

Rogers

Box 2, Folder 6

Thursday 6/15/72

ME

I called Mr. Loomis' office to request a meeting with Mr. Loomis to discuss your trip. They advise you will be seeing Mr. Loomis and James Michner Monday evening and that Mr. Michner has just returned from that area.

Does this take the place of a meeting? *nd*

Should we schedule another meeting later in the week? *yes*

Mrs. Benson 632-6636

Friday 6/16/72

MEETING
6/20/72
5 00

7 45

The meeting with Henry Adams to discuss your trip has been scheduled at 5 00 on Tuesday, June 20.

cc

Mr. Smith

Arch. Washburn

Mr. Doyle

Col. Higgins

Mr. Urbany

6/7-1/12

Draft Minority Report on S. _____

Over the years, the Congress has had a consistent view of the role of noncommercial educational broadcasting in our country and of the relationship between its national entities and its local ~~broadcasting~~ stations. We have followed the general approach of the Communications Act of 1934 by placing the principal public interest responsibility on the local broadcast stations, which are licensed to serve the needs and interests of their own communities. The national entity that we created in 1967--the Corporation for Public Broadcasting (CPB) was intended to strengthen and to support the local stations in providing general educational programming for their communities. Education, in a broad sense, was to take priority over the creation of a new national network to rival the commercial networks in presenting entertainment and current affairs programming.

We recognized that public broadcasting was to go through an evolutionary period to work out the basic responsibilities and roles of the various parts of the system, and it was partly for this reason that a ~~small~~ ^{long-range} financing structure was not immediately established. Our first few years of experience under the Public Broadcasting Act have seen the development of a strong, centralized, national network system, but only limited support for the non-national educational program needs of the local stations.

The matter of "networking", or how CPB has used its statutory authority to provide for interconnection of public television stations, is perhaps the best example of how far CPB has strayed from the congressional intent. It also emphasizes the need for

loose" with massive federal funding with minimal oversight by the Congress. The Act itself states that one of CPB's ^{primary purposes} ~~purpose~~ is to:

3-1-68
"assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio stations that wish to may broadcast the programs at times chosen by the stations;" (47 U.S.C. §396(g)(1)(B)).

The following excerpt from ^{the} Committee on Commerce's Report on the Public Broadcasting Act of 1967 (Report No. 222 on S. 1160, May 11, 1967, pp. 14-15) demonstrates the congressional intent on this issue and explains why it was thought to be essential that the stations have ^{complete discretion} ~~the~~ choice to broadcast the CPB-supported programs at times of the station's own choosing:

5
"One of the most complex questions raised during the hearing involved the function of the Corporation for Public Broadcasting (CPB) with respect to a national system of interconnection for local noncommercial stations. Under the provisions of the original section 396(g)(2)(E), the Corporation was prohibited from dealing directly with common carriers who normally provide interconnection facilities; instead the Corporation was limited to providing contracts or grants to an intermediary organization that would undertake to contract for the interconnection..

3x
in. 001
Dr. James Killian, speaking for the Carnegie Commission on Educational Television, urged that if a viable system of public television was to be brought into being authority must be given to the Corporation to provide interconnection facilities directly where the circumstances warrant. He viewed interconnection primarily as a means of program distribution but not as a means of establishing a fixed schedule network organization. The Corporation would use the interconnection facilities to distribute and transmit programs at all hours but each station would be required to make its own decision as to what program it accepts and broadcasts and at what time. In addition, the Corporation needed flexibility for those special occasions when live or simultaneous broadcasts were desirable. Fears were expressed that if the Corporation was given this authority it would tend to develop a fixed schedule, network-type operation and thus the local station would be placed in a difficult position to control effectively its broadcast schedule. Therefore, this would frustrate the basic recommendations made by the Carnegie Commission on Educational Television which calls for strong local stations...

The committee was persuaded that the Corporation needed this flexibility and discretion not to establish a fixed-schedule network operation but to take advantage of special or unusual opportunities that warrant the Corporation directly contracting for interconnection facilities. Even under these circumstances, however, it should be made clear that the

15 decision to broadcast such a program remains with the local station. Therefore the committee has modified subsection (g) (2) (E) so as to give the Corporation the necessary authority with regard to interconnection facilities. This does not mean that others--such as a group of noncommercial stations or national educational television--could not also arrange for interconnections and receive financial assistance from the Corporation for it. The provisions of this legislation permit this to be done. . . .

Your committee intends to follow these developments closely to see what impact the broadening of the Corporation's authority under this subsection means to the development of a nationwide noncommercial educational broadcasting system.

(Emphasis added.)

In line with this concern about CPB's broad authority to arrange for interconnection and the impact this could have on local station operations, Senator Pastore stated during the floor debate that, "since the fundamental purpose of the bill is to strengthen noncommercial stations, the powers of the Corporation itself must not impinge on the autonomy of local stations." (113 Cong. Rec. 12985(1967)).

The House-passed bill took a more restrictive position on CPB's responsibility to make arrangements for interconnection. It required the Corporation to make such arrangements only through non-profit intermediaries. The House-Senate Conference accepted the more flexible Senate version, and ^(The Report) stated that:

The managers on the part of the House feel that the Corporation needs this flexibility, not to establish a fixed- schedule network operation, but in order to take advantage of special or unusual opportunities that warrant the Corporation directly contracting for interconnection facilities. Even under these circumstances, however, it should be made clear that the decision to broadcast any program for which interconnection is provided by the Corporation remains entirely within the discretion of the local station. In addition, it should be pointed out that this change does not mean that others--such as a group of noncommercial educational broadcast stations or a non-commercial education radio or television network--could not also arrange for interconnection and receive financial assistance for it in the form of a grant or contract from the Corporation. The conference substitute would permit this to be done.

(Conference Report No. 794 on S. 1160, October 18, 1967, p. 13).

As noted above in the excerpt quoted from the Senate Committee's Report, the Commerce Committee intended to follow CPB's interconnection activities closely to see what impact the broadening of the Corporation's authority would mean to the development of a nationwide public broadcasting system. Any committee member who had followed these developments would have found that the actuality departs substantially from the theory and intent of the Public Broadcasting Act. Rather than creating the kind of interconnection system envisioned by both the Carnegie Commission and the Congress; ~~and~~ rather than maximizing the local station's ^{options} ~~example~~ for choosing and scheduling national programming and rather than financing and

and developing regional and local interconnection systems, CPB and its interconnection "intermediary"--the Public Broadcasting Service (PBS)--have created a system of fixed-schedule networking in prime time evening hours six days a week, which will soon be expanded to full-week network operations. The Public Broadcasting Service sends out nearly 19 hours per week of prime time programming which have simultaneous presentation throughout the country. It's PBS and not the stations that determine the schedule of programming. Moreover, CPB and PBS devote nearly \$2 million of their funds to advertising the national schedule of programs, which makes it more difficult for the local stations to refuse to air a PBS program at the time that it is advertised. These prime time network hours are not devoted to events or programs that require "live" presentation nationwide or to take advantage of unusual or special opportunities, but are used for Friday night movies, French cooking lessons, musical performances, and the like.

