN. Except as a contributor on occasion.

Mr. MACDONALD. A reverse relationship.

Mr. BROWN. Were you one of the sponsors who called in?

So you don't feel that this had any significance with reference to the station program that we are talking about, the Washington Week in Review? You just got the information and went on to the program cold, as it were?

Mr. KAMPELMAN. I don't want to minimize the role of moderator, Mr. Brown.

Mr. BROWN. What did you do when the time came that you got the information? There was no consultation with you on what might be discussed next week or anything like that?

Mr. KAMPELMAN. No.

Mr. BROWN. Let me ask you why do you think it would be then that you were given the opportunity to establish your objectivity or the objectivity which you feel you had, objective in your sight, and Mr. Woestendiek was not given the opportunity to establish his objectivity and Mr. Woestendiek is trained as a journalist hopefully to be objective. Presumably the difference in the two programs was that on your program this was an interpretation of news and what had happened and presumably on Mr. Woestendiek's program there was merely the flat presentation of the news. Now frankly, that is an interpretation which I think Mr. McCarter would have us believe.

Having watched the program, I am not sure that I agree. It seems to be that Newsroom is very much like Washington Week in Review where the discussion is about the significance of the news and not specifically what the news is.

Mr. KAMPELMAN. I understand the thrust of your question, Congressman Brown. I think the fundamental difference is this: that Washington Week in Review grew like Topsy. The Newsroom program was born fullgrown. When I say grew like Topsy, we started as a local program here in Washington. We experimented with moderators. I started as moderator. We were going to see how it worked out.

Slowly Boston and New York liked it and asked that it go on the Eastern Educational network and so it got further identification and spread out along the eastern seaboard. It gained acceptance. I pulled away during the period of the presidential campaign.

Mr. BROWN. We are wandering a little from the question.

Mr. KAMPELMAN. No; you are trying to see why I had an opportunity to demonstrate my objectivity and Mr. Woestendiek did not.

Mr. BROWN. On a program which discussed what the news meant and which was network and where it would seem to me that objectivity is relatively as significant as a local discussion program of what the news is about.

Mr. KAMPELMAN. Well, I think I did explain the differences in the roles between the two individuals, the moderator's role and the editor's role. I think Mr. McCarter indicated that, too, and they were significant.

Mr. BROWN. We are apparently not on the same wavelength. I am talking about the significance of the program. Was the significance of the program "Washington Week in Review" in your viewpoint somewhat greater or lesser than "Newsroom"?

Mr. KAMPELMAN. I think they were both very significant programs.

Mr. BROWN. Was the nature of the discussion related to the objectivity of the participants on "Washington Week in Review"? Was objectivity by the participants significant in "Washington Week in Review"?

Mr. KAMPELMAN. Well, you know, we have the word "objectivity" and we have the word "fairness." You are a journalist, Congressman Brown, and I am not. We also have the word "impartiality."

Mr. BROWN. That is not at issue here.

Mr. KAMPELMAN. Let me say that one of the points I have learned in this whole experience is that I am not certain that we have clearly in mind, and when I say "we" I mean people involved in public television and commercial television and journalism, whether the object is objectivity or impartiality or fairness. I am not sure how to define the words properly or whether there is a distinction between the three.

Mr. MACDONALD. May I interrupt to point out to Congressman Brown, a very distinguished member of the subcommittee, and yourself the whole point of these hearings is not whose ox is being gored at the moment but whether or not there are any undue outside pressures about this thing.

We could get into a political hassle that could last as long as time would permit, but I don't think that is going to contribute very much.

Mr. Kiplinger wanted to add something earlier and I wanted to ask him what he had to say.

Mr. KIPLINGER. I have a brief comment. Again, I would like to reassert my confidence that the action in this case was taken with the purpose and for the end of impartiality and objectivity in the presentation of the news and I think I agree with Mr. Brown.

Mr. BROWN. Mr. Chairman, that is precisely why it is important.

Mr. KIPLINGER. Exactly, and I agree very strongly with Mr. Brown that this should be studied by an objective outside professional body. As a member of Sigma Delta Chi, as Mr. Brown is, I was very happy to have that suggestion made and I hope that our national professional journalistic society will follow through on this because there is a wide variety of interpretations of professional ethics and application of them in individual cases and this is where the trouble lies.

There is no central arbiter and there shouldn't be a central arbiter, in my opinion, but I think there should be enough examination of examples of hypothetical cases or real cases so that editors and publishers like ourselves can react. I would just like to say this in a personal sense.

In the administration of my own editorial staff I apply a rule as strict as the one which has been applied in the case here for public journalism. I believe public journalism has a much higher responsibility.

ity than I do and I think that the rule therefore has to be applied even more strictly.

In this I am a strict constructionist.

Mr. BROWN. Mr. Chairman, and Mr. Kiplinger, the thing that occurs to me is that the rule has been applied somewhat arbitrarily by WETA and on the basis of different standards.

Mr. KIPLINGER. I wouldn't say it was arbitrary. I think it was applied with judgment.

Mr. BROWN. Let me say that the judgment that was to be exercised that Mr. Kampelman could conduct his program in the unbiased way was given 2 or 3 years to operate. In this case Mr. Woestendiek was not given that and was fired summarily.

Mr. MACDONALD. I would like to point out that I am not being arbitrary. The House is in session. We cannot pursue this.

Mr. BROWN. Mr. Chairman, may I have an opportunity to discuss with Mr. Kiplinger his point about ethics. Can you return before the committee later?

Mr. KIPLINGER. I have delayed a vacation for 4 days to be present at this hearing. My wife would like to go. I would like to be excused. I would like to discuss it with Mr. Brown if I can, if a time can be arranged.

Mr. MACDONALD. I think if you could have a discussion following the hearing and then after the hearings have heard the other witnesses. I will point out that we have some 10 or 12 witnesses and I now feel that we won't be able to finish by next Friday. The hearings, I can guarantee, will be resumed at a reasonable time.

Mr. BROWN. May I ask the length of Mr. Kiplinger's vacation with the thought that you may come back for the edification of this committee, if not for some public discussion of the ethics of public journalism. Would you be able to come back at some future date?

Mr. KIPLINGER. I would be delighted.

Mr. BROWN. When would that be?

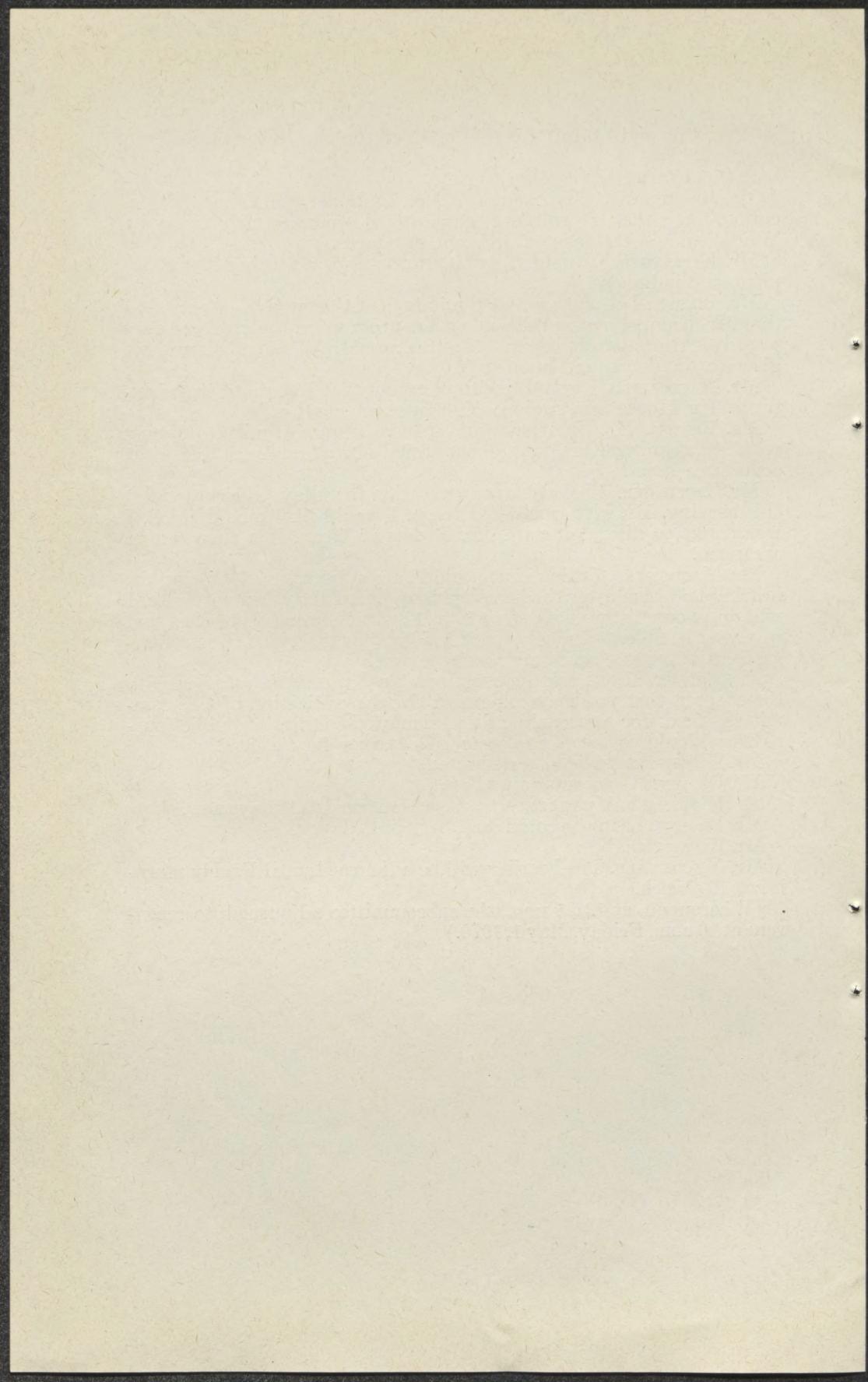
Mr. KIPLINGER. My vacation has been shortened to 10 days now.

Mr. BROWN. Then you could come back in 10 days?

Mr. KIPLINGER. Yes.

Mr. MACDONALD. The hearing will be adjourned until Friday morning at 10 o'clock.

(Whereupon, at 12:25 p.m., the subcommittee adjourned, to reconvene at 10 a.m., Friday, May 1, 1970.)



PUBLIC BROADCASTING FINANCING ACT OF 1970

FRIDAY, MAY 1, 1970

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMUNICATIONS AND POWER,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 2123, Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman) presiding.

Mr. MACDONALD. This hearing will come to order. The first witness this morning is Mr. William Woestendiek.

We welcome you here again, Mr. Woestendiek.

STATEMENT OF WILLIAM J. WOESTENDIEK, FORMER EDITOR, NEWSROOM PROGRAM, STATION WETA-TV (CHANNEL 26)

Mr. WOESTENDIEK. Thank you very much, Mr. Chairman.

I have a statement here which is the same statement that I think was distributed to you this past Monday, which I would like to read.

Mr. Chairman, members of the committee, my name is William J. Woestendiek. My wife, Kay, and I live at 4524 38th Street NW. in Washington, D.C. I was, until Friday, April 17, 1970, the editor of "Newsroom," an hour-long, live news program telecast over channel 26, WETA, Monday through Friday, at 7 p.m. The program is rebroadcast, on tape, at 11 p.m.

I am 46 years old. I have been a newspaper reporter, newspaper editor, and magazine editor for nearly 25 years, minus 3 years in overseas service in the Army during World War II and 15 months in Korea during the Korean war as an army intelligence officer. I grew up in upstate New York, was graduated from the University of North Carolina in Chapel Hill, Phi Beta Kappa, and have a master's degree in journalism from the Pulitzer School of Journalism at Columbia. I was a Nieman Fellow at Harvard University in 1954.

My professional experience includes work as a reporter, sports writer, news editor, city editor, and Sunday editor on the Winston-Salem, N.C., Journal; editorial page editor, editorial director, and assistant to the publisher for 8 years at Newsday; assistant executive editor of the Houston, Tex., Post for 3 years; managing editor of Think magazine, and editor of This Week magazine. While at Newsday, I was awarded Sigma Delta Chi's distinguished foreign correspondence award for reporting done in the Soviet Union. While at Houston, the Post won its first Pulitzer Prize for meritorious public service.

I came to Washington last December as editor and producer of a new kind of television news program called Newsroom. I was hired

by William McCarter, general manager of WETA, to put the entire program together, starting from scratch.

I was to be in charge of program content, program personnel, and program support operations.

"Newsroom" is funded primarily by a grant from the Ford Foundation, with some support from the Corporation for Public Broadcasting. The aim of the program was to combine the best tools of print and television journalism. Basically, the operation is similar to that of a daily newspaper, aided by the use of visual techniques. Reporters would come back to the newsroom each evening and discuss with me, the editor, on camera, their stories. In addition to the reporters sitting around the copy desk each night, we had frequent appearances by contributing editors from various Washington and/or national publications. We also would have guests when they were important to a story. For example, we had Senator Mathias on live the night of the Carswell rejection, and we had former astronaut, Michael Collins, on the night before the Apollo 13 splashdown.

The program was relatively unstructured. We might discuss three, six, or 10 stories, depending on time and the editor's judgment. Each reporter was free to ask questions of other reporters and of the editor in an informal, unrehearsed, freewheeling format—a format, incidentally, that by its very nature would make it impossible to keep any story or news item off the air if any reporter thought it worthy of comment or question.

I put the program together, piece by piece, selecting the furniture as well as the staff. I hired 10 reporters, out of more than 200 applicants, with as much selectivity as was possible in the face of a fast-approaching air time. Naturally, I was not able to hire some of the reporters I had hoped to get, but felt that we had put together a good staff. In most instances, Lincoln Furber, news and public affairs director for WETA, also talked to the applicants, but the final decision was mine.

We went on the air March 23, 1970, after 2 weeks of dry runs, and with a lot of loose ends still untied. The reaction to the program seemed generally good, and the reaction from the board of directors of WETA was particularly good. I received several enthusiastic notes and telephone calls from them.

Slightly more than 2 weeks ago, a little longer than that now, my wife went to work as a press aide for Mrs. Martha Mitchell, wife of the Attorney General of the United States. Frankly, if an atomic bomb had gone off, I don't think it would have touched off the panic button reaction produced by the name of Martha Mitchell.

On Friday, April 10, Mr. Furber said Mr. McCarter wanted to meet with me as soon as possible to discuss an "impossible situation" created by my wife's job. Since Mr. McCarter was out of town, and my wife and I were going to Connecticut to try to sell our home there, I met with Mr. McCarter the following Monday.

At that time, he expressed concern about Kay's job, and the effect it might have on public television, and he asked me about the staff's reaction. I told him that two reporters, David Jewell and Peter Janssen, seemed to be unusually upset, that a few others had said they wished she had not gone to work for Mrs. Mitchell, but that the remainder was not upset and had expressed confidence in me. Mr. McCarter said he wanted to meet with the staff after the program,

without my being present. I objected to this, but he insisted. However, when the meeting began, the staff insisted I be present. Reporters Jewell and Janssen made long emotional talks at the meeting about their feelings that they had been compromised. I remember Janssen saying, "I'll never be able to cover another Weatherman story," and Jewell saying that his sources would dry up.

When other reporters asked Mr. McCarter the purpose of the meeting, he declined to say. Several members of the staff told me the next day that, because they found the meeting "divisive and disturbing," they had gone to Mr. McCarter later and made it clear to him that they did not want to have any changes made in the "Newsroom" team, that they wanted to go ahead and do their job with me as editor.

On a couple of occasions during the next few days, Mr. McCarter spoke to me again about what he considered a conflict of interest that impugned the integrity of public television, which had to "keep its skirts clean." He also described Mrs. Mitchell as an awful woman, a terrible woman, as opposed to someone, in his words, like Joan Kennedy.

On Wednesday, April 15, Mr. McCarter called me to his office to issue an ultimatum which, he said, would be the policy of WETA effective the following morning, unless I did something to relieve the situation that night. The ultimatum was that I ask my wife to resign her job, or else I would have to give up mine. He told me that the staff was being torn up, that he could see "the sting" in the reporters' eyes. I told him that I knew that was not the case, that two reporters and Mr. Furber, for whatever their reasons, were overreacting to the situation.

Mr. McCarter also suggested that the situation might not be so bad if only I would "look worried." He told me that I looked like the same Bill Woestendiek I had been the week before, and that he thought the staff would feel better if I were to look more concerned as I walked around the newsroom.

I told him that I would not ask my wife to give up her job. I considered the ultimatum unbelievable then, and I do now. I used the word hypocrisy to describe the station's position.

Sometime during the next day, I telephoned Fred Friendly at the Ford Foundation in New York to discuss the problem with him. While he made it clear that the foundation would not interfere, he also made it clear to me that he thought a man should be judged by the job he did, not by his wife's. I understand that Mr. McCarter later told Mr. Friendly that the "Newsroom" staff was in revolt, a statement that seemed to be used frequently then and in the week following.

On Friday, April 17, the program had just ended, and I was still in the editor's chair, when I was tapped on the shoulder by Dr. Jack Hunter, program director for WETA, and asked to go to Mr. McCarter's office, where I was handed the attached release.

(The release referred to follows:)

STATEMENT BY WILLIAM J. MCCARTER, VICE PRESIDENT AND GENERAL MANAGER OF WETA/CHANNEL 26, WASHINGTON, D.C., APRIL 17, 1970

William Woestendiek, editor of WETA's "Newsroom", has been relieved of his active duties with that program pending further consideration of his status by WETA.

It has been announced that Mrs. Woestendiek was recently hired as the Press Secretary to the wife of a national public official and is on their private payroll.

We have great respect for Mr. Woestendiek, but this station's action was necessary to avoid any possible charge of bias or influence which might affect the program. The action was also necessary to avoid any relationship that might arouse public concern which could compromise the credibility of the program or its participants.

Effective Monday, April 20, Ben W. Gilbert, Associate Editor with the Washington Post will appear as Guest Editor of "Newsroom".

April 17, 1970.

MR. WOESTENDIEK. I told Mr. McCarter, for the fourth or fifth time that week, that I thought he, or someone, was making a mistake. I asked him what the first paragraph of the release meant. "It means exactly what it says," he told me. I then asked him about several different interpretations of the paragraph, ranging from, "Does it mean that I am fired," to, "Do you want me to come in Monday and help the new editor?" Each time he answered that it meant exactly what it said.

I considered it then, and do now, that it meant that I had been removed from the job—fired. Since then, "firing" has been the general term used to describe the incident, and even reporters Jewell and Janssen agreed that "fired" was the proper wording on last Monday's "Newsroom" program. That is two Mondays ago, now.

The staff was told of the firing at the same time, at a separate meeting conducted by Mr. Furber. I went to that meeting, to find most of the staff members angrily demanding to see Mr. McCarter. Messrs. McCarter and Hunter joined the meeting. Several staff members objected to my dismissal and asked Mr. McCarter repeatedly what he meant by outside pressures. He declined to identify these—and was the next day to deny that there had been any outside pressures. I asked Mr. Furber whom they had consulted, and was told: "It's none of your business."

Several staff members asked repeatedly about the meaning of the first paragraph, and were told that it meant exactly what it said. One of the reporters replied that, "My 7-year-old son can write plainer than that."

Four contributing editors, Tom Wicker of the New York Times; Hugh Sidey of Time-Life; Bonnie Angelo, White House Correspondent for Time; and Charles McDowell of the Richmond Times-Dispatch, resigned the next day. They resigned in protest over what they called a preposterous and unfair action. Columbus Smith, a "Newsroom" reporter, also resigned. Last Monday—again that is the previous Monday night—the "Newsroom" program reported my firing, and seven of the reporters on the program made it very clear that they both opposed what the station had done, and questioned WETA's explanation for doing it.

As of today, I still do not understand the action. I know only that it was blamed on outside pressures, unidentified, then denied; that the staff was described as being in revolt—a description that the staff itself proved untrue on the Monday night program.

So this had to be a case of guilt by association—without any guilt—an attempt to force a man to tell his wife what she could do or not do, and an obviously political reaction.

All I had asked was that which a great newsman of another era, and a colleague of Mr. Friendly's, Edward R. Murrow, once said: "Judge me by what I do."

To disqualify anyone from employment because of what his wife—or husband—does professionally is an insult not only to one's professional integrity, but also to the dignity of man.

Thank you.

Mr. MACDONALD. Thank you very much, Mr. Woestendiek.

I can't blame you for writing a very personal report about what happened, but, as you know—and I am saying this in repetition, but just to keep the members of the committee aware of the purpose of this hearing—whether or not the station was correct in their decision is not before the committee at this time.

What we are here for is to find out if there was exerted on the station any outside influence, and, if so, what that outside influence was.

I will just ask you—and perhaps your response wouldn't be permitted in a court—but what outside influence that you made reference to several times here did you hear about, and what was the source of it?

Mr. WOESTENDIEK. I don't know of any outside pressure. I can't identify it.

As I mentioned in my statement, I asked several times before, during, and since what the outside pressures may have been.

The only reports I heard were one that appeared in the Washington Post, which has since been retracted and corrected, that the Ford Foundation and Mr. Kampelman were involved.

I have no personal knowledge of any outside pressure. That is why I don't understand it.

Mr. MACDONALD. At this point I guess I ought to put in the record the fact, which I did not note on our opening day of these hearings, that the Washington Post corrected—

Mr. WOESTENDIEK. That is correct.

Mr. MACDONALD (continuing). A statement that had appeared in the Post.

Mr. WOESTENDIEK. I can't say that there was or wasn't any. I just don't know.

Mr. MACDONALD. I just want to put in the record that the Washington Post, that did originally say and quoted that there were outside pressures, retracted that in two different editions.

Mr. WOESTENDIEK. That is correct, sir.

Mr. MACDONALD. You cite talk about a revolt in the "Newsroom." I watched the program that followed your discharge, and I don't exactly understand why the word "revolt" would be used.

Mr. WOESTENDIEK. Well, neither do I. There, again, it appeared in a couple of news stories that the staff was dissatisfied, but primarily one of the reasons given me was that the staff was so upset that I didn't have the support of the staff, and that reason was given other people. I know members of the board of directors and other people were told that the staff was unhappy.

What role that played in the decision, I don't know, but I think it was obvious that the staff was not that unhappy.

Mr. MACDONALD. Well, sir, since you are the most personally concerned with this matter, would you care to comment about whether you feel that outside pressures were used to have you discharged from this program?

Mr. WOESTENDIEK. I wish I could comment objectively and factually on the matter, but I do not know.

I have asked. I have tried to find out. I can't believe that it just happened, but on the other hand, I can't point any fingers.

Mr. MACDONALD. When you say you can't believe that it happened—

Mr. WOESTENDIEK. I find it difficult to believe that it happened.

Mr. MACDONALD. You were fired. That is for sure.

Mr. WOESTENDIEK. That is right. There is no question about that.

Mr. MACDONALD. What do you mean when you say that you can't believe it happened?

