From: Carl Byoir & Associates, Inc. c/o HUGHES AIRCRAFT COMPANY P.O. Box 90515 Los Angeles, Calif. 90009 (213) 670-1515, ext. 6583

CLAY T. WHITEHEAD IS APPOINTED PRESIDENT

OF HUGHES COMMUNICATIONS, NEW SUBSIDIARY

CULVER CITY, Calif., Dec. 21 -- Clay T. Whitehead has been appointed president of Hughes Communication Services, Inc., a new wholly-owned subsidiary of Hughes Aircraft Company, it was announced today by Allen E. Puckett, chairman of the board of Hughes Aircraft Company.

Whitehead, 40, was Presidential advisor on space and telecommunications in 1969-70, and from 1970 to 1974 he was director of the Office of Telecommunications Policy in the White House. Most recently he has been president of Allison Technical Services, a small consulting company.

Puckett said that as president of Hughes Communications, Whitehead will direct all activities of the new company. Its first activity will be to provide worldwide communications satellite services to the U.S. Navy under a \$335million contract.

Under this service contract, Hughes Communications will assemble and operate a complete satellite communications system which will be leased to the Department of Defense to improve the ability to send and receive messages from ships at sea. It also will be used by ground units of the Army, Air Force and Marine Corps. The company will provide this leased service to the Navy for five years or more.

(more)

The satellites for the communications system will be developed by the company's Space and Communications Group in El Segundo, Calif., and will be launched by the Space Shuttle beginning in 1982.

Whitehead holds bachelor's and master's degrees in electrical engineering and a Ph. D. in management, all from the Massachusetts Institute of Technology. He previously has worked at the Rand Corporation on defense and economic analysis projects, and was a Fellow of Harvard's Institute of Politics and the M. I. T. Center for International Studies for a year after leaving government. He is married, has one child, and lives in Los Angeles. He is a member of the board of the Yosemite Institute and the Keystone Center for Continuing Education.

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INTERAVIA AIRLETTER NEW YORK, N. Y. DAILY 5,000

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New Subsidiary Formed by Hughes Aircraft

Culver City,CA: new wholly-owned subsidiary - Hughes Communications Services Inc. It is based in California under the presidency of Dr. Clay T. Whitehead, former telecommunications director at the White House. Dr. Whitehead will direct all activities of the new company, starting with a \$335 million contract from the US Navy to provide a worldwide communications satellite service, to be leased to the Department of Defense for improvement of communications with ships at sea. It will also be used by ground units of the US Army, Air Force and Marine Corps.

The satellites will be developed by Hughes Aircraft Company's Space & Communications Group, and will be launched by the Space Shuttle beginning in 1982. Hughes Communications will assemble and operate the complete satellite communications system, to be leased to the US Navy for at least five years. 24.1.79 - 9178. MICRO WAVES ROCHELLE PARK, N.J. MONTHLY 40,200

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Robert O'Connor was appointed field sales engineer at Omni Spectra, Inc., Santa Clara, CA. Clay T. Whitehead was appointed president of Hughes Communication Services, Inc., a new wholly-owned sub-sidiary of Hughes Aircraft Company, Culver City, CA. Terry E. Bibbens was named chairman of Antekna, Inc., Mountain View, CA. Robert T. Murphy was made presi-

Mountain View, CA. Robert T. Murphy was made president.-JM

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ARTHUR HETHT& FERTNERS MAD.

Brin Langerted An metoperted degin it i Theret. Jan de it i Theret. forten to be interest.

Dear Brenda:

Came across this 10-year-old issue of Madison Avenue in my file. Thought you and Clay would enjoy it.

Regards,

Arthur Hecht

Ms. Brenda Freiberg Manager, Special Projects Hughes Communications P.O. Box 92424 Los Angeles, California 90009

February 17, 1982

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Cable TV:

A great communication opportunity for consumers and advertisers



Since World War II, the pace of technological innovation in the communications industry has been drastically accelerated. Prior to the Forties, technological breakthroughs in communications came generally in a regular 20-year cycle, beginning with the completion of the first Atlantic cable in 1858. Today, however, innovations in communications are literally bursting onto the scene. one on top of another. Though these innovations are appearing in every area of communications, one area appears to me to be particusignificant-broadband cable larly technology.

Cable technology promises significant changes in our style of living and in the way in which we communicate with each other. The report of the Sloan Commission on Cable Television stated that cable technology, in concert with other allied technologies, "promises a communications revolution which could be as significant as the revolutions wrought by the printing press and the telephone."

Cable's potential is indeed great. But it is unrealistic at this time to focus on all the potential services cable will offer to its subscribers. Most of the "blue sky" services promised by our cable adherents are still only in the early stages of introduction. It will be some time before library, health, educational, news and banking services are brought to the home via cable distribution. Our attention, instead, should be focused on a cable service that is already being introduced in most U.S. communities today, and which promises to be cable's most important accomplishment-cable television.

Cable television has the potential to broaden substantially the viewers' choice of television programming. Today, the range of choices available to the American public is limited—the typical American viewer has a choice of only two or three network channels and perhaps one local channel. The remarkable thing about cable TV, however, is that there are no "natural"

BY CLAY T. WHITEHEAD Director Office of Telecommunications Policy Executive Office of the President limitations on channel capacity; indeed the capacity of broadband cable now reaches as high as 50 or 60 channels and can go far higher.

Cable TV, unlike over-the-air television, is technically suitable for selective programming; that is, services can be offered over cable TV systems allowing individual cable subscribers to select and pay for special-interest programming in addition to the normal cable program fare.

These differences between over-theair and cable television in channel capacity and selective programming capabilities are technical, but they are highly significant. Cable must be viewed from an entirely new perspective. The economic and regulatory framework that has been developed for over-the-air TV simply is not suitable for cable. A new public policy will have to be developed, one structured to the particularities and promises of the broadband cable medium.

If cable's vast programming potential is ever going to be realized, the new policy will have to place special emphasis on developing an economic framework for it. With such a large channel capacity, it is important that this policy foster the proper economic incentives necessary to bring a variety of programming.

Over-the-air television relies solely on advertising revenues for its support. For a number of reasons, it does not (and probably cannot) attract another logical source of revenue, namely, its viewers. First, due largely to technical problems, it is an uneconomic proposition. All programs on over-the-air television are "broadcast," and in order to confine the signal carrying the special programming strictly to the paying viewers, expensive coding and decoding devices for each channel must be

rented or purchased by the paying viewers and attached to conventional home TV sets. This cost is usually in addition to the fees these viewers must pay for each program they subscribe 10.

Further, due to technical and regulatory constraints, only a limited number of over-the-air channels is

"Since broadband technology does not fit into any of our existing regulatory categories, a new public policy will have to be formulated."

available in a given community. Use of any one of these channels to serve the tastes of a particular segment of the community reduces the number of channels available.

A mixed-funding system, relying on revenues from both advertisers and subscribers as most print media do. seems the most likely way for cable to develop. Advertising is, of course, going to be an important factor in cable, but television advertising revenues are not infinitely expansible. Further, an active cable programming operation could not be supported solely by advertising revenues. Cable is going to have to find new revenue sources in order to provide quality programming to its subscribers. And the most reasonable place for that money to come from is the subscriber.

Unlike the case with over-the-air television, there are no technical limitations on cable TV which would make a mixed funding system overly expensive or contrary to public policy. All programs on cable TV are "narrowcast" over cables extending from the cable center to the individual sub-

"A mixed-funding system,

scriber's home. There are no such problems in confining the special programming signals as there are with over-the-air broadcasting.

And since cable channel capacity is practically unlimited, community cable systems can allocate channels and offer programming to meet the demands of virtually every community interest without diminishing the overall level of TV programming in a community.

There is every reason to believe such a mixed-funding system would be successful. The technology is already here, and, if we can draw on the experience of the magazine industry, the specialized audiences also exist. The past 10 years in the magazine industry have witnessed the growth of a wide variety of special-interest magazines appealing to the old, young, skiers, opera lovers and coin collectors. These types of audiences are going to be interested also in specialized television programming.

Such audiences can be quite large. For example, approximately 17-million magazines are now being sold, catering to home and garden enthusiasts. In the dress-making area, the count is close to 5-million. It should not be difficult to find advertising sponsors who would pay premium rates to attract these specialized audiences.

Since a mixed-funding system will be dependent on both subscriber and advertiser revenues, it will be important to link up subscribers in order to establish a sizable economic base for programming. For example, there are around one-quarter of a million subscribers to dog magazines. A quality program produced strictly for dog-lovers could succeed provided these potential listeners could be hooked up on a regional or national basis to form an audience attractive to producers of dog-care products.

This crucial linking operation can be performed by microwave or domestic satellites through, as one commentator described it, "a marriage of cable and satellite technology." Cultural or ethnic audiences-short of the allimportant 30-share needed to sustain commercial network interest-could be tapped by a combination of cable television programming and domestic sat-Opera lovers distribution. ellite throughout the Midwest, for example, could form part of a paid audience for a special-interest cable opera performance. Additional national or regional networks would be formed out of this cable and satellite technology, significantly expanding the program choice of American viewers.

A mixed-funding system would also open entirely new vistas for the advertising community. Over-the-air television, with its three channels devoted to mass appeal programming, has little utility for those advertisers who wish to reach only a small portion of the national audience, namely, that segment most likely to be interested in buying their specialized products. These advertisers, therefore, refrain from the relatively expensive massappeal advertising on our three networks. But cable television programming geared to a specialized audience will bring these smaller advertisers into the television advertising marketplace. Cable television thus should bring a net increase in the over-all volume of television advertising. Meanwhile, there will no doubt continue to be large-scale advertising on our three commercial networks, sponsored by those companies that want mass audience penetration for their advertising.

Specialized cable programming is almost certainly going to cater to that portion of the TV audience looking for something in addition to the current offerings on over-the-air television or on strictly advertiser-supported cable TV. With some probably temporary exceptions, there should not be any significant "siphoning" of audiences and economic support away from mass-appeal programming. There is ample room for both kinds of programming.