Undoubtedly, this type of network is less difficult and less expensive to operate than the type of distribution system envisioned by the Congress. It also is attractive to firms such as Xerox, Polaroid, Mobil Oil, Humble Oil and General Electric to be able to "underwrite" the costs of PBS programs and be assured that their programs will be aired nationwide during prime-time evening hours. But CPB's type of network is one that undercuts the local stations' responsibility and, thereby, diminishes the concept of localism which is a dominant force in the Public Broadcasting Act.

It ill-behooves the Corporation for Public Broadcasting to respo:

date that it does not have sufficient funds to create the type of interconnection system required by the Act. The Corporation had many opportunities between 1968 and the present time to advise the Congress that funds were not available either nationally or locally to create the required interconnection system. CPB did not advise the Congress that it was simply creating a fixed-schedule network as a temporary expedient. CPB did not create a stepping stone on the road to a localized network. It created a "fourth network"--the type of system considered but specifically rejected by the Congress in 1967. Corrective action is clearly needed to restore an appropriate balance between centralization and localism in public broadcasting.

The Congress now has an opportunity to reestablish the balance we had intended for the public broadcast system and to reaffirm its goals by modifying the legislative framework so as to place more initiative and control in the local stations. In our view the bill supported by the majority gives only the appearance of capitalizing on this opportunity. It in fact fails to come to grips with the fundamental deficiencies that must be corrected; and by appearing to do so it destroys the possibility of real reform in the near future. Our two main criticisms of the majority's bill, which are discussed more fully below, concern the two-year extension of funding for CPB at a level of \$155 million and the latitude given to CPB with respect to use of these appropriated funds for local station support and personnel salaries.

Two-Year Funding of \$155 Million

We believe strongly that a two-year extension of CPB's

at a total level of \$155 million is inappropriate at this time. Establishment of the amount of long-range funding for CPB was initially deferred because the Congress had no clear understanding of CPB's future needs--needs which we hoped would be clarified once CPB had gained operational experience. We believe, however, that CPB's operational experience has not clarified these needs. To the contrary, it has raised new questions and new doubts as to CPB's role in the system and its relationships with the local stations. CPB has not shown to our satisfaction how it intends to resolve these issues, how it intends to use its increased funding to serve the financial and operating needs of the local stations, and how it intends to pursue the goal of local station autonomy and ~~independence~~ ^{independence} within the national public broadcasting system.

These issues are now the subject of debate and discussion both within and without the public broadcasting community. It would be premature to cut short this long-needed reevaluation of the purpose and function of public broadcasting by increasing CPB's present authorization by nearly 200percent over the next two fiscal years. The bill approved by the majority attempts to strengthen the role of the local stations by assuring that five members of the 15-member CPB Board of Directors will be station managers. Superficially, this seems to be a step in the right direction. But there are other structural reforms which better serve this goal, without ~~appearing to~~ ^{involve potential} conflict of interest problems. We feel the sense of urgency that is needed in evaluating such structural reforms would be lost if the majority's bill were adopted. ~~This~~ ^{Two} ~~of~~ two-year bill with ~~no structural change~~ represents, in CPB's

present trends. We recommend instead that the Congress enact a one-year extension of CPB's funding at an increased level of appropriations commensurate with those financial needs of CPB that are clearly defined and substantiated at this point in time. This approach would facilitate the efforts being made at present to resolve some of the basic issues posed for the public and the Congress by public broadcasting, and would enable us to work with the Administration and devote the necessary time during the next Congress to put public broadcast financing on a more stable, long-range basis.

CPB Latitude in the Use of Appropriated Funds

The bill supported by the majority provides that not less than 30 percent of the funds received by CPB in any fiscal year shall be distributed among all eligible public broadcast stations, with standards for eligibility to be determined by CPB after consultation with station representatives. We believe this provision is inadequate both in the amount which it provides for local station use and in the degree to which it insulates this basic amount from CPB discretion and control.

The stations' need for funds to meet local interests is escalating faster than their need for national program services. This means that the stations should receive an increasing share of the total amount of federal funds devoted to public broadcasting. In this regard, the minimum of 30 percent in the bill is too low. CPB should be required by statute to increase the local station's share

the very least, when there is a \$155 million level of funding over a two-year period, the local stations should receive approximately 50 percent of these funds as specifically earmarked general support grants.

An even more important deficiency of the station support provisions of the majority's bill is the fact that these funds are to be distributed as gifts of the Corporation. Only the most general and unenforceable guidelines are provided. ^{insert} But the basic problems now besetting the system is not merely the inadequate funding of the local stations but their lack of independence and autonomy. Far from being relieved, this is greatly aggravated by placing substantial station support funds within the practically uncontrolled discretion of the national organization. What is needed is a guarantee to the stations of a basic minimum of support funds to which they are entitled as a matter of statutory right. ~~This can best be achieved by setting out a distribution formula in the statute.~~

In a similar vein, the bill does not sufficiently limit CPB's latitude with respect to payment of salaries. We support the objective of the statutory limitation ^{on CPB personnel salaries which} the bill does contain, and believe it reflects the Congress' very real concern that CPB must demonstrate fiscal responsibility before it can be entrusted with the use of hundreds of millions in tax dollars. However, this limitation on CPB's now unfettered fiscal discretion should be expanded to cover the salaries of management and on-air personalities employed by program production entities that are wholly or substantially funded by CPB. This is the only practicable means of limiting the tendency

of some public broadcast entities to build a "star system" in their programming to rival the entertainment and news services of the commercial broadcast networks.

for the local stations to refuse to air a PBS program at the time that has been advertised. These prime time network hours are not devoted to events or programs that require "live" presentation nationwide or to take advantage of unusual or special opportunities, but are used for Friday night movies, French cooking lessons, musical performances, and the like.

Undoubtedly, this type of network is less difficult and less expensive to operate than the type of distribution system envisioned by the Congress. It also is attractive to firms such as Xerox, Polaroid, Mobil Oil, Humble Oil and General Electric to be able to "underwrite" the costs of PBS programs and be assured that their programs will be aired nationwide during prime-time evening hours. But operational convenience and advertiser support were never the principal goals in establishing a public broadcasting system. CPB's type of network is one that, in the name of convenience and advertiser support, undercuts the concept of localism which is the dominant thrust of the Public Broadcasting Act.

It is not appropriate for the Corporation for Public Broadcasting to respond to criticism regarding its network operations by stating at this late date that it does not have sufficient funds to create the type of interconnection system required by the Act. The Corporation had many opportunities between 1968 and the present time to advise the Congress that it was simply creating a fixed-schedule network as a temporary expedient until more funding was provided. It is wrong to believe that the system CPB did create is a stepping stone on the road to a localized network. CPB created a "fourth network"—the type of system considered but specifically rejected by the Congress in 1967. Corrective action is clearly needed to restore an appropriate balance between centralization and localism in public broadcasting.