Mr. WOESTENDIEK. The reasons for it I don't understand. That is what I am saying.

Mr. MACDONALD. Do you feel that there was outside pressure used?

Mr. WOESTENDIEK. I don't know, sir. I wish I could answer that question.

Mr. MACDONALD. What is your feeling? I know you don't know.

Mr. WOESTENDIEK. I feel that there were pressures both inside and presumably there may have been some outside, from the board of directors, certainly. It is my feeling that it just didn't happen that one man made the decision.

Mr. MACDONALD. Do you feel that Mr. McCarter was put upon to have you discharged?

Mr. WOESTENDIEK. I think so, but I can't go beyond that. It is just my feeling.

Mr. MACDONALD. Did he ever indicate it to you in any way?

Mr. WOESTENDIEK. Only his original statements of outside pressures, which he later denied, and the fact that he kept telling me the staff was so upset, which I knew and believed firmly not to be true, and I think that was proven not true.

Therefore, I can't see how the staff's being upset could be used as a reason.

Mr. MACDONALD. Once again, I don't want to have it down to a courtroom procedure about what did he say, and what did you say, and so forth, but in general could you tell us your conversation with him at the time you realized that you were discharged?

Mr. WOESTENDIEK. With Mr. McCarter?

Mr. MACDONALD. Yes.

Mr. WOESTENDIEK. Well, he handed me this release, which you all have a copy of, I believe.

Mr. MACDONALD. Yes.

Mr. WOESTENDIEK. And I looked at it and asked him what it meant, and he said, "It means exactly what it says." I then went through a series of questions, because in my own mind it meant I was fired. I asked him that. He said, "It means exactly what it says."

I asked him if it meant he wanted me to stay on as a consultant. He said, "It means exactly what it says."

I asked him if he wanted me to come in Monday and help with liaison with the new editor. He said, "It means exactly what it says."

After going through a few questions like that, I then said, "Has this been released to the press?" He said, "It will be. It is now being given to the other members of the staff."

I told him that I thought it was a mistake. I just could not understand the reason for it.

That was our basic conversation then, and the staff was meeting down the hall, and Mr. McCarter and Dr. Hunter both came down to that meeting, and the staff, or several members of the staff, raised the same questions, and were given the same answers.

MR. MACDONALD. Yes, sir; but what raised the question in my mind—if it was denied that there were direct outside pressures, why would you then call Mr. Fred Friendly?

MR. WOESTENDIEK. Oh, excuse me.

I called Mr. Friendly before this happened. I called Mr. Friendly after I had received the ultimatum, before I was fired.

I called Mr. Friendly to tell him what was going on, ask him for his opinion, what he thought about it, since he certainly—

MR. MACDONALD. The same question: Why?

MR. WOESTENDIEK. Because he is a man who has been very closely involved with "Newsrooms," with all of the "Newsrooms." They were sort of his babies, and I respected his opinion.

MR. MACDONALD. Then by indirection, you are really saying that Mr. Friendly could exercise his judgment and his influence on the program and the station?

MR. WOESTENDIEK. I called him to ask him.

MR. MACDONALD. Is that right, or not?

MR. WOESTENDIEK. Well, he is in a position to—yes—certainly, but I am not saying that he did. I don't know that he did.

I called him to find out what he knew about it, and what he thought about it, and he told me that he knew nothing about it at that time, and, as I say, he implied to me that it was not his business, but that he certainly thought that I should be judged by what I was doing.

MR. MACDONALD. You could save us time if you just describe the conversation, what you said.

MR. WOESTENDIEK. With Mr. Friendly?

MR. MACDONALD. Yes.

MR. WOESTENDIEK. I called him and asked him if he had heard about the situation down here at channel 26. He said, I believe, that he had been in Chattanooga or Nashville—I am not sure which, now—in Tennessee, and that he had read about my wife's job in the paper.

I said, "Well, it is creating quite a stir here, and I wondered if you knew about it."

He said, "No; I didn't. What is going on?"

And I told him, and he said, "Well, I think a man should be judged by his actions, and not by his wife's actions," and I got the feeling that he did not seem to be overly concerned about it at that time.

MR. MACDONALD. But you must have felt, or you wouldn't have called, that he would have some influence on the decision.

MR. WOESTENDIEK. I called just to find out whether he knew anything about it, and what he thought about it.

MR. MACDONALD. Why would you call him?

MR. WOESTENDIEK. Because he is the man who has been a professional newsman.

MR. MACDONALD. You work for the station. You don't work for the foundation.

Mr. WOESTENDIEK. I also put in a call to Mr. Macy, and I didn't get Mr. Macy.

Mr. MACDONALD. You called Mr. Macy?

Mr. WOESTENDIEK. Yes. I worked for the station, but I feel that the Ford Foundation and the Corporation for Public Broadcasting certainly have a very important stake in this program.

Mr. MACDONALD. Can you explain that remark?

Mr. WOESTENDIEK. I beg your pardon?

Mr. MACDONALD. Could you explain that remark?

Mr. WOESTENDIEK. I said I felt that the Ford Foundation and the Corporation for Public Broadcasting had a very important stake—after all, they were underwriting it—in this program.

Mr. MACDONALD. That, as I said earlier, is the whole point of these hearings. As you know, and as all the members of the subcommittee know, we voted ourselves out of any influence, and therefore it seems to me that there could be people who were perhaps not very favorably intended about this entire program who would think that the hand of the Corporation that put so much money into these programs perhaps should be cut off. Because we are marking up a bill about permanent financing, this is exactly what we want to find out, and I ask you, do you feel that the foundation had anything to do with this firing of yours?

Mr. WOESTENDIEK. No, I can't say that. I honestly do not know. I only know what Mr. Friendly has told me, and I have had a couple of conversations with him.

Mr. MACDONALD. Time is running out. I can't pursue it.

The whole point is, why would you call the Corporation, if you felt they had no influence over individual stations?

Mr. WOESTENDIEK. Because he is a man—

Mr. MACDONALD. They should not have influence.

Mr. WOESTENDIEK. No, they should not have.

Mr. MACDONALD. Then why, as a station employee, would you call the Corporation or Mr. Friendly? I truly don't understand it.

Mr. WOESTENDIEK. Well, I am sorry, but he is a man whose judgment I respect, a man who is very prominent in the television picture, a man whom I talked to. You might argue I had no business talking.

Mr. MACDONALD. His qualifications are not in issue here.

What is in issue is strictly whether or not the foundation, through its power of the purse, does influence individual stations.

Mr. WOESTENDIEK. I realize that.

Mr. MACDONALD. We hope that that is not the case. But by your very action, even though you know you have been put upon, in my judgment, in this area, it would indicate, although you deny it—your very action in calling the Corporation puts the whole thing in a rather dim light, in my opinion.

Mr. WOESTENDIEK. Well, I called Mr. Friendly—

Mr. MACDONALD. If you would like to explain it, I would like to hear it.

Mr. WOESTENDIEK. I don't know how else I could explain it, except that Mr. Friendly is the man I talked to when I went to work for the station. He came down and talked to our reporters.

Mr. MACDONALD. Did he hire you?

Mr. WOESTENDIEK. No, he did not hire me, but he has been very close to the program.

Mr. MACDONALD. Was he influential in having you hired?

Mr. WOESTENDIEK. Not to my knowledge.

Mr. MACDONALD. Well, then, why would you contact him at the time that you thought a discharge of yourself was imminent?

Mr. WOESTENDIEK. He is a man whose opinion I respect.

Mr. MACDONALD. Opinion about what? You weren't talking about programing something and asking him would this be a good program to put on the air. You were talking about your employment to him.

Mr. WOESTENDIEK. That is right.

Mr. MACDONALD. Then all I say is: Why, why? I still don't understand.

Mr. WOESTENDIEK. I don't know how any better I can answer it, because he has been very close to the whole operation.

Mr. MACDONALD. He didn't hire you. You say he had no influence on your hiring. Then why would you call him about being discharged?

Mr. WOESTENDIEK. I talked to him when I was hired. I talked to him when we were going through dry runs. He came down to Washington to the station and talked to our reporters.

Mr. MACDONALD. That is programing, which is definitely his field.

Mr. WOESTENDIEK. And I have talked to him several times, and I just wanted to talk to him, and see what was going on, if he knew about it.

I was doing some reporting of my own, I guess you might say, and I wanted to also get his opinion.

Mr. MACDONALD. Then you felt that he had influence with the station to stop it if something was going to happen?

Mr. WOESTENDIEK. I certainly wouldn't say that the Ford Foundation has no influence, any more than Mr. Kampelman has no influence.

I know that there are certain people, the board of directors, Mr. Friendly, that Mr. McCarter kept close touch with, because that was their baby, their major program.

Mr. MACDONALD. When you say that Mr. McCarter, the station manager, keeps in close touch with the Foundation, in what way do you mean he keeps close touch? About who should be hired, or what programs should go on?

Mr. WOESTENDIEK. Keeping them informed.

Mr. MACDONALD. About what?

Mr. WOESTENDIEK. He can answer that.

Mr. MACDONALD. About hiring and firing?

Mr. WOESTENDIEK. Yes, just as he had me go to New York with him and talk to Fred Friendly when he hired me, that type of protocol information.

Mr. MACDONALD. You just said earlier that Mr. Friendly had nothing to do with your hiring. Now you say that you went to New York to be interviewed by Mr. Friendly.

Mr. WOESTENDIEK. No; I didn't say that.

Mr. MACDONALD. Before being hired.

Mr. WOESTENDIEK. I didn't say that.

Mr. MACDONALD. If I am misstating your words, please correct it.

Mr. WOESTENDIEK. Yes, Mr. Chairman. May I try to correct that?

I said to my knowledge Mr. Friendly had nothing to do with that, but I did go to New York. Mr. McCarter asked me to go to New York with him and talk to Mr. Friendly as a matter of protocol, because the Ford Foundation, after all, was underwriting the operation.

It was not an interview. It was just a meeting with Mr. Friendly. I had already been hired.

Mr. MACDONALD. One last question, because I don't want to take the time of the committee.

Do you think that the influence of the foundations—and I am not restricting this just to Ford, but other financial supporters who contribute to the program, is such that they should be looked at by this subcommittee and the Congress in general?

Mr. WOESTENDIEK. Well, I think any time any organization contributes a lot of money to something, you know, the possibility of influence is always there.

Mr. MACDONALD. There is no one closer to the scene than you, so we can't go to a person that is more closely connected with this, so I am asking you directly for your comments or your statement about whether or not you feel whether in a permanent financing plan for the public broadcasting system, foundations should be included or excluded.

Mr. WOESTENDIEK. I think that ultimately they should be excluded.

You have me in an area that I am not that familiar with. I am familiar with the editing and operation of a newsroom program, and I made the point to try to stay out of any politics or financing.

Mr. MACDONALD. Unfortunately, you got in it.

Mr. WOESTENDIEK. That is right. I certainly did.

Mr. MACDONALD. That is why we are here today. You are the corpus delicti, as far as I can see.

Mr. WOESTENDIEK. That is right, but I am still kicking a little.

Ultimately, seriously, I think they should be excluded.

Mr. MACDONALD. I couldn't be more serious.

Mr. WOESTENDIEK. I am very serious.

Mr. MACDONALD. Your testimony carries great weight with this committee, because it happened to you. We can engage in exercises of what might happen, and so forth, but we have got you testifying before us, and it happened to you, and I would think you would have some opinion about how it happened.

Mr. WOESTENDIEK. Well, I wish I had a firmer and stronger knowledge of how and why it happened, Mr. Macdonald. I have not been able to find out.

Mr. MACDONALD. Mr. Van Deerlin.

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

I would accept the chairman's outline in general of the purpose of this hearing as being to determine the presence or the nonexistence of outside pressures in this case.

It seems to me, however, that friends of public broadcasting must also be concerned, Mr. Chairman, over the possible potential damage to public broadcasting—and to our efforts to get it adequately financed—that this case surely poses.

I wonder if you had any feeling, Mr. Woestendiek, that there was some discomfort within your staff over the fact that none of them was being paid more than half as much as the news director, and that of

the entire station operation only the manager's salary was a little over 50 percent.

Mr. WOESTENDIEK. Within my staff, no, I never had that feeling. They were all fairly well paid, and I think it is normal for the editor of an operation to be paid substantially more. I wish that they all could have been paid more.

Within the staff, no. Within the station itself, that is a different question, and I did have the feeling that there was some feeling there, even some feeling among the station employees, as to the salaries being paid my reporters.

Mr. VAN DEERLIN. I see. How was your salary determined, Mr. Woestendiek?

Mr. WOESTENDIEK. Oh, I think that was very simple. I asked for \$50,000, and they agreed to pay me \$50,000.

Mr. VAN DEERLIN. Was there any bargaining that went into it?

Mr. WOESTENDIEK. No; it was just straight discussion, very clear, very short, very friendly.

Mr. VAN DEERLIN. In other words, if they wanted your services, that is what it was going to cost?

Mr. WOESTENDIEK. Yes, sir.

Mr. VAN DEERLIN. Well, as one whose services were always sold in a buyer's market, I want to express some envy.

Mr. WOESTENDIEK. Well, it was nice to have, but it was short-lived.

Mr. VAN DEERLIN. Do you think that an arrangement like this may make it difficult, on publicly operated stations, to put together and hold a happy team?

Mr. WOESTENDIEK. I would think that the publicity and discussion about the salary would make it more difficult, yes, Mr. Van Deerlin.

Mr. VAN DEERLIN. Would you say that yours was more of a pilot project, though?

Mr. WOESTENDIEK. That is right. Well, certainly it was an experiment, a pilot project, and the aim of the program was to hire people of such quality that they would pay substantially more money than the people were getting where they were working, or other people in similar areas in public television stations.

There is no question but what these people, myself included, were making more money.

Mr. VAN DEERLIN. Perhaps the idea behind all of this was, if you demonstrated the success of this format here in Washington, that the format itself could be picked up and transferred to other areas and other stations.

Mr. WOESTENDIEK. I think that is correct.

Mr. VAN DEERLIN. On less money.

Had there been any talk, in setting up this pilot project, about assisting in putting on to other stations?

Mr. WOESTENDIEK. We talked about it frequently in long-range terms, way down the road, that hopefully we would have a public television news network, at least a half hour of Washington news coming out of channel 26 that would be picked up by other public stations around the country, but that was way down the road, as far as I knew.

Mr. VAN DEERLIN. But the Ford Foundation's interest was at least immediately limited only to WETA?

Mr. WOESTENDIEK. Well, there are four other Newsrooms now in existence, San Francisco, Dallas, Pittsburgh. I don't mean four other; four all together.

Mr. VAN DEERLIN. San Francisco preceded this one.

Mr. WOESTENDIEK. San Francisco was the original.

Mr. VAN DEERLIN. And it was the one that achieved most of the early publicity.

Mr. WOESTENDIEK. Right.

Mr. VAN DEERLIN. What do you know about the salary scales there?

Mr. WOESTENDIEK. I know nothing about them at all.

Mr. VAN DEERLIN. You worked and drew your salary from station WETA, not from any of the contributors to the program—is that true?

Mr. WOESTENDIEK. Well, I am not that familiar with where the money comes from. WETA paid my salary.

Mr. VAN DEERLIN. The check was from WETA?

Mr. WOESTENDIEK. Yes, that is right.

Mr. VAN DEERLIN. I have a suspicion, Mr. Woestendiek, that in yielding you up, I am turning you over to someone who is going to probe this matter somewhat more penetratingly than I have.

Mr. MACDONALD. In-depth I think is the TV word.

Mr. Brown?

Mr. BROWN. Mr. Woestendiek, Les Midgley, the news director of CBS, are you familiar with that name?

Mr. WOESTENDIEK. Yes.

Mr. BROWN. Do you know who he was married to at the time he was news director of CBS?

Mr. WOESTENDIEK. Betty Furness.

Mr. BROWN. Was she gainfully employed at the time?

Mr. WOESTENDIEK. Yes. She was working with the Government, Consumers Affairs.

Mr. BROWN. She was the Consumer Director for the President?

Mr. WOESTENDIEK. Yes.

Mr. BROWN. Do you know whether your \$50,000 a year salary is continuing? Have you been paid since you departed the active operation of Newsroom?

Mr. WOESTENDIEK. No, I have not. I have seen in the papers that I was going to be, it was going to be continued temporarily but that matter is in the hands of my attorney.

Mr. BROWN. You don't feel that that issue has been resolved either in your favor or in favor of the station not paying you?

Mr. WOESTENDIEK. No, I don't.

Mr. BROWN. Could you give me some idea of your relationship as editor of Newsroom with Mr. McCarter, with Mr. Kiplinger—who I understand was head of the directors' group that had oversight of the Newsroom operation—and with Mr. Kampelman, the chairman of the board of directors, and whether these men were satisfied with your performance.

Mr. WOESTENDIEK. The reaction from all of them was fairly good and/or very good, as far as I know.

Mr. Kampelman I had heard from very infrequently. I did have one or two telephone conversations with him, where he said he thought the program was going well.

Mr. Kiplinger was there, I think, I don't know if it was the opening night, but early the first week. He was very enthusiastic about it. I received a letter from him later saying he thought the program was going well, and I had a telephone conversation with him only a few days before this happened in connection with the White House correspondents' dinner, and he said again he thought things were going very well.

The other board members from whom I heard were very enthusiastic about the program.

Mr. BROWN. Mr. McCarter?

Mr. WOESTENDIEK. I would not say he was satisfied with it, because I would not say that I was. It was a fledgling. We are still trying our wings. But there were no real problems in terms of the thing not going well.

Mr. BROWN. And with your work?

Mr. WOESTENDIEK. With my work, to my knowledge, there was no quarrel.

The staff itself, I don't think, outside of the possibility of a couple of the reporters who were—and I don't think they were really quarreling with my work, they were quarreling with the fact that we had a new concept, and we were sort of groping occasionally to find out how to do it best. So there were no problems, to my knowledge.

Mr. BROWN. At this time, did you have contact with the Corporation for Public Broadcasting them with reference to the program and your work on the program?

Mr. WOESTENDIEK. Very little. I talked to Mr. Macy a couple of times.

Mr. BROWN. Twice?

Mr. WOESTENDIEK. Twice, that is right. The last time I talked to him, again in connection with the White House correspondents' dinner, he was most enthusiastic about what he said, "the job you are doing," which was the way he phrased it.

Mr. BROWN. From the time you were hired until your discharge, how often were you in contact with Mr. Friendly of the Ford Foundation?

Mr. WOESTENDIEK. I think it was three times, when I was hired—Well, in terms of contact, it was more than that, but with him personally, when I was hired, he made a trip down one time to talk to the reporters before we went on the air, and I talked to him on the telephone that day, that Thursday that I mentioned.

But it seems to me we had another conversation or two. Yes, he called me the night we went on the air, before we went on the air, to just wish me well and bon voyage, or whatever he said.

Mr. BROWN. Did you talk with other officials of the Ford Foundation?

Mr. WOESTENDIEK. I talked to Mr. Davis.

Mr. BROWN. How often?

Mr. WOESTENDIEK. Well, he was down that same time Mr. Friendly was down, and I talked to him that same day in New York when I talked to Mr. Friendly.

Mr. BROWN. What was the nature of Mr. Friendly's conversation with the reporters?

Mr. WOESTENDIEK. He briefly, in essence, told them to remember that they were not television stars, that they were reporters first, second, and always.

Mr. BROWN. Cheerleading kind of conversation?

Mr. WOESTENDIEK. That is right. It was that type of thing.

Mr. BROWN. In hiring reporters, did you have salary limitations that you were given for the reporters placed on you by the station?

Mr. WOESTENDIEK. Yes, I did.

Mr. BROWN. You made a comment that you thought they were all fairly well paid. Would you say that they were above average for their experience or the kind of job they were expected to do?

Mr. WOESTENDIEK. Yes, I think so; certainly in most cases, because no one came to work for the station for less money than he was making, most of them came for more, and those, for instance, we hired from the Washington Post came for more money than they were being paid by the Washington Post.

So I think that would be a fair evaluation, to say that they were paid comparably.

Mr. BROWN. Was any attempt made to relate their salaries, or yours, during the hiring process, to the other levels in the television industry in Washington?

Mr. WOESTENDIEK. Well, no, I don't think there was any attempt made to compare it with television salaries; not to my knowledge.

I had a budget, and within that budget I had the leeway to go a little higher with some people and a little less with others, which, as you know, is normal.

Mr. BROWN. What was Mr. Furber's role in the hiring of reporters, or in your own hiring?

Mr. WOESTENDIEK. Mr. Furber was the first person to contact me about this position, and he and Mr. McCarter talked to me two or three times before I was hired.

Mr. BROWN. Did he suggest you for the job, or did he indicate who did suggest you for the job?

Mr. WOESTENDIEK. Yes. I think the first person—now, I am not sure, but I think the first person to mention my name to him was Dwight Sargent, who is the curator of the Nieman Foundation, and then some other people that he talked to agreed, or at least told him that they thought I would be a good choice.

That is my understanding.

Mr. BROWN. In hiring reporters, what was his role?

Mr. WOESTENDIEK. He talked to most of the reporters. Well, he talked to several reporters before I got there. He talked to several applicants—I shouldn't say reporters—for both my job and some of the other jobs.

After I arrived, he talked to most of the reporters that I talked to, either with me, or after I did, or before I did.

Mr. BROWN. Do you have any indication by whom they were recommended for employment?

Mr. WOESTENDIEK. The various applicants? They were recommended from all over. Some of them just came because they heard about it by word of mouth. Others were recommended by newspaper editors or publishers or television or radio people, or some recommendations came, I am sure, from Mr. Macy, some of the people active in public

television who knew or had heard or been told about some of these people.

Mr. MACDONALD. Mr. Brown, I don't mean to insist on the 5-minute rule, because I broke the rule myself, and I think Mr. Van Deerlin did, but I would like to point out to all the members of the committee that Mr. Friendly, who will be the next witness, has a long-standing engagement, as I am told, to give a speech in, coincidentally, Massachusetts. Therefore if we could hold at this point to 5 minutes, then I am sure Mr. Woestendiek could be available later for further questions.

I in no sense mean to cut the gentleman off.

Mr. BROWN. All right.

Mr. MACDONALD. Mr. Rooney.

Mr. ROONEY. Mr. Woestendiek, you stated earlier that you didn't know whether or not there was any outside influence, and you stated also that you made a friendly call to Mr. Friendly to get some advice from him. This was before you were fired?

Mr. WOESTENDIEK. That is correct.

Mr. ROONEY. You also indicated that you called Mr. Macy. Did Mr. Macy return your call?

Mr. WOESTENDIEK. Mr. Macy returned my call while we were on the air, and I couldn't take it, and I never got him back, and he left, I understand, the next day for Hawaii.

Mr. ROONEY. In your conversation with Mr. Friendly, you stated that Mr. Friendly said a man should be judged by the job he does, not by whom he is married to, or words to that effect. Is that right?

Mr. WOESTENDIEK. That is correct; yes.