There may, however, be some program "siphoning" from over-the-air to cable television in such special areas as sports and movies programming. It may be necessary, in order to preserve the over-all stability of the television industry, to have "anti-siphoning" rules for these areas until cable TV develops its own particular audiences and programs.

Cable television is going to revolutionize the way we think about television. For the past 25 years, communications policy-makers, broadcasters, the advertising community and the viewing audience have understood television to be simply a limited-channel, mass-appeal entertainment medium, supported by advertising revenues. But cable television is changing these underlying assumptions and making the TV medium something it never could have been before. Instead of channel scarcity, we soon will have channel abundance; instead of only three na-



tional networks, we now have the possibility of the competition of more regional and even national networks: instead of strictly mass-appeal programming, we now have the possibility of quality programming for specialinterest viewers: instead of a TV system funded solely by advertising revenues, we now have the possibility of a system obtaining support from both advertisers and viewers.

The technology and demand for specialized television programming are already present. The only thing left to complete the picture is a long-range public policy for cable. Broadband technology does not fit into any of our existing regulatory categories and a new public policy will have to be formulated.

Writing about the United States in the early 1800's, Alexis de Tocqueville made the important point that everything seemed to be in constant change in America, and that Americans considered society a "body in a state of improvement, humanity as a changing scene, in which nothing is, or ought to be, permanent."

De Tocqueville's characterization still rings true a century and a half later. The communications industry, for example, is now undergoing important changes and moving in new directions. But this movement need not generate any instability, or erect any stumbling blocks to the historical adaptability to change of both our people and our institutions. Long-term public policies can be developed for cable television while the industry is still in its embryonic stages. The opportunity is here now to ensure cable's steady growth with a minimum of discontinuity.

This task of developing policies for

"Specialized cable programming is almost certainly going to cater to that portion of the TV audience looking for something in addition to the current offerings on over-the-air TV."

cable television is already a primary occupation of communications policymakers in Congress, the Executive Branch and the FCC. The Cabinet committee on cable television, of which I am chairman, has studied the important implications of cable television's long-term growth and is expected to issue its report in the near future.

It is important to realize that the promise of cable television lies in its ability to expand the range of choices offered to the viewing public. The public policy toward specialized programming services over cable, therefore. should essentially be one of allowing each member of the viewing public to make his own choice, to decide for himself what types of service he wants.

The Government should not try to give cable any special economic advantages or erect any regulatory barriers to protect broadcasting from fair competition. The public's interest can best be served by properly structuring the cable industry in the free enterprise mold. The Government's activity should concentrate on providing the appropriate economic and technical regulation that will facilitate the getting together of the interested viewers and willing cable programmers as easily and constructively as possible.

The Government should bar any unfair competitive practices and generally preserve the integrity of the marketplace. With the proper checks and balances, the public is best served by businesses growing and developing as businesses. There is every reason to believe this same experience will prove fruitful for the cable television industry, the advertising industry, and the viewing public.

ATTACHMENT 6 CORONET INVESTMENT AGREEMENT EXHIBIT C - Annex 1 CLAY T. WHITEHEAD

Clay T. Whitehead has been officially authorized by the Government of Luxembourg to implement the Coronet satellite project. Mr. Whitehead is the president and chairman of National Exchange, Inc. and Coronet Research Inc. Coronet Research was established specifically to develop the Coronet project.

Mr. Whitehead earned B.S. and M.S. degrees in electrical engineering and his Ph.D. in management, all from M.I.T. He has worked as a defense policy analyst and economist at the Rand Corporation and served two years in the U.S. Army.

In 1969 and 1970, Mr. Whitehead was Special Assistant to President Nixon, with responsibility for the Atomic Energy Commission, NASA, and several areas of economic and regulatory policy. In 1970 he was appointed Director of the U.S. Office of Telecommunications Policy, which had responsibility for all executive branch telecommunications and the regulation of broadcasting, cable, and common carrier communications. Many of the current policies of deregulation in telecommunications originated under his leadership in this position from 1970 to 1974.

In 1974, Mr. Whitehead was asked to organize the planning and implementation for Vice President Ford in his transition to President. After leaving Government, he spent a year as visiting fellow at the Institute of Politics at Harvard University and the Center for International Studies at M.I.T. From 1976 to 1978, he was president of Allison Technical Services, Santa Monica California, which provided consulting services on commercial applications of new technology and related problems of public policy.

From 1979 to 1983, Mr. Whitehead was president of Hughes Communications, Inc., a new subsidiary of Hughes Aircraft Company, a leading U.S. manufacturer of electronics and high technology equipment. Hughes Communications, Inc., under Mr. Whitehead, was responsible for establishing, financing, and operating the Galaxy and Leasat communications satellite systems and marketing their capacity for programming, telephone, and defense communications.

The Galaxy I satellite was the first U.S. satellite project developed specifically for video distribution and has attracted all the leading satellite television programs in the U.S.

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<u>Clay T. Whitehead</u> has been appointed president of Hughes Communications Services, Inc., a wholly owned subsidiary of Hughes

> ELECTRONIC NEWS NEW YORK, N. Y. W. 71,500

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New Hughes Unit Names President

CULVER CITY, Callf. — Clay T. Whitehead has been named president of Hughes Communication Services, Inc., here, a new wholly-owned subsidiary of Hughes A craft Co.

Hughes A craft Co. Mr. W tehead, a former White House ad several years has headed t cospace echnical Services consulting fit n will direct all the new company's activities, the first of which is to provide worldwide satellite communications services to the U.S. military.

Under a \$335 million contract, the company will assemble and operate a satcom system leased to the Defense Department for Army, Air Force, Navy and Marine Corp.'s communications. The satellites will be developed by Hughes' Space & Communications group, El Segundo, Calif., and launched by the NASA Space Shuttle in 1962. COMMUNICATIONS NEWS WHEATON, ILL MONTHLY 23,000

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MOSELEY ASSOCIATES, Coleta, California; has been awarded a contract by Mobil Oil for a TCS-2 Telecontrol System to be used to monitor microwave equipment providing communications to offshore facilities.

CLAY WHITEHEAD, former director of the Office of Telecommunications in the White House and most recently a consultant, has been named president of Hughes Communications Services, a new subsidiary of Hughes Aircraft.

THE NEW YORK TIMES, SUNDAY, FEBRUARY 25, 1979 Ender State and a setting a setting and a set of the set

A Bid to Establish A Nixon Network

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Like Spiro T. Agnew, who also once worked for the Nixon Administration, Clay T. Whitehead had a talent for inspiring dread with a catchy phrase. So when he denounced public broadcasting as a mill for "ideological plugola" and "elitist gossip," liberals who already suspected the White House of seeking to control the Federally. funded system shivered.

Documents from Mr. Whitehead's Office of Telecommunications Policy confirmed last week that from 1969 to 1974, the White House did indeed try to rid public broadcasting of "anti-Administration content" - such as national news, public affairs and commentary programs.

The documents, obtained by The 15 hr Times under the Freedom of Informa-.11 tion Act, disclose in detail several strategies, including the following:

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The Administration worked to con-

trol the 15-member board of the Corporation for Public Broadcasting, created as an apolitical agency to distribute funds for programming.

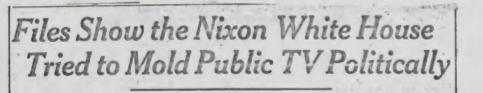
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 Through appropriation actions and other means, the Administration exploited a split between the "liberal" national network entities of the system and local public broadcasting stations.

• White House aides undertook a propaganda offensive that included making an issue of the fact that the system's star journalists, Sander Vanocur and Robert MacNeil, were receiving higher salaries than the Vice President.

The Administration partly achieved its aims, according to the memorandums, but Mr. Nixon was not satisfied. Mr. Whitehead, now head of the Hughes Satellite Corporation, said last week he had disagreed with some actions, "but I did what I had to do in a. very imperfect world to bring some resolution to the conflict." The President's reason for zeroing in on public broadcasting, he said, was simple ----"It never did anything for him."

THE NEW YORK TIMES Saturday, Feb. 24, 1979



By LES BROWN

Efforts by the Nixon Administration to control public broadcasting, purge it of commentators considered hostile to the President and reorganize It so it might serve the Administration's aims are detailed in newly disclosed documents from files of the White House Office of Telecommunications Policy for 1969 to 1974.

The documents are chiefly memorandums exchanged between Clay T. Whitehead, director of the office, and a number of White House officials, including Peter Flanigan, assistant to the President; Charles W. Colson, White House counsel; John D. Ehrlichman, chief domestic affairs adviser, and H.R. Haldeman, the chief of staff. The documents were obtained by The New York Times under the Freedom of Information Act.

The papers, part of an inventory of hundreds of documents in the files, portray an executive branch convinced of public broadcasting's liberal political tilt and

determined to rid it permanently of news, commentary and public-affairs programming.

A recurring phrase in the memorandums, reflecting President Nixon's concern with noncommercial programming, is "anti-Administration content," Attempts to reach Mr. Nixon for comment were futile.

The papers confirm suspicions that had been aroused by White House actions during that period that the Administration was tampering with the board of directors of the Corporation for Public Broadcasting and was using Federal appropriations as the device to force a reorganization of the system along lines prescribed by the White House. The Corporation for Public Broadcasting is the statutory organization created to distribute Federal funds for programming and, ironically,

to protect the system from Government influence.