Two-Year Funding of \$155 Million

We believe strongly that a two-year extension of CPB's funding at a total level of \$155 million is inappropriate at this time. Establishment of a plan for long-range funding for CPB was initially deferred because the Congress had no clear understanding of CPB's future needs—needs which we hoped would be clarified once CPB had gained operational experience. We believe, however, that CPB's operational experience has not clarified these needs. To the contrary, it has raised new questions and new doubts as to CPB's role in the system and its relationships with the local stations. CPB has not shown to our satisfaction how it intends to resolve these issues. More importantly, CPB has not stated clearly how it intends to use its increased funding to serve the financial and operating needs of the local stations, and how it intends to pursue the goal of local station autonomy and independence within the national public broadcasting system.

We are well aware of CPB's claim, reiterated by Mr. Macy in his June 13, 1972 appearance before the Commerce Committee, that an 18-24 month period is needed for advance program planning. Mr. Macy stated that "In order to provide for its [programming] development over that 18 to 24 month period, there must be some assurance of continued funding, which is extremely difficult to provide when we recognize that the funding is on a year-to-year basis." (Transcript of Hearings on Nominations of Members of the Board of Directors of

Mr. President, the Corporation for Public Broadcasting (CPB) distributes two kinds of funds to local public broadcast stations. A portion of the federal appropriations given to CPB is used by CPB for support of the local stations' operating expenses. But, over the past five years, these funds have amounted to only 13 percent of CPB's total budget. While it is clear that CPB has not devoted enough of its funds for station support, the limited amount of money that has been distributed has been done so equitably to all public television stations and to eligible public radio stations throughout the country.

The other type of funds distributed by CPB--and by far the largest single category of CPB expenditure--are the TV program production funds. In Fiscal 1972 CPB spent approximately \$15 million in television program production. By no stretch of the imagination can it be said that these funds have been distributed equitably among the public television stations in the country. For example, of CPB's total TV program budget in 1972, 41 percent was spent in New York City--with NET receiving 27.9 percent of the funds and the Children's Television Workshop receiving 13.2 percent. 11.6 percent of the total budget was spent on Boston's WGBH-TV; 10.7 percent was spent on Washington, D.C.'s WETA-TV; 9 percent was spent on Los Angeles' KCET; and 9.2 percent was spent in Pittsburgh for the combined operations of WQED and the Mr. Rogers television program. That is, over 81 percent of the total CPB television production budget is distributed to only five major metropolitan areas. The balance of the funds go to stations in San Francisco, Chicago, and Columbia, South Carolina.

Incidentally, while it may appear that CPB has geographically diversified some of its television program production by making a \$725,000 grant to the Southern Educational Communications Association (SECA) in Columbia, South Carolina, this appearance is deceptive. The program production grant is for the William F. Buckley "Firing Line" program, but very little of this money actually stays in South Carolina. The Southern Educational Communications Association funnels most of its CPB grant directly to the National Review Corporation which bears all of the production costs and pays all of the salaries of producers, directors, program production staff, guest fees and Mr. Buckley's own fees. To show just how little South Carolina gets involved, I should point out that "Firing Line" has been produced over the past year in the following cities: New Orleans, Washington, D.C., San Francisco, Austin, Chicago, Boston, Sacramento, Los Angeles, Jerusalem, London, Saigon and, finally, Columbia, South Carolina.

Thus, while a \$15 million television program budget is spent by CPB in some six or seven major metropolitan areas, only \$350,000 has been distributed among some 210 television stations--the rest of the stations throughout the United States. Because of this imbalance of program expenditure, during prime time evening hours, over 90 percent of CPB's programming came from six station production centers that do national programming under grants from and contracts with CPB. One station production center--WNET in New York City--produced over one quarter of the prime time programming; the Washington D.C. station produced over 17 percent; the Boston station over 15 percent; the San Francisco and Los Angeles stations nearly 13 percent

each; and the Buckley programming--ostensibly from South Carolina--accounted for seven percent of the prime time schedule.

This type of imbalance must end if CPB is to live up to the requirement in the Public Broadcasting Act of 1967 that high quality programs must be obtained from diverse production sources.

When it comes to the federal monies for construction of public broadcasting facilities, the Congress has required HEW, which distributes these facilities monies, to achieve equitable geographic distribution of the funds throughout the various states. The Act also requires that no more than 8.5 percent of the total facilities appropriation be spent in any single state.

I believe that there should be similar requirements for equitable geographic distribution of the substantial federal funds used to underwrite television program production. If not, CPB will continue to spend most of these funds and obtain most of its programs from a few very large television stations in very large East Coast and West Coast metropolitan areas. The United States is more culturally, politically and educationally diverse than is reflected in public television programming, and the Congress has an obligation to insure that public television reflects America's great diversity.

Therefore, I am offering the following amendment to H.R. 13918 which would require CPB to achieve equitable geographic distribution of its program production funds when it contracts or makes grants or payments for program production by public television stations.

Subsection (B) of Section 396(g)(2) of the Communications Act of 1934 (47 U.S.C. §396(g)(2)(B)) is hereby amended by adding to the end thereof the following:

"In contracting or making grants for program production under this subsection, the Corporation shall insure that there is equitable geographical distribution of its contract or grant funds throughout various regions of the country."

Subsection (C) of Section 396(g)(2) of the Communications Act of 1934 (47 U.S.C. §396(g)(2)(B)) is hereby amended by adding to the end thereof the following:

"In making payments for local programming and operational costs under this subsection, the Corporation shall insure that there is equitable geographical distribution of such payments throughout various regions of the country."

C-3

6/2/72

CPB file

To: Joseph Hughes

From: Tom Whitehead

Same article sent to Jack Wrather, Tom Moore, and Neal Freeman - **same** da

CPB: Under Fire Again

By Mary Russell

Public television found itself with its back against the wall yesterday as the House of Representatives voted to cut salaries for its corporation officers and almost passed amendments that would have gutted its talent supply and limited its funding and authorization to one year.

In the end the Corporation for Public Broadcasting, by a vote of 254-69, wound up with a two-year extension and new appropriations amounting to \$165 million.

But that was still a far cry from the five-year extension the Corporation for Public Broadcasting originally sought to give it independence and flexibility in programming on a long-range basis. And the vehemence of congressional criticism caught CPB officials by surprise.

Public television drew the wrath of House Republicans for alleged bias in its public affairs broadcasting and for the salaries paid commentators and newsmen on these programs. Congressmen like Rep. John W. Wyder (R-N.Y.) charged public television political programs with being biased with a liberal slant.