Mr. ROONEY. Wouldn't that be an indication to you that Mr. Friendly didn't have any influence in your firing?

Mr. WOESTENDIEK. As I said, I got the impression from Mr. Friendly that he was—

Mr. ROONEY. But you did say that there might have been outside influences through the Ford Foundation or Mr. Kampelman. Isn't it true that Mr. Kampelman was one of two members that voted against firing you?

Mr. WOESTENDIEK. That is true.

Mr. ROONEY. Wouldn't that indicate Mr. Kampelman had no influence on your firing?

Mr. WOESTENDIEK. I said there was a report in the Washington Post, which the chairman said was later retracted.

I did not make either of those accusations. I said I just don't know.

Mr. ROONEY. Wouldn't Mr. Kampelman's action, and the conversation had with Mr. Friendly, certainly indicate to you that neither one had any influence?

Mr. WOESTENDIEK. It certainly indicated to me that they both were in my corner; yes, sir.

Mr. ROONEY. You also stated that any great contribution that might have been made by the Ford Foundation could influence the program. Are you implying that Congress should take a periodic look at the grants that these educational television stations receive from various foundations because maybe they can have an influence?

Mr. WOESTENDIEK. I was not naming the Ford Foundation as such. I was saying any organization that contributes that much money to any

public operation I would think should be looked at very carefully. That is just a general observation on my part.

Mr. ROONEY. Your wife's new employer you would admit would be a controversial figure; would you not?

Mr. WOESTENDIEK. Oh, I would say there is no question about that. She certainly has been.

Mr. ROONEY. Wouldn't you think it would have been proper on your part to give a courtesy call to your employer, Mr. McCarter, to tell him that your wife had just taken the job with a very controversial employer, and perhaps give him some information before he read it in the newspaper? Don't you think that would have been——

Mr. WOESTENDIEK. I think that would have been a good thing to do. I was planning to do that. I read about it in the newspaper before I had a chance to talk to him. He was out of town, and my understanding with my wife——

Mr. ROONEY. Are you telling me that your wife didn't even tell you that she was hired?

Mr. WOESTENDIEK. That is not what I am telling you.

He was out of town, and it was my understanding from my wife that this was not going to be announced for several days, and I was going to tell him when he came back. Instead, as frequently happens, as you gentlemen know, it was in the papers the next day.

Mr. ROONEY. You refer to your outstanding record, and I congratulate you on your great accomplishments during your short life, but you also made a statement that with all of these accomplishments, you have been fired by pros, but never by amateurs.

How many people have you been fired by, and what were the reasons?

Mr. WOESTENDIEK. I have been fired once before.

Mr. ROONEY. By whom?

Mr. WOESTENDIEK. By Mrs. Oveta Culp Hobby, the publisher of the *Houston Post*.

Mr. ROONEY. What was the reason for being fired there?

Mr. WOESTENDIEK. Forgive me if I take up too much time, but it was a series of incidents involving advertising pressures on the newspaper, and I was involved in objecting and arguing strenuously with her about honest play of the news as opposed to advertising pressures, and there were several incidents where we had stories written one way, and they were rewritten or killed by advertisers, and over a series of time this became a very intense issue, and she just told me she would rather I leave.

Mr. ROONEY. You state in your résumé that the *Houston Post* won a Pulitzer Prize for meritorious public service.

Mr. WOESTENDIEK. It certainly did.

Mr. ROONEY. If you win a Pulitzer Prize for meritorious public service, how could an advertiser influence——

Mr. WOESTENDIEK. The prize was won for corruption in the suburbs, in the town of Pasadena, in which there was no advertising involved.

Mr. ROONEY. Give me an example of how an advertiser tried to influence a story of yours in the *Post*.

Mr. WOESTENDIEK. All right. We ran a series of articles on packaging, when the packaging story was very big, and we had a reporter who had done a long, intensive study of this to show that the packages

on the supermarket shelves were not what they appeared to be. After the first article ran, the first of a five-part series, the other four were rewritten by the son of the publisher to the extent that the reporter who had written them came to me and asked that his name please be taken off of them, that he wanted no more to do with them, and I went and looked at them, and also quarreled about the fact that they were now presenting strictly the supermarket manager's side of the story.

Mr. MACDONALD. Mr. Woestendiek, if I may just interrupt—

Mr. ROONEY. I have no further questions.

Mr. MACDONALD. Mr. Rooney is not only a very valuable member of this subcommittee, but a good personal friend of mine, but when we get into packaging and so forth in Texas, I think it is clear—

Mr. ROONEY. There are two influences here.

Mr. MACDONALD. I think it is clear, Mr. Rooney, that he was discharged by the station solely on the basis that his wife took this controversial position, and once they say it, and once you agree to that, I don't think that your background lends very much, and I don't mean to interrupt.

Mr. ROONEY. No further questions.

Mr. MACDONALD. Mr. Brotzman.

Mr. BROTZMAN. Thank you, Mr. Chairman.

I have just quickly read your statement, and I would understand that you feel you were discharged because of so-called outside pressures. Is this correct?

Mr. WOESTENDIEK. I was told that originally. That is the only reason I had for feeling it. But I was not able to confirm it in any way by any questions I asked anyone.

Mr. BROTZMAN. Where do you think the outside pressures came from?

Mr. WOESTENDIEK. As I said before, sir, I have to tell you that I don't know. I tried to find out.

Mr. BROTZMAN. That wasn't my question. I said where do you think they came from?

Mr. WOESTENDIEK. I don't know. I honestly do not know.

Mr. BROTZMAN. Do you believe there were outside pressures?

Mr. WOESTENDIEK. I hate to keep saying I don't know. I believe there were pressures applied from inside. The outside pressures came from the board of directors, I would assume, based on what I have been told since. I mean Mr. Kiplinger, the executive board of the Newsroom committee.

Mr. BROTZMAN. You have been told that this came from the board of directors? Is that what you said?

Mr. WOESTENDIEK. That is only—

Mr. BROTZMAN. Who told you that?

Mr. WOESTENDIEK. Well, I read it in the paper, and Mr. McCarter at one time during our conversations told me that he had been talking to Mr. Kiplinger and Mr. Mitchell, I believe, and some of the board members, so that I have to infer if there were outside pressures, they came from there.

Mr. BROTZMAN. You were told that by Mr. McCarter?

Mr. WOESTENDIEK. But I also know.

Mr. BROTZMAN. Tell me about that conversation. We are talking about pressures, here. That is the whole purpose of this meeting. I don't hear anybody talking about pressures directly. I want you to tell me about that conversation.

Mr. WOESTENDIEK. That conversation occurred early that week.

Mr. BROTZMAN. This is a conversation with Mr. McCarter?

Mr. WOESTENDIEK. That is right.

Mr. BROTZMAN. Where did it occur?

Mr. WOESTENDIEK. In his office.

Mr. BROTZMAN. What would be roughly the date of that conversation?

Mr. WOESTENDIEK. I would guess it was on a Tuesday or Wednesday of the week that I was dismissed, which would make it April 15.

Mr. BROTZMAN. You and Mr. McCarter were present?

Mr. WOESTENDIEK. That is right.

Mr. BROTZMAN. Anybody else?

Mr. WOESTENDIEK. No.

Mr. BROTZMAN. What did he say to you, and what did you say to him?

Mr. WOESTENDIEK. We went through this long discussion about how upset he was, what a conflict of interest he thought it was, the integrity of public television was at stake, and how my reporters were all upset, and I said I didn't read it that way, I didn't see it that way.

I asked him if he had talked to anyone else, and he said, well, he had talked to some of the members of the executive committee on the board, and that they were also upset.

That is the only basis I have for saying, outside of the fact that Mr. Kiplinger has since publicly stated his feelings.

Mr. BROTZMAN. You talked about outside pressures. Were there inside pressures?

Mr. WOESTENDIEK. Yes, I think there were inside pressures from two reporters.

Mr. BROTZMAN. You said that there were inside pressures?

Mr. WOESTENDIEK. Yes; I could see that there were inside pressures.

Mr. BROTZMAN. Those inside pressures came from whence?

Mr. WOESTENDIEK. Well, they came from Mr. Furber, and two reporters, David Jewell and Peter Janssen. They were the people who were very upset.

Mr. BROTZMAN. Let me ask you this question, if I might.

Mr. WOESTENDIEK. Yes.

Mr. BROTZMAN. Was there a great disparity between your salary and their salaries?

Mr. WOESTENDIEK. I don't know what Mr. Furber makes. Based on Mr. McCarter's conversation the other day, yes, there is.

Mr. BROTZMAN. Do you feel that any of the so-called pressures resulted from any resentment over that disparity in salary?

Mr. WOESTENDIEK. I think that probably is the case, yes.

Mr. BROTZMAN. Elaborate on that.

Mr. WOESTENDIEK. Not the reporters. We did go over this briefly before.

The reporters, I think, are being paid, and were being paid comparably good salaries, but the rest of the people at the station, the

people who were at channel 26 before "Newsroom," are paid very small salaries, relatively speaking, and I think that, I know that some of them felt strongly about the salaries my reporters were making.

Mr. BROTZMAN. Who were some of them?

Mr. WOESTENDIEK. There was one photographer there, and I was told by Dr. Hunter, the program director, at one time that there was very strong feeling.

In fact, I was told, "Please tell your people to keep their salaries secret, because it could create a problem for us here. It already has created a problem for us here."

Mr. BROTZMAN. I think I have about 1 minute left, and I promised to yield to Mr. Brown for 1 minute.

Mr. BROWN. You indicated that you had talked to Mr. Friendly when you were hired, that he had talked to your reporters, that he was close to the whole operation, that he was involved in the dry runs of the 2 weeks of dry runs that you had on "Newsroom."

Mr. WOESTENDIEK. Excuse me, Mr. Brown. He was not involved in them. He came down one day to speak to the reporters.

Mr. BROWN. That is all I meant to say.

You said that Mr. McCarter had kept in close touch with Mr. Friendly through this process, and also that this program was his baby. What does that influence come down to? Did he help set this program up? Is that what you are saying?

Mr. WOESTENDIEK. He was very instrumental and very involved in the San Francisco "Newsroom" program, which started the thing. Now, he can certainly—He was very impressed by that program, and that started the desire, the plan in his mind to do some other "Newsrooms."

Mr. BROWN. Just one final question.

Mr. WOESTENDIEK. Yes.

Mr. BROWN. You said that the Washington "Newsroom" program was to be considered a base for a news network of public broadcasting news programs. Was that Mr. Friendly's idea, yours, somebody else's?

Mr. WOESTENDIEK. Well, it wasn't mine. I don't know whose it was originally, but I think, as I recall, that this was the long-range plan that the station management and Mr. Friendly possibly, and Mr. Macy, I am sure—

Mr. BROWN. You say "possibly." Was there any indication directly that you are aware of in your conversation with Mr. Friendly when you were hired, and his conversation with the reporters, anything Mr. McCarter said about Mr. Friendly in the course of his conversations?

Mr. WOESTENDIEK. Nothing that Mr. Friendly said, but Mr. McCarter and Mr. Furber both made that indication.

Mr. BROWN. Indicating that Mr. Friendly said it?

Mr. WOESTENDIEK. Yes.

Mr. MACDONALD. Mr. Tiernan.

Mr. TIERNAN. Thank you, Mr. Chairman.

Mr. Woestendiek, you indicated previously that you intended to talk to Mr. McCarter with regard to your wife's employment.

Mr. WOESTENDIEK. Yes, sir.

Mr. TIERNAN. And that it was announced in the paper.

Prior to your wife's taking the position with Mrs. Mitchell, had you discussed it with your wife?

Mr. WOESTENDIEK. Yes.

Mr. TIERNAN. Were you at all concerned of any question? Did you think there might be a possibility of some reaction by the manager or the people at the station?

Mr. WOESTENDIEK. No, not really. I mean we talked about it, and in fact my initial reaction when my wife told me she was going to do this was that I laughed and said, "Gee, you know, between the two of you you ought to be able to get into more trouble than either one of you by yourself."

Mr. TIERNAN. Does your wife make phone calls late at night?

Mr. WOESTENDIEK. No, she doesn't, at least not that I know of.

Mr. TIERNAN. You would be the one to know, though.

Mr. WOESTENDIEK. That is right. I can vouch for that. She doesn't make telephone calls late at night.

Mr. TIERNAN. Mr. Woestendiek, you certainly were aware that her new employer was a controversial person.

Mr. WOESTENDIEK. Oh, certainly; yes.

Mr. TIERNAN. And a person who during the course of your services as an editor would be involved in either news affecting her or her husband.

Mr. WOESTENDIEK. Yes; that is true.

Mr. TIERNAN. And you were satisfied, or were you not satisfied that you could, independent of that, not have that affect your professional judgment or your professional services in the course of your employment?

Mr. WOESTENDIEK. I was absolutely satisfied. Otherwise, It would not have become the issue. I had no question in my mind about it at all.

Mr. TIERNAN. Was your wife working before she took the job, or the position with Mrs. Mitchell?

Mr. WOESTENDIEK. No; she was not.

Mr. TIERNAN. She was not?

Mr. WOESTENDIEK. No.

Mr. TIERNAN. And did she have an interview with Mrs. Mitchell? How did she get the employment?

Mr. WOESTENDIEK. There again, this is secondhand, and I can't, you know, give you a play-by-play accurate account, but she met Mrs. Mitchell through a mutual friend at a tea—I believe it was a tea. It may have been a card party. I believe it was a tea—and liked her very much.

Mr. TIERNAN. How long before the actual hiring did that happen?

Mr. WOESTENDIEK. Well, it was sometime within the last 2 months. I can't pinpoint it because I was busy with my own thing.

Mr. TIERNAN. Was there a series of interviews or discussions with regard to salary and her taking the job?

Mr. WOESTENDIEK. Oh, no. This happened very quickly. She just came home one night and said she had seen Mrs. Mitchell again.

As I say, she was very high on Mrs. Mitchell and liked her very much, and Mrs. Mitchell called several times about our son being in the hospital, and she just came home one night and said, "Mrs. Mitchell asked me to help her," or something like that.

Mr. TIERNAN. In any event, some of the people on your reporting team had lunch with you at Cannon's Steak House?

Mr. WOESTENDIEK. That is correct.

Mr. TIERNAN. Did you see the program that was put on with regard to your firing?

Mr. WOESTENDIEK. Yes, sir; I did.

Mr. TIERNAN. You did. Would you say that the reporting of the circumstances leading up to the firing was accurate?

Mr. WOESTENDIEK. Yes. Mr. Janssen's report on that program that night I thought was very fair and certainly was accurate. Certainly any part that I had to do with it was very accurate.

Mr. TIERNAN. During the course of that, he said, "Three of us saw this immediately as a problem," and they discussed it with you. What was your reaction to that, when they discussed the problem with you at lunch?

Mr. WOESTENDIEK. I believe the first thing I said, jokingly, was that I used the same phrase Mr. Mitchell used, "She is my wife, and I love her." Then we got down to serious talking about it, and I told them that I did not see it as a conflict, and I didn't think that it was going to, as two of them particularly did, dry up their sources and make it impossible for them to cover a story, because from my own experience in the business I know better than that, that a good reporter goes after a story, it is between him and his source, and publishers and wives don't matter.

Mr. TIERNAN. Was there anybody else on the reporting team concerned, other than Peter and David?

Mr. WOESTENDIEK. Yes. As a matter of fact, I don't know that you want this, but I at Mr. McCarter's request sort of polled the delegation. I talked to every reporter on the staff, and I made notes at the time on their comments, and there were Janssen and Jewell who were very upset, Victor Maerki who thought that there was a problem.

The rest of them, well, one of them said, "It never dawned on me it would be a problem. I believe that wives should be free to do what they want." Another one said, "Of course not. If I have any gripes, you will hear them. You have an open-door policy. I think it is great. We need women like that."

Mr. TIERNAN. Mr. Chairman, if there is no objection, I would like to have this submitted for the record.

This is a summary you made of the comments?

Mr. WOESTENDIEK. Yes; which I took down and reported to Mr. McCarter at the time.

Mr. MACDONALD. I frankly don't understand what the summary is about.

Mr. TIERNAN. Just the staff's impressions of what effect his wife's employment would have on the program, the partiality or impartiality.

Mr. MACDONALD. You want it in the record at this time?

Mr. TIERNAN. Yes.

Mr. MACDONALD. Without objection, so ordered.

(The following document was received for the record:)

Morton - Never dawned on me - believe me for

Northrop - of course not - cheap shot
if I have given you'd be a then -
think it's great we need
women like that

Pyatt - doesn't bother me - if some
source starts giving hard times,
I'll let you know - but,
same as always up there -
nothing going to affect us -

Jones - looks bad people will think
some connection - but -

Jewell - might affect my contacts -
connection with justice -

Marbi - could be a problem -

Swanson - Don't think so - I don't like the idea

Rogan - was little concerned, no problems

Smith - Absolutely not - nonsense

Uma - don't know why Kay would want to
I would you - I don't bother me

Mr. TIERNAN. You say you don't know of any pressure, but you feel that there was pressure inside or/and outside.

When you say "inside," what are you talking about? Do you mean the reporters?

Mr. WOESTENDIEK. I am talking about from my observation and experience, the two reporters and Mr. Furber, and possibly some other people in the station management.

Mr. TIERNAN. What do you mean by "outside pressure?"

Mr. WOESTENDIEK. I don't know.

Mr. TIERNAN. You said that, "I feel that there was pressure inside and outside," and then you said "board."

Mr. WOESTENDIEK. Yes; the members of the board.

Mr. TIERNAN. You speak of the members of the board as being outside pressure?

Mr. WOESTENDIEK. Yes. I mean from my standpoint.

Mr. TIERNAN. Do you include in outside pressure anything other than the board members?

Mr. WOESTENDIEK. No; I can't, because I know of nothing else.

Mr. TIERNAN. You know of no other pressure being brought to bear on Mr. McCarter with regard to your firing?

Mr. WOESTENDIEK. Not to my knowledge; no, sir.

Mr. TIERNAN. You keep saying, "Not to my knowledge."

Then you went on to say, "I feel that there was pressure inside and outside," and then you specifically say the board.

Is there any other outside pressure?

Mr. WOESTENDIEK. Well, the Corporation for Public Broadcasting and Mr. Macy, whom I have not talked to.

Mr. TIERNAN. Do you feel that there was pressure from the Public Broadcasting Corp.?

Mr. WOESTENDIEK. I think that they were in accord, and I suspect that they probably felt that way, that there was a conflict.

Mr. TIERNAN. In accord, but did you say pressure?

Mr. WOESTENDIEK. I suspect so. I don't know that.

Mr. TIERNAN. You feel that there was some pressure from the Corporation for Public Broadcasting?

Mr. WOESTENDIEK. I would guess that there had to be.

Mr. TIERNAN. What do you base that on?

Mr. WOESTENDIEK. Just the fact, again, that Mr. McCarter was always in close touch with Mr. Macy, as well as the other people.

Mr. TIERNAN. Then, when you were asked about the long-term financing of educational television, you went on to say that you thought in your opinion it would be better that there were no funds from foundations. Is that correct?

Mr. WOESTENDIEK. That is right, in the long-range thing.

Mr. TIERNAN. Then you said, "I can't say that the Ford Foundation or Mr. Kampelman have no influence at all."

Mr. WOESTENDIEK. No; I can't say that, but I also——

Mr. TIERNAN. So can we draw the conclusion from this that you do think that they have influence?

Mr. WOESTENDIEK. Well, on the overall picture of the operation of the station, they would have to have some influence because of the fact that they are contacted.

Mr. TIERNAN. That influence that you referred to, do you regard that as bad influence, or any that shouldn't be there, or do you think they have a legitimate purpose to be concerned about the progress or the development of that station, or that program that they are involved in?

Mr. WOESTENDIEK. Oh, I would think that they would have a legitimate purpose to be concerned about how the program is going, and what is happening, because, after all, they have a substantial investment in it. I mean that, to me, would make sense.

Mr. TIERNAN. You were here when the previous witness testified, and the pressure there mentioned was newspaper pressure, the general gossip columns and the news reports that were in the paper in the Post and the Star. Do you think they had an influence on the decision to relieve you of your duties?

Mr. WOESTENDIEK. I would hope they didn't, because as I recall the testimony there were less than 20 telephone calls and less than 20 letters.

Mr. TIERNAN. I didn't ask you that.

Mr. WOESTENDIEK. They shouldn't have. I mean, I don't think so.

Mr. TIERNAN. You don't think so?

Mr. WOESTENDIEK. No. In this business, less than 20 telephone calls is, as you know, nothing. That is why I have to consider that was not pressure.

Mr. TIERNAN. You made mention in your statement, and also mention has been made on the TV show with regard to your firing that you were apparently indifferent with regard to all that was falling around you, the atomic bomb, the announcement that your wife had taken the job with Mrs. Mitchell, and the staff people talking to you about the problems that it was going to cause. It didn't seem to bother you at all.

Mr. WOESTENDIEK. No, that is not true. The statement was made that I seemed to be indifferent. The statement was made to me that the staff would feel better if I walked around looking worried.

On the other hand, it has always been my method of operation that if you have a critical crisis—I went on the air for a week having been told in advance, given a sort of threat that something was going to happen—it would seem to me that the only way you do that job is to do it calmly and coolly and not let people know that you are upset, because then it spreads to everyone else.

Mr. TIERNAN. Thank you.

Thank you, Mr. Chairman.

Mr. MACDONALD. Before I recognize Mr. Brown to wrap this up, in your response to Mr. Tiernan's questioning you indicated that you felt that the CPB and the Ford Foundation were in accord about your firing.

Mr. WOESTENDIEK. No. I didn't mean to imply that. Public Broadcasting I said was in accord.

Mr. MACDONALD. In accord with what?

Mr. WOESTENDIEK. My firing. That was my feeling. Not the Ford Foundation. I don't think the Ford Foundation said anything about my firing.

Mr. MACDONALD. You reached Mr. Friendly in one of your calls. Right?

Mr. WOESTENDIEK. That is right.

Mr. MACDONALD. But you never reached Mr. Macy, as I remember your testimony.

Mr. WOESTENDIEK. That is correct, yes.

Mr. MACDONALD. What basis do you have to indicate that the Public Broadcasting Corp. through Mr. Macy, who is the head of it, of course, was in accord, and by accord you mean was in favor, I take it, of your firing. Why do you say that? That is a pretty strong statement.

Mr. WOESTENDIEK. Mr. McCarter testified here Monday that he had seen Mr. Macy here at an earlier time, and had told him what was going on, and that Mr. Macy—

Mr. MACDONALD. I think you misunderstood. I don't mean that exactly.

Mr. WOESTENDIEK. I certainly don't intend to.

Mr. MACDONALD. But as I remember the testimony that was given by Mr. McCarter, he said that on the way out of some meeting, and I think perhaps it was the testimony that was given before this subcommittee, he just casually mentioned he had a problem, and hoped it would be resolved.

So you could hardly say that is much of a conversation.

Mr. WOESTENDIEK. Well, that is the reason I am hesitant to make any firm statements about outside pressure.