Taken together, the documents trace a pattern of concentration on the following strategies:

GGaining control of the board of the Corporation for Public Broadcasting through the Presidential appointment process. "The best alternative would be to take over the management and thereby determine what management

decisions are going to be made," Mr. Ehrlichman recommended in a memo. The Administration was to have achieved control when eight seats on the 15-member board were filled with Nixon "loyalists." Banishing national news, commentary and public-affairs programs by breaking up the then-emerging network and increasing the autonomy of the stations by channeling a large share of the Federal funds directly to them. The sharp reduction in funds to the Corporation for Public Broadcasting would cause it to concentrate on cultural and educational fare for national programming.

gExploiting the division in public broadcasting over the issue of national versus local station control. The network entities - the original Public Broadcasting Service and the National Public Affairs Center for Television, or NPACT were considered to be politically liberal. Mr. Whitehead wrote in a memo to the President on Nov. 15, 1971: "We stand to gain substantially from an increase in the relative power of the local stations. They are generally less liberal and more concerned with education than with controversial national affairs. Further, a decentralized system would have far less influence and be far less attractive to social activists." Exploiting the divisive issue in the industry, he said, "provides an op-portunity to further our philosophical and political objectives for public broadcasting without appearing to be politically motivated."

SCutting off Federal funds to National Educational Television, the national programming source that has since merged with WNET/13 in New York. National Educational Television had derived most of its financing from the Ford Foundation and was regarded by the Administration as a prime source of liberal-slanted programming.

9Making an issue of the fact that Sander Vanocur and Robert MacNeil, the system's premier journalists at the time, were receiving larger salaries than the Vice President, the Chief Justice and other Government officials. Mr. Vanocur was being paid \$85,000 a year and Mr. MacNeil \$65,000.

Carnegie Panel Got Papers

These memorandums may serve to strengthen the contentions in the recent report of the Carnegie Commission on the Future of Public Broadcasting that the present noncommercial system needs to be redesigned, by legislation, in ways that would insulate it from Government interference. The commission has also received these documents under a simi-

The public broadvasting industry con-

tions affiliated with PBS, of which WNET is the New York outlet, and more than 200 noncommercial FM radio stations linked together as National Public Radio. Among other things, the memorandums make it clear that the chairman and president of the Corporation for Public Broadcasting — referred to in some of the memos as C.P.B. — were effectively ousted, and their successors were handpicked by the White House inner circle. In this, the Administration flouted the statute requiring those decisions to be made by the Corporation for Public Broadcasting board alone.

Reached by phone in Los Angeles, where he is now president of the Hughes Satellite Corporation, Mr. Whitehead, said: "It's probably instructive that all this get out."

Concerning the role of his office, which was intended to be nonpolitical, Mr. Whitehead said: "It would be wrong to suggest that we were the impetus to what

was going on, or even privy to what was going on. There was a lot going on I didn't agree with. But I did what I had to do in a very imperfect world to bring some resolution to the conflict."

He continued: "The impetus was coming from the political side, which wanted to zero out the funding for public broadcasting because President Nixon disliked it. The reason was simple. It never did anything for him." To "zero out" the funding would be to eliminate it.

Mr. Whitehead added in the interview: "What we did was to try to change the institution, and in the end I think we did it in a principled and above-board way."

2 Alternatives for President

Mr. Flanlgan, assistant to the President, set the stage for the Administration's actions in a memo to Mr. Nixon dated June 18, 1971:

"There are two alternative courses which we may pursue in our future action with respect to C.P.B.: either (1) attempt to kill it or (2) attempt to shape its future organization and direction.

"(1) Elimination of C.P.B. This alternative would be politically difficult in view of the strong educational support and generally favorable image C.P.B. has developed.

"(2) Shaping the Corporation. Probably no amount of restructuring will entirely eliminate the tendency of the Corporation to support liberal causes. On the other hand, this Administration does have an opportunity to establish, by legis-

terbolances which will restrate this tend.

ical matter, it will be difficult for other administrations to alter. It is in this direction that we have thus far been proceeding."

In a later memo, Mr. Ehrlichman, commenting on a proposal to seek a revision of tax laws to prohibit foundations from supporting news and political com-mentary, stated: "I don't think you can get from there to here via legislation.'

Total Funding Cut Sought

While White House officials had been exchanging ideas about public broadcasting for two years, they did not begin carrying them out them in a systematic way until September 1971, when Mr. Nixon expressed his displeasure with the system and ordered all funds for public broadcasting immediately cut.

This came in the form of a "Confidential, Eyes Only" memorandum prepared by Jon M. Huntsman, White House staff secretary, dated Sept. 23, 1971. It said that the President was disturbed by an announcement that Mr. Vanocur and Mr. MacNeil, two former NBC journalists, had been selected to anchor a weekly political program on public

television. Mr. Nixon, the memo said, considered this "the last straw."

The carrying out was done with considerable success and had some lasting consequences.

On Nov. 24, 1971, Mr. Whitehead sent a memo to Mr. Haldeman, the White House chief of staff, reporting on activities:

Use of Trade Press

"After Vanocur and MacNeil were announced in late September; we planted with the trade press the idea that their obvious liberal bias would reflect adversely on public television. We encouraged other trade journals and the general press to focus attention on the Vanocur appointment. Public television stations throughout the country were unhappy that once again they were being given programs from Washington and New York without participating in the decisions. My speech age and has widened the credibility gap between the local stations and C.P.B. It has also brought more attention to the ac-NPACT.

He went on to tell of the next plan to funded broadcasting network." "quietly solicit critical articles regarding Vanocur's salary coming from public funds." A corollary to the plan was to "quietly encourage station managers throughout the country to put pressure on NPACT and C.P.B. to put balance in their programming or risk the possibility of local stations not carrying these programs. Our credibility on funding with the local stations is essential to this effort.'

The device used by the Administration to disrupt harmony in public broadcasting and to bring about a reorganization stressing localism was Mr. Nixon's veto in 1972 of a proposal to substantially increase funding. In the fall of 1971, Mr. Whitehead deliv-

industry in which he stated that an insu-LINE TELL VILLE FUNCTION SUPPORT IN business dealing in news and public affairs. He also decried the "creeping networkism" in public broadcasting, an industry that he said was meant to be built on the "bedrock of localism."

Board Close to White House

The public television industry immediately began a reorganization that changed P.B.S. from a national network to a representative organization of the stations and that created, in its place, the Station Program Cooperative as a means by which the stations vote for national programs.

While the Administration fell short of its goal of controlling a majority of the corporation's board by the time Mr. Nixon resigned in 1974, it nevertheless es-

tablished close ties to four board members who met frequently with White House officials and kept them apprised of the board's policy inclinations as well as of the program proposals under consideration.

The four were Albert L. Cole, a director of The Reader's Digest and Mr. Nixon's first appointee to the board; Jack Wrather, a television and film producer best known for the "Lassie" series; Thomas W. Moore, a former president of ABC-TV and later head of a television production company; and Thomas B. Curtis, a former Republican Congressman from Missouri who became chairman of the Corporation for Public Broadcasting as the Administration's choice. Mr. Curtis resigned in April 1973 after a disagreement with the board and the White House.

Henry Loomis, the president of the Corporation for Public Broadcasting, also cooperated, making a practice of meeting with Mr. Whitehead before every board meeting. On Nov. 7, 1972, he sent Mr. Whitehead the C.P.B.'s staff recommendations for the major series to be funded the following season. The note at-tached to the document read: "This is our 'burn before reading' document. No one here knows you have it. HL.'

The progress made by Mr. Whitehead's office in carrying out plans and formulatcriticizing the increasing centralization ing policy rationale for them were not of public television received wide cover. sufficient for Mr. Nixon. In a age and has widened the credibility gap "Memorandum For the Record" dated March 27, 1973, Mr. Whitehead wrote: "We were advised by the White House knowledged liberal bias of C.P.B. and today that the President still sees serious dangers in the existence of a Federally

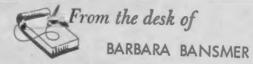
BRJADCESTING WASHINGTON, D. C. W. 35,000

JAN 1 1979 644 4.3

John A. Lack, VP, CBS Radio, and general manager, wCBS(AM) New York, named executive VP, programing and marketing, Warner Cable Corp., New York.

Clay T. Whitehead, former director of Office of Telecommunications Policy, named president of new Hughes Communication Services Inc., wholly owned by Hughes Aircraft Co. Company's first activity will be building \$355-million satellite communications system for U.S. Navy.

James C. Kelly, 51, who was named executive VP of Straus Communications (WMCAIAM) New York) on Dec. 19, died last Monday (Dec. 25) of cerebral hemorrhage following ice-skating accident on Dec. 23. He joined Straus last June as VP for sales following assignments with WOR(AM), WINS(AM) and WNEW-TV New York.



More copies of clips

COSTA MESA, CALIF. DAILY PILOT D. 44,076

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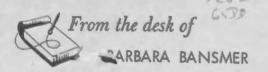
WEEKLY TELEVISION DIGEST WASHINGTON, D.C. W. - CIRC. N. AVAIL.

JAN 1 1979 64

Clay T. Whitehead, ex-OTP dir. and more recently pres. of Allison Technical Services, becomes pres. of newly formed Hughes Communications Services which will construct \$335-million satellite system for Navy; Ben Forte promoted to national mgr.-special accounts. Hughes microwave products: Norman Woods succeeds Forte as western sales mgr...John Raines. ex-Jackson Communications, becomes partner in Cable Communications Consultants (Leo Hoarty). AP Wirephoto

Mughes Executive

Clay T. Whitehead, a presidential adviser on space and telecommunications in 1969-70 and director of the office of telecommunications policy in the White House from 1970 to 1974, has been appointed president of Hughes Communications Services, Inc., a new wholly owned subsidiary of Hughes Aircraft Co



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FYI

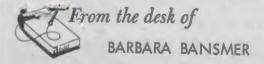
DEFENSE SPACE BUSINESS DALX WASHINGTON, D.C. DALY CIRC. N. IVAL

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WHITEHEAD TO HEAD NEW HUGHES COMMUNICATIONS UNIT

Highes Aircraft Co. has formed a new wholly-owned subsidiary -- Hughes Communications Services Inc. -- to conduct its \$335 million program to provide leased satellite communications services to the Defense Department and named former White House executive Clay T. Whitehead to head the new company as president.