Despite the law's requirement of "balance" and "objectivity," many of the legislators felt programs like that featuring Sander Vanocur—criticized by some as too close to the Kennedy camp and prone to let his biases show in his broadcasts—violated the objectivity requirement.

And the salaries paid to Vanocur (\$85,000 a year) and newsmen Robert MacNeill (\$65,000 a year) stuck in many congressmen's craws.

The House passed an amendment by Rep. M. Dawson Mathis (D-Ga.) which limited the salaries of cor-

poration officers and employees to \$42,500 a year. This cut CPB President John Macy's salary from \$65,000 and the salary of CPB vice president in charge of financing Ralph Nicholson from \$45,000, but these were the only two officers of the corporation affected.

In fighting the salary cuts, Rep. Robert O. Tiernan (D-R.I.) shouted, "John Macy

has proved he can do the job. We were going nowhere with educational TV until John Macy took over."

When it was explained that this cut would not affect Sander Vanocur or the other newsmen because their salaries were paid by the National Public Affairs Center, which in turn was under contract to the Corpo-

ration for Public Broadcasting, Rep. Joe D. Waggoner Jr. (D-La.) offered an amendment that would have prohibited the corporation from making grants or entering into contracts with any organization or institution that paid its employees or officers more than \$42,500.

This is what congressmen are paid and Waggoner charged that no newsmen or performer was "worth more than a congressman."

The amendment, which lost by a vote of 182-163, would have killed the talent supply for public television and gutted it of programs which even House members agreed have wide appeal.

It would have eliminated "Sesame Street" since its producer and founder, Joan Ganz Cooney, is paid more than \$42,500. It would also have eliminated British Broadcasting Corporation series like "The Six Wives of Henry VIII" since they have employees paid more than that amount. Any appearance by the Boston Pops, which pays conductor Arthur Fiedler more than that, would also have been eliminated.

Rep. Hastings Keith (R-Mass.) called Waggoner's amendment "almost socialist" for attempting to limit salaries in the private sector.

Rep. Andrew Jacobs Jr. (D-Ind.) leaned up to insist that if the House was going to do this, to public televi-

sion it should also do it to corporations that receive government money, like Lockheed and other military contractors.

The House also beat back an amendment wanted by the Nixon administration that would have limited public TV to a one-year, \$45 million authorization. This amendment, introduced by Rep. James Harvey (R-Mich.), lost by a vote of 183-166.

But immediately after killing the Harvey amendment Rep. John Heinz (R-Pa.) introduced an amendment that would have called for a government audit through 1972 and eliminated funding for fiscal 1974. In a tumultuous afternoon of roll-call votes, this amendment lost by just six votes—180-174.

Still aiming at the politics of public television, the House passed by a vote of 203-135 an amendment that prohibits public television stations or any of the orga-

in pushing for this amendment, Rep. Wyder of public TV station in New York that took a pro President Nixon's mind the North Vietnamese bors immediately after the antiwar statements.

In backing CPB's position Rep. Tiernan kept citing grants put on by conservative William F. Buckley as proof of public television's political "balance."

But the congressmen were not impressed. To the House yesterday, public television made straw bedfellows. The bill goes to the Senate where somewhat more friendly reception is expected.

Friday 6/8/72

MEETING
6/22/72
11:00

we have scheduled your meeting in New York
with Jack Bratcher for Thursday, 6/22, at
11:00, in Mr. Bratcher's Office:

Seagram Building
23rd floor
375 Park Avenue

Friday 6/9/72

MEETING
6/10/72
10:15

5:30 We have arranged for Mr. Ted Braun to come here for a meeting tomorrow morning (Saturday, June 10) at 10:15.

We have given his name to the guard downstairs so he can come in.

Friday 6/9/72

MEETI

6/12/72 6/9/72
5:00

7 00 The meeting with Gloria Anderson has been scheduled monday afternoon
at 5:00.

Mr. Whitehead will need the 5-point talking paper for this meeting.

Thursday 6/15/72

INV. AC
6/19/72
Evening

3:00

When talking with Mr. Scalia about going to the Loomis' Monday evening, June 19, after you return from Norfolk, he indicated he thought you would be staying overnight.

Is this right? *Yes*

Will you want to go home before you go there? *Yes*

You indicated you would want Coyt to take you and Mr. Scalia out there. Do you want him to pick you up on Tuesday morning if you stay overnight? *Yes*

As we discuss the extent of the Federal subsidy appropriate for the Corporation for Public Broadcasting (CPB) and the public broadcast system generally, we should be aware of the existence of a substantial hidden subsidy which must be added to the funds which H.R. 13918 would authorize. I refer to the subsidy provided CPB in the form of reduced rate interconnection services for its national broadcast network. This subsidy is both hidden and beyond the Congress' immediate control as to amount. It is currently estimated to run between \$10 and \$15 per year.

Section 396(h) of the Communications Act permits the telephone company and other communications common carriers to grant free or reduced rate interconnection service to public broadcasting, subject to FCC regulations. After a lengthy proceeding, the FCC determined that it would not be in the public interest to grant CPB free interconnection. The Commission rightly concludes that this would be too much of a burden on other users of leased communications services and the general public, who end up supporting this aspect of CPB's operations through increased rates. However, the FCC did work out a plan for reduced rates under which CPB gets a 110 station fixed network by January 1973. By the end of 1974, CPB will be paying a stabilized annual rate for this service of only \$4.9. It has been estimated that this is less than a quarter of what the telephone company charges each commercial network. The difference is coming out of the pockets of American consumers--to the tune of roughly \$10 to

\$15 million annually--and no one knows what the actual amount is presently of what it will come to in the future.

The legislative history of Section 396(h) is not extensive, but it is clear that Congress never intended to write a blank check to subsidize CPB's grandiose plans for an extensive, 24 hour a day national network linking all public broadcast stations. Section 396(h) was derived from the recommendation of the Carnegie Commission on ETV that the Congress allow preferential rates for public broadcasting interconnection. The Carnegie Commission had estimated that, by as late as 1980, actual costs for all public broadcasting interconnection--not only national, but regional and intrastate as well--would be only \$17 million. And that estimate assumed the existence of 380 TV stations, as compared with the 220 now in existence. This is the order of magnitude of costs the Congress had before it when it authorized preferential rates. But now we find that in 1972, with only 110 stations actually interconnected, it is costing about \$15 to \$20 million per year, with only \$5 million of this amount actually visible as a CPB expenditure.

We simply cannot perpetrate this open-ended, hidden subsidy. If the American people are going to pay more for communications service in order to promote public broadcasting, we should at least know how much it is costing and we should establish some ceiling. I'm sure that even the most ardent

public broadcasting supporter in the Congress would agree that there must be some limit--some point beyond which the general public cannot be expected to carry CPB's network.