Mr. MACDONALD. You did make a firm statement. You said CPB was in accord with your firing. Will you explain that?

Mr. WOESTENDIEK. If they weren't, I don't believe it would have happened. If Mr. Macy had said, "I don't think you should do that," I just don't believe that it would have happened.

Mr. MACDONALD. Are you saying that any station in the country has to go to the CPB before they can hire or fire somebody?

Mr. WOESTENDIEK. I can't speak for any other station.

Mr. MACDONALD. All right. Speak for this Washington station.

Mr. WOESTENDIEK. I can only comment on my observations here that Mr. McCarter—

Mr. MACDONALD. What you are saying is that Mr. Macy approved your firing?

Mr. WOESTENDIEK. I am saying that I believe that; yes, sir.

Mr. MACDONALD. What do you base it on?

Mr. WOESTENDIEK. As I said, Mr. McCarter was always in constant touch with Mr. Macy on everything he did.

Mr. MACDONALD. Was he in touch with Mr. Macy on hiring you?

Mr. WOESTENDIEK. Yes, I went around and talked to Mr. Macy several times.

Mr. MACDONALD. Was he in touch with Mr. Macy about hiring you?

Mr. WOESTENDIEK. Yes, sir.

Mr. MACDONALD. Mr. Macy had to give approval to you?

Mr. WOESTENDIEK. I don't know that he did, or didn't, but I know he was in touch with him.

Mr. MACDONALD. "In touch with" is a very vague term. We are in touch with our constituents, I hope.

Mr. WOESTENDIEK. That is right.

Mr. MACDONALD. Indicating that 20 letters on any subject is not very much, and I quite agree.

I am getting back to the important allegation that you made, saying that Mr. Macy approved your firing. If you don't know that, I would hope you wouldn't put it in the record.

Mr. WOESTENDIEK. Well, I don't know. I can't say it for a fact. All I said was I believe it.

Mr. MACDONALD. You believe it, and then we come to the simple question. You believe it. I am asking you why you believe it.

Mr. WOESTENDIEK. Only for the reason that I just said, that I know that Mr. McCarter was very close and kept Mr. Macy informed of everything that was going on, and I just have to assume that.

I cannot make any flat charge to that effect.

Mr. MACDONALD. Now you are watering it down. It is not a belief. It is an assumption.

Mr. WOESTENDIEK. I said in the beginning I believe it.

Mr. VAN DEERLIN. I think in the absence of Mr. Macy it should be noted that the record will show that in Mr. McCarter's testimony on this conversation leaving the hearing room, Mr. Macy's response was, "Thanks."

Mr. BROWN. I just want to ask one final question, Mr. Woestendiek. You indicated that you were fired by the Houston Post, presumably a profitmaking operation, because of pressure from advertisers, or the involvement of advertisers with the coverage of news by the paper.

You indicate that you have been fired by Public Broadcasting Station WETA because of either inside or outside pressure, but some pressures brought on the general manager of the station.

Do you recognize any real distinction between those two?

Mr. WOESTENDIEK. Between outside and inside pressures?

Mr. BROWN. Between the firing by the Houston Post and the firing by WETA.

Mr. WOESTENDIEK. Yes, sir; because I knew exactly what had happened when I was fired by the Houston Post, and here I still don't know what happened. That is the major difference. I was fired by the publisher, so to speak, in both cases, but I don't know the reason in this case.

Mr. BROWN. Is there a difference in the reason for the firing?

Mr. WOESTENDIEK. Yes, I think there is a definite distinction. One was a matter of opinion that built up to a head over a period of time. I was fired here for nothing I did, in this case. I think that is a substantive difference.

Mr. BROWN. Apparently it has something to do with what your wife did, and what Mr. McCarter thought of the woman she works for, if I read your testimony correctly, where you say that he describes Mrs. Mitchell as an "awful woman, a terrible woman."

Mr. WOESTENDIEK. That is correct, and there were a lot of people at the station who said, "We don't like Mrs. Mitchell," and some of the people who disagreed violently with the decision said that, but there is no question but what that is so.

Mr. BROWN. Thank you.

Mr. MACDONALD. Thank you very much, Mr. Woestendiek.

Just as we finish your testimony, I would like to clear up for the record exactly what was said by Mr. McCarter concerning the conversation with Mr. Macy.

On page 214 of the record of the first day, Mr. McCarter says, and I quote him:

I did not make a call, but leaving your hearing—

This is the hearing before the subcommittee—

two weeks ago * * * on a Wednesday—

And I am sure they refer to your discharge—

as we walked out of the room, I mentioned to Mr. Macy, also, that we had a predicament and that it looked like we might be headed for a rough decision. It was almost those words, and that brief. He said, Thank you, and we kept walking.

So I would be puzzled why, on the basis of what was said, you would say that Mr. Macy had concurred in your firing.

Mr. WOESTENDIEK. Well, I said I just have to believe that, sir. That was all I said. I didn't say that I knew it. I just have to believe that.

Mr. MACDONALD. Thank you very much.

Mr. WOESTENDIEK. Thank you, sir.

Mr. MACDONALD. The next witness is Fred W. Friendly, advisor on television to Ford Foundation public broadcasting office, accompanied, I believe, by Mr. David Davis, program officer in charge of the office of public broadcasting.

Welcome, Mr. Friendly.

**STATEMENTS OF FRED W. FRIENDLY, ADVISOR ON TELEVISION,
PUBLIC BROADCASTING OFFICE, FORD FOUNDATION, AND DAVID
M. DAVIS, PROGRAM OFFICER IN CHARGE**

Mr. FRIENDLY. Thank you, Mr. Chairman. It is true that I have a speaking engagement at Mount Holyoke today. To make that I have to be at the airport at a quarter of 1, which means I have to leave here at a quarter past 12, but I do want to say that there is no comparison of the importance of those two events and, if it turns out that it is more important for me to be here, so be it.

My name is Fred W. Friendly. Appearing with me is my colleague, David Davis, who is program officer in charge, office of public broadcasting, at the Ford Foundation. I am advisor on television for the foundation. That is precisely what my duties are. I do not produce television broadcasts. I do not write them, and my duties do not include the selection, the tenure, or the discharge of those executives and practitioners involved in such undertakings. The Ford Foundation makes grants for public television. We do so on the basis of proposed plans and financial requirements. The foundation does not produce programs or operate television stations or networks. We leave those jobs to the producers, the editors, and the managers. We do not interfere in the performance of their jobs.

As I understand it, your committee has invited us to appear today to learn whether the Ford Foundation played any role in public television station WETA's decision to terminate the employment of William Woestendiek as editor or the broadcast, "Newsroom." It did not. Newspaper stories were erroneous.

The first word that I had of any impending difficulty on the matter came on Thursday, April 16, when Mr. Woestendiek called to tell

me of questions that had been raised by the management of WETA. Later that day, William McCarter, vice president and general manager of the station, called Mr. Davis to inform him that the decision to relieve Mr. Woestendiek of his responsibilities had been made. Mr. McCarter informed me on April 17. I want to emphasize that Mr. Davis and I were informed, not consulted. Our advice on this course of action was not solicited. It was not given. To say that, Mr. Chairman, does not mean that I was deaf to the predicament of all concerned. It is merely to state the fact.

Permit me one personal note—Mr. Woestendiek is a friend of mine, a graduate of the school where I have the honor to teach, and he has my respect and admiration as a journalist. I was pleased to see him get the job on "Newsroom," and I was saddened to see him discharged. But I can assure you that neither Mr. Davis nor I, nor anyone else at the Ford Foundation, played any part in that decision.

A word about the Newsroom concept—how it came to be and how it is funded. It was conceived in San Francisco during the extended newspaper strike of 1968. As a means of filling the news void in that community, station KQED requested and received an emergency short term grant from the Ford Foundation to produce a nightly newspaper-of-the-air. The program was staffed principally by newsmen of the San Francisco Chronicle and the Examiner. This broadcast was so successful, found such a place in the daily habits of the residents of the bay area, that James Day, then president of KQED (now president of NET), requested an additional 1-year grant to continue this project under the title, Newsroom. Its appeal has continued and it is now in its second year. The current grant from the Ford Foundation is \$748,400. The grant for next year is expected to be less as local support in that community increases. It is the foundation's hope that as the broadcast constituency increases, local financing can take over more and more of the required support.

With the success of San Francisco's Newsroom, other public television stations submitted proposals for Newsrooms in their communities. Similar grants were made to KERA, Dallas; WQED, Pittsburgh, and WETA, Washington. Those Newsrooms now broadcast 5 nights a week and each employs between 30 and 40 journalists and production personnel. The Ford Foundation has no right of approval and no veto over the selection or termination of any of these editors, reporters, producers or researchers.

We have been particularly sensitive to avoid interference in the four Newsroom programs. We have stayed out of the newsroom, out of the control room, out of the board room.

To conclude, the speculation in the press that I was in some way involved in the decision regarding Mr. Woestendiek has been particularly painful to me, not only because it is false, but because I have spent my entire professional career at CBS News, and later at the Ford Foundation, fighting for the independence of broadcast journalism. When your committee has heard all of the witnesses and weighed all the facts, I am confident that you will be able to accord the Ford Foundation the clean bill of health it deserves. In so doing, you will be rendering an important judgment on the health and independence of public broadcasting.

Mr. Davis and I appreciate the opportunity to clear the air. We will be glad to answer your questions.

Mr. MACDONALD. Thank you, Mr. Friendly. Inasmuch as I raised the question at the opening day concerning an article that appeared in the Washington Post on April 18 in which they indicated that outside pressure was instrumental in the discharge of Mr. Woestendiek, I should keep the record clear by saying that I received a letter from Mr. Eugene Patterson, the managing editor of the Washington Post, which I will read into the record. In the letter he says that at your request, "I enclose two of the Washington Post articles which corrected our regrettably erroneous report of April 18 to the effect that Mr. Friendly and Mr. Max Kampelman may have brought pressure for the firing of William Woestendiek at WETA-TV. In addition to correcting the error publicly, we have apologized personally to Mr. Friendly and to Mr. Kampelman and have taken steps internally to guard against recurrence of such mistakes. Sincerely yours, Eugene Patterson."

So I have to say frankly that I don't think these hearings would have been held had the report not turned up in the press. But, inasmuch as it did, I think it was a very timely thing really, because, as has been indicated earlier, we are trying to mark up a bill which would provide for a permanent funding of public educational broadcasting. So we welcome you here on two scores: One, to testify about this rather small matter, but also in general to get your opinion regarding questions concerning the fact that you do spend—and by you I mean the Ford Foundation and other foundations—spend so much money in this area.

At the time that the public broadcasting bill first came up, some 3 or 4 years ago, most people were just worried about the possibility that perhaps the Government would get into broadcasting, as in France, and so forth. I think that any thoughts about that have been completely put to rest, but, frankly, I have had some second thoughts—although I have been a longtime friend of public broadcasting—about the role that the foundations play in the financing of it.

We being pragmatic politicians understand that where money flows sometimes obligation comes back. I was wondering what your thoughts were about the role played in public broadcasting on a permanent basis for the financing of the program. I am not now restricting you to your comments about the Ford Foundation specifically—but just in general, what are your thoughts about whether we here in the subcommittee should mark up a bill that involves funding by the foundations or not.

I must say, I have mixed emotions about it, frankly, after hearing some of the things that have been said. So before you go into a general discussion, I would just like to specifically ask you how much money has the Ford Foundation put into public broadcasting throughout the country?

Mr. FRIENDLY. In the course of the last 15 years, approaching \$190 million.

Mr. MACDONALD. \$190 million. Well, to tie it into our bill, how much since the public broadcasting bill passed?

Mr. FRIENDLY. Well, Mr. Davis could give you those exact figures. The average is between \$16 million and \$20 million a year.

Mr. MACDONALD. After we have the oral testimony, without objection, the figures will be included in the record at this point.

(For information requested see letter dated May 28, 1970, p. 218, this hearing.)

Mr. FRIENDLY. I would like to respond to your question, if I may.

Mr. MACDONALD. Yes, sir. First of all, Mr. Friendly, could you read into the record how much in the last, say, 3 years?

Mr. FRIENDLY. Surely. In 1968, \$11,297,406. In 1969, \$24 million. That is all. Next year slightly less than that.

Mr. MACDONALD. Thank you.

Mr. FRIENDLY. I am on the record before this committee, sir.

Mr. MACDONALD. I know you are.

Mr. FRIENDLY. I have written about it. I think I make too many speeches about it. I think that the insulation of public television is crucial. I think it is as important to insulate it from foundations, if I may say so, as it is from the Congress or anyone else. That is why the Ford Foundation, in 1966, suggested a people's dividend system by which the profits from satellites, if any, could be used as a dedicated tax toward public television, public radio. The Ford Foundation has played, before my days there which began in 1966, and since, an important and, I think, essential role. I hope that public television some day has a budget of \$300 million and as that day comes, I hope that the Ford Foundation's role can become less.

I think we ought to all work toward that day but I would remind you that last year the Congress in its wisdom gave about \$7 million. The Ford Foundation was proud and privileged to give with no strings, the amount I told you about.

I think, had we not done that, programs like Sesame Street, the NET programs, the Newsroom programs, the health of public television would not be what it is. I hope that public television can be built upon what the Ford Foundation has been honored to help to begin, but all we have been has been what I sometimes call a booster rocket. I will tell you, frankly, sir, that the Ford Foundation cannot and will not be the sole or principal support of public television and I hope that in 1975 we who are now a kind of equal partner in this will be more of a junior partner, not because we wish to do less, but because we want public television to be so much bigger, much bigger than the Ford Foundation, if it were to give all its resources to public television could ever make it.

Public television must not be the child of the Ford Foundation or any foundation or of the Congress. It must be the child of the American people, insulated, freed of all kinds of pressures. I am 55 years old. I have spent my whole life trying to insulate news broadcasting from all kinds of pressures.

All I am is a kind of heat shield to try to keep whatever pressures may exist away from programing. Every once in a while, if someone in public television at a station or at NET does a controversial program, we get letters and my answer to those people who write the letters and occasionally to people in the foundation who ask me about it is, "I haven't seen that program. Mr. Davis hasn't seen that program. I will see it on the air if I do see it on the air," and I am religious about never letting our grantees know what we think of any one program.

That is really my only job, is to be a heat shield and whatever wisdom I may have which I am inclined to minimize is to work in

concert, in coordination with the foundation, so that where there are not enough funds for them to do the job now, we can help but only with funds.

I have not been in a newsroom, I have not been in a control room since I left CBS.

Mr. MACDONALD. Thank you, Mr. Friendly. I can believe that about you not being in the newsroom at CBS. After hearing the testimony that we had, not in this subcommittee, but another subcommittee of our parent committee, about the Haitian invasion which was underwritten according to testimony, by CBS news, I am sure they miss you back there at CBS.

Mr. FRIENDLY. I miss them. I am inclined to admire them greatly.

Mr. MACDONALD. I think if you heard the background of the Haitian invasion underwritten by CBS, you wouldn't be terribly proud of them, but that is not why we are here this morning. Maybe another morning we will be here on that subject.

Mr. FRIENDLY. I will go to Mount Holyoke that day.

Mr. MACDONALD. You are in the clear. You haven't been there.

In your remarks you indicated that one way of financing this program would be from profits from satellites. That puzzles me inasmuch as Mr. Broyhill on the Republican side and myself on the Democratic side represent the U.S. Congress on the Intelsat Conference and the last I heard there weren't any profits. It would be difficult to fund a program with profits that are nonprofit.

Mr. FRIENDLY. Mr. Chairman, I wrote a book on this subject that I will be glad to give you 14 copies of. I don't want to take up your time with that. There are no profits because there is no domestic satellite system in this country. If there were a domestic satellite system in this country and if all broadcasting were connected with it, we would have better broadcasting, more intersection, there would be profits and the profits from that could be spun off to help public television, but that is a long story and for another day.

Mr. MACDONALD. For another day indeed. To get to the real reason that you are here, your statement fluently indicated that you have no influence in public broadcasting, either the hiring or firing of anybody, and yet throughout the testimony that I have heard everyone seems to want to talk to you on the phone.

Mr. FRIENDLY. People in commercial television do too.

Mr. MACDONALD. Well, I don't doubt that, but you don't have to explain why they do. I would like you to explain why people in public broadcasting do.

Mr. FRIENDLY. Well, first let me say that because I am a teacher at Columbia and occupy a prestigious chair—

Mr. MACDONALD. Mr. Friendly, we are under the 5-minute rule. I understand your influence in the media but what I am saying is why would somebody from Washington station WETA call you about the hiring or firing of anybody in that station.

Mr. FRIENDLY. I think because they knew it would not be a minor story and they perhaps—now, talking about Mr. McCarter, that he didn't want me to hear about this shock wave for the first time on radio and in the newspapers.

Mr. MACDONALD. Obviously you would not have to hear about it on the radio or TV or read it in the newspapers because he had already called Mr. Davis.

Mr. FRIENDLY. He did call Mr. Davis.

Mr. MACDONALD. I think the call to Mr. Davis, as I indicated earlier in the hearing was very proper, not that there was anything improper about his call to you, but having called Mr. Davis, why would he have to talk to you?

Mr. FRIENDLY. I think I can answer that.

Mr. MACDONALD. Please do.

Mr. FRIENDLY. I had first heard about it from Mr. Woestendiek. Mr. Woestendiek merely called me as someone whom I think he trusted—that is what he said—to ask whether he thought that I thought there was a conflict of interest and he told you what I said. It is what I have said to other people before, that a man must be judged by what he puts on the air, not by—

Mr. MACDONALD. I have heard quoted another statement you made, but it doesn't exactly coincide with just that. Is that the only comment you had with anyone connected with WETA?

Mr. FRIENDLY. I will try to answer that.

Mr. MACDONALD. You can answer it just by saying yes or no.

Mr. FRIENDLY. That is the only conversation I had with anybody at WETA; yes, sir.

Mr. MACDONALD. And that is all you said?

Mr. FRIENDLY. That is all I said. When Mr. McCarter called me—why don't you let me first tell you what I said to Mr. Woestendiek?

Mr. MACDONALD. You are very fluent and you are on your own.

Mr. FRIENDLY. I said I heard that and I was inclined to minimize it. I may have done it a great disservice by minimizing it. I said, "You must be judged by what you put on the air, by what you write." I have said that to other people and I always will.

Mr. MACDONALD. It is a good slogan but what does it have to do with the firing of Mr. Woestendiek?

Mr. FRIENDLY. I was inclined to think, if you are asking me, we don't like to prejudge our grantees and we don't like to second-guess them.

Mr. MACDONALD. I hope that is true.

Mr. FRIENDLY. I was trying to say that I didn't think this was the biggest problem in the world, of Mr. Woestendiek, so that when Mr. Davis called me up and told me that he had heard from Mr. McCarter, a man I also respect greatly, I was surprised at the abruptness, at the aggression, the precipitousness of it and the course of action and I asked Dave, Why, the same kind of questions you are asking.

I am not in a vacuum. I am human as you are. And he said, "I can't answer all that. I will have McCarter call you" and Bill McCarter did. That conversation which is, I guess, what you want to ask me about next was one in which—it's the only conversation that I had with him on that and my conversation that day—he did most of the talking.

Mr. MACDONALD. Wasn't this the first knowledge you had of it?

Mr. FRIENDLY. My first knowledge was I was in Nashville at Vanderbilt University and I read it in Nashville, Tenn.

Mr. MACDONALD. You mean Mr. Davis couldn't reach you before?

Mr. FRIENDLY. He didn't. The story broke on a Friday. I was participating in a convocation at Vanderbilt University. I read it that Saturday evening at the home of the president of the university.

Mr. MACDONALD. If I could interrupt, Mr. Davis, will you identify yourself for the record. When did you first hear about it and what was your part?

Mr. DAVIS. When Mr. McCarter called me.

Mr. MACDONALD. What day did he call you? What is the date?

Mr. DAVIS. I have a statement, Mr. Chairman. Would you like me to read it?

Mr. MACDONALD. Yes, please. First answer the question.

Mr. DAVIS. I first heard about it on Thursday, April 16.

Mr. MACDONALD. First of all, could we go back on instant replay. Identify yourself for the record and then answer the question and then if the statement has anything to add to this, I would be happy to have it. Otherwise you can just continue. Would you identify yourself?

Mr. DAVIS. David M. Davis, program officer-in-charge, office of public broadcasting, the Ford Foundation.

Mr. MACDONALD. My question was when, or what was the date?

Mr. DAVIS. Thursday, April 16.

Mr. MACDONALD. The 16th. Now you would like to read a prepared statement?

STATEMENT OF DAVID M. DAVIS

Mr. DAVIS. Yes, indeed. Mr. Chairman and members of the committee.

I am David M. Davis, program officer-in-charge, office of public broadcasting, the Ford Foundation. Within the foundation I have administrative responsibility for the various grants which the foundation makes in our public broadcasting program. My immediate superior is Mr. Friendly.

Mr. Friendly has described the foundation's limited contacts with WETA prior to Mr. Woestendiek's dismissal. I have little to add to his statement.

On Thursday, April 16, at approximately 5:30 p.m., William McCarter called me. He told me that Kay Woestendiek, the wife of Newsroom editor William Woestendiek, had gone to work for Martha Mitchell, wife of the Attorney-General. Mr. McCarter was most concerned that Mr. Woestendiek had not consulted him prior to Mrs. Woestendiek's acceptance of such a position.

Mr. McCarter said that the situation was unacceptable. He said that he had consulted with Austin Kiplinger, chairman of his advisory committee for Newsroom, with Stephen Ailes and Lloyd Elliott, vice-chairmen of his board of trustees, and with James Mitchell, another member of the advisory committee.

Mr. McCarter told me that he had discussed the problem with Mr. Woestendiek and that there did not seem to be any way to resolve it. Finally, he said that he planned to relieve Mr. Woestendiek of his duties following Friday night's program, and that the board members mentioned earlier concurred.

Mr. McCarter made clear to me that he was calling to inform me and that he was not asking for advice or concurrence. I thanked him for informing me and told him that I understood the complexity of his problem. I did not offer any advice. Shortly after the conversation with Mr. McCarter I called Fred Friendly, who was then at

Columbia University, to inform him. He expressed surprise at the abruptness and nature of the decision.

On Friday, April 17, I placed a call to Mr. McCarter and suggested to him that he call Mr. Friendly personally to inform him of the current situation. I told him that I thought Mr. Friendly should hear it firsthand, rather than through me. Mr. McCarter said he would make the call.

I shall be pleased to answer any questions on this matter.

Mr. MACDONALD. Well, you have answered the first question as to the date. Then you got a hold of Mr. Friendly on the same day, right?

Mr. DAVIS. That is correct.

Mr. MACDONALD. Were you surprised when you were called, inasmuch as you are not an officer of Public Broadcasting Corp. or you have, as far as I know, no interest in station WETA here in Washington?

Mr. DAVIS. I am the monitor of the grant in question. The Newsroom grant to WETA, Washington is my administrative responsibility in the Foundation.