Whitehead, 40, was presidential advisor on space and telecommunications in 1969-70 and from 1970-74 was director of the White House Office of Telecommunications Policy. Prior to the Hughes appointment, he was president of Allison Technical Services, a consulting company. He joined the White House from Rand Corp.



Dear Judy,

Here's a copy of the Herald clip

we promised you.

Barbara

Secy to Bob Meyer

July clem cc for the to Agnew



Donald P. Crivellone

John V. Roach

Donald P. Crivellone has been elected as executive vice president of United California Bank, according to UCB Chairman Norman Barker, Jr.,

John V. Roach has been named executive vice president of Radio Shack, a division of Tandy Corporation. He will be responsible for overseeing and coordinating all phases of the company's operations worldwide . . . Leonard H. Rossen, associate regional administrator in charge of the San Francisco branch office of the Securities and Exchange Commission, will assume the job of SEC regional administrator in Los Angeles next month. . . Frederick W. Mielke Jr. will become chairman and chief executive officer of Pacific Gas and Electric and Barton W. Shackelford will be president and chief operating officer next June 1.

John Rockwell has been appointed western regional manager for Cradkey Systems, a division of Greer Hydraulics, Inc. . . T.B. McAuliffe has joined the Kenrake Company as general and sales manager . . . Denis J. Trafecanty has been appointed vice president, finance and comptroller of National Subscription Television.

Joseph F. Alibrandi and Cornell C. Maier have been reappointed as chairman and deputy chairman of the board of directors of the Federal Reserve Bank of San Francisco <u>Clay T. Whitehead has been appointed president of Hughes</u> Communication Services Inc., a subsidiary of <u>Hughes Aircraft Company</u> Dr. Harold M. Agnew, director of the Los Alamos Scientific Laboratory, has been appointed president of General Atomic Company.

B

MEMOTO: Judy Morton

January 10, 1079

FROM: Bob Meyer

SUBJECT: Press Clippings

Enclosed are press clippings on the Clay Whitehead appointment story.

We subscribe to Burrell's Press Clipping Service and, as more clippings come through, we'll send them to you.

We gave this story the widest distribution, both domestically and internationally.

This story also ran in the December 22nd issue of the Los Angeles Herald-Examiner, but at the moment we do not have the clipping. I have ordered it and will send it to you when we receive it.

December 22, 1978

VENERA 12 (Cont.)

The lander was detached from the flyby spacecraft on Tuesday and was traveling at 11.2 kilometers per second when it entered Venus' atmosphere yesterday, Tass said. It was decelerated aerodynamically and by parachute to an altitude of about 40 kilometers, where a braking device was activated. Chemical analysis of the atmosphere, spectral analysis of solar radiation and study of electrical charges were begun at an altitude of 62 kilometers. The soft landing took place t 6:30 a.m. Moscow time, Tass said.

Aerospace Dailu

In 1975, the Venera 9 and 10 landers operated on the planet's surface for 53 minutes and 65 minutes, respectively, compared to Venera 12's 110 minutes. Each of the 1975 landers transmitted a panoramic picture from the surface, but there was no mention of a picture in yesterday's Venera 12 account.

PACIFIC WESTERN ORDERS FOUR BOEING 767s, OPTIONS TWO

Pacific Western Airlines, Canada's largest regional carrier, yesterday announced an order for four 767 widebody transports valued at \$172 million for delivery in March, April and November 1983 and April 1984, and secured options for two more.

Boeing's order book for the new transport now stands 84 including 30 each from United and American and 20 from Delta. Airlines have also announced 81 options for the aircraft. Pacific Western's 767s will be configured for 230 passengers in a one-class seating arrangement.

NASA-CHINA TALKS CONTINUE

A Chinese delegation considering purchase and launch of a U.S. communications satellite and NASA's Landsat program continued its talks with NASA officials yesterday and will meet with them again today. An agency spokesman said the group probably will meet with NASA officials and/or U.S. aerospace industry representatives during the first week of January.

WHITEHEAD NAMED PRESIDENT OF HUGHES COMMUNICATIONS SUBSIDIARY

Clay T. Whitehead, space and telecommunications advisor to President Nixon in 1969-70 and director of the White House Office of Telecommunications Policy in 1970-74, has been appointed president of Hughes Aircraft Co.'s Hughes Communications Services Inc. subsidiary, Hughes Aircraft chairman Allen E. Puckett announced yesterday. Whitehead, most recently the president of Allison Technical Services, a small consulting company, will direct all activities of the new subsidiary, Puckett said. Hughes Communications Services was formed to assemble and operate for at least five years the Pentagon's \$335 million Leasat leased satellite communications system, mainly for use by ships. Yesterday's announcement described Leasat as the subsidiary's "first activity."

LOCKHEED GETS NASA CONTRACT FOR ACTIVE CONTROLS FLIGHT DEMONSTRATION

Lockheed-California Co., Burbank, Calif., will develop and evaluate in flight an active controls system for stability augmentation of commercial transport aircraft with reduced horizontal tail surface area, NASA said yesterday. The 44-month program is the second phase of Lockheed's work under NASA's Energy Efficient Transport program, and technology readiness for the flight demonstration effort was indicated in the first phase, NASA said. Lockheed estimates that the total cost of the demonstration program will be \$17.6 million, with \$15.8 million to be provided by NASA and \$1.7 million by Lockheed.

Page 241

New York Times, Friday, Dec. 22, 1978 pany out of the red over the last two Museum and the Ford Foundation,

strikes and the like," he said. "We have unions, but they can't strike our plants. And 50

years.

Born and educated in Switzerland, Mr. Meier began his career as a specialist in South American cookery. He was hired by Restaurant Associates in 1964 as the chef for La Fonda del Sol, a Latin American restaurant it then operated. A year and a half later, he took over the management of the restaurant and turned its losses into profits.

Within a few years, Mr. Meier was transferred to supervisor of the corporation's restaurants in its Rockefeller Center complex - including the Tower Suite and the Promenade Cafe, And in 1974, when the company was financially ailing, he was named head of the restaurant division, which includes played an important role in this recov-UTY

How was this accomplished? Mr. Meier said that each restaurant was designed to serve a particular market or markets and that the bill of fare at each was designed for this market or markets. In addition, he has made it his husiness to try to develop a close relationship with his staff.

"I believe," Mr. Meier said, "that you can never successfully run a restourant behind a desk. You must work closely with the chefs. There is no magic here, just simple hard work and dedication."

Leonard Sloane

EXECUTIVE CHANGES

Amstar Corporation, has elected Howard B. Wentz Jr. executive vice presi-dent and chief operating officer. George A. Chandler was elected vice president of the corporation and designated president of Amstar's Industrial Products Group.

· Arten Realty and Development Corporation, department stores and shopping centers, has appointed Eugene P. Bear vice president of finance and chief financial officer.

· Barber Oil Corporation, a diversified company engaged in oil and natural gas production and in marine transportation of crude oil and refined products, has appointed Brian T. Keim and Franklin S. Wimer senior vice presidents.

· Calvert Distillers Company has appointed Sheldon Katz executive vice president of sales. Mr. Katz was formerly vice president of the central divi-51013

· Crocker National Corporation, San Francisco, has elected William L. Morris, formerly chairman of Crocker Bank's credit policy committee, vice chairman and member of the board of Crocker National and its principal subsidiary, the Crocker National Bank. In

addition, the board elevated Donald A Chiesa, Larry F. Clyde and George P. Rutland to executive vice presidents of the bank.

· Eastern Savings Bank, Scarsdale, N. Y., has elected Edward J. Brown executive vice president and secretary.

· Honeywell Inc., computer and industrial control systems, has elected James J. Renier to the new position of president of control systems. Mr. Renier has been a director and executive vice president since last February.

Hughes Communication Services, a new whelly owned subsidiary of Hupber Arceraft Company, has ap-pointed Clay T. Whitehead as presi-TIMPE

· Mallinckrodt Inc., a manufacturer of chemicals and pharmaceuticals, has elected Raymond F. Bentele as its president. He succeeds Harold E. Theyer, who remains chairman and chief executive.

· Moore McCormack Energy Inc., a subsidiary of Moore McCormack Resources, engaged in exploration, production and marketing of oil, natural gas and refined products, announced the appointment of Eugene A. Soltero as president and chief operating offi-COL

Toshiba to Halt Exports Of Color TV's to U.S.

TOKYO, Dec. 21 (AP) - The Totaiba Corporation, one of Japan's largest manufacturers of consumer electronics equipment, and today that it had halted exports of color television sets to the United States because of high import duties and the yen's rise against the dollar.

A spokesman said that Toshiba, instead, would double production capacity of its Memphis plant operated by its subaidary. Toshiba America Inc., from the present 15,000 units a month.

The spokesman declined to say how many units Tushiba has been shipping to the United States, citing "Internal corporate reasons."

is the rapid ap

dumping," he added. Dumping is the practice of selling products for less in the United States than in Japan, which Japanese makers have been accused of by American manufacturers.

A spokesman for another television manufacturer, Hitachi Ltd., denied reports that it planned to stop exporting to the United States, but said "the circumstances surrounding Japan's exports to the United States are becoming increasingly difficult."

The Matsushita Electric Industrial Company, the Sanyo Electric Company and the Sharp Corporation - all leading Japanese electric equipment makers - have already declared their intentions to stop colar television shipmeans to the United States, Another pressures, the Musubishi Electric Cor-

Victor T. Gainor

Confidence.

The dictionary defines it as assurance, faith, a trusting relaonship.

Our agents define it for Mass futual.

Men and women whose business elationships have been cemented by onds stronger than dollars.

