

Editorial

New 'Auction' Rule

THERE'S a new rule on the FCC's books now. It governs sales and transfers of stations in certain particulars. It follows, along broad lines, the so-called Avco Plan, voluntarily followed in most transfer cases since the FCC first broached the procedure as a proposed rule last December.

The new rule (Section 1.388) requires the public advertisement both by the seller and the FCC of station sales transactions, with the FCC in the final analysis to select the acceptable bidder if the owner then wants to sell to him. The rule makes a number of exceptions, most important of which permits assignment or transfer by way of gift or "testamentary disposition" to lawful heirs. Moreover, provisions are made whereby the Avco procedure may be waived altogether upon proper showing.

Thus, the new rule is a watered down version of the original proposal, which would have made a virtual auction sale of all transfers, and which was of doubtful legality.

We still are disposed to question the propriety of the new rule, and we certainly question its effect upon station prices. To thwart higher outside bids, an owner anxious to sell at the best possible figure certainly will have a stronger argument in favor of a top original price. Yet the FCC has been fuming over high station prices.

But the rule as adopted isn't nearly as objectionable as that originally proposed. Briefs were filed and oral arguments presented before the FCC took final action. That these had the effect of bringing about sharp modification of a rule that would have been onerous and unworkable, justifies in some measure the workings of the legal administrative system.

Census Sense

THE U. S. Census Bureau, renowned above all statistical agencies in the world, speaks in two tongues.

Speaking as the U. S. Census Bureau it has just announced that 4,237,000 U. S. farms—more than three out of every four on which people live—have radio receivers (see story, this issue). And this figure doesn't include farms with more than one dwelling nor does it take into account dwellings in which there are more than one radio. Yet, only 2,835,000 farms have electricity and a mere 1,868,000 have telephones.

Speaking out of the other side of its mouth while acting merely as statistical messenger boy for the FCC and Department of Agriculture, the Bureau last spring evolved thousands of tables in which the farmer's loyalty to radio and vice versa was given a chastisement.

In the first case the Bureau framed the questions and did the statistical work. In the second it took a slanted formula from another wing of Uncle Sam's bureaucracy and the results inevitably were slanted.

It only goes to show that all's not sense that comes out of censuses.

Watch Canada

AMERICAN broadcasters should be as alarmed about the future of the broadcasting industry as are Canadian broadcasters. The Dominion is watching a Parliamentary Committee hold public hearings on broadcasting and awaits recommendations from that Committee, recommendations which may be a life or death warrant for broadcasting as a free enterprise.

In 1928 a Royal Commission, after public hearings in Canada and investigations in the United States and Europe, recommended nationalization of the broadcasting industry. In 1936 the Canadian government established a government organization, Canadian Broadcasting Corp., with one of the three Royal Commissioners as assistant general manager.

Armed with full powers to control all broadcasting in Canada, make all regulations, recommend all licensing, control all wire lines and networks, the CBC gradually has taken a firm hold on broadcasting in Canada. True, it is giving service to outlying areas which were not adequately covered previously and has aided in talent development, but all with funds derived from an annual license fee from listeners and independent privately-owned broadcasting stations. It has boosted commercial revenue for its stations far beyond that anticipated by the Royal Commission report.

Needing more money for ambitious plans to build more 50 kw stations, CBC is now invading the local spot business field formerly left entirely to private stations and giving special discounts for spots on all of the 10 CBC stations. CBC has recommended to the licensing authority that it order private stations off three of Canada's six clear channels, stations which were on the air long before the Royal Commission was appointed.

CBC has begun discussions to take over all American networks coming into Canada, thus withdrawing franchises from stations which have long held them. It plans to farm out to private stations such commercial and sustaining American network programs as its own stations will not be able to use.

American network officials, in private conversations, have intimated they would not make such an agreement with the CBC, the result being that Canadian listeners will have to do without American network commercial programs unless they can tune in American stations. This is an audience loss for Canadian stations.

With more powerful stations being built by the CBC, private Canadian broadcasters now affiliated with CBC networks expect to lose that affiliation, with only CBC stations being on the networks in Canada. Already CBC has recommended that no privately-owned station should be allowed more than 5 kw power. Canadian broadcasters see themselves relegated to a nominal local community orbit, with no voice in national broadcasting, with more and more regulations hampering their activities.

Canada was used as a guinea pig during the war on labor, price ceilings, and other regulatory problems. United States wartime regulations in many fields followed the success of those measures in Canada.

The CBC march to government control of broadcasting offers another experiment for North Americans to watch.

Our Respects To—



KENYON BROWN

WHEN KOMA Oklahoma City increases its power to 50,000 w within the next two months, Kenyon Brown, general manager, will be reaching a milestone of his career.

Another was passed last Spring when on April 24 in New York, Mr. Brown received for KOMA the George Foster Peabody Award for outstanding community service by a local station.

A roll call of the gains made during his four-year tenure as KOMA manager reads impressively. Station volume has doubled—not unusual in days of flush radio—but also, local business, always a barometer of station worth, is now six times over its former level.

Only live radio-stage show of its kind ever to run three consecutive years in Oklahoma, *Bluff Creek Round-Up*, Mr. Brown's personal creation and production, still plays to packed houses every Saturday night at the Shrine Auditorium. Sports broadcasts and KOMA are practically synonymous in Oklahoma. For two years KOMA has broadcast the finals in the NCAA championship play-off direct from Madison Square Garden where the Oklahoma Aggies twice took the national crown.

It was for the *Save a Life Campaign*, designed to prevent auto accidents, that KOMA won the Peabody Award of 1945 for community service.

Mr. Brown was elected to the CBS advisory board of directors, composed of men from Columbia affiliates across the nation. He served as radio chairman for Oklahoma on the 5th and 6th war loan drives, and was chairman of the annual Infantile Paralysis campaign for the State for three years. In addition, he was instrumental in the creation of the Oklahoma City Playhouse, for which he was first president.

Mr. Brown has backed up his tremendous enthusiasm for his work by thorough training.

Born in Kansas City, Mo.; July 19, 1913, he attended high school at Northeast in Kansas City and at Dania, Fla. After studying electrical engineering, he began instructing at the First National Radio & Television School in Kansas City. Not yet out of his teens, he went into radio almost before he knew there was any other business.

He still holds his first class telephone operator's ticket issued by the old Federal Radio Commission in 1933. This was obtained for his first fulltime job, as engineer and announcer at KXBY, Kansas City station now out of existence. In less than a year, he moved to KCKN as announcer.

While at KXBY he evidenced the first flare

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