Mr. MACDONALD. Well, before you go any further, I think you ought to explain what you mean by monitor. You know, is big brother watching all the programs?

Mr. DAVIS. Not at all.

Mr. MACDONALD. I think it is a rather awkward word.

Mr. DAVIS. No, it is the official choice of words in the Foundation.

Mr. MACDONALD. Monitor?

Mr. DAVIS. We have to exercise grant responsibility. There is a certain fiscal responsibility which we must exercise. Under the tax law of 1969, it has been sharpened as a matter of fact, as to the fiscal responsibility which we are required to exercise.

Therefore, the phone call from Mr. McCarter would be perfectly normal and perfectly in order that I should be informed as to any kind of major event that would occur about that program. I felt it was courteous of him to call me.

Mr. MACDONALD. How many stations have you given grants to?

Mr. DAVIS. In the last year?

Mr. MACDONALD. You pick your time.

Mr. DAVIS. There are 25 grants currently active. In the project for new television programming from which this grant was originally made, there were some 13 or 14 station grants.

Mr. MACDONALD. Do all 25 stations call you any time they change personnel?

Mr. DAVIS. No, not at all.

Mr. MACDONALD. This was not a really usual call then?

Mr. DAVIS. I would expect that a major change in personnel by a station, whether it was one of our grantees or not, as a matter of fact, because we are deeply interested and concerned with the whole future of public broadcasting and I have personally been on the other side as a public broadcaster since 1956, that they like to keep us informed so that we know how the people are and—

Mr. MACDONALD. Are you telling me that all 25 stations call you every time they are making a change?

Mr. DAVIS. No, I am not.

Mr. MACDONALD. What are you telling me?

Mr. DAVIS. I am telling you that if a station changes its program manager, someone lets me know.

Mr. MACDONALD. That does go to all 25 stations, right?

Mr. DAVIS. Pardon?

Mr. MACDONALD. That does go to all 25 stations?

Mr. DAVIS. You asked me if all 25 stations called me every time they make a change?

Mr. MACDONALD. Right.

Mr. DAVIS. The answer to that question is no.

Mr. MACDONALD. Then why would this station call you and advise you, as you say, about the change?

Mr. DAVIS. In order for us to be aware, and I think Mr. McCarter was certainly sensitive to the fact that there might very well be a major news story in such a situation.

Mr. MACDONALD. Which brings me to the next question and I won't prolong it because I am under the 5-minute rule.

Mr. Friendly said that he first read about this in the papers, his first knowledge, and yet you say you called him in Tennessee or whatever it was. Who is right?

Mr. DAVIS. Mr. Friendly read about Mrs. Woestendiek's new job in the paper the week before.

Mr. FRIENDLY. That is all I read in the paper.

Mr. MACDONALD. Did you spend a week in Tennessee?

Mr. FRIENDLY. I read the appointment in the Nashville Tennessean.

Mr. MACDONALD. Did you spend the week down there, Mr. Friendly?

Mr. FRIENDLY. Mr. Chairman, on the Saturday before this, the record will show that I was a keynote speaker at a convocation at Vanderbilt University. That evening at the home of the Chancellor I picked up the Nashville Tennessean and read that story. That is how I knew that Mrs. Woestendiek had been employed by the wife of the Attorney General. That is all I knew about it until Mr. Woestendiek called me.

Mr. MACDONALD. I see. You are talking about the fact of the job?

Mr. FRIENDLY. I knew it.

Mr. MACDONALD. Her employment, perhaps I misunderstood your answer but my question was when did you first find out about his discharge?

Mr. FRIENDLY. I found out that there was a problem, not his discharge, from Mr. Woestendiek who called me as I said, on that Thursday.

Mr. MACDONALD. Then the first person you heard from about the discharge was Mr. Woestendiek himself?

Mr. FRIENDLY. I didn't hear about the discharge. I heard that he felt he was in the midst of the confrontation from Mr. Woestendiek on that Thursday. He was the first principal in the case to communicate with me.

Mr. MACDONALD. Then you heard from Mr. Woestendiek before you did from Mr. Davis?

Mr. FRIENDLY. I did.

Mr. MACDONALD. Why would he call you? Where did he call? Let me first say where?

Mr. FRIENDLY. He called me at Columbia University. You asked him that question and because he was the one with the motivation who did it, I think his answer is better than mine.

Mr. MACDONALD. To get the motivation back to you, were you surprised to get the call?

Mr. FRIENDLY. I was surprised a confrontation situation was developing.

Mr. MACDONALD. Is it usual to hear from a station program director?

Mr. FRIENDLY. He wasn't a program director. He was an on-the-air editor.

Mr. MACDONALD. Is it usual for you to get calls is all I am really saying, usual for you to get calls from station personnel throughout the 25 stations that you have grants to?

Mr. FRIENDLY. No, it is not.

Mr. MACDONALD. It is not unusual?

Mr. FRIENDLY. It is not usual. I think I did in this case—

Mr. MACDONALD. You said you weren't surprised to get the call.

Mr. FRIENDLY. Those are two different questions, Mr. Chairman. I was not surprised at this call nor was I surprised at the fact that Mr. McCarter had called Mr. Davis. Why wasn't I surprised? This is the Nation's Capital. It was quite clear to everybody in this case that this was going to be a major story. I did not know then it would end up in a congressional hearing. I think that it was clear. I had many phone calls that Saturday from newspapers all over the country, from radio and television stations. I think Mr. McCarter felt that I had a right to know that the decision was going to be made. I did happen to have a phone call at 8 o'clock that morning from a Washington newspaper. If Mr. McCarter hadn't called me about it I wouldn't have known anything.

I think he told me for the very reasons that you would think that I should know and may I say that sometimes the Foundation is scolded in Ocean Hill, Brownsville, and other places for not paying enough attention to what is happening in its grant areas.

We played no part in this, but to be informed was a courtesy that I think the station owed us.

Mr. MACDONALD. Thank you, Mr. Friendly. This is my last question, because time goes on. I go back to one I asked Mr. Davis about the use of the word monitor.

Mr. FRIENDLY. That is the word used in all grants.

Mr. MACDONALD. He said that was the official terminology. What is a monitor? Would you explain the use of the word monitor?

Mr. FRIENDLY. It is not unique to public broadcasting. It means that if the foundation gives money to the Indian Government for rice planting that somebody at the foundation is concerned with that. If the Ford Foundation makes a grant to MIT there is an officer in the Office of Education who monitors that. It just means he knows about it so that someday a Member of Congress or a Member of the Senate cannot say "Don't you pay attention to what is going to India or at Washington University? Aren't you informed?"

The word monitor does not mean we listen. I have never seen but 4 minutes of any Newsroom program in Washington. I was invited by the station to come down to see the dry runs. I declined for the

very reasons that we are discussing today. I came down and I said I didn't want to see anything. I talked to them. I wished them well. I told them what I thought the role of a reporter was, the difference between reporting and interpretation. I was sort of a folksy old man who stayed about 20 minutes and left and I have never seen as much of "Newsroom" as you have.

Mr. MACDONALD. Don't address that remark to me. I have never seen it.

Mr. Van Deerlin?

Mr. VAN DEERLIN. Mr. Chairman, I think in the interests of getting Mr. Friendly to Mount Holyoke in the spring time, I will yield my time. I just don't want to hear him talk any more about a folksy old man at 55, which happens to be my age. He better get to Mount Holyoke.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. I will cooperate too, Mr. Chairman. Just one line on which I want elaboration. I think you have characterized your relationship to programs sufficiently, but I want to go back to one statement here, Mr. Friendly, on the first page where you say, "We do so on the basis of proposed plans and financial requirements."

This refers to the fact that the Ford Foundation does make grants for public television. Now, first of all, I would assume that you are in a determinative position at that point?

Mr. FRIENDLY. I am a determinant, of course; yes.

Mr. BROTZMAN. What sort of a plan comes to you? You don't initiate this. Obviously you are not out soliciting places to put your money. I understand that. But what actually comes forward to you so that you can make your judgment?

Mr. FRIENDLY. Let me tell you about a special new program grant apparatus that we have in which we gave out something between \$4 million and \$5 million for the last 2 or 3 years. That is to encourage new programing ideas. Actually the first "Newsroom" from San Francisco came out of that. The stations are encouraged to send in applications for ideas. We get, I suppose, 100 or—

Mr. BROTZMAN. You said applications for ideas?

Mr. FRIENDLY. Applications which describe ideas.

Mr. BROTZMAN. They initiate ideas.

Mr. FRIENDLY. And they vary from a \$10,000 grant to a \$80,000 grant in Jacksonville to a \$750,000 grant request from WGBH Boston or from QXED San Francisco or the one in Los Angeles. They are big or small. I don't make that decision for all the reasons that your question suggests.

We convened a board of advisers to help us with this. My experience is all in news and public affairs. We have an important executive who knows about that from Lincoln Center. We have six or seven people who come to New York several times a year and who make that judgment. I come into the room for an hour at the beginning to answer some questions for them. Mr. Davis sits in the room with them as a sort of secretary and they go through and we say, "You have \$4 million or \$5 million. These are the grants." They look at tapes of what the station is capable of and they make that determination.

Now, in other areas such as the NET one which is our largest grantee—

Mr. BROTZMAN. I am sorry. There is so much talking going on that I can't hear you. Would you go back to the sentence before. You said some word that I couldn't hear. Read the last response, will you?

(The reporter read the response.)

Mr. FRIENDLY. I would like to amend that to say they may look at. That is a minority. One station wanted to do an hour nightly weekly drama and the judges wanted to look at what kind of drama they were capable of doing.

On a thing like NET, which is the largest grant the foundation gives, anywhere from \$6 million to \$8 million and next year the corporation is beginning to make some of that grant, that is made at the reduced rate that the FCC and House and Senate made possible, we need a million dollars for that. Would you make a grant to the corporation? And we do.

Just to save time here—

Mr. BROTZMAN. Just to save time because I know time is of the essence, when an application is made predicated upon the presentation made to this panel, does the panel restructure the program or does it change, add, subtract from it?

Mr. FRIENDLY. They might say, "We don't have"—as in the case of Jacksonville—" \$180,000 to make available to you. Could you do this kind of a program for \$150,000?"

Mr. BROTZMAN. Then the rest of the story, just to make the record complete, if I understand it, you do try to keep track of the program and how it is doing. I don't mean to change it, but you try to ascertain that it is still on the air and that it is doing something, is that correct?

Mr. FRIENDLY. Yes, sir. For example, on the Newsroom programs we have hired some evaluators who work for all manner of news organizations and other places to write us three or four times a year a general critique on the program. That is just in the files so that some day someone should not be able to say to us, "Don't you pay any attention to that at all?" I don't think I have seen Newsroom three times and only when I was in San Francisco.

Mr. BROTZMAN. One question to you, Mr. Davis. Have you ever changed programs, altered programs or content in your monitor capacity?

Mr. DAVIS. Never.

Mr. BROTZMAN. Thank you.

Mr. FRIENDLY. I would like to add that the word "monitor" is a generic word and doesn't mean to listen or watch.

Mr. BROTZMAN. I am not hung up on that. I understand what he meant. It may not be the best term, but it is one that your are using. It is a term of art.

Mr. FRIENDLY. I agree with you.

Mr. MACDONALD. Mr. Rooney?

Mr. ROONEY. Mr. Chairman, I have no questions. I would just like to congratulate Mr. Friendly on a very forthright statement. I am sure that the Ford Foundation and we in the public broadcast interests can be proud that we have somebody as honest and as dedicated as you are.

Mr. FRIENDLY. Thank you.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. Mr. Friendly, I am interested in getting you to Holyoke as fast as we can do so. So answer as briefly as you can and I will appreciate it.

The New York Times reported in 1969 that the Ford Foundation had changed its policy regarding support of public television. As I understand it the foundation formerly made matching grants to stations which the stations could use according to their needs anyway they might like.

Now your annual report indicates that you accept proposals for specific program grants, that is stations submit a budget for a specific program and they have that entire proposal funded. Is that basically correct?

Mr. FRIENDLY. That was a very good newsman's interpretation of what we did.

Mr. BROWN. Is it basically correct, Mr. Friendly?

Mr. FRIENDLY. It is basically true that the matching grant concept which send money to places like Washington, which have never been very good at raising money because there is no industrial group here—the first part of that is true. There is an interpretative part at the end of that about budgets and other things which are the facts but not the truth.

Mr. BROWN. I have a difficult time distinguishing between facts and truth.

Mr. FRIENDLY. If it will ease the conversation I will say that that is more true than not true and we can have the conversation on the basis of that article.

Mr. BROWN. It is basically correct?

Mr. FRIENDLY. Yes, sir.

Mr. BROWN. Thank you. When did the change occur?

Mr. FRIENDLY. In 1968.

Mr. BROWN. Why?

Mr. FRIENDLY. Because among other reasons, we were supplying money to stations and in many cases it was just enough money for them to fail and not enough money to give them the nutrients and the nutrition that they would need to put existing programs on the air.

Mr. BROWN. How did you announce the change?

Mr. FRIENDLY. There was an announcement. I happen to have the press release here. Would you like me to read it to you?

Mr. BROWN. It was announced by a press release?

Mr. FRIENDLY. By Mr. Bundy.

Mr. BROWN. When?

Mr. FRIENDLY. April 3, 1968.

Mr. BROWN. Thank you very much. Did you notify all public broadcasting stations that they might submit proposals under this new system?

Mr. FRIENDLY. Not only that. I addressed them all together and told them how it was going to work.

Mr. BROWN. When were the proposals due for the 1969-70 season?

Mr. FRIENDLY. 1969-70, last spring. The exact date I would say was in April or May.

Mr. BROWN. In April 1969 you announced the Newsroom grant for WETA for \$750,000. Was that WETA's proposal?

Mr. FRIENDLY. Yes, sir.

Mr. BROWN. Was that their first proposal?

Mr. FRIENDLY. For Newsroom?

Mr. BROWN. Was that their first proposal for a grant from the Ford Foundation for that year?

Mr. FRIENDLY. I believe so.

Mr. BROWN. Mr. Davis?

Mr. DAVIS. There was two proposals. Each station was permitted to submit two proposals under the project.

Mr. BROWN. What were the two proposals submitted by WETA?

Mr. DAVIS. I am not sure that I have that information here. We had 133 proposals in that group as I remember the number, and the specifics of the rejects—

Mr. FRIENDLY. Most stations presented more than one.

Mr. BROWN. May I refresh your memory with the suggestion that WETA submitted a proposal for a program called Hippopotamus which was a program for teenagers and one called People's Court which was a program arranged or designed around court cases in the city of Washington. Is that correct, Mr. Davis?

Mr. DAVIS. I don't know.

Mr. BROWN. Do you know, Mr. Friendly?

Mr. FRIENDLY. I don't know and may I remind you that I didn't make that decision. Our board of advisers did.

Mr. BROWN. Some place between the submission of those two proposals and the final grant to WETA it would appear that the grant was given to Newsroom.

Mr. FRIENDLY. Are you suggesting that they didn't make a submission for Newsroom at the same time?

Mr. BROWN. I am suggesting that the original submissions were for a program called Hippopotamus and one called People's Court, if the information I have is correct.

Mr. FRIENDLY. I think you ought to ask that question of Mr. McCarter.

Mr. BROWN. I intend to. When did the other stations that received grants for "Newsroom" programs make their submissions?

Mr. FRIENDLY. When?

Mr. BROWN. Yes, sir.

Mr. FRIENDLY. During the spring and prior to a deadline date which Mr. Davis could give you. I can give you that deadline date in a minute, Mr. Brown.

Mr. BROWN. Were the proposals for all the "Newsroom" grants made in timely fashion? Were they on time according to the regulation that the Ford Foundation had set up?

Mr. FRIENDLY. As I remember it, yes, sir.

Mr. BROWN. Well, I hope you will advise us specifically in answer to these questions, because I think it is significant because I would like to know if the requests were made by the stations, where the final grant was a "Newsroom"-type program were those requests for "Newsroom"-type programs initially or were they made for other kinds of programs and subsequently changed to a grant for a "Newsroom"-type program?

Mr. FRIENDLY. I will be glad to refresh my memory.

Mr. BROWN. I hope you will and send that information for the record.

(For information requested see letter dated May 28, 1970, p. 218, this hearing.)

Mr. FRIENDLY. Let me say that my impression is that they made several submissions in which "Newsroom" was one of them. That is to the best of my memory.

Mr. BROWN. I thought each station was limited to two. Is that correct?

Mr. FRIENDLY. I think to two and in special circumstances to three. If you are suggesting for one moment that we told them to make that suggestion which is what I hear in between the lines and I am here for such a short time of my life but let me say that no such thing was in anybody's mind.

Mr. BROWN. Is it coincidental that four stations all requested, and I might say four stations all in major markets, all requested grants for "Newsroom"-type programs?

Mr. FRIENDLY. They did not make them all in the same year. That grant was made a year before the ones in Dallas and Pittsburgh were.

Mr. DAVIS. May I address the question, please?

Mr. BROWN. Yes, please.

Mr. DAVIS. The deadline for submission in a letter dated October 7, 1968, from Mr. Friendly to each station manager was January 10, 1969. The date on the application which I believe the committee has a copy of, signed by Mr. McCarter, is January 9, 1969.

Mr. BROWN. Was that the first application that Mr. McCarter submitted?

Mr. DAVIS. This is the file of the particular grant which is why I can't refer to the other titles that you referred to.

Mr. BROWN. Mr. Woestendiek's testimony, Mr. McCarter's testimony and your own indicate an interest and a connection with the "Newsroom" programs. Let me ask you this: The New York Times reported your announcement in early April of WETA's "Newsroom" program. The money wasn't actually given for that purpose and the program approved until October. What accounts for the 7 months' lapse and what contact was there between the Ford Foundation and the station which received the grant during that 7 months that relates to the content and organization of the program?

Mr. FRIENDLY. None having to do with content. They said at that time that they were not quite ready to go, that they hadn't created in their own organization the kind of insulation, nor did they have the personnel. They wanted to look for some very good people, some of which they found, to be on the broadcast and they did not want the grant. We had made the grant and appropriated the money but the check had not been sent, nor did they ask for it until they were ready.

When they called Mr. Davis and said, "We are ready," the authorization for that went through the works automatically. I believe it was in October or November and if they had said it in June or August or September it would have been just as forthcoming.

Mr. BROWN. Would you be kind enough to refresh your memory and then advise the committee at your convenience what the time lapse is between the other program requests for "Newsroom" and the granting of the funds for those programs and whether or not those were the original requests?

Mr. FRIENDLY. I will be glad to.

(The following letter was received for the record:)

THE FORD FOUNDATION,
OFFICE OF PUBLIC BROADCASTING,
New York, N.Y., May 28, 1970.

HON. TORBERT H. MACDONALD,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: We are pleased to supply the information requested at the Hearing held before the Subcommittee on Communications and Power on May 1, 1970.

Transcript p. 352: Ford Foundation grants for non-commercial television since passage of the Public Broadcasting Act of 1967 (November) are as follows:

Fiscal year 1968-----	\$11, 297, 406
Fiscal year 1969-----	24, 037, 622
Fiscal year 1970 to date-----	12, 223, 947

(The Ford Foundation fiscal year begins October 1. Fiscal year 1968 began October 1, 1967.)

Transcript p. 377: Our records show that by covering letter dated January 7, 1969, WETA submitted two proposals under the Project for New Television Programming competition. These were "City Courts" and "Hippopotamus!" The station subsequently made a verbal request to withdraw the "City Court" proposal and to substitute for it a proposal with a working title of "Night Journal." The station later changed the title to "Newsroom."

The other "Newsroom" grants to Stations KERA-TV (Dallas) and WQED (Pittsburgh) were not made under the Project for New Television Programming competition. They were direct grants to the stations, made in response to specific requests by the two stations for funds for "Newsroom" type programs.

Transcript p. 380: The dates of the other program requests for "Newsroom" projects and the dates of the grant letters were as follows:

San Francisco—KQED request, May 7, 1968.

Grant letter, July 12, 1968.

Second request, January 10, 1969.

Grant letter, June 6, 1969.

Pittsburgh—WQED request, July 14, 1969.

Grant letter, September 23, 1969.

Dallas—KERA-TV request, September 13, 1969.

Grant letter, December 4, 1969.

I trust that the above responds to the requests for information.

Sincerely yours,

DAVID M. DAVIS,
Program Officer in Charge.

Mr. FRIENDLY. I think I ought to respond to that very briefly and I promise to be brief.

Mr. BROWN. It isn't a question. It was just a request that you do it. You may respond if you will, but I would like to ask a final question.

Mr. MACDONALD. Mr. Brown, I think if the witness wants to answer—

Mr. FRIENDLY. It will be done and I would like the record to show that all of those requests for "Newsroom" were at the insistence of those stations and may I say that other stations also requested it and had we had sufficient funds there might have been other "Newsroom" grants.

Mr. BROWN. The question occurs to me again to ask, Is that coincidental?

Mr. FRIENDLY. Is what coincidental?

Mr. BROWN. That all of the public broadcast stations made a request for the "Newsroom" type program?

Mr. FRIENDLY. "Newsroom" was one of the most important successful spaces on public broadcasting. Their managers and trustees knew

that. If you think I ran into their backfield and made proposals that they would send to us I want to deny that as incorrect in principle, in thought, and every other way, and I am glad you gave me the opportunity to say that.

Mr. BROWN. I still have one question, but I want to respond to your remark. The game of grantsmanship whether it is played with the Federal Government, with the Ford Foundation or with any other foundation, is played with some very basic ground rules. The people who know how to play the game best know what the people who are going to permit the grant are looking for.

Mr. FRIENDLY. I suggest—

Mr. BROWN. If you can write your grant to meet the interest expressed by the grantor the chances of your receiving the grant are much improved.

Mr. FRIENDLY. I would like to deny that. If you look at our grants you will find that we do not play the game of grantsmanship and when I do I will find some other place to work.

Mr. BROWN. May I ask you about your personal background with Mr. Woestendiek, Mr. Friendly?

Mr. FRIENDLY. Surely.

Mr. BROWN. How long have you known Mr. Woestendiek and under what circumstances?

Mr. FRIENDLY. I have known him, I guess, about 8 or 10 years. I knew him when I was at CBS News. If there had been enough money and enough opportunity then I think he would have come to work with us. The thought had occurred to him and it had occurred to me and it didn't work out.

I saw him several times through the years. We may have occasionally written each other brief letters. We are not deep personal friends. I admire him, period.

Mr. BROWN. Thank you.

Mr. FRIENDLY. I have even had him up to my school to teach, a school that he was at long before I was.

Mr. BROWN. Thank you, Mr. Friendly.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Thank you, Mr. Chairman. Mr. Friendly, then why is it that in the application that was submitted to the Ford Foundation the title of the program was called Night Journal?

Mr. FRIENDLY. I think that is a question for Mr. McCarter. I don't care what they are called, by the way. If they are Newsroom or Night Journal, it's all right with me.