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achusetts Mutual Life Insurance Company Springfield, Massachusetts



Wall Street Journal Friday, Dec. 22, 1978

Vho's News Grunwald Baruch Made Chairman Pullman Inc. Names Four or-in-Chief Of Viacom International

TANAL Staff Reporter Inc. named Henry A. his journalistic career e magazine copy boy, -chief of all the com-

blications

ears old, will succeed is scheduled to retire June 1. Messrs. Donore, respectively, only editors-in-chief in the Mr. Donovan assumed n the company's co-

pointed Ralph Graves, r managing editor of itorial director of the ns. In that post, Mr. will function as Mr.

imaging editor of Time until 1977, and Mr. have both held the titer"-a post in which assistants to Mr. Donoeditorial projects and

Mr. Grunwald will subility for Time, Forllustrated, Money and as well as Time-Life Vionna, Austria, and a Juate of New York Unicover stories as a Time oungest person ever apr editor.

e as Time's managing the magazine's history wan the Environment, kes and Energy sections s use of color photogra-

ashington, D.C., native oa graduate of Harvard, I Time Inc. jobs in addimanaging editor from the magazine stopped kly. Two months ago, it nthiv.

nd Mr. Graves both live he said they would be the company when they osts.

Ltd. Says ts Top Posts; Isn't Named

V. JUCHNAL Realf Reporter - Emersons Ltd., R

By a WALL STREET JOURNAL Staff Reparter NEW YORK-Viacom International Inc. the diversified television syndication and broadcasting company, said Ralph M. Baruch, formerly president, has been named chairman and chief executive officer. He

will be replaced as president by Terrence A. Elkes, former executive vice president for law, finance, administration and acquisi-

tions and development. In making the announcement, Mr. Baruch said, "The appointment of Mr. Elkes as president signifies the establishment of an office of the chief executive. The expansion of Viacom's existing businesses, the acquisition of 10 Sonderling broadcasting properties and two other Sonderling businesses, and our entry into new areas have made this office a necessity." Mr. Elkes said, "This new management structure will permit Mr. Baruch and me to work as a team to further develop Viacom's organization necessary for the company's anticipated growth over the

next several years and to take advantage of new business opportunities in the fields of entertainment and communications.

Viacom also has interests in cable television, pay cable and pay television programming and other areas of television.

Amstar Corp. Names Wentz To Two New Positions

NEW YORK-Amstar Corp. named Howard B. Wentz Jr. to the new positions of execulive vice president and chief operating officer.

The sugar and industrial-products concern also elected George A. Chandler to the new past of president of Amstar's incustrial products group and named him a corporate vice president.

Robert T. Quittmeyer, president, said the changes will "enable me to devote more time to strategic and long range planning and relieve me of part of the supervision of the company's day-to day operations."

Mr. Wentz joined Amstar in 1969 as the operations vice president of its Duff-Norton subsidiary, a maker of hoisis and jacks. Mr. Chandler, previously president of the American Productivity Center in Houston, came to Amstar in October.

Amstar's industrial operations have become major factors in the company's profitability in recent quarters as the sugar market lagged.

* * *

Commerce and Industry

Philip Morris Inc. (New York)-William E. Winter, president and chief executive officer of Seven-Up Co., an operating company, was elected a vice president of the General Atomic Co. (San Diego) -Harold Lench, controller of this diversified capital parent, a diversified tobacco products concern.

Management-Personnel Notes

Executive Vice Presidents

CHICAGO-Pullman Inc. said it elected four executive vice presidents in a move that appears to centralize reporting procedures within the construction, engineering and transportation equipment concern.

Donald J. Morfee, James A. McDivitt, Thomas Micali and Roger J. Kowalsky will report directly to Clark P. Lattin Jr., who became president and chief executive officer of Pullman last month.

Mr. Morfee, who had been a vice president of the corporation, has responsibility for Pullman's three divisions engaged in engineering, construction and technology They are Pullman Kellogg, Pullman Power Products and Pullman Swindell.

Mr. McDivitt, president of the Pullman Standard di ision since 1975, continues to head the division and also has responsibility for Pullman Leasing Co. Mr. Micali, formerly president of Pullman Trailmobile, has responsibility for that division, Trailmobile Finance Co., First Greatwest Corp., an insurance firm, and Pullman's trailer manufacturing and leasing operations in France, Canada and Mexico.

Mr. Kowalsky, former vice president, finance, becomes executive tice president, finance and administration. He is responsible for finance, employe relations, corporate affairs, communications, planning and systems and computers.

Commerce and Industry

Hughes Alecraft Co. (Culver City, Calif.) -Clay T. Whitehead, most recently presi-dent of Allison Technical Services, a consult ing firm, was named president of Hughes Communication Services Inc., a new subski ary that will provide world-wide commune cations-satellite services to the U.S. Navy under a \$335 million contract. Mr. Whitehead served as director of the Office of Telecommunications Policy in the White House from 1970 until 1974.

Nabisco Inc. (East Hunover, N.J.)-Richard S. Creedon was elected a senior vice president of this producer of cookies, crackers and other foods with responsibility for the separate functions of corporate communications, development and planning, Robert I. Powelson was elected group vice president in charge of the biscuit division, Canadian operations, and Nabisco Confections Inc., a division. Edward P. Redding, a group vice president, will be responsible for the special products and food-services divisions. and Freezer Queen Foods Inc., a unit. Mr. Redding also becomes president of the special products division. James O. Welch Jr., formerly president of Nabisco Confections. was named a corporate group vice president and president of the international division. Edward J. Matthews Jr. was elected vice president, corporate development. G. F. Randolph Plass Jr. becomes vice president,

Future of Bio-Medical **Remains Uncertain** As Votes Are Counted

By a WALL STREET JOURNAL Staff Reporter NEW YORK-The fate of Bio-Medical Sciences Inc. was in limbo as the count of shareholders' votes at a special meeting

yesterday continued into the night. Several company resolutions seek holder approval of an agreement Blo-Medical signed in September to sell 2.5 million unissued shares for one cent apiece to Wertheim & Co., investment bankers, and private investor Wilmer J. Thomas Jr. The resolutions asked approval to change the charter to allow an increase in authorized shares of the company to 12 million from 8 million and to allow the reduction of the par value to a cent a share from 10 cents.

Wertheim and Mr. Thomas, in turn, would arrange for secured loans and cash of \$250,000 to meet current operating expenses. Although there isn't any guarantee in Bio-Medical proxy proposals, the company says it expects Wertheim and Mr. Thomas will seek one or more profitable businesses with which Bio-Medical could merge.

Bio-Medical Sciences, which makes medical equipment, has focused its efforts since it went public in 1969 on marketing a commercially viable disposable thermometer and related equipment. However, the company, headquartered in Fairfield, N.J., has yet to make a profit. In fact, it has faced considerable financial managerial difficulties, which have culminated in a heated shareholder dispute over the company's future.

Dissidents' Plan

The dissident shareholders, led by former Bio-Medical counsel Tanner & Gilbert, also have offered an instant infusion of 3250,000 and their own plan for revising operations through a \$150,000 private placement and common slock sale that may accrue up to \$4.9 million. Tanner & Gilbert owns 75,000 shares, which it received last year in payment of a \$75,000 legal fee from Bio-Medical. The company management has com-

bined holdings of only 7,651 shares. Tanner & Gilbert, which guit as Bio-Medical counsel in disagreement over the Wertheim agreement, was a prime mover in organizing the Bio-Medical shureholders' protective committee to wage the current proxy fight. Although the outcome of yesterday's vote is uncertain, the protective committee and Tanner & Gilbert have served Bio-Medical Sciences with a New York State supreme court order contesting some of the proceedings. The parties will appear before Justice Alvin F. Klein on Wednesday.

Specifically, in an affidavit by Lester J. Tanner that accompanies the court order. the dissidents contest the shareholder vote on changing the company's charter to allow an increase in the number of authorized shares and the subsequent election of directors. The petition requests that the slate of six directors nominated by the dissidents be confirmed as elected to the board and that the slate of directors recommended by management be disqualified. These directors would join Bio-Medical's current five-directer buard.

nay Lase Jurge m Prices, USDA Says

(A)-A substantial stion's pork supply expected rise in

t year, according to Thursday by the ment.

orting Board said ficated they incend ion sows between 31-or 15% more ir and 14% above

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1978-79 pig crop of bove last year's. a year the Carter I been counting on number of hogs and tely hams, pork ork cuts-to dammer meat prices. ansion simply had re now, despite the ners of low feedth livestock prices. ducers have been o winters by hea-Losses.

is at the Agriculautioned that far-) the Crop Reportand cut back on ghter prices drop

, the highest interere that winterwould be up 10%. icials said. go, based on sur-

ates that produce ie department was er-February farllion sows, an in-

hursday, however,

that 59.9 million hogs and plas were on the farms Dec. 1, the largest inventory for that date in four years and 5% larger than a year ago.

Cattle producers have reduced herds sharply the past several years because of depressed market prices. Consequently, cattle prices rebounded significantly this soring, meaning higher prices for both beef and the alternative means, pork and poultry.

Beef output is expected to drop further in 1979. Increases in pork and poultry may about offset the decline in beel and mean a total meat and poaltry supply about the same as this year's, the Agriculture Department

- Penerara mar s may a will then acquire the remaind Dictaphone common stock for s of a new issue of convertible ferred Pitney-Bowes stock, 1 completion of the merger, Dictap will be a wholly-owned subsidiar Pitrey-Bowes.

Each share of the preferred s will have a stated value of \$28 an \$2.12 annual dividend, and will convertible into and vote as one co mon share of Pitney-Bowes,

Dictaphone shares were the n active issue on the New York Su Exchange Thursday, gaining \$5.37, share to close at \$25.625. Pitne Bowes shares closed at \$23.50, off cents a share.

Dictaphone had sales of \$211.6 m lion last year with profils of \$5. million or \$1.35 per share. Pitne Bowes reported sales of \$605.9 millio and profits of \$37.93 million or \$2.8 per share.

Business & People

Otha C. Roddey has been appointed president of Ralph M. Parsons Co., a unit of Parsons Corp., both of Pasadena.