I believe that the amendment I offer places a reasonable ceiling on CPB's interconnection subsidy. It means that the difference between what CPB pays for its interconnection service and what the same service would cost at commercial rates could never exceed \$10 million. In this way we would close a gaping hole in the public purse and assure that, if there is to be any greater subsidy of CPB interconnection, the Congress will decide the subsidy question on its merits and with knowledge of the precise costs involved.

New Section 2(e) of H.R. 13918

(d) Section 396(h) of such Act is amended by adding to the end thereof the following:

"Provided, however, that in no event shall the commercial value of such interconnection services, as determined by the Federal Communications Commission, exceed the sum of \$10,000,000."

THE WHITE HOUSE

WASHINGTON

June 28, 1972

MEMORANDUM FOR:

TOM WHITEHEAD

FROM:

BOB McDERMOTT

Mr. Flanigan, with the concurrence of Messrs. Klein, Colson, MacGregor, and Ehrlichman, will recommend that the President veto H.R. 13018. However, we have been urged to prepare a shorter veto message, and to that end have forwarded the attached draft to Ray Price for rewrite. We may have selected the wrong emphasis in such a short version, and accordingly need your immediate review. Mr. Flanigan hopes to circulate a proposed final draft for concurrence late this afternoon. Please review proposed changes with me or John Wells before phoning Price.

DRAFT VETO MESSAGE

I find it necessary to veto H.R. 13918, which is intended to provide improved financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can offer many benefits to the public in promoting educational and cultural programs of diversity and high excellence, and programs such as "Sesame Street" and "The Electric Company" have begun to amply repay the investment America made in the 1950s when channels were reserved for educational purposes. However, H.R. 13918 offers a poor approach to public broadcasting financing, and ignores serious questions about the roles of the Public Broadcasting Corporation, local stations and other entities involved in public broadcasting.

Congressional consideration of this legislation has brought to the surface fundamental disagreements not only in the Congress, but within the public broadcasting community itself, concerning the directions which the enterprise has taken and should pursue in the future. Most important of all there was expressed serious and widespread concern that an organization originally intended only to serve the local stations was becoming instead the center of power and the focal point of control

for the broadcasting system. The Public Broadcasting Act of 1967 made localism a primary means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interests of their own communities. The role of Federal financing contemplated in the 1967 Act recognized that the promise of localism could only be achieved with some non-local funding assistance, but H. R. 13918 threatens to substantially erode public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H. R. 13918 has convinced me that the problems posed by government financing of a domestic broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been ^{more} firmly established, and we have a more extensive record of experience on which to evaluate its ^{role in our national life.} I therefore urge the continuation of carefully measured funding for the Corporation, under the present statutory framework, subject to regular budgetary oversight and review.

I request that the Congress take immediate action to enact a one-year extension of the Corporation's authorization at the \$45 million level specified in my budget. This represents a 30 percent increase for the

Corporation, and in light of past increases and the need to hold down expenditures in the coming year is exceedingly generous.

(McDonald)

Draft One

June 28, 1972

PROPOSED PRESIDENTIAL VETO MESSAGE

I find it necessary to veto H.R. 13918, which is intended to provide improved financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can and does offer many benefits to the public by presenting educational and cultural programs of diversity and excellence. Programs such as Sesame Street and The Electric Company already have begun to repay the far-sighted decision the nation made in the 1950s when channels were reserved for educational purposes.

The legislation before me, however, offers a poor approach to public broadcast financing -- and it ignores some serious public broadcasting questions which must be resolved before any long-range public broadcasting financing can be soundly devised.

These questions include the desirability of an increasing emphasis on a fixed-schedule public broadcasting network operation controlled

in Washington, to the detriment of programming by local public stations, and the general relationship and role of the government in the financing of a public broadcasting operation.

It is clear to me, both from the debate in the Congress and within the public broadcasting industry itself, that such questions remain far from any general consensus. No high-level, long-range commitment of public funds -- such as H.R. 13918 proposes -- should be made to a public broadcasting operation still feeling its way. Its goals and operations should be clarified before any more ambitious public financing is provided.

Specifically, I ask the Congress to follow my budget recommendation by enacting a one-year extension of the Corporation's authorization and provide it \$45 million, a significant 30 percent increase over current funds. I urge the Congress to do this immediately so that there will be no gap in public broadcast financing.

Of all the many fundamental disagreements concerning the directions which public broadcasting has taken and should pursue in the future, perhaps the most important is the serious and widespread concern that an organization originally intended only to serve the local stations is becoming instead the center of power and the focal

point of control for the broadcasting system.

The Public Broadcasting Act of 1967 made localism a primary means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interests of their own communities. The role of Federal financing contemplated in the 1967 Act recognized that the promise of localism could only be achieved with some non-local funding assistance, but H.R. 13918 threatens to erode substantially public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H.R. 13918 has convinced me that the problems posed by government financing of a domestic broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life. I therefore urge the continuation of carefully measured annual funding for the Corporation, under the present statutory framework, subject to regular budgetary oversight and review.

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The public and legislative debate regarding passage of H.R. 13918 has convinced me that the problems posed by government financing of a domestic broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life. I therefore urge the continuation of carefully measured annual funding for the Corporation, under the present statutory framework, subject to regular budgetary oversight and review.

June 28, 1972

PROPOSED PRESIDENTIAL VETO MESSAGE: PUBLIC
BROADCASTING BILL

I find it necessary to return without my approval H.R. 13918, which is intended to provide increased financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can and does make important contributions to our Nation's life by presenting educational and cultural programs of diversity and excellence. Programs such as Sesame Street and The Electric Company already have begun to repay the far-sighted decision the nation made in the 1950s when channels were reserved for educational purposes. Public broadcasting deserves to be continued, and to be strengthened.

The legislation before me, however, offers a poor approach to public broadcast financing -- and it ignores some serious public broadcasting questions which must be resolved before any long-range public broadcasting financing can be soundly devised.

These questions include the desirability of an increasing emphasis on a fixed-schedule public broadcasting network operation controlled in Washington, to the detriment of programming by local public

stations, and the general relationship and role of the government in the financing of a public broadcasting operation.

It is clear to me, both from the debate in the Congress and within the public broadcasting industry itself, that such questions remain far from any general consensus. No commitment of public funds on the scale proposed by H.R. 13918 should be made to a public broadcasting operation still feeling its way. Its goals and operations should be clarified before such ambitious public financing is provided.

Specifically, I ask the Congress to follow my budget recommendation by enacting a one-year extension of the Corporation's authorization and providing it \$45 million, a significant 30 percent increase over current funds. I urge the Congress to do this immediately so that there will be no gap in public broadcast financing.

Of all the many fundamental disagreements concerning the directions which public broadcasting has taken and should pursue in the future, perhaps the most important is the serious and widespread concern that an organization originally intended only to serve the local stations is becoming instead the center of power and the focal point of control for the broadcasting system.