Mr. TIERNAN. You say that you play no part in it, yet you cite to this committee that the newsroom was the most successful program.

Mr. FRIENDLY. Could I amend that to say one of the most successful?

Mr. TIERNAN. Well, it was the only one at that time that you were participating in, wasn't it, prior to the application by WETA?

Mr. FRIENDLY. If it was the only one, I was referring to public television programs, Mr. Chairman, not just to newsroom programs.

Mr. TIERNAN. Well, wouldn't it strike you and it seems strange to me that the series title in the application that you have made refers to, and Mr. Davis made reference to, dated January 9, says Night Journal. It doesn't say Newsroom. Where would it have been changed?

Mr. FRIENDLY. Not at the Ford Foundation.

Mr. TIERNAN. Not at the Ford Foundation?

Mr. FRIENDLY. They can call it the Washington Blade if they want.

Mr. MACDONALD. Will the gentleman yield to the gentleman from Ohio?

Mr. TIERNAN. No, I think, Mr. Brown, Mr. Friendly has an engagement to go to Mount Holyoke.

Mr. FRIENDLY. I swear that I don't name those programs and they can be called anything they want to be called.

Mr. TIERNAN. Mr. Friendly, you indicated in response to a question from the Chairman that you felt that the foundations should eventually get out of the support for educational or public broadcasting?

Mr. FRIENDLY. No, if I said that, I shouldn't have said that. I would like to say that we should get out of the business of being the major provider of funds. I think Mr. Bundy, who is the president of the Ford Foundation and our trustees feel that way. We mean not by giving appreciably less, but because you will give more.

Mr. TIERNAN. You mentioned the fact that you don't think that it should be a child of the foundation or any foundation or of Congress.

Mr. FRIENDLY. Right.

Mr. TIERNAN. So that you support—or I assume from that response that you feel that it should be free of any requirement of financing from the Congress or from the foundations?

Mr. FRIENDLY. I don't know what you mean by requirement. Certainly from any pressure about content or personnel.

Mr. TIERNAN. You also said that you had written a book indicating that the profits from domestic satellites could be used to support public broadcasting?

Mr. FRIENDLY. Right, and that is also a submission by the Ford Foundation and may I also add that the FCC in its recent ruling about satellites said that they hope the public dividend theory would be a part of whatever proposal is adopted.

Mr. TIERNAN. Do you say that is being sufficient to support public broadcasting?

Mr. FRIENDLY. Not all by itself.

Mr. TIERNAN. What other suggestions did you make in the book or would you make at this time with regard to freeing public broadcasting corporations from influence?

Mr. FRIENDLY. I would support a plan for the satellite, the people's dividend. I would suggest also and support a 3-percent or 4-percent tax on the profits of commercial radio and television stations. I would support although I am not very enthusiastic for the tax on the sale of new sets. I would support a plan by which the Congress appropriated money and then local constituencies raised equal or almost equal amounts of money. I think the ones that I like the best are the people's dividend one, from the satellite and a 3- or 4-percent tax from the gross of the enormous profits of commercial television and radio stations and I said that in my book.

Mr. TIERNAN. Mr. Friendly, do you agree with those who think that the Congress should be out of the funding process for public broadcasting?

Mr. FRIENDLY. I think you should be. I wish there was a way and even if I miss my plane I want to say this just right.

I wish there was a way that annually or biannually the Congress did not have to say, "Here is one hundred million dollars for public television."

I am not very enthusiastic about support for the satellite proposal in spite of the FCC ruling. I do not see any appetite to tax the commercial stations. Rather than see this great green go down the well I am for Congress appropriating money, I hope on a long-term basis, and I would say at the risk of appearing to lecture you and one reason that I am suffering—and I am and I find having to defend my honor most distasteful—I have told you the truth and it is the truth, but if you want to keep the Fred Friendly's of the future from having to come here and yourselves to come here, if you want a public television system in this country, you better, gentlemen, find a way to appropriate money on an insulated way and if I offended you, I want to apologize.

Mr. TIERNAN. I want to respond by saying that I, for one, could not agree more in what you say regarding the insulation. I want to say and this is why I asked the question, whether or not I misunderstood your testimony with regard to the role that foundations would play in the future, and apparently I misunderstood you because you do not feel that the foundations should get out of this, I say to you that as far as I am concerned, the mere reaction of your statement and Mr. Davis' statement is the fact that there is some reason for people to be concerned about continued financing by the foundations. As Mr. Brown has said and as I am convinced, these may have been courtesy calls but they certainly are in the nature of not offending you personally or the foundation that is involved.

Mr. FRIENDLY. I deny that.

Mr. TIERNAN. Whether you have anything to do with that, and I agree that the Ford Foundation may not encourage it, I am saying human nature being what it is, a man is not going to do something they think is going to hurt the possibilities of future grants. This is the reason why I agree with you that as soon as we can get out of the funding, the Congress and also the foundations, the better off public broadcasting is going to be.

Mr. Chairman, I yield.

Mr. FRIENDLY. We are going to stay in this as long as we are needed.

Mr. MACDONALD. We are glad to hear that and we also point out that you will stay in as long as the Congress thinks you should be in, Mr. Friendly.

Mr. FRIENDLY. That goes without saying.

Mr. MACDONALD. I think maybe I should say it. I will yield in a second. I think you have misstated, or I hope you have anyway, your appearance here. You are not down here defending your honor to the Congress. You are down here as a guest, an invited guest, a very welcome guest because of your knowledge. If anyone impugned your integrity it was not the Congress and certainly not this committee. The reason for the hearing was not to clear up your personal integrity, which is so well established. The reason for the hearing is to clear up the atmosphere which was brought about by the news media, not by the Congress, in which somebody was quoted as saying that they had outside pressures.

Mr. FRIENDLY. But that has been completely repudiated.

Mr. MACDONALD. The only reason it was repudiated is because you are here today so you should not feel that this Congress is impugning your honor. This Congress and this subcommittee is clearing up any facts surrounding the Ford Foundation's role and rather than be antagonistic to questions that are being put to you, I would suggest that you would welcome them because they are helping you, not hurting you.

Mr. FRIENDLY. I do welcome them and I do thank you for saying that. I was only saying that when we have a system by which enough money is available to support public television in this day, there will be no need for the Ford Foundation to play this kind of a major role.

Mr. MACDONALD. The whole point—we have gotten lost in minutia I think—the purpose of this whole hearing on the corporation's financing authorizations is to come up with a reasonable solution for the permanent financing of the Public Broadcasting Corp. I can say publicly as I have said privately to Mr. Macy, I think the Public Broadcasting Corp. has been a little derelict in coming up with such a plan. I think that the plan that the administration has put forth before this subcommittee by their representative from HEW was farcical and didn't make any sense at all.

Therefore one of the reasons that we have you here today—as well as to be able to take off the record any stain that might have been put there by reports in the press about your control over this station and the firing of the gentleman in question—is to ask you, and I was delighted that Mr. Tiernan went into it at some length, as to what you really think should be done by the Congress. Obviously the Congress has enough money to do this. The only question is does it have the will to do it. You take a bill of this sort on to the floor of the House and you get hard questions asked.

Another reason you are here is because the questions certainly would have been raised on the floor of the House as to your role when we go out with a permanent financing plan.

Sometimes members of the committee who are in favor of public broadcasting act like the Devil's advocate because they ask questions that will be asked them when we go to the floor. So I hope you don't think there is anything personal in this, Mr. Friendly. We want you here because we need your information. We want to be sure that you don't exercise any more power than is inherent in your position, as Mr. Tiernan pointed out. He wasn't saying anything about you or the foundation personally. It is just the fact that this x number of millions of dollars goes out and everyone here knows that where money goes some influence follows, as I said earlier today.

Mr. TIERNAN. Mr. Chairman?

Mr. MACDONALD. Mr. Tiernan.

Mr. TIERNAN. Mr. Friendly, I certainly don't want it to appear that I for one and I am sure everybody that is interested in public broadcasting is not appreciative of the help. I am certainly sure and hopeful that the foundation does continue, but I hope that you join with me in feeling that at some point at some time in the future, we can get public broadcasting out of the area of support from foundations or from the Congress.

Mr. FRIENDLY. I think when that day comes we will have both done our job better than we are now doing it.

Mr. TIERNAN. Thank you.

Mr. MACDONALD. Mr. BROWN.

Mr. FRIENDLY. I have missed my plane already. I am glad to be here. Let's do the job right.

Mr. BROWN. I do want to make some observations and I would like to make them in your presence and have your comments, if I may.

Mr. FRIENDLY. Excuse me one moment to make a phone call that I am not going to be there due to circumstances beyond my control.

Mr. BROWN. I would be glad to excuse the witness.

Mr. FRIENDLY. The plane has left.

Mr. MACDONALD. I have great sympathy with the fact that you have an appointment someplace, but I think what you are doing here today is much more important than it is to the girls at Mount Holyoke in my home State. We all miss planes. What you are doing here is in the public service and I think you are doing a better job here than you would be in Mount Holyoke.

Mr. FRIENDLY. Thank you.

Mr. BROWN. You made grants at the rate of \$24 million a year?

Mr. FRIENDLY. It is not going to be that way much longer.

Mr. BROWN. In 1970 what will it be?

Mr. DAVIS. Our budget in 1972 will be \$16 million. Our grants today, to date, total about \$12 million. We will probably have made grants.

Mr. BROWN. In 1969?

Mr. DAVIS. In 1969 the actual grants made were \$24 million plus, but 1968 was \$11 million plus. It is a question of budgetary year and when the grants take place, so you need to arrange those figures.

Mr. BROWN. The reason for my confusion is that I am looking at the Ford Foundation annual report for 1969 and it indicates to me that the total grants in public broadcasting were \$24,037,622. Is that correct?

Mr. DAVIS. That is correct.

Mr. BROWN. With that kind of grant in 1969 Ford placed 10 percent, if I have not misread the report again, of its total grants in public broadcasting, is that correct?

Mr. DAVIS. That is more or less correct.

Mr. BROWN. If it is not correct, please advise me in what way it is not correct, Mr. Friendly.

Mr. FRIENDLY. I haven't done those percentages and I will do them and if you say they are based on that report I will say they are.

Mr. BROWN. \$24 million in public broadcasting is the largest amount of many put into public broadcasting by any single entity. Is that correct?

Mr. FRIENDLY. That is correct.

Mr. BROWN. What entity is next? Do you know who is next in the amount of money put into public broadcasting?

Mr. FRIENDLY. I guess this year the Corporation for Public Broadcasting.

Mr. BROWN. Could you give me some idea of what that figure is?

Mr. FRIENDLY. About \$7 million for this year and hopefully about \$15 million for next year.

Mr. BROWN. So the Ford Foundation puts in three and a half times more than whatever the second biggest source contributes.

Mr. FRIENDLY. We wish for the record it was one-tenth of what the corporation puts in.

Mr. BROWN. Yes, sir. The only reason that I am making that point if I may, is to try to explain why Mr. Woestendiek felt that it was desirable for him to call you and discuss the problem of his firing, why Mr. McCarter felt that it might be significant for him to call you and to discuss the problem of his firing, why you were invited to view the dry runs of the program, why Mr. Woestendiek was brought by Mr. McCarter to you, Mr. Friendly, when he was hired, why there was concern on the part of the public media in this country, why you got calls from newspapers and television stations to inquire about your reaction to the Woestendiek firing.

Mr. FRIENDLY. That is not what I was asked.

Mr. BROWN. Well, I don't know what you were asked.

Mr. FRIENDLY. I was asked why I did it.

Mr. BROWN. That is even more direct. I am trying to explain why apparently the media and many of the people involved—the station manager, a program editor for example—felt that you had some interest. I think it relates to the \$24 million Ford puts into public broadcasting.

Now, you asked the question of why you were here. It was not to impugn your character. It was to determine whether or not the person who pays the piper calls the tune. You have suggested that the Congress put the money into public broadcasting and sustain public broadcasting.

Mr. FRIENDLY. I didn't mean to interrupt you. That is not what I said. I said that would be my third and last resort. I wish it could come in a dedicated tax the way it does in many other free countries of the world.

Mr. BROWN. Am I correct that you suggested that you did not think that that would be possible?

Mr. FRIENDLY. No, I think that it is not likely to happen but if I could convince you and your colleagues that it ought to happen that way, it would happen.

Mr. BROWN. The concern I have as a member of this committee is if the Congress puts the money up, who calls us to find out what our influence over public broadcasting is? If the money comes from a dedicated tax, who brings the local station managers into account, because the Congress has lost control of the money? Who supervises, Mr. Friendly?

Mr. FRIENDLY. That is what America is all about, Mr. Brown. I don't believe and I don't believe you believe in a society of distrust. I am told by my advisers that I must never mention before the Congress the example of the BBC or the German television, but I will.

The BBC is not perfect but the BBC has a board of governors appointed by a system not unlike the way we appoint people to the Atomic Energy Commission. That board is so independent that the Prime Minister of England and the head of the BBC for the last 4 years, there is a new one this year, hardly spoke. It is possible for fairminded independent men to be honest. I believe that CBS News is independent of all the pressures of a commercial organization.

Mr. MACDONALD. Mr. Friendly?

Mr. FRIENDLY. I was asked a very complicated question.

Mr. MACDONALD. You are giving a very complicated answer. I remind my colleague that we have one more witness and that we want to finish the hearing today if we possibly can.

Mr. FRIENDLY. I am available to you at any time, sir. I think it could be done.

Mr. MACDONALD. That can be carried on in private. We appreciate your being here.

Mr. BROWN. I think it is perfectly possible for someone to be honest. You indicated in a remark earlier that if you had had enough money at CBS you would have hired Mr. Woestendiek; \$24 million is a lot of money. Mr. Woestendiek ended up on WETA editing "Newsroom." I think it is impossible for any group of people to be totally unbiased. I think this is the problem at the base of this and it is the basic problem that we all learned when we were kids, the guy that pays the piper calls the tune.

Mr. FRIENDLY. I never thought I would be penalized for saying I didn't have enough money to hire Mr. Woestendiek.

Mr. MACDONALD. You are a good witness. I would hate to have you in court against me. I would like to ask you one thing. Are you indicating that you feel that the foundation should not play any role in public broadcasting? Mr. Woestendiek did say that. He indicated according to my notes here that he thought that the foundation should get out of public broadcasting. Do you share that view?

Mr. FRIENDLY. I heard that interrogation and if I may say so, I think you pushed a man who was trying to be very helpful into finally saying, and he said over and over again, "I am talking over the long haul" and I would say that in the year 1990—it is not modest for us to say this. Mr. Macy has said it—that if it had not been for the Ford Foundation there would be no public television right now. I hope that we have the stamina and this is the last thing probably I am going to be allowed to say here and I want to say this—

Mr. MACDONALD. Now stop that, Mr. Friendly.

Mr. FRIENDLY. Every time I start you stop me.

Mr. MACDONALD. We have been talking for 1 hour. If you haven't said what is on your mind, it isn't because of lack of time. You responded to questions directly. You responded to them indirectly. If you have anything more to say we would all welcome it so feel free to say whatever you want to within reason.

Mr. FRIENDLY. Yes, sir; we will stay in this project, public television, as long as we are needed and as long as we are wanted. It is the problem at the foundation that there are many other demands, urban centers, urban problems, universities, medical aid, foreign aid, all making demands on the limited resources of a foundation. Part of my job is to convince the trustees, Mr. Bundy, who feels very strongly about public television, that a large part of our granting apparatus and funds go to public television.

Next year it is going to be around \$16.5 million. We have told Mr. Macy that as the years go on that figure will get smaller as theirs gets bigger. That is the way they want it. It is the way the stations want it. It is the way we want it. I hope that by 1980 you have made it possible for public television to have, shall we say, \$200 million and that at that point perhaps we will be down to \$10 million or \$12 million, maybe less, maybe a little bit more. We will do that in cooperation with

the corporation in the open to make administrative funds available as long as they are needed.

We want for public television what John Macy and his colleagues and the stations and the practitioners want. That is all we want.

Mr. MACDONALD. In conclusion, I would like to say that we all, I think, here are in agreement about that. What we in the Congress want are those funds to go without my hold, and this is the purpose of this hearing. You have denied any hold over the stations by way of influence. Other people have indicated that they may have felt there was influence but they could not substantiate it by illustration. That is the whole purpose of the hearing today. We welcome you in this field. Unfortunately we need you in the field because of the tight budgetary situation, but we don't want any influence coming from the fact that you have the power of the purse.

Mr. FRIENDLY. Neither do we.

Mr. MACDONALD. I hope the foundation has got the message. I am sure perhaps they didn't need the message, but that is one message that should come out of here loud and clear.

With that we thank you very much, Mr. Friendly. Have a good stay in Massachusetts.

Mr. FRIENDLY. I am not going to make it. Thank you very much.

Mr. MACDONALD. The next witness is Mr. Columbus Smith, a former reporter on the staff of Newsroom program, station WETA.

Are Mr. Janssen or Mr. Jewell in the room?

Mr. JEWELL. Yes, Mr. Chairman, I am Mr. Jewell.

Mr. MACDONALD. Would you like to appear with this gentleman or appear later?

Mr. JEWELL. Whatever you want.

Mr. MACDONALD. If you want to appear as a panel and save a little time, you are the last witnesses. Mr. Janssen indicated to Mr. Brown in a phone call yesterday that he was on an assignment out of the city and can't be here. I understand he may offer his testimony to be put in the record.

Mr. Smith and Mr. Jewell?

STATEMENTS OF COLUMBUS SMITH, A FORMER REPORTER ON STATION WETA PROGRAM NEWSROOM, AND DAVID JEWELL, REPORTER ON NEWSROOM PROGRAM

Mr. SMITH. My name is Columbus Smith. I would like to read a statement first. I resigned on April 21, Tuesday, as a regular reporter on Newsroom, a channel 26 news program. I quite Newsroom because I was outraged at the firing of its editor, William J. Woestendiek, and the way the controversy of the firing was aired Monday a week ago. I left Newsroom with strong suspicions the firing was politically motivated. My personal reasons, however, for leaving were not political. If I were put in a political bag, it would probably read "Democrat-Liberal."

Was improper outside influence exerted on channel 26 in connection with the dismissal of Woestendiek? I honestly don't know. Reporters from "Newsroom" asked channel 26 general manager, William J. McCarter, how many calls he had received asking for the firing of Woestendiek and how many experts he had contacted prior to making a de-

cision. He was asked these questions Friday night after the reporting staff was handed a release announcing the firing. McCarter refused to say who had called him, how many calls he had received about the incident, or who he had called for advice prior to making the decision.

The wording of the release handed to reporters on that April 17 Friday said Woestendiek was relieved of his active duties because his wife was hired as press secretary to the wife of a national public official. The statement, attributed to McCarter, said the firing was necessary to avoid any possible charge of bias or influence which might compromise the creditability of "Newsroom."

It should be noted that the firing could have been influenced by the individual lobbying of management by two "Newsroom" reporters—David Jewell and Peter Janssen. Jewell and Janssen said on the April 20 "Newsroom" program they had been pressuring management for a decision on the controversy prior to the firing on April 17. At a meeting called by McCarter on the night of April 14 to test the reaction of the reporters to the hiring of Mrs. Woestendiek by Mr. Mitchell, Janssen said he could never again cover Weatherman, a faction of Students for a Democratic Society, because of Mrs. Woestendiek's new job. He said he could never again cover the Justice Department. Jewell said he felt his ability to cover Capitol Hill would be affected by the fact of Mrs. Woestendiek's new job with the Mitchells. To this reporter's knowledge, none of the other eight reporters on the staff pressured management for a decision.

On Monday, April 20, the new editor of "Newsroom," Ben Gilbert, held a news conference in the morning with the reporters to find out what stories they were working on and to make assignments for the program that night. He said one of the stories that night would be the firing of Woestendiek and the resultant controversy. I think all the reporters were listening carefully to the new editor at this point to determine whether or not the story assignment had been touched by management or whether or not the entire assignment was the brain-child of Ben Gilbert.

Gilbert said the firing and controversy would be covered with two stories. One would be a straight hard news assignment. The second would be a vignette, a sketch, of Martha Mitchell.

I objected very strongly to Ben Gilbert about the Martha Mitchell sketch. I told him the sketch would appear to the viewer an attack on Mrs. Mitchell. It would appear to the audience of "Newsroom" that she, Martha Mitchell, was the subjective reason Bill Woestendiek was fired. Several other reporters at the meeting told him the same thing. I told him the vignette would undercut the stance channel 26 had taken on the firing—that Woestendiek was fired because his wife was the press aide to the wife of a national public official.

At the end of the news conference Gilbert asked for volunteers for the two story assignments. Only Jewell and Janssen seemed willing to take them. Jewell did the Martha Mitchell vignette that night on "Newsroom." I asked at the same news conference that both Woestendiek and McCarter be on the program Monday night. This would have been consistent with "Newsroom" policy in the past to give the principals of a controversy a chance to air their feelings. Gilbert said Woestendiek would not be permitted live on the show because it would confuse the viewer who was used to seeing him in the editor's chair

rather than on the panel with the reporters where he would be if invited on the show.

Gilbert said it might be possible to do a tape recording or a film interview with Woestendiek that could be shown on the program. He did not ask anyone to do this. (Woestendiek was asked later that day if he would be willing to appear on the show. Woestendiek said he would if McCarter would also appear but McCarter refused.) I left the morning meeting greatly depressed by the station's or at least the new editor's decision to do the Mitchell piece. I found it hard to believe the piece could be done with any other intention in mind than to hold Martha Mitchell up for review as the subjective reason Bill Woestendiek was fired.

After expressing some of my feelings about the firing on the Monday night show and my feelings about the Martha Mitchell vignette, I made the final decision to quit the show. This is something I would like to note here, that I didn't include in my testimony. The day I quit, on Tuesday morning, Mr. Jack Hunter, Dr. Jack Hunter, the program director came up to me and said that, one, the firing was not politically motivated. That is the only indication I had that it wasn't.

Mr. Woestendiek has a reputation for absolute integrity as an editor. He has always been adamant about insuring both sides of an issue are aired. I once reported on a steamcar. I said the automakers were not interested in the steamcar because it would mean costly retooling according to a certain Congressman. Woestendiek ordered me on the air to contact all the automakers and find from them why they weren't building steamcars. Another reporter had a guest on the show who had worked in the South as a civil rights lawyer and who accused Judge G. Harrold Carswell of throwing roadblocks in his way. On the air Woestendiek ordered the reporter who invited the lawyer to invite Carswell to be on the show. Although I have known Woestendiek for 5 years, I do not know his politics. I cannot think of an editorial decision he has ever made which has reflected his politics. His criteria for news judgment seems to be, is it relevant to people?

Mr. MACDONALD. Thank you, sir. Mr. Jewell, would you like to be heard at this point?

STATEMENT OF DAVID JEWELL

Mr. JEWELL. Mr. Chairman, I don't have a prepared statement. I was asked to appear before the subcommittee to answer any questions you might have and I am here.