Robert E. Marris has been appointed vice president and general manager of the Mountain States division of UMC Inc., Houston, a subsidiary of Jacobs Engineering Group, Pasadena.

Harold M. Asnew has been appointed president of General Atomic Co., San Diego, effective in March.

Keryn Jackson has been named a vice president at Los Angeles-based Security Pacific National Bank's Century

Clay T. Whitehead has been appointed president of Hughes Communications Services Inc., a unit of Hughes Aircraft, both of Culver City.

Jack R. Hubbs has been appointed president of Graphic Press, Menlo Park.

Phillip G. Types has been appointed president of Holland Oil Co., Hayward.

Brings Mediterranean to Europea -The European

ity finally opened Thursday, Mlowe 10th member of and signaling the n Markel's extenanean area.

Minister George onference that the pernant, during an f EEC and Greek "historic moment"

uled to join the the herinning of mai treaty to be arlier. Two other uries, Spain and slated to join the totiations are far

attled the issue of e Greek aconomy

with those of the more industrialized nine current members of the Common

Some problems, however, were left unresolved, uncluding the size of Greece's contribution to the EEC

In Athens, the Greek government expressed "great satisfaction" with the agreement. Farlier this month it had criticized FEC proposals as 'dis-appointing and unacceptable" and fears were expressed that the negotiztions would fail.

"Difficulties that were not negligible at the start have been solved, for all the parties involved were perfect. ly conscious of the political stakes in-volved in their decision," sitd West German Foreign Minister Hans-Dietrich Genscher, who led the EEC negotiators.

The two major issues on which

agreement was reached Thursday concerned agricultural policies and migrant workers

France and Italy, particularly, had strong objections to allowing Greek agricultural products to be sold without tariff barriers, because Greek produce costs less than other European produce.

The final compromise was a general five-year transition period for most agricultural products and a sevenyear transition period for tomato concentrates and plaches.

During these periods, customs duties on imports from Greece are gradually reduced until they are completely eliminated. The EEC had suggested periods ranging up to eight

The seven-year period also was adopted for the free circulation of Greek workers. A total of 150000



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CLAY T WHITEHEAD

Clay T. Whitehead has been officially authorized by the Government of Luxembourg to implement the Coronet satellite project. Mr. Whitehead is the president and chairman of National Exchange, Inc. and Coronet Research Inc. Coronet Research was established specifically to advise the Government of Luxembourg and to implement the Coronet project.

Mr. Whitehead was born in Neodesha, Kansas, November 13, 1938. He received B.S. and M.S. degrees in electrical engineering in 1960 and 1961 and a Ph.D. in management in 1967, all from M.I.T. From 1961 to 1968, Mr. Whitehead was a defense policy analyst and economist at the Rand Corporation and served two years as first lieutenant in the U.S. Army.

In 1969 and 1970, Mr. Whitehead was special assistant to the President of the United States, with responsibility for the Atomic Energy Commission, NASA, and several areas of economic and regulatory policy, including FCC-related issues. In 1970 he was appointed Director of the U.S. Office of Telecommunications Policy, including all executive branch telecommunications and the regulation of broadcasting, cable, and common carrier communications. Many of the current policies of deregulation in telecommunications originated under his leadership in this position from 1970 to 1974.

In 1974, Mr. Whitehead was asked to organize the planning and coordination for Vice President Ford's eventual transition to President. After leaving Government at the end of 1974, he spent a year as visiting fellow at the Institute of Politics at Harvard University and the Center for International Studies at M.I.T. From 1976 to 1978, he was president of Allison Technical Services, Santa Monica, California, which provided consulting services on commercial applications of new technology and related problems of public policy.

From 1979 to 1983, Mr. Whitehead was president of Hughes Communications, Inc., a new subsidiary of Hughes Aircraft Company, a leading U.S. manufacturer of electronics and high technology equipment. Hughes Communications, Inc., under Mr. Whitehead, was responsible for establishing, financing, and operating the Galaxy and Leasat communications satellite systems and marketing their capacity for programming, telephone, and defense communications.

The Galaxy I satellite was the first U.S. satellite designed specifically for video distribution and is the leading television satellite in the U.S.

Mr. Whitehead lives in Los Angeles, California with his wife and two children.

Public Relations Department Space & Communications Group Hughes Aircraft Company El Segundo, California 90245 (213) 648-0942

CLAY TA WHITEHEAD President & Chief Executive Hughes Communications, Inc.

BIOGRAPHY:

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Clay T. Whitehead is president and chief of Hughes Communications, Inc., a wholly-National Exchange, 2 all 1 Jughes Aircraft Company. owned subsidian ned in 1983 to & Excha -91 Natio Hughes Communications Inc is responsible mications services natio and con mile or the establishment, growth, operation and marketing basiness & induction encla The Galaxy satellite. of satellite communications system will provide transponder capacity for large communications users in the U.S. such as cable TV programming companies and nationwide companies that operate their own voice, data and teleconferencing networks. The Galaxy system will consist of three satellites. From 1978 to 1983, M. Whitehead me President of A subsidiary corporation, Hughes Communication, Services, Inc., is which which provides and operation of the Leasat satellite communications system for the U.S. Navy which will provide round-the-world tactical communications for the Department of Defense. The Leasat system will consist of four satellites capacity for large comparies & for the Byoch U.S. Departure of Defense. Whitehed assumed his present responsibilities at Hughes in 1978. For two years prior to that he was president of Allison Technical Services, Santa Monica, California, z consulting service on commercial applications of new technology and related problems of public policy. In 1974 and 1975 Whitehead was a Fellow of the Insitute of Politics at Harvard University and the Center for International studies at MIT. M. White Prior to that he served with the U.S. government, in 1969 and 1970 as a

Prior to that he served with the U.S. government, in 1969 and 1970 as a Special Assistant to the President responsible for matters involving the Atomic Energy Commission, National Aeronautics and Space Administration and regulatory policy, and from 1970 to 1974 as Director of the U.S. Office of Telecommunications Policy.

Between 1961 and 1968, Whitehead was a defense and economics analyst

(more)

at the Rand Corporation in Santa Monica, California; served for two years as a First Lieutenant in the U.S. Army at the Edgewood Arsenal in Maryland; and completed his doctoral degree.

- 2 -

Whitehead received BS and MS degrees in Electrical Engineering at MIT in 1960 and 1961 and in 1967 received a PhD in management from MIT.

He was born in Neodesha, Kansas, November 13, 1938, and now lives in Los Angeles.

- 0 -

NATIONAL EXCHANGE, INC.

11726 San Vicente Boulevard Los Angeles, California 90049 213 • 820-5454

CLAY T. WHITEHEAD

Clay T. Whitehead is the president and chairman of National Exchange, Inc. National Exchange, Inc. was formed in 1983 to become a new nationwide telecommunications company providing voice, text and image communications services for business and industry.

Mr. Whitehead received B.S. and M.S. degrees in Electrical Engineering in 1960 and 1961 and his Ph.D. in Management in 1967, all from M.I.T. From 1961 to 1968, he worked as a defense policy analyst and economist at the Rand Corporation and served two years in the U.S. Army.

In 1969 and 1970, Mr. Whitehead was Special Assistant to President Nixon, with responsibility for the Atomic Energy Commission, NASA, and several areas of economic and regulatory policy, including FCC related issues. In 1970 he was appointed Director of the U.S. Office of Telecommunications Policy, which had responsibility for all Executive Branch telecommunications and the regulation of broadcasting, cable, and common carrier communications. Many of the current policies of deregulation in telecommunication originated under his leadership in this position from 1970 to 1974.

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4 . A.

He lives in Los Angeles, California with his wife and two children.

CURRICULUM VITAE

Clay T. Whitehead, President Hughes Communication Services, Inc. Post Office Box 92424 Los Angeles, California 90009 Telephone: 213/647-4469 648-8168

EDUCATION

B.S. (1960), M.S. (1961), Electrical Engineering, MIT PhD. (1967), Management, MIT

EMPLOYMENT

1979 - : President, Hughes Communication Services, Inc., a wholly owned subsidiary of Hughes Aircraft Company, which assembles, finances, and operates satellite communication systems for government and industry.

<u>1976 - 1978</u>: President, Allison Technical Services, Santa Monica, CA, a professional consulting firm providing assistance to government and industry on the commercial application of new technologies and attendant problems of public policy.

1974 - 1975: Fellow of the Institute of Politics at Harvard University and the Center for International Studies at MIT. Writing and research on problems of developing public policy in government and on public policy toward television.

1970 - 1974: Director, Office of Telecommunications Policy, Washington, D.C. Highest-ranking U.S. Government official in communications, confirmed by the Senate, responsible directly to the President. Responsibilities included: Development of Administration policy on domestic and international communications matters pending before the Federal Communications Commission and the Congress such as broadcasting, cable television, telephone and other common carriers, mobile radio, etc.; preparing, submitting, and testifying on legislation on communications issues; press conferences, television interviews, speeches, and frequent meetings with industry and public interest groups; coordinating U.S. Government positions for international negotiations; establishing policy and coordinating the planning of all government-owned or operated communications systems; assigning frequencies to government agencies for all government communications, radar, and navigation systems; directing national planning for emergency communications, and preparedness to administer all U.S. communications in time of war or major national disaster; Chairman, U.S. Government Communications Policy and Planning Council.

<u>1969 - 1970</u>: Special Assistant to the President, Washington, D. C. Exercised direct White House responsibility for Atomic Energy Commission, National Aeronautics and Space Administration, maritime policy matters, and liaison with the Federal Communications Commission and Federal Power Commission. Led interagency review of U.S. maritime posture and needs and the development of the Merchant Marine Act of 1970. Developed Administration policy and wrote the President's statement on the shape of the post-Apollo space program, putting new emphasis on applications and budget planning. Developed and wrote Administration policy statements on private enterprise development of communications satellites and uranium enrichment plants. Also was actively involved in planning and executing shifts in budget procedures and in national science policy.