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means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interests of their own communities. The role of Federal financing contemplated in the 1967 Act recognized that the promise of localism could only be achieved with some non-local funding assistance, but H. R. 13918 threatens to erode substantially public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H. R. 13918 has convinced me that the problems posed by government financing of a domestic broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life. For the present, therefore, I urge the continuation of carefully measured annual funding for the Corporation, under the existing statutory framework, subject to regular budgetary oversight and review.

■ ■ ■ ■

EXECUTIVE OFFICE OF THE PRESIDENT
UNITED STATES DEPARTMENT OF THE INTERIOR
WASHINGTON, D. C. 20501

June 28, 1972

MEMORANDUM FOR

Mr. Gerald Warren
The White House

Subject: Background Regarding Public Broadcasting for the
President's News Conference

If the President decides to veto the Public Broadcasting Act, and if the announcement is made prior to Thursday evening's news conference, it is possible that the President may get questions, perhaps hostile. I am attaching several items which I hope will be helpful:

1. A brief background history of the Federal Government's involvement in public broadcasting.
2. Several questions that could be asked at the news conference and proposed answers.
3. A copy of my October 20, 1971, speech to the National Association of Educational Broadcasters which started the public debate regarding public broadcasting.
4. Testimony before Senator Ervin's Subcommittee on Constitutional Rights regarding the danger of a government-financed television system involved in national news and public affairs programming.
5. A Variety magazine article from January 1972 regarding the news and public affairs controversy.

The President has said very little about public television. In his Budget Message for FY71, the President promised "an improved financing plan for the Corporation for Public Broadcasting."

With the exception of the above remark, to the best of my knowledge, he has not made any additional comments regarding this subject. Privately, the most recent occasion being his meeting with 30 broadcasters last Thursday, June 22, when he expressed great reservations about the Federal Government's becoming too involved in a large funding broadcasting operation.

A handwritten signature in dark ink, consisting of a series of connected loops and a long horizontal stroke at the end.

Clay T. Whitehead

Attachments

MEMO ON PUBLIC BROADCASTING

"Public Broadcasting" is the name coined by the Carnegie Commission of Educational Television in 1967 to describe the general interest (i.e., non-classroom instructional) programming of non-commercial, educational radio and television broadcast stations. This term was adopted by the Congress in the Public Broadcasting Act of 1967.

Acting upon the Carnegie Commission's recommendation, the Congress created the Corporation for Public Broadcasting (CPB) and charged it with a responsibility for funneling Federal monies into the public broadcasting system. CPB was to insulate program production and distribution from undue political influences, and to foster the independence and autonomy of local public broadcasting stations, among other activities and responsibilities.

CPB's first full year of Federal funding was fiscal year 1969. From that time to the present CPB has received a total of \$78 million in Federal appropriations. Contributions from foundations, businesses and other sources over the past five years gave CPB a total income of \$91.7 million. With these funds, CPB has created a new television network--the Public Broadcasting Service (PBS)--to replace the old National Educational Television network (NET). There are approximately 220 public television stations throughout the country all of which are PBS affiliates.

PBS operates the television network by selecting, scheduling and advertising programs from national program production centers and distributing them nationally. At present, PBS provides some 18.5 hours per week of prime time evening programming to all of its affiliates. PBS also provides, on interconnected basis, morning and afternoon network service comprised of children's programming. PBS distributes no money and produces no programming itself. In Fiscal 1972, PBS received some \$9 million from CPB to underwrite its network and promotional activities. Roughly \$1.7 million of this was used by CPB/PBS for promotional purposes. In addition, PBS received a \$1 million grant from the Ford Foundation for advertising purposes. PBS is controlled by a Board of Directors drawn from public television managers, but receives virtually all of its funds and much of its direction from CPB.

CPB has also created a national radio network--National Public Radio (NPR)--which is similar to PBS, except that NPR produces its own programming, while PBS does not. NPR receives approximately \$3.5 million annually from CPB.

CPB acquires television programming for national distribution in two principal ways. It relies on seven national program production centers associated with public television stations in major cities (e.g., Boston, New York City, Washington, D.C., San Francisco, and Los Angeles). These seven stations received over \$13 million from CPB in Fiscal 1972 for program production purposes and produced nearly 90% of the prime time evening hours on the PBS network. The second source of CPB programming is the national centers

affiliated with public television stations. The principal such production entity is Children's Television Workshop which produces "Sesame Street" and "The Electric Company" for distribution by PBS in morning and afternoon hours. Children's Television Workshop however, receives most of its funding from HEW's Office of Education, the Ford Foundation, and the Carnegie Corporation. For example, CPB's contribution to the budget of the Children's Television Workshop in Fiscal 1972 was only some \$2 million out of a total budget of over \$13 million.

1. Q. Is this veto of the Public Broadcasting Bill a part of an Administration game plan to intimidate the media in this election year?

A. No, to the contrary. It was my firm belief that the legislation as passed by the Congress would have the effect of undermining the intent of the Public Broadcasting Act of 1967, which established public broadcasting as we know it today. One of the primary goals of the Act, and you can find it throughout the history of Congress' deliberations, was to provide an incentive for local stations' programming initiatives-- to make the local stations educational resources for their communities.

The Corporation for Public Broadcasting was to assist the stations in their effort. However, since 1967 we have seen a continual increase in National network production, contrary to the intent of the law. This Administration is dedicated to the principle of public broadcasting. Since 1967, Federal appropriations have grown from \$5 Million to \$35 Million. This year, I requested \$45 Million, a 30% increase over last year. This hardly demonstrates hostility to public broadcasting. On the contrary, we feel public broadcasting should be continued and strengthened by recalling it to the original purposes of the 1967 Act.

2. Q. Does your veto mean public funds for programs like Sesame Street and Masterpiece Theatre will be cut off in the future?

A. No. In FY72 the producers of Sesame Street received only \$2 Million of its \$13 Million budget from CPB. In addition, large grants for the development of Sesame Street have come from HEW, separate from the Corporation budget. My budgetary request for this year is \$45 Million, 30% over last year's budget. This will certainly not hinder production of Sesame Street or other fine educational programs.

3. Q. Was your action today prompted by the alleged hostility toward this Administration by public broadcasting correspondents Sander Vanocur and Robert McNeil?

A. I certainly have no objection to any responsible view that may be expressed against this Administration. You in the professional press corps can best judge Mr. Vanocur's objectivity and competence.