Mr. MACDONALD. Thank you. Mr. Smith, as I am sure you have heard, having been in the room for a while, the main reason for the hearing is to establish whether or not there was outside influence used in the discharge of Mr. Woestendiek.

In your statement, which is a fine statement, you forthrightly indicate your position and obviously a man can't do more than leave his job to show how strongly he feels about something. But am I correct in that assumption that your decision to leave wasn't based on the fact that the station was caving in to outside influence?

Mr. SMITH. Yes, sir.

Mr. MACDONALD. You just thought it was a bad decision?

Mr. SMITH. Yes, sir; and I would like to explain. You mentioned about outside pressures. I have no honest knowledge that there were any outside pressures. However, there were two meetings in which the reporters did meet with Mr. McCarter. One was on April 14, Tuesday. This was a meeting Mr. McCarter called to find out what the feelings of reporters were.

He did mention at that time that he had received a great number of calls and that he had received a great deal of pressure. However, he did not elaborate. Again on Friday night, which was quite an emotional meeting because it was right after we learned that Woestendiek was fired, we asked that Mr. McCarter come down. Before he came down, Mr. Furber talked to the reporters and at that time Mr. Gesley, the director of the show, wanted to know from Mr. Furber who had actually asked for the resignation or firing of Mr. Woestendiek.

He didn't answer that question. We asked Mr. McCarter when he came down, a number of the reporters did, how he had reached the decision, generally how many phone calls he had had, had he been influenced from the outside, and he would not answer these questions.

I guess perhaps that is his prerogative. It did leave doubts in my mind but to say honestly there was an outside pressure, I cannot.

Mr. MACDONALD. Thank you. Mr. Tiernan?

Mr. TIERNAN. I watched the film of the show on Monday night and it was quite obvious that there was a different point of view and I think you expressed it near the end of the program by saying that you were not a fan of Martha Mitchell's but you didn't appreciate the way the matter was handled.

Mr. SMITH. Yes, that would be accurate. The most accurate—

Mr. TIERNAN. You also raised the point that those who were in favor of the action taken were those who made the report on the program.

Mr. SMITH. Well, I think I mentioned, to make that perfectly clear, that the two people who pushed management for a decision that would eliminate the Martha Mitchell-Mrs. Woestendiek situation were the two people who made the report.

Mr. TIERNAN. Mr. Smith, what is your beat? Do you cover a specific area?

Mr. SMITH. At that time I was learning the Pentagon, at that particular time. Right now I am employed by the Washington Daily News.

However, I am not getting paid right now. I am getting docked from my salary for the time I am here so I am not covering the meeting.

Mr. TIERNAN. What I meant by that was at the time of your employment with WETA did you have a specific beat?

Mr. SMITH. Initially I had the general assignment beat and then later, perhaps the last few weeks, I was with the station, I was covering the Pentagon.

Mr. TIERNAN. Did you feel that your editor's wife's position as secretary to the Attorney General's wife would in any way jeopardize your ability to do your job?

Mr. SMITH. No; because I would like to explain this. Mr. Woestendiek has a reputation as a bit of, as a man of tremendous integrity as an editor. In other words, on the Post he had this reputation. He

is completely, seems to be impervious to management pressure. This was the reason he lost his job at the Houston Post.

Mr. TIERNAN. You don't know of the reason why he lost his job at the Post. You were just told that; isn't that correct?

Mr. SMITH. Well, I was there.

Mr. TIERNAN. Did you work there too?

Mr. SMITH. Yes, I did. I was a reporter at the Houston Post and the Houston Post has a number of what they call sacred cows. That is the reason I did not go back to the Houston Post when I left the Army.

Mr. TIERNAN. I apologize. Excuse me for interrupting you.

Mr. SMITH. Go ahead.

Mr. TIERNAN. There has been so much testimony by different witnesses as to what was going on when these meetings were being held and they went to the parking lot and some of the reporters came back in. Everybody seemed to be quite concerned, but how was Mr. Woe-stendiek? Was he concerned about this?

Mr. SMITH. Well, I could tell, I could personally tell that he was concerned and upset. Just I sensed it without ever knowing what the situation was until the man was fired, but I sensed that he was upset. Whether anyone else sensed it or not, I don't know. But I sensed that he was upset that entire week.

Mr. TIERNAN. Was he upset because the staff around him was indicating that maybe he should relinquish his position or was he upset about the fact that his wife had taken a position that might possibly raise the conflict of interest?

Mr. SMITH. Well, to get the thing exactly right, numerically so far as the staff wishing he should possibly be fired, it came out—there are 10 reporters. Seven, I think, pretty clearly on that program you watched indicated they thought the firing was pretty raw and I think two had put pressure on the management and there was another reporter who was very noncommittal where I don't know the feeling.

To say yes, he was upset, he was upset probably because he was about to lose his job and he sensed it.

Mr. TIERNAN. I have no further questions.

Mr. MACDONALD. Mr. Brotzman?

Mr. BROTZMAN. Mr. Smith, and what is the other gentleman's name?

Mr. JEWELL. My name is David A. Jewell; I am a staff reporter on the "Newsroom" program.

Mr. BROTZMAN. Each of you are reporters. Does that mean also that you appeared on the various programs for "Newsroom?" Were you ever on the air on the programs?

Mr. JEWELL. Yes, sir.

Mr. SMITH. Yes, sir.

Mr. BROTZMAN. Both of you were. How long were you in that particular capacity down there, Mr. Smith, as a reporter?

Mr. SMITH. I think I was employed by "Newsroom" since about March 2 and I think the program started March 28 or something, perhaps the 23d or 24th. So I was employed there about 2 months, roughly. Less than 2 months.

Mr. BROTZMAN. You don't have a written statement but if you testified completely would your testimony be about the same as Mr. Smith's?

Mr. JEWELL. No, sir. It would be vastly different.

Mr. BROTZMAN. It would?

Mr. JEWELL. Yes, sir.

Mr. BROTZMAN. Do we intend to have him testify or how do you want to proceed?

Mr. MACDONALD. Mr. Brotzman, originally Mr. Jewell was coming on with Mr. Janssen as sort of a tandem panel. I think it is safe to say that he sees 180 degrees differently than Mr. Smith does.

Mr. BROTZMAN. That is what I was trying to get straight. I didn't know whether each of you would testify basically the same. I will go back to Mr. Smith.

You say you have strong suspicions that the firing was politically motivated. What are your reasons for stating that, Mr. Smith?

Mr. SMITH. The reason would be that at the news conference—and I will explain a little background. On Monday morning I believe April 20, Ben Gilbert was the new editor.

Mr. BROTZMAN. Who was?

Mr. SMITH. Ben Gilbert was the new editor of the program and quite informally he held a news conference that morning to find out what the reporters were doing and to find out what they would do that night and what they had already planned to do, so that he would have his ducks in line for the program that night, his very first program, which is a kind of traumatic thing, a live program.

He said that they were going to cover the controversy of the Woestendiek firing. He also said they were going to do two stories, a straight, hard, newstory which was done by Peter Janssen and the second story, a vignette on Martha Mitchell.

It was inconceivable to me why they would do the vignette on Martha Mitchell which David Jewell did. I couldn't see why they would, as I mentioned on the program, bring up her past track record. It seemed vindictive to me and they were using that as a single reason why Woestendiek was fired. Possibly they were showing her up. It was inconceivable with my news record why they were doing a vignette on Martha Mitchell, whose record is well known.

Mr. BROTZMAN. What is a vignette?

Mr. SMITH. This is a verbal sketch.

Mr. BROTZMAN. All right. How long, once again, had you been in the capacity as reporter, in months, roughly.

Mr. SMITH. About 1 $\frac{2}{3}$ months.

Mr. BROTZMAN. I see. Without getting into partisan politics at all, was this the first suggestion of this that was called to your attention that was offensive to you in the conduct of programing and this particular program at WETA?

Mr. SMITH. Yes, it was. It was the first.

Mr. BROTZMAN. Had you ever had anybody try to put pressures on you relative to programing or the kind of content of the program?

Mr. SMITH. Absolutely not.

Mr. BROTZMAN. So your decision was made relative to this one specific incident?

Mr. SMITH. The firing which I was upset about the previous Friday but when I came to work Monday morning I was prepared, since I have been in the Army and have worked for a number of successful commanders in Vietnam, when you have a change of command, the idea is to get behind the new man and go on with the program and

I believed in that concept of "Newsroom" but immediately in that morning meeting when Ben Gilbert insisted on the vignette of Martha Mitchell, it soured me quite frankly on the program at that particular point although I still believe very strongly in the concept of "Newsroom."

I think it a very good concept.

Mr. BROTZMAN. This was Mr. Gilbert's idea to present this specific program that way, is that right?

Mr. SMITH. It was either Mr. Gilbert's—I think it is a very good question, was it Mr. Gilbert's independent decision or did it come from higher than that? I think it is a very good question.

Mr. BROTZMAN. Let's pursue that for a minute. He is new on the job, I would understand from what you have just said. Mr. Gilbert would be new on the job as of that particular time.

Mr. SMITH. Yes, true.

Mr. BROTZMAN. Who would have been in a position to have told him to present the vignette?

Mr. SMITH. Well, let's say perhaps—now, I have no idea whether anyone told him. I want to make that completely clear, but perhaps Mr. McCarter. Perhaps. Here this is just sheer speculation. It just seemed to me after myself and I think Vic Maerki and Rudy Pryot and I think others at this morning meeting said "Why are you doing this vignette? This undercuts the reason why the station fired Mr. Woestendiek."

Mr. MACDONALD. Would the gentleman yield?

Mr. BROTZMAN. Sure.

Mr. MACDONALD. You were honest to say that this was just sheer supposition but I don't think that it proves very much to put into the permanent record what you think might have happened, unless you have some basis for it. I am not stopping you from saying what you think, but unless you can back it up with something besides saying, "This could have happened," I don't think it does anyone much of a service.

Mr. SMITH. I was just trying to shed some light.

Mr. BROTZMAN. Well, you were, I think, down in Houston. In response to another question when you said you actually were there at the time of the last firing of Mr. Woestendiek, you were actually a part of that operation, is that correct?

Mr. SMITH. I left to go in the army slightly before, I think several months before Mr. Woestendiek was fired. He was in the capacity of the managing editor. He had control over the entire news operation at the Houston Post.

Mr. BROTZMAN. That is all I have. Thank you.

Mr. MACDONALD. Thank you. Mr. Brown?

Mr. BROWN. Mr. Smith, I am constrained to ask if you and Mr. Woestendiek in any way prepared your testimony together today.

Mr. SMITH. Definitely not.

Mr. BROWN. I am intrigued by one line that is in your testimony and also in his. His testimony says, "Reporters Jewell and Janssen made long emotional talks at the meeting about their feelings that they had been compromised. I remember Janssen saying, 'I will never be able to cover another Weatherman story,' and Jewell saying that his sources would dry up."

In your testimony you say, "At a meeting called by McCarter on the night of April 14 to test the reaction of the reporters to the hiring of Mrs. Woestendiek by Mrs. Mitchell, Janssen said he could never again cover Weatherman, a faction of Students for a Democratic Society, because of Mr. Woestendiek's new job."

Mr. SMITH. I was surprised by the similarity, to be frank. Those happened to be two very salient points in that particular night because Mr. Janssen and Mr. Jewell were quite upset by the fact that Mrs. Woestendiek was working for Mrs. Mitchell and made those points quite strongly.

Mr. BROWN. Can you elaborate on what the reason would be for the inability of the reporter to cover the Weatherman because the editor's wife is working for the wife of the Attorney General?

Mr. SMITH. I personally can't understand that. I personally can't understand that, but Mr. Janssen isn't here. I can't understand that myself.

Mr. BROWN. Do you think if Mr. Janssen were here we could get an elaboration on it which would make it clearer or could Mr. Jewell contribute anything that would make it clearer?

Mr. JEWELL. I believe I can. Naturally I can't speak for Mr. Janssen but I can speak for myself and I think my feelings are somewhat similar. There has been a great deal of talk here about judging a man by his actions.

Mr. BROWN. There has been a great deal of talk about judging a man by his associations, which seems to be the case with Mr. Woestendiek's association with his wife and her associations.

Mr. JEWELL. That is what I was trying to drive at. When you get down to the nitty-gritty of covering news stories, it is a little different. Before I went with WETA I worked for the Washington Post for 3 years less 3 weeks. In that time I covered stories having to do with the new left, which is a broad spectrum, civil rights particularly insofar as it applies to blacks and their attempts to redress real or imagined grievances against the establishment and the Government of the United States, general assignment stories.

I covered the U.S. district court and the U.S. court of appeals. I found at the Washington Post, as you do at I think any newspaper, that, in order to do your job properly you have to gain the confidence of various people, be they Congressmen, staff aids, functionaries in the court, leaders in the community either official or unofficial, or what have you.

To do this you have to counter prejudice. People in the court structure, for instance, some people would tell me they couldn't confide in me because the Washington Post was a handmaiden of the civil rights organization and, therefore, it wasn't worthy of the confidence. People in the civil rights organization would tell me that they couldn't confide in me because the Washington Post was a handmaiden of the establishment. People in the new left would tell you the same thing. In each case they had nothing concrete to base this on. It was just the general feeling.

The best way you can counter it is to say, "Well, look at the story we we ran last week. Look at what I did." That is the best you can do. I worked for a newspaper before the Washington Post, the Philadel-

phia Inquirer, for 5 years. I had similar problems there but they were more aggravated because people would say: Your publisher Walter Annenberg has certain biases. You are not allowed to write about the basketball team or to mention the name of the president of the University of Pennsylvania.

Mr. BROWN. Did this situation arise with Mr. Kampelman and his association with WETA because of his association with other political figures?

Mr. JEWELL. No, sir, not to me.

Mr. BROWN. So the question was asked about Mr. Annenberg who published the Inquirer in Philadelphia but not asked about Mr. Kampelman here in Washington?

Mr. JEWELL. Yes, sir; to get back to the Philadelphia analogy.

Mr. MACDONALD. Let's not go back to Philadelphia. Let's stick to this situation. Just give the information, whatever the question was.

Mr. JEWELL. What I was trying to establish, sir, is that if people you are dealing with, if the appearance exists of bias, if they think this, there is some reason why you or your organization, be it the newspaper or the television station, are biased, it makes it extremely difficult for you to go about your job, which brings us to the Attorney General of the United States. In order, in my opinion, to cover the new left, to cover the civil rights movement, to cover the Justice Department, to cover the courts, and many stories here in Congress, people have strong feelings about the Attorney General. They think in the new left, they think in the civil rights movement, whether right or wrong I don't know, that the Attorney General hates them and conspires against them and you have a real danger in my estimation if the wife of your editor, the man that makes the judgment of what will go on the air, who makes the judgment of how we will attack a story, if that man's wife is the press aide for the wife of the Attorney General who herself has taken a political stand.

This, to my mind, makes it nearly impossible to do your job effectively.

Mr. MACDONALD. But the question, as I recall, went to a reference to the Weathermen?

Mr. JEWELL. Well, precisely. The Weathermen are part of the new left, Mr. Janssen has, as I understand it, considerable experience and expertise in covering the new left.

Mr. BROWN. So this relates to Mr. Woestendiek's relationships and not to any relationship of Mr. Janssen's, is that correct, Mr. Jewell?

Mr. JEWELL. I don't follow you, sir.

Mr. BROWN. I am asking if the quotation relates to Mr. Woestendiek's associations with his wife and in turn his wife's with the wife of the Attorney General, or does Mr. Janssen's concern relate to relationships of Mr. Janssen's?

Mr. JEWELL. I am still not sure I understand what you mean. I think Mr. Janssen's problem is that the next time he goes out to cover the Weathermen or the new left they are not going to talk to him.

Mr. BROWN. Do you understand what I mean, Mr. Smith?

Mr. SMITH. Not exactly. Not exactly.

Mr. BROWN. Does the quote expressing Mr. Janssen's concern about whether or not he can cover the Weathermen relate to Mr. Woestendiek's relationship with his wife and his wife's relationship in turn

with the wife of the Attorney General, or does it relate to some relationship of Mr. Janssen's?

Mr. SMITH. Well, I don't know whether I can address that directly. It apparently gave Mr. Janssen some inhibitions about going out and talking to the Weathermen. However, based on my experience, the one thing that counts in a newspaperman's credibility is whether or not after talking with a source if he relays that accurately in a newspaper story. If he doesn't do it one time he no longer has a source and that is the only thing that counts.

Mr. BROWN. I personally would like to pursue this with Mr. Janssen and I am sorry that, because he is on an assignment at New Haven for the station today, he is unable to be here. I would hope that we will have the opportunity to discuss it directly with him. Perhaps we had better get off that point and let me ask both of you a couple of other questions.

Apparently the relationship of the editor of the program with his wife and his wife's relationship with the wife of somebody else is a matter of stronger concern than the attorney-client relationship between the chairman of the board of the station and a candidate for the presidency of the United States. Is that true?

Mr. JEWELL. I have no idea. I don't know what the relationship is.

Mr. BROWN. You advised me, Mr. Jewell that the Kampelman relationship with Hubert Humphrey had never been a subject of concern raised to you or apparently a subject of concern to you but the relationship of Mr. Woestendiek and his wife with the wife of the Attorney General was a subject of grave concern. Can you explain to me why one gives you concern and the other one gives you no concern?

Mr. JEWELL. To begin with, I don't know what Mr. Kampelman's relationship is with the former Vice President of the United States to begin with. It is not a principle to pick.

Mr. BROWN. I must admit I didn't know it either until these hearings, but it seems from his own testimony that he has on occasion been involved on personal legal problems with the Vice President. But beyond that he has been an active supporter of the Vice President in his candidacy for the President, a matter for which I criticize him not.

I also was an active supporter of one of the candidates for the presidency. The question is whether or not his relationship during that time as chairman of the board of trustees of WETA would give you any concern as a reporter on that situation.

Mr. JEWELL. First of all, I didn't know about it. Second, no one ever discussed the topic.

Mr. BROWN. The question was, would it give you any concern? Assume you know about it now. Does not give you any concern?

Mr. JEWELL. No.

Mr. BROWN. But the relationship of Mr. Woestendiek does?

Mr. JEWELL. Yes.

Mr. BROWN. Could you explain the difference?

Mr. JEWELL. Mr. Woestendiek decides what stories go on the air. He declares who gets to cover them. He decides what stories to use. To my knowledge, Mr. Kampelman does none of these things.

Mr. BROWN. Prior to the active candidacy of the Vice President for the Presidency, Mr. Kampelman was the moderator of a program on

WETA to discuss current issues and news events. I think that is significant.

Mr. JEWELL. No; I think, as I understand it, I am no expert on that program but as I understand it, his chief function there is largely as timekeeper and to keep people from wandering from the subject. As I understand it the subject matter to be discussed will be decided by Lincoln Furber, the producer. The other difference is I think he is dealing with four reporters who work for somebody else. Those reporters, their assignments for that day are decided by another editor not connected with the station. If he wants to discuss the economics and they spend all week on politics, he is out of luck. He has got to go to subjects decided elsewhere, over which he has no control or direction.

Mr. BROWN. He had the last word when he gave an editorial wrapup or summary.

Mr. JEWELL. Does he? I must confess I don't watch the program regularly. I don't know. I will take your word for it.

Mr. BROWN. Who put the material that you used about Mrs. Mitchell together? Did you put the vignette together?

Mr. JEWELL. Yes, sir.

Mr. BROWN. Did you find anything in Mrs. Mitchell's background that would portray her in any way as a kindly person or as a person who is interested in positive aspects of life?

Mr. JEWELL. Sir, that is not what I was looking for.

Mr. BROWN. What were you looking for?

Mr. JEWELL. I was looking for the reason why Mrs. Mitchell was a public figure, why Mrs. Mitchell's name would be in the press.

Mr. BROWN. Could you tell me how you made the assessment of why she was a public figure?

Mr. JEWELL. Sure. I simply went through the clips. Mrs. Mitchell started out some time ago in a television interview.

Mr. BROWN. We have all that in the record.

Mr. MACDONALD. If I could interrupt the witness and also my colleague on the committee, I don't think exploring Mrs. Mitchell's background is going to contribute much to the hearing, and I would urge that we stay on the subject.

Mr. BROWN. Let me ask about the relationship of one of the reporters whose wife works for a member of the U.S. Senate. Does that give you any problem?

Mr. JEWELL. No.

Mr. BROWN. You see a relationship similar to Mr. Kampelman's relationship more than you do a dangerous relationship like Mr. Woestendiek's, is that correct?

Mr. JEWELL. Yes, to me it is like the theory in law that the law does not concern itself with trifles. Mrs. Swanston, I don't have to tell Mrs. Swanston who any confidential sources are, but I did have to tell Mr. Woestendiek. She didn't decide what goes on the program, where, when, how.

Mr. BROWN. Do you think it would present any problems for Mrs. Swanston as a reporter? If your wife worked for a Senator, would that present any problems for you?

Mr. JEWELL. Yes, sir, I wouldn't do it. I wouldn't have it. It doesn't work.

Mr. BROWN. What is your feeling about Mrs. Swanston? Should she continue to have her job?

Mr. JEWELL. Sure. I don't see why not.

Mr. BROWN. I have difficulty following this. You wouldn't let your wife work for somebody else but a woman reporter whose husband works for a Senator, that doesn't present a conflict?

Mr. JEWELL. That doesn't affect my job.

Mr. BROWN. I am talking about whether you think that she can be objective.

Mr. JEWELL. I would suggest that you ask that of Mrs. Swanston.

Mr. BROWN. Do you think that she can be objective? You think that Mr. Woestendiek cannot be objective.

Mr. JEWELL. I didn't say that Mr. Woestendiek cannot be objective. I said we have the appearance that he cannot be objective, which would hamper me in my work.

Mr. BROWN. Do you think that would apply to people whose husbands work for public figures?

Mr. JEWELL. If they were the editor.

Mr. BROWN. If they were a reporter?

Mr. JEWELL. No.

Mr. BROWN. In other words, a reporter would not be influenced, an editor would. The chairman of the board would not be influenced but an editor would?

Mr. JEWELL. That is not what I said.

Mr. BROWN. I don't understand the distinction.

Mr. JEWELL. The distinction in my mind is that the editor is the man who assigns—

Mr. BROWN. Who does what?

Mr. JEWELL. He shapes the program.

Mr. BROWN. In this case the reporter is the one who picked out the items, and this is the relevance, Mr. Chairman, in the vignette on Mrs. Mitchell. Isn't that correct Mr. Jewell? Didn't you pick them out? Isn't that what you told me?

Mr. JEWELL. That is what the reporter always does; yes, sir.

Mr. BROWN. The reporter then has some influence, isn't that correct?

Mr. JEWELL. Sir, the reporter doesn't decide which story is going to be done to start with. It is not his decision.

Mr. BROWN. He decides the way it will be covered?

Mr. JEWELL. No, sir. The editor decides the way.

Mr. BROWN. The reporter doesn't decide what he will say on the air?

Mr. JEWELL. No, sir. The editor tells him in advance "I think we should tell the story this way."