<u>1967 - 1968</u>: Economist, the Rand Corporation, Santa Monica, California. Rejoined Rand to help diversify its defense and space capabilities to include domestic policy areas, with support from Federal, state and local governments. Principal responsibility was the establishment of and getting support for a program of economic and technical studies on health care services, including the establishment and oversight of the health services program at the New York City Rand Institute.

<u>1964 - 1965</u>: First Lieutenant, U.S. Army, Edgewood Arsenal, Maryland. During two years on active duty, performed operational analysis of chemical and biological defense systems and monitored major contracts for the design of a national system for chemical and biological attack warning.

<u>1961 - 1963</u>: Consultant, the Rand Corporation, Santa Monica, California. Developed recommendations for NASA on the in-space checkout of the Apollo spacecraft, including overall system design and use at decision points throughout the Apollo mission, and developed a procedure for deciding which redundant systems should be carried to maximize overall spacecraft reliability. Worked on systems analysis of U.S. air defenses in Europe, and wrote papers on inspection aspects of arms control arrangements.

CLAY THOMAS WHITEHEAD

Clay T. Whitehead was born on November 13, 1938, and graduated from Cherokee County Community High School in Columbus, Kansas. He received his B.S. degree in electrical engineering from the Massachusetts Institute of Technology in 1960, and later earned his Ph.D. in management, also from MIT, with concentration on policy-level decision-making and economics.

In the 1960's, Mr. Whitehead served two years in the Army and worked at the Rand Corporation on studies of defense, arms control, the space program, health services, and the Federal budget process.

In 1969-70, Mr. Whitehead was Special Assistant to the President with responsibilities in the areas of communications, liaison with regulatory agencies, the nation's space program, and various other economic and organizational matters. Mr. Whitehead was confirmed by the Senate in July 1970 as the first Director of the Office of Telecommunications Policy, and served in that position until September 1974. From May to August 1974, he organized the planning for the Ford presidency and was the Executive Secretary of President Ford's Transition Team.

During 1974-75, Mr. Whitehead was a Fellow of the MIT Center for International Studies and the Harvard Institute of Politics. From 1976 to 1978, Mr. Whitehead was President of Allison Technical Services, a professional consulting firm providing assistance to government and industry on the commercial applications of new technologies and attendant problems of public policy.

Mr. Whitehead is President of Hughes Communication Services, Inc., in El Segundo, California, a wholly owned subsidiary of Hughes Aircraft Company. Hughes Communication assembles, finances, and operates satellite communication systems for government and business. Mr. Whitehead also is a member of the Board of the Keystone Center for Continuing Education and a member of the Board of the Yosemite Institute.

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HUGHES COMMUNICATIONS

POST OFFICE BOX 92424 WORLDWAY POSTAL CENTER LOS ANGELES, CALIFORNIA 90009 (213) 615-1000

CLAY T. WHITEHEAD President & Chief Executive Hughes Communications, Inc.

Clay T. Whitehead is president and chief executive of Hughes Communications, Inc., a wholly-owned subsidiary of Hughes Aircraft Company.

Hughes Communications is responsible for the conception, establishment, operation and marketing of satellite communications systems and services. Its Galaxy satellite system will provide satellite communication for cable TV programming companies, specialized common carrier networks, and large nationwide companies that operate their own voice, data and teleconferencing networks. The Galaxy system will consist of three satellites and a network of earth stations, microwave, and fiber optic cables to connect the satellite to the customers' facilities.

A subsidiary corporation, Hughes Communication Services, Inc., is responsible for the establishment and operation of the Leasat communications system which will provide round-the-world tactical communications for the Department of Defense. The Leasat system will consist of four satellites.

Mr. Whitehead assumed his present responsibilities at Hughes in 1979. From 1976 to 1978 he was president of Allison Technical Services. From 1974 to 1975 Whitehead was a Fellow of the Insitute of Politics at Harvard University and the Center for International studies at MIT.

From 1970 to 1974 Mr. Whitehead was the Director of the U.S. Office of Telecommunications Policy in the Executive Office of the President. In this position he was responsible for developing Administrative Policy on broadcasting, cable TV, and common carrier regulation, and for policy-level management of all Federal Government electronic communications systems. During the summer of 1974 he led the preparation for the impending Nixon-Ford transition. In 1969 and 1970 he was Special Assistant to the President responsible for policy matters involving the Atomic Energy Commission, The National Aeronautics and Space Administration, and regulatory agencies.

Prior to 1968, Mr. Whitehead was a defense and economics analyst at the Rand Corporation, and served for two years as a First Lieutenant in the U.S. Army.

Mr. Whitehead received BS and MS degrees in Electrical Engineering at MIT in 1960 and 1961 and his PhD in management from MIT in 1967.

He was born in Neodesha, Kansas, November 13, 1938. He is now married, and has two children.

CLAY THOMAS WHITEHEAD

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Media Critic Now Favors Its Use

T. Whitehead, the Nixon administration communications chief ned affiliates that they could be who once accused the network held "fully accountable" at news media of dispensing liber- license renewal time if they al-based "ideological plugola." is now a private businessman who says the business community should deliver a little of its own "plugola."

director of the Office of Telecommunications Policy still retains the clean-cut boyish look of his Washington days as he deals with an assortment of enterprises.

For the past 18 months, he has been president of Allison tly in an interview. Technical Services, a Santa Monica, Calif., based consulting firm that specializes in government regulations and their effect on business and emergency medical services.

He is also involved with a firm, and still keeps a finger on community. the national polltical pulse by going to Washington once a month as an unpaid consultant terribly inarticulate," for the Defense Department, the CIA and the National Security Council.

White House communications staffer when at the age of 31 he was named director of the new White House agency.

At the same 1972 Indianapolis speech in which he criticized broadcast newcasters for disseminating "ideological plu-

LOS ANGELES (AP) - Clay' gola'' and "elitist gossip in the guise of news analysis," he warfailed "to correct imbalance or consistant bias from the networks."

He resigned on Aug. 6, 1974, three days before Nixon resign-At 39, the bespectacled first ed. and spent a year at Harvard as a fellow at the Kennedy Institute for Politics before deciding to try business

"I thought it would be a healthy antidote to the bureaucracy that I had to put up with in government," he said recen-

Whitehead, who lives with his wife, Margaret, and 18-monthold daughter, Abigail, in the Santa Monica Mountains, says he is happy with his latest career, but he has a few observations on communications probskateboard park development lems in the American business

The biggest problem with American business is that it's he said. 'In many ways. it's its own worst enemy in national policy debates. You look at the amount Whitehead was a little-known of money and effectiveness with which they advertise their product, then look at the work they do in putting across their political pilosophy and participate in public debate about business policy ethics."

Whitehead's views on the broadcast media haven't

"The news media have always had this great preoccupation with fairness." he said "What's fair in covering a story really depends on the reporter's point of view. Pretty much the same people work for ABC news. CBS news. NBC

"They tend to have a pretty homogenous view of the world. kind of a romantic view. It's almost inevitable that they're going to be slightly liberal" -- the same way people working for major corporations tend to be conservative, he said.



Clay T. Whitehead

APPEAL DEMOCRAT (ACTUALLY A REPUBLICAN PANER) MARY SUILLE CALIFORNIA -6 1978 MARCH

B-8 INDEPENDENT (AM), PRESS-TELEGRAM (PM)/THURS., MARCH 8, 1979

Public television system still weak from Nixon savagery

Chicago Tribune Service

Richard Nixon was no fan of "The Great American Dream Machine." He also disliked "Banks and the Poor," a public television documentary that exposed the sweetheart relationship between certain Washington lawmakers and various banks. And he constantly was unset by what he believed bias among the on-air personalities and behindscenes producers of pubhe TV.

leashed some powerful the area of news and pubreprisals against our na- lic affairs. It's also the tion's public, non-com- reason for PBS' overmercial TV system.

ness occurred between opera, ballet, music, old 1970 and 1972, the movies, cooking programs

strongest years of the Nixon administration, when the White House. Congress, and the Nixondominated Corporation for Public Broadcasting cut the purse strings of PBS and bullied the network into getting rid of most of its tough, publicspirited, news-oriented programs.

We're still paying for was a liberal, left-wing the vengeance he wreaked on "the people's network."

It's because of Nixon & Co, that PBS, to this day, Nixon's anger un- is so frightfully weak in whelming accent on non-Most of the nasty busi- controversial drama,



and other "safe" fare often bankrolled by huge conservative corpora-

tions. For years, Nixon and his white-collar goon squad claimed that it was strictly a coincidence that the federal money for certain PBS programs was drastically slashed just as Nixon, Vice President Spiro Agnew, Nixon hatchetman Charles Colson, government broadcast expert Clay Whitehead and other mean fellows were denouncing

PBS for "slanted programming."

Well, it'll be mighty difficult to repeat those denials anymore. Not after the just-released sheaf of Nixon-era documents that pinpoint the open war that the Nixon White House waged against public TV. A few saw their hiring by PBS highlights:

Jonathan Rose, then a wanted a cutoff of funds White House aide, de- for public TV. clared in an official - Whitehead suggested

to the president's basic objective: to get the leftwing commentators, who are cutting us up, off public television at once."

- About that same time, Jon Hunstman, another Nixon aide, de-

scribed the president as "greatly disturbed" that Robert MacNeil and Sander Vanocur soon would be hosting a weekly PBS political program. Nixon considered both men enemies and, according to Hunstman, as "the last straw." - In October 1971, Hunstman said Nixon

memo: ". . . No one par- that the White House ticipating in this exercise pressure PBS to become

packing the board of the CPB with friendly faces and Nixonian hacks, and by replacing the CPB president with a conservative government bureauimplemented.)

White House papers reveal that quite a few CPB board members were eminently helpful to Nixon in his crusade against news on public TV. Among the toadies were a onetime ABC-TV president, Tom Moore, and Jack Wrather, head of a company that distributes reruns of "Lassie" and "The Lone Ranger."