4. Q. One of your advisers, Clay Whitehead, called on Public Broadcasting to get out of news and public affairs programming. Do you agree with him?
- A. There is a deep public policy concern about a network using tax dollars for sensitive political programs which surfaced in the legislation that Congress passed prohibiting the CPB from conducting political polls. I am concerned that public broadcasting devotes a third of its network schedule to national news and public affairs. I am not against local stations doing this type of programming. What I do question is the centralized national direction and the use of tax dollars. Is this type of programming any different from what we see on the commercial networks? I do not think so. And we cannot risk a government-controlled network in this country like so many other countries have.
5. Q. Does your veto today mean that the Administration is no longer seeking a plan to insulate public broadcasting from the Federal Government?
- A. No. But we do not think this is the proper time to devise such a funding plan. The future direction of public broadcasting is still unclear, as was evident from the Congressional debate on H.R. 13918. Moreover, there always have been reservations about the role of the Federal Government in a national public TV service. This was evident during the hearings on public broadcasting in 1967. By vetoing the bill today, I am saying that many of the questions regarding the Federal Government's relationship with public broadcasting have not yet been answered. A long range plan would in effect say that these questions are insignificant and would give public broadcasting the go ahead. I cannot agree to that.
6. Q. In light of the fact that the Chairman and President of the Corporation for Public Broadcasting are both members of previous Democratic Administrations, do you plan to put your own people in these positions?

6. A. The President appoints the Board members, but under the statute, the Board elects its own Chairman and hires its own President. Questions regarding employment of officials and staff for the Corporation are the province of the Corporation's Board of Directors.
7. Q. Your veto message says that more time is needed to determine the future direction of public broadcasting. What future direction do you think it should take? Should the Administration attempt to influence that direction?
- A. Both the Carnegie Commission and the legislative history of the 1967 Public Broadcasting Act made it very clear that public television was to be principally local and devoted to broad educational pursuits. The role of the Corporation for Public Broadcasting was to provide grants to the local stations for their own use and to provide grants for the production of worthwhile programming of a broadly educational nature that does not attract sufficient audience for commercial broadcasting. It was never intended that there should be a monolithic publicly-funded national network with the Corporation as its headquarters, nor that its principal purpose should be programming for narrow audiences. It was not intended to be a journalistic medium. Its purpose was to encourage local and private initiatives in educational programming and experimental program development. I believe those objectives remain sound and those are my objectives for public broadcasting.
8. Q. Should the Administration attempt to influence the direction of public broadcasting?
- A. Of course, I am against the Government dictating the content of programming be it in public television or commercial television. In that sense, we should not influence public broadcasting. But public officials responsible to the public for how tax dollars are spent cannot avoid the responsibility for assuring that those funds are used for sound purposes.

THE PUBLIC (TV) BE

ADMIN., CPB AT WAR ON NEWS

By BILL GREELEY

The White House and the Corporation for Public Broadcasting are squared off. The action so far, if not exactly polite, has been mostly word-slanging. Before the end of this election year, however, the differences could conceivably lead to the ouster of CPB proxy John Macy Jr.

The White House is still rancoring over the appointment of "non-Administration" correspondent Sander Vanocur's being hired by public television. In fact, there is every indication that the White House is working to gag public tv completely in this election year. This may sound sinister and melodramatic, but it is confirmed in this stunning statement last week from the head of the White House Office of Telecommunications Policy, Clay T. Whitehead:

"There is a real question as to whether public television, particularly the national federally funded part of public television, should be carrying public affairs, news commentary, and that kind of thing, for several reasons. One is the fact that the commercial networks, by in large, do quite a good job in that area. Public television is designed to be an alternative to provide programming that isn't available on commercial television; so you could raise the legitimate question as to should there be as much public affairs, as much news and news commentary, as they apparently plan to do . . . when you're talking about using federal funds to support a journalism activity it's always going to be the subject of scrutiny. The Congress will always be watching it very closely. The press will always be watching it very closely. It just invites a lot of political attention."

(Continued on page 53)

DAMNED

'The Public (TV) Be Damned'

(Continued from page 39)

There's an arrogant aplomb in this dismissal of all public tv news and public affairs by the White House communications mouthpiece. And to those familiar with public tv's record of appeasement, the dismissal is in the form of a serious threat. And that threat ties in with Whitehead's broadside blast at public tv's national network made at the PTV convention in Miami last fall, where the threat was that federal funding might well be shorn unless the medium was localized.

In the light of these White House pressures, one can only conjecture on the mean when a Republican congressman speaks out on the floor about the left-wing slant of network PTV, and among other things singles out for severe criticism the satirical hit Andy Rooney did on NBC's "Great American Dream Machine," which kidded — as the congressman identified it — President Nixon's plans for an all-volunteer army.

Whitehead's call for a newless national public television was made on a National Public Radio special which also featured CPB proxy John Macy, whose main argument with the Administration has been over his efforts to get long-term funding for CPB. Said Macy, "The current situation is one of the Corporation awaiting word from the Administration as to what its position actually is. There are exchanges of material and occasional conversations, but nothing definitive has come from the Administration."

Indeed the Administration has been waiting on its proposals for the future of PTV, and for the

imately under Administration control.

Macy's Fate

As stated, Macy's position is shaky. The Nixon Administration will be making four new appointments to the CPB board of directors this spring. Originally appointed by President Johnson, the board already has Nixon appointees Albert Cole, Zenna Gooden, Tom Moore, Jack Weather and Jack Whitney. Four more would give Nixon a clear majority with which to vote Macy out of his post.

By way of a thread of optimism among all the political scheming and maneuvering, there is Rep. Torbert Macdonald (D-Mass.), chairman of the House Ways and Means Committee and author of a PTV bill to strip even out the White House's CPB parasitic. He said on the same NPR special: "I think the government should have no part in deciding what form or what programs, or what emphasis should be given by public broadcasting. The Congress and every other branch of the government should just look and see as to whether or not the public broadcasting system has done what it was set up to do, which is to bring superior programming to the American public."

Indeed the Administration has been waiting on its proposals for the future of PTV, and for the

June 23, 1972

MEMORANDUM FOR THE STAFF SECRETARY

FROM: PETER FLANIGAN

SUBJECT: Presidential Action on H.R. 13018
(Public Broadcasting)

H.R. 13018, providing for continued financing for the Corporation for Public Broadcasting, passed the Commons on June 23, and was enrolled on June 26. The attached memorandum to the President recommends the veto of this legislation, and encloses a proposed veto message for his signature.

Should the President decide to veto, Clark MacGregor considers it imperative that the veto be delivered early tomorrow morning while the House is in session. In order that we not be open to the charge that Congress was given no opportunity to override it.

I would therefore urge that you forward this promptly for the President's approval.

June 29, 1972

MEMORANDUM FOR: THE PRESIDENT
FROM: PETER FLANIGAN
SUBJECT: Public Broadcasting Legislation

On Monday the Congress passed an authorization for the Corporation for Public Broadcasting of \$65 million in FY'73 and \$90 million in FY'74. The legislation also contains other undesirable provisions, the most important of which is the authorization for a permanent public broadcasting fund.

As you know, we actively opposed this type of legislation, and the Office of Telecommunications Policy backed an Administration proposal for a one year extension at your budget level of \$45 million. FY'72 funding was \$65 million.