Mr. SMITH. I would like to disagree with that. From the time you get that assignment, particularly on the Newsroom show, after you get that particular assignment until you have finished the entire show, I have never seen the editor at one time cross out one word in the reporter's piece so that assignment he does in his way and that is part of the integrity of the show.

Mr. BROWN. If a reporter has a relationship with somebody who works for a public figure, it seems to me that that raises the same questions. You know, I am just a Member of Congress and I have had a little difficulty with some of these things, but it seems to me that that

raises some of the same questions that it raised with reference to Mr. Woestendiek.

Mr. JEWELL. No, if I can explain.

Mr. MACDONALD. Could I ask if we are ready to wind up?

Mr. BROWN. Yes, sir.

Mr. MACDONALD. You can ask the question, but you can't get an answer if he can't answer it.

Mr. BROWN. I wanted to know the distinction.

Mr. JEWELL. Any editor whether a newspaper or television station, doesn't say, "Go and cover the X story." He sits down with you in advance or should sit down with you in advance, and good ones do, and says, "I think this is the way we ought to handle the story." By this I don't mean plant it, kill this set of facts and put this one in. I am talking about how to attack a story, what is it that we are looking for in this story, what do we think is pertinent, and he discusses it with you in advance and gives broad general guidelines. If you disagree, then is the time to tell him, "I don't think we should do it that way" and the usual routine is you remove yourself from the story, give it to somebody else or kill it. You set in advance what you are going to do with broad general advice from the editor and you do it.

You have a story conference before the program and/or before the newspaper goes to bed and discuss it once again to see if there are any changes. This is what an editor does. This is not what Mrs. Swanston does. You have to give the names of your confidential contacts to the editor. You don't have to give it to the person sitting behind you.

Mr. SMITH. If I may disagree, I have never given the names of my confidential sources to anybody. This doesn't seem to jibe. I apologize for disagreeing here.

Mr. MACDONALD. You are both to be congratulated for coming here.

Mr. BROWN. One final question, if I may, Mr. Chairman.

Mr. Smith and Mr. Jewell, about the remuneration of the staff, is the pay of reporters on WETA comparable to the pay of reporters on other stations in Washington, other television stations or other newspaper reporters in the city?

Mr. SMITH. I couldn't answer that because all of the others except Vic Maerki are ex-newspaper reporters. I was a newspaper reporter. It is, but when you work 11 hours a day and are responsible for film and responsible for having general knowledge, I was paid more even when I was a newspaperman. I don't know how to compare it with newspaper people.

Mr. JEWELL. The scales are above the top minimums provided for in the contracts in the Guild programs in the Post and Daily News, but you are not paid overtime at WETA which you are if you are covered by the Guild and there are a substantial number of people certainly at the Washington Post who are at or above the top minimum so that you even those out and it is still a raise in pay but nothing fantastic.

Mr. MACDONALD. Thank you both very much. With this testimony the hearings are concluded.

(The following telegram, statements, and letters were received for the record:)

[Telegram]

LINCOLN, NEBR., April 14, 1970.

HON. TORBERT MACDONALD,
*Chairman, Subcommittee on Communications and Power, House Committee in
 Interstate and Foreign Commerce, Washington, D.C.:*

On behalf of the hundreds of thousands of children and adults being served by the nine station Statewide Nebraska Educational Television Network, on behalf of the Nebraska Educational Television Commission and on behalf of this office, I write in full support of H.R. 16338.

It is my understanding that the President, as part of his message on education, has recommended the authorization of funding for the Corporation for Public Broadcasting for the next three year period.

We are in wholehearted agreement and urge passage of the Public Broadcasting Financing Act of 1970.

The Nebraska network daily brings a variety of instructional resources into the elementary and secondary classrooms in every section of our State. Our colleges and universities regularly make use of the network and its programming for systematic instructional benefit. Our student nurses currently receive total instruction in subjects such as anatomy, microbiology and history of nursing by means of the broadcast television system. Our teachers, medical doctors, pharmacists, law enforcement officials and members of other professions receive in-service continuing education over the network. Our farmers and ranchers are kept abreast of latest developments via the Nebraska ETV system. Nebraska home viewers of all ages regularly receive a rich variety of informational, cultural and educational programs through out network's nighttime public television service.

Clearly, this marvelous Nebraska resource is influencing for the better virtually every citizen of our State.

The future of our Nebraska network is directly linked to the continued development of the corporation for public broadcasting. Quality public television is expensive. Our budgets as those in every section of the Nation and are limited. Our television specialists, however dedicated, cannot originate all the programming needed for our network. We must rely extensively on programming from national educational television and other programming agencies. Corporation dollars help fund these program services.

The Corporation commitment to support and assist the development of the strongest possible independent local public television stations has our fullest support. Herein lies the greatest potential for Nebraska and the Nation. Already, Corporation dollars have been made available to our Nebraska ETV development for general support and on an unrestricted basis.

Even though the Corporation for Public Broadcasting is but a few years old, it already has directly affected the Nebraska ETV Network and thus our citizens. The Corporation's status is directly related to the continued effective development of public television in this State. I urge the committee's fullest support of the President's recommendation. My best wishes for a most successful hearing.

NORBERT T. TIEMANN,
Governor of Nebraska.

STATEMENT OF VINCENT T. WASILEWSKI, PRESIDENT OF THE NATIONAL ASSOCIATION
 OF BROADCASTERS

This statement, in support of H.R. 16338 and H.R. 16580, is submitted by Vincent T. Wasilewski, President of the National Association of Broadcasters.

H.R. 16338, introduced by Chairman Staggers and Representative Springer, and the identical bill, H.R. 16580, introduced by Representative MacGregor, would amend the Communications Act of 1934 to provide continued financing for the Corporation for Public Broadcasting.

Very important principles are embodied in this legislation. The three-year period provided and the establishment of a matching-funds formula are steps in the right direction. It is vitally important that the Corporation be able to conceive and develop longer-range plans, and that it have assurance of continued financing. Encouragement of greater private support for non-commercial broadcasting is one of the objectives of the Public Broadcasting Act, and a provision for matching funds will, in my opinion, contribute toward achievement of that sound objective.

Concern has been expressed in many quarters in regard to the need for a permanent method of financing the Corporation. Quick answers may not be the best ones, and this matter must continue to receive the diligent and thorough attention that it merits. While examples from other countries that were cited during these hearings before the Subcommittee may appear attractive, care must be exercised to explore those factors which distinguish their applicability to broadcast service in the United States.

From first-hand experience, commercial broadcasters know of the difficulties in developing programming, building professional staffs, and organizing adequate coordination of stations—and the need for sufficient financial backing. The present proposed legislation represents a sound approach toward provision of a firmer financial base for the Corporation for Public Broadcasting, and would strengthen non-commercial educational broadcasting to provide still greater program diversity for the American public.

Commercial broadcasters have supported their hard-working, dedicated and skilled fellow professionals in the non-commercial area. There has been excellent liaison between the two branches of the same profession, and some interchange of personnel, equipment, and technical expertise which has been beneficial to all concerned.

The official position of the National Association of Broadcasters on the Corporation for Public Broadcasting was reiterated in the following resolution, adopted by the NAB Board of Directors in January of 1970:

"Whereas, The Corporation for Public Broadcasting has been organized, has attracted capable leadership, and is in its critical planning and development phase; and

"Whereas, The Corporation has the potential for significant contribution to the future of non-commercial educational broadcasting to serve the public interest and needs; and

"Whereas, NAB and individual commercial broadcasters are supporting non-commercial educational broadcasting, and NAB has heretofore officially supported the creation of the CPB;

"Now, therefore, be it resolved, That NAB reemphasize its endorsement of the goals of the CPB as set forth in the Public Broadcasting Act of 1967, and that NAB will continue to support adequate broad-based public financing for non-commercial educational broadcasting as a matter of vital public importance."

We believe the Corporation for Public Broadcasting has made progress and that it will continue to make greater contributions toward genuine program diversity as its financial base becomes stronger. The public, which is served by commercial and non-commercial educational broadcasters alike, will benefit.

We commend the leadership of Mr. Pace and Mr. Macy, Chairman and President, respectively, of the Corporation for Public Broadcasting. The personal dedication of these gentlemen and, indeed, of public-spirited men and women in non-commercial educational broadcasting across the entire country merits our support.

STATEMENT OF ELVIS J. STAHR, PRESIDENT, NATIONAL AUDUBON SOCIETY

Mr. Chairman, I am pleased to have the privilege of appearing before you today on behalf of the National Audubon Society. Our organization can speak from first hand experience about the achievements of the Corporation for Public Broadcasting in improving the choices available to all Americans on radio and television. Ours is one of 26 citizen organizations in the Corporation's Advisory Committee of National Organizations which meets regularly with Mr. Macy and other leaders of the Corporation to consult with them on present and potential programming and to develop cooperative activities.

I can tell you in all candor that the Corporation is providing active, aggressive leadership in increasing the opportunities for citizens to participate directly in the development of broadcasting and, in doing so, increasing its potential as a "catalyst" for citizen action to meet public problems. For example, recently members of our organization and many other citizens groups in 12 cities participated in a unique series of "television town meetings" on hunger during the week of the White House Conference on Food, Nutrition and Health. These meetings, which brought the national problems of hunger and malnutrition down to the local level for the community to see, have fostered citizen action to meet

those problems in a wide variety of cities—and even prompted the calling of Governors' Conferences on Hunger and Malnutrition in the states of Colorado and Nebraska.

While our organization is not primarily concerned with this issue, as citizens, we are concerned with *all* public problems. This experimental project is important as a demonstration of the extraordinary potential of public broadcasting for bringing problems closer to home and offering citizens an opportunity to express their views to decision-makers—and to take effective action as well. In fact, public broadcasting—which has only the public as its sponsor—is increasingly performing unique service to citizens by devoting in-depth attention to local issues, local candidates for office, and meetings of local governing bodies through its television and radio stations throughout the country. In a day when so many citizens feel that government and public policy are too remote from them to be influenced, public broadcasting is beginning to fill this gap in communication between the citizen and his leaders.

Of course, we cannot and should not attempt to dictate either to national producers of programs or local stations.

However, through our participation in the CPB Advisory Committee, our organization and others representing a broad cross section of interests and views are having a direct influence on what appears on public television and radio. In my judgment, it is absolutely essential that the Corporation receive the funding necessary to continue and even expand its efforts to close this gap of communication between citizen and policy makers. Of course, there are many other important services provided through public broadcasting in the arts, drama and special interest programs, but even the one major thrust in public affairs which is being taken by the Corporation would be adequate justification for approving its funding request for the coming year.

Let me give you an important example from the vantage point of our organization. As you are probably aware, the Audubon Society is devoting almost all of its resources to the massive effort required to meet the environmental crisis in our nation.

Already, state and local Audubon units of our organization have been working with local public television stations to focus attention on specific problems in their community, and more important, to suggest directions for their solution. In Boston, for example, members of the Massachusetts Audubon Society have worked with station WGBH to develop a unique series of educational programs for young people on Urban Conservation, and these programs are likely to be shared with other stations in the near future.

Nationally, we are especially pleased that public broadcasting will be devoting nearly seven hours air time to the subject of the environment on Earth Day, April 22. Equally important, we are pleased that at least several of the major public television stations will be providing a phone-in service so that interested citizens can learn how to really become involved in local voluntary action programs to combat pollution and other basic problems. I have reason to believe from conversation with Mr. Pace and Mr. Macy, that this sizable programming effort will be only the beginning of an intensive, multifaceted effort by public broadcasting to contribute to the solution of our environmental problems.

It is fair to say that public broadcasting is leading in the necessary effort to move away from the days when public affairs programming in this country consisted mainly of a series of national "doomsday documentaries" designed by the producers and the experts. Such programs fail to define problems in local terms or suggest avenues to their solution, thus heightening the sense of helplessness of the average viewer or listener. The importance of this shift in focus, which can only be provided on a continuing basis by public stations, cannot be overstated. Everyday, it increases the opportunities for organizations like ours and for many individual Americans to channel their energies into constructive paths of action.

As members of the Congress, you understand especially well the value of utilizing our television and radio air waves in the effort to find solutions to our public problems. At the same time, the highest standards for national and local broadcasting are being set increasingly by public broadcasters. With your support, and only with your support—the Corporation for Public Broadcasting will continue its leadership by putting the public first in public broadcasting.

STATEMENT BY MRS. LEON S. PRICE, NATIONAL CONGRESS OF PARENTS AND TEACHERS

Mr. Chairman, I am here today to represent the more than 10 million members of the National Congress of Parents and Teachers. Our president, Mrs. Leon Price, has asked me to express her regrets that she could not be with you today.

If you had attended recent meetings of PTA leaders from around the nation, you would have no difficulty understanding why our organization strongly supports the work of the Corporation for Public Broadcasting. We have maintained close and frequent contact with the Corporation and the plans of public broadcasting through Mrs. Price's active participation in CPB's Advisory Committee of National Organizations, and I can tell you that our members are extremely excited about the educational and enrichment potential of television as demonstrated by the kind of programs appearing recently on public television. In fact, unfounded rumors that "Sesame Street" might not be renewed for a second season caused extreme consternation at one meeting of national leaders a few months ago, and we were glad to be in a position to call the Corporation immediately to get an accurate version of the situation.

While we are most delighted about the programs already appearing, we are equally pleased to learn about some of the Corporation's future plans. We know for example, that Mr. Macy and his staff are sitting down with many of our leading educators to identify other areas of need in the hope of producing new programming to meet educational needs of both young people and adults. We support this initiative, and we are most gratified that these discussions have included consideration of the need for more parent education and efforts to close the communication gaps between parents and their children as well as parents and teachers.

We are also aware of and support strongly the effort of the Corporation to be helpful in the improvement of instructional television, which occupies nearly half of the air time on public television stations. In this endeavor, CPB is working closely with another member of its Advisory Committee, the National Education Association, to build strong lines of communication to the thousands of teachers who use instructional television in the classroom.

While we appreciate the opportunity to work with the Corporation at the national level, we would not want to overlook the increasingly important contribution of many local stations to the improvement of education in their community.

A growing number of stations provide regular coverage of their local school board or other decision-making bodies which affect school policy. Individual programming projects also are increasingly in evidence. In St. Louis recently, nearly one million questionnaires were disseminated in connection with a televised "School Finance Quiz" by public station KETC to combat some of the myths about school spending which had helped to defeat several recent bond issues. Programs like these are vital to building public understanding of and support for the needs of our schools, and we look increasingly to public broadcasting to provide this unique form of community service.

By now most of us are aware that young children watch an amazing number of hours of television before they ever enter school, and this experience helps to shape their lives in the crucial formative years. The millions of parents and educators who work with us through the PTAs are particularly concerned about the need for broadcasters to meet the responsibility to provide interesting and, at the same time, educational programs for our children.

During the past year, we have seen the very important and positive effects of programs like "Sesame Street" on the attention given to children's programming by the commercial networks. We have confidence that public broadcasting will continue to take the lead in developing the almost unlimited, and largely untapped potential of television as an educational tool.

The hard evidence of achievement we have seen firsthand in the short life of the Corporation—and the even greater promise of its plans for the future—make it clear to us that the funds requested in the legislation before you today will represent an extraordinarily wise and economical investment in improved education and opportunities for enrichment of our nation's children.

STATEMENT BY MAYOR RICHARD G. LUGAR OF INDIANAPOLIS, VICE PRESIDENT,
NATIONAL LEAGUE OF CITIES

Mr. Chairman, during my service as a member of the Indianapolis Board of School Commissioners a few years ago, I became aware of the urgent need for developing and using new media opportunities in order to improve educational prospects. In the past year, I have been among the millions of Americans profoundly impressed by the efforts of the Corporation for Public Broadcasting to strengthen the potential benefits of television.

I can testify without hesitation that the people of Indianapolis—now the nation's twelfth largest city—share my own enthusiasm for the potential of public broadcasting. I would like to share with you the very impressive evidence of that enthusiasm.

Early in January of 1970, a distinguished citizen, Mrs. John Burkhart, agreed to assume the leadership of a door-to-door campaign designed to secure enough individual memberships to put a public television station on the air in Indianapolis by September, 1970. My office pledged full support to Mrs. Burkhart's efforts from the outset, but I do not think any of us could have anticipated the degree of support for public broadcasting in our community.

During January, Mrs. Burkhart organized a team of over 7,000 women volunteers for the door-to-door solicitation. By late March, 1970, this campaign had produced over \$260,000 in cash and well over 10,000 memberships for the station. I have every confidence that the goal of \$350,000 will be reached. Our educational television station will go on the air, September 8.

We are blessed with strong commercial stations in our city, but as Mrs. Burkhart and her volunteer leaders learned, the people of Indianapolis responded strongly to the idea that they should have a greater choice of television programming. In fact, many young mothers were recruited to "the cause" after seeing the unique blend of education and entertainment offered by the public television series, "Sesame Street".

My enthusiasm for public broadcasting has another dimension. During my conversations with other mayors and visits to other cities in my work with the National League of Cities, I have sensed an increasing awareness of and enthusiasm for the potential of public broadcasting in helping to meet the complex problems of cities and understanding urban dilemmas. The League and the U.S. Conference of Mayors are active participants in the Corporation's Advisory Committee of National Organizations. We have been pleased to learn that more and more public television and radio stations are reaching out into their communities to provide citizens with a better understanding of important local issues and a close-up look at candidates for local public office. Public broadcasting can provide the time, continuity, and depth of coverage required for such a thorough exploration. I am pleased to see that many stations are doing this in a way which makes programming substantive as well as interesting for viewers and listeners.

In the short time since the Congress authorized the organization of the Corporation for Public Broadcasting, it has demonstrated the kind of national leadership which is essential if public broadcasting is to provide excellence in both educational and community programming. This leadership deserves the continuing support and encouragement of the Congress, and I welcome the chance to offer my own support for the vital work of the Corporation.

NATIONAL COUNCIL ON THE ARTS,
NATIONAL ENDOWMENT FOR THE ARTS,
Washington, D.C., April 10, 1970.

HON. TORBERT H. MACDONALD,
*Chairman, Subcommittee on Communications, House Interstate and Foreign
Commerce Committee, Rayburn Building, Washington, D.C.*

DEAR CONGRESSMAN MACDONALD: On behalf of the National Council on the Arts I would like to go on record in support of H.R. 16338, the Public Broadcasting Financing Act of 1970.

We believe the Corporation for Public Broadcasting, and public broadcasting throughout the United States, would benefit greatly from the proposed three-year, intermediate method of financing beginning in Fiscal Year 1971. We also feel that the procedure of two-part funding—a definite annual appropriation, and Federal funding on a one-for-one matching basis based on contributions to the Corpora-

tion—is a valid and effective means of increasing the total support for public broadcasting. The National Council on the Arts has been financed through such a two-part method and our experience has demonstrated that this procedure can generate considerable public support.

In its short existence the Corporation for Public Broadcasting has proven that its work is more valuable than its many ardent supporters believed it might be when the organization was initially planned. The Arts Council encouraged the establishment of the Corporation and has subsequently conducted a variety of cooperative and productive projects with CPB.

Recently, the Arts Council and the Corporation announced joint funding for the production of a series of films for public television, films which are to be produced by local public television stations throughout the country. The final series of twenty programs, entitled *ARTISTS IN AMERICA*, will illustrate the work of local artists, craftsmen, composers, and in some cases, writers and actors. In addition to showing the work of the artists, the programs should reveal their philosophies as well as their artistic environment. Production opportunities under the terms of this project will be open to all public television stations. The Council and the Corporation are sharing the total funding of \$230,000.

For several months the Council and the Corporation have been discussing plans for long-range cooperative review and support for promising proposals in the field of the arts. Both organizations are responsible for supporting effective arts programs through public media—film, television, and radio. Often good program ideas languish because neither funding organization has sufficient resources itself to foster the work. We are considering, therefore, the creation of a joint panel of persons experienced in both the arts and public media to evaluate proposals and suggestions and to make recommendations to both organizations.

These and other cooperative staff activities have persuaded us that the Council and the Corporation will continue to work well together on projects benefiting the entire country.

We believe the interim, three-year financing procedures proposed in H.R. 16338 will serve to give the Corporation a much more stable base for planning, as well as for continuing its extremely valuable work, and we hope that this measure will be approved.

Sincerely,

NANCY HANKS,
Chairman, National Council on the Arts.

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
DEPARTMENT OF LEGISLATION,
Washington, D.C., April 16, 1970.

HON. TORBERT H. MACDONALD,
Chairman, Subcommittee on Communications and Power, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the AFL-CIO, I wish to express support for H.R. 16338, a bill to extend the authorization of funding for the Corporation for Public Broadcasting. As you and members of your Subcommittee know, legislation along the lines of H.R. 16338 is essential to provide continued financing for the Corporation which has already rendered such meaningful public service.

The AFL-CIO has supported the concept of the Corporation for Public Broadcasting from the outset. Since it was first authorized, we have supported budget requests which would promote needed and orderly growth of the Corporation as a significant vehicle for improving the quality of radio and television broadcasting.

We have not been disappointed in its performance. On the contrary, we are delighted that the very significant contributions by the Corporation have exceeded our expectations. The corporation clearly has been a wise investment in the public interest.

For this reason, Mr. Chairman, we urge the Subcommittee to give favorable consideration to H.R. 16338 to permit continued operation of the Corporation for Public Broadcasting. H.R. 16338 would authorize annual appropriations through fiscal year 1973 and also would encourage greater non-federal support

by authorizing federal matching of non-federal contributions for public broadcasting.

Mr. Chairman, we would appreciate your inclusion of this communication in support of H.R. 16338 as part of your hearing record. Thank you for your consideration of our position in this matter.

Sincerely yours,

ANDREW J. BIEMILLER, *Director.*

WETA TELEVISION/26,
Washington, D.C., May 5, 1970.

Congressman TORBERT H. MACDONALD,
*U.S. Capitol,
Washington, D.C.*

DEAR CONGRESSMAN MACDONALD: I am advised that a witness before the House Communications Subcommittee suggested at a May 1 hearing that the management of Station WETA had a role in determining the manner in which the April 20 NEWSROOM program was presented. That is not so.

For the record, I would like to state that the decision to broadcast that program including the segments on WETA and on Mrs. Mitchell was made by me as the editor of NEWSROOM without intervention of any kind by the station management. That decision—to provide a full and objective journalistic airing of the matter—was discussed by me with the staff of NEWSROOM, but with no one else. After it was made, I so advised Lincoln Furber, WETA's director of news and public affairs. I had no conversation of any kind that day with Mr. McCarter, general manager of WETA.

Also, for the record, I would like to state that my decision to resign from the Washington Post was made prior to and independent of my acceptance of the assignment with NEWSROOM. My resignation from the Washington Post after 28 years' service was announced formally on April 14 in the Washington Post, three days before the NEWSROOM assignment was offered to me.

I hope this letter can be made a part of the record of the hearings.

Sincerely,

BEN W. GILBERT.

(Whereupon, at 1:20 p.m. the subcommittee adjourned.)

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