Because PBS programming is funded largely through federal money,

has ever been unclear as pro-administration - by network officials tradi- cheap pup tent. News tionally have feared powerful people in the White House, on Capitol Hill and in government agencies. Nixon seized on this fear and, coupled crat. (All those ideas were with his PBS budget cutbacks, launched an attack - Other newly released that soon emasculated public TV.

and public affairs pro-

gramsquickly disap-

peared or lost most of

their teeth. PBS became

the "Petroleum Broad-

casting System," a net-

work glutted with "oil

operas" financed by

Mobil and other big out-

fits with plenty of corpo-

rate guilt money to

spread around.

Nixon and his inner circle had a particular hatred for "The Great American Dream Machine," a terrific entertainment show that laced occasional political messages into its comedy and satire. Those messages drove the White House gang up the wall.

So Nixon decided to flex his muscles. It was no contest_ PBS, crowded with fainthearted executives, caved in like a

me por me New Hughes Unit Names President

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Saturday, February 24, 1979 THE WASHINGTON POST

Nixon's War Against Public TV

By Larry Kramer Washington Post Staff Writer

When President Nixon learned in September 1971 that "liberal" commentators Robert Mac-Neil and Sander Vanocur would anchor a new Public Broadcasting Service television program, he deemed it "the last straw." The White House "requested that all funds for public broadcasting be cut immediately."

According to documents made public by the federal government yesterday, Nixon and mem-bers of his White House staff explored several options to either eliminate or take over control of public television.

One of the documents, among 10,000 pages released in response to Freedom of Information Act requests by several groups including the Carnegie Commission, was a memo from White House aide Jon Huntsman to other aides, in-cluding H. R. Haldeman.

Marked "Confidential, Eyes Only," the memo summarized a news report that MacNeil and Vanocur would anchor a weekly political program on PBS in 1972.

"The above report greatly disturbed the Pres-ident, who considered this the last straw." the "It was requested that all funds memo said. for Public Broadcasting be cut immediately. You should work this out so that the House Appropriations Committee gets the word."

In response to that memo, White House aide Clay T. Whitehead, Nixon's chief adviser on telecommunications policy, said such a cutoff was impossible under existing law. "Our efforts, therefore, must be directed to legislative action for 1973 and beyond," he said.

But in a subsequent memo, presidential ad-viser John Ehrlichman dismissed legislative action, and said "the best alternative would be to take over the management and thereby determine what management decisions are going to be made. Obviously, this is an uphill fight, but seems to me to be the only feasible path to accomplish your ends."

In still another memo, staffer Charles Colson told co-workers not to state their plans "so ex-plicitly" in memos. "This is a serious mistake for whatever records this piece of paper might ultimately end up in or, perish the thought, should it get out."

Several memos referred sarcastically to the MacNell-Vanocur show as "liberal hour." and one said that future PBS budget cuts "will en-



TO : CT WHITEHEAD

Tom: Guess youre fam Norm avech

For Nixon, public TV news with "liberal" Sander Vanocur and Robert MacNeil was "inst-

able us to reduce drastically the Corporation for Public Broadcasting funding of the offensive commentators next summer." A memo from Whitehead warned that "no

matter how firm our control of CPB manage-ment, public television at the national level will always attract liberal and far-left producers, writers and commentators."

Whitehead proposed shifting federal funding from the national PBS to the local public broadcasting outlets as a means of influencing the network

The documents released yesterday also re-vealed several attempts by the Nixon White House to discredit Vanocur and MacNeil. In a memo to Haldeman in November, 1971, Whitehead said "we planted with the trade press the idea that their obvious liberal bias would reflect adversely on public television.

"We then began to encourage sp about Vanocur's and MacNeil's salaries head added, and under pressure CPB finally revealed that they were makin,

weeks, "We will quietly solicit critica regarding Vanocur's salary coming fro funds (larger than that of the vice 1 the chief justice, and the cabinet) and ous bias."

Whitehead said he would also "qu courage station managers around the to put pressure on CPB to put more in their programing or risk the poss local stations not carrying these prog Nixon had a long feud with the CP one point in 1972 even vetoed funding

network_

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Ilos Angeles Times *

71 Nixon Plan to Alter Public TV Reported

WASHINGTON (P)—A new broadcusting newsletter says a memo it has obtained shows the Nixon administration tried to use political criticism of reporters to bring public television programming closer to White House wishes.

Public Broadcasting Report, an offshoot of Television Digest, says the plan was to persuade public television stations to bring pressure on the Corporation for Public Broadcasting, the agency that channels federal money to them.

In a report scheduled for publication Wednesday, the newsletter quotes from a memo it says was written in November, 1971, to H. R. Haldeman, then White House chief of staff, by Clay Whitehead, then director of the Office of Telecommunications Policy at the White House. The newsletter says the memo sketches a battle plan for encouraging succutation about solution to be acid

The newsletter says the memo sketches a battle plan for encouraging speculation about salaries to be paid newsmen Sander Vanocur and Robert MacNeil and putting out critical stories saying "their obvious liberal bias would reflect on public TV."

The memo is quoted as saying, "We will quietly encourage station managers throughout the country to put pressure on NPACT (National Public Affairs Center for TV) and CPB to balance their programming or risk the possibility of local stations not carrying the programming."

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Public Broadcasting Report quoted Whitehead, now president of a California consulting firm, as saying "we never initiated anything like that." But he added that Nixon aides "felt , public TV was inherently the enemy.

"I had spent a lot of time talking to people in public TV," Whitehead told the newsletter. "I knew there was a lot of concern about centralization. There were a lot of off-the-record complaints about CPB. ... I don't think anything in this memo is inconsistent with what we said in public."



8.99 Special. Machine washable sweaters in cowl or turtleneck style Here's two classics for chilly days. P with skirts, pants, vests and jack machine washable acrylic in st A. Cowl in bone, brown, nav black, grey. B. Turtleneck navy, hunter green, t Misses Sportswear, Bulloct Los Angeles Times, Sunday, Feb. 12, 1978 (page 3)

WHITEHEAD IN BUSINESS **Former Nixon Aide** Plugs for 'Plugola'

BY YARDENA ARAR Associated Press Writer

Clay T. Whitehead, the Nixon administration communications whiz kid who once accused the network news media of dispensing liberal-biased "ideological plugola," is now a private businessman who says the business community should deliver a little of

community should deriver a intre or its own "plugola." At 39, the bespectacled first direc-tor of the Office of Telecommunica-tions Policy still retains the clean-cut boyish look of his Washington days as he deals with an unlikely sounding assortment of enterprises.

For the past year and a half, he has been president of Allison Technical Services, a Santa Monica manage-ment counsulting firm specializing in government regulations and their effect on business and in emergency medical service.

He also is involved with a skate board park development firm and still keeps a finger in the national political pie by traveling to Washington once a month to serve as an unpaid consul-tant to the Defense Department, the CIA and the National Security Council.

Whitehead was a little-known White House communications staffer when, just two months shy of his 32nd birthday, he was named director of the new White House agency. His three degrees from the Massachusetts Institute of Technology and his ex-perience as a researcher at Rand Corp., a Santa Monica think tank, were arrest to a subject to the tank. were among his qualifications for the

job. The native of Fredonia, Kan., quickly caught the public eye for his Spiro Agnew-style broadsides against what he and other administration figures viewed as excessive power held by the networks.

In the same 1972 Indianapolis speech in which he criticized broad-



Clay T. Whitehead AP photo

cast newscasters for disseminating "ideological plugola" and "elitist gos-sip in the guise of news analysis," he warned affiliates that they could be held "fully accountable" at license renewal time if they failed "to correct imbalance or consistent bias from the imbalance or consistent bias from the networks.

In the last years of Nixon's pres-idency, Whitehead became embroiled in a dispute with Nixon over funding for public broadcasting and cable TV. While nominally retaining his posi-

While nominally retaining his posi-tion in the telecommunications office, he spent the last months before Nix-on's resignation fighting the adminis-tration publicly over his five-year public broadcasting funding plan and working behind the scenes to prepare for Gerald Ford's takeover as Pres-ident. He left Washington in the sum-mer of 1974. "I had the least noticed resignation of the Nixon administration," White-head rocalled in an interview. "I sub-Please Turn to Page 8, Col. 3.

Please Turn to Page 8, Col. 3

WHITEHEAD

Continued from Third Page mitted my resignation three days before Nixon.

He spent a year at Harvard as a fellow at the Kennedy Institute for Politics, lecturing and working on a book, as yet unfinished, on the future of television before deciding to give business a whirl.

"I thought it would be a healthy antidote to the bureaucracy that I had to put up with in government," he

said. Whitehead, who lives with his wife, Margaret, and 18-month-old daugh-ter, Abigail, in the Santa Monica Mountains, says he is happy with his latest career, but has a few observa-tions on communications problems in the U.S. business community. "The biggest problem with Ameri-

the U.S. business community. "The biggest problem with Ameri-can business is that it's terribly inar-ticulate," he said. "In many ways it's its own worst enemy in national poli-cy debates. You look at the amount of money and effectiveness with which they advertise their product, then look at the work they do in putting across their political philosophy... "With the growing involvement of government in business affairs, busi-nessmen are just going to have to be-

nessmen are just going to have to be-come articulate."

While he enjoys the "freedom and flexibility" of the business world, Whitehead isn't sure this is his final career stop.

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al,"-the same way people working for major corporations tend to be con-servative, he said.

Whitehead still espouses govern-ment regulation encouraging competition in the broadcast media-forcing affiliates to be more independent of the networks-as the best way of promoting diversity.

Whitehead is silent for a moment when asked about his recollections of the last months of the Nixon administration.

"Oh, I guess the simple answer is I don't think much about it anymore," he responded slowly. "It was a very disturbing and dis-

appointing thing for those of us who

went through it because we had some very high hopes that the second Nix-on term would amount to something. I learned more in my last year in Washington than in the four years before that. I learned the way people really are when they're going through difficult problems."