Messrs. Ehrlichman, Colson, MacGregor and Weinberger have reviewed this matter and concur in recommending that you veto this bill. This action appears to offer our best chance to obtain responsible legislation which will provide a reasonable funding level and structure for federally-financed public broadcasting.

Clay T. Whitehead's memorandum at Tab B sets forth in detail the reasons for a veto. In brief, I feel that our opposition to this legislation has been clear and well-documented, and we have already suffered most of the adverse reaction from the CPB and the press. Clark MacGregor believes that a veto will be sustained. However, MacGregor considers it imperative that the veto be delivered early tomorrow morning while the House is in session, so that it cannot be charged that Congress was given no opportunity to override it.

We have prepared a veto message, attached at Tab A, which urges that the Congress immediately enact a one-year extension of the CPB authorization at the \$45 million level specified in your budget, and sets forth your support of an appropriately organized and financed CPB.

CPB would be covered in the interim by the continuing resolution which is expected to pass Congress before July 1.

RECOMMENDATION

That you veto H. R. 12916 and sign the veto message at
Tab A.

Approve _____ Disapprove _____

TO THE HOUSE OF REPRESENTATIVES:

I find it necessary to return without my approval H.R. 13918 which is intended to provide increased financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can and does make important contributions to our Nation's life by presenting educational and cultural programs of diversity and excellence. Programs such as "Sesame Street" and "The Electric Company" already have begun to repay the far-sighted decision the Nation made in the 1950s when channels were reserved for educational purposes. Public broadcasting deserves to be continued, and to be strengthened.

The legislation before me, however, offers a poor approach to public broadcast financing. It ignores some serious questions which must be resolved before any long-range public broadcasting financing can be soundly devised, and before the statutory framework for public broadcasting is changed.

There are many fundamental disagreements concerning the directions which public broadcasting has taken and should pursue in the future. Perhaps the most important one is the serious and widespread concern -- expressed in Congress and within public broadcasting itself -- that an organization, originally intended only to serve the local stations, is becoming instead the center of power and the focal point of control for the entire public broadcasting system.

The Public Broadcasting Act of 1967 made localism a primary means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interests of their own communities. By not placing adequate

emphasis on localism, H. R. 13918 threatens to erode substantially public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H. R. 13918 has convinced me that the problems posed by Government financing of a public broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life.

This Administration has demonstrated its dedication to the principle of public broadcasting by increasing appropriations to the Corporation sevenfold in the past three years, from \$5 million in FY 69 to \$35 million in FY 72. On top of this, I have requested an additional 30 percent increase for next year to \$45 million. The funding proposed in H. R. 13918, which almost doubles next year's appropriation, and more than doubles the following year's appropriation over FY 1972, is unwarranted in light of the serious questions yet unanswered by our brief experience with public broadcasting.

I urge the continuation of carefully measured annual funding for the Corporation, under the existing statutory framework, subject to regular budgetary oversight and review. Specifically, I ask the Congress to follow my budget recommendation by enacting a one-year extension of the Corporation's authorization and providing it \$45 million. Since interim funds for the Corporation are included in a continuing resolution currently before the Congress, there should be no interruption of the Corporation's activities.

THE WHITE HOUSE,

JUNE 30, 1972

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I find it necessary to return without my approval H. R. 13918 which is intended to provide increased financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can and does make important contributions to our Nation's life by presenting educational and cultural programs of diversity and excellence. Programs such as "Sesame Street" and "The Electric Company" already have begun to repay the far-sighted decision the Nation made in the 1950s when channels were reserved for educational purposes. Public broadcasting deserves to be continued, and to be strengthened.

The legislation before me, however, offers a poor approach to public broadcast financing. It ignores some serious questions which must be resolved before any long-range public broadcasting financing can be soundly devised, and before the statutory framework for public broadcasting is changed.

There are many fundamental disagreements concerning the directions which public broadcasting has taken and should pursue in the future. Perhaps the most important one is the serious and widespread concern -- expressed in Congress and within public broadcasting itself -- that an organization, originally intended only to serve the local stations, is becoming instead the center of power and the focal point of control for the entire public broadcasting system.

The Public Broadcasting Act of 1967 made localism a primary means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interest of their own communities. By not placing adequate emphasis on localism, H. R. 13918 threatens to erode substantially public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H. R. 13918 has convinced me that the problems posed by Government financing of a public broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life.

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which almost doubles next year's appropriation, and more than doubles the following year's appropriation over FY 1972, is unwarranted in light of the serious questions yet unanswered by our brief experience with public broadcasting.

I urge the continuation of carefully measured annual funding for the Corporation, under the existing statutory framework, subject to regular budgetary oversight and review. Specifically, I ask the Congress to follow my budget recommendation by enacting a one-year extension of the Corporation's authorization and providing it \$45 million. Since interim funds for the Corporation are included in a continuing resolution currently before the Congress, there should be no interruption of the Corporation's activities.

RICHARD NIXON

THE WHITE HOUSE,

June 30, 1972

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON, D.C. 20544

DIRECTOR

June 30, 1972

MEMORANDUM FOR:

THE PRESIDENT

FROM:

CLAY T. WHITEHEAD 

SUBJECT: Conversation With Frank Pace

I met with Frank Pace today to inform him of your decision to veto the public broadcast financing legislation. In a frank, and I think constructive, discussion, Mr. Pace asked that I inform you that he intends not to stand for re-election this fall as Chairman of the Board of the Corporation for Public Broadcasting. He and I agreed that it would be useful for him to meet with you for 10 minutes at your convenience sometime this summer to discuss the problems and future directions of CPB. Mr. Pace indicated it would be his intention to remain on the Board of the Corporation, and I encouraged him to do so.

Rogers

Box 2, Folder 7

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

7/5/72

To: Jon Rose

From: Brian Lamb
(Ext. 4990)

The attached message
was sent today to
Peter Flanigan from
Tom Whitehead in
Sydney, Australia.

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

July 5, 1972

DIRECTOR

MESSAGE FROM SYDNEY, AUSTRALIA

For: Peter Flanigan
From: Tom Whitehead

Since we last talked, I have made several further checks on Tom Curtis and Irving Kristol. I conclude that it would be far preferable to proceed with Kristol rather than Curtis.

This choice is based on two main considerations: First, that Kristol's personality and capabilities complement and reinforce Henry Loomis', whereas Curtis' strong points more nearly coincide with Loomis'; and, secondly, Kristol could be more readily elected as Chairman than Curtis. Curtis' main strong points are that he is thoroughly with us philosophically and has a reputation for getting things done in a political environment. However, it will be principally the President of the Corporation rather than the Chairman who will have to make the necessary changes. Though both the President and the Chairman traditionally represent CPB on the Hill, there is much more day-to-day contact by the President. While Loomis might not be as effective in this role as Curtis, he certainly can perform the job effectively. More importantly, however, Curtis will not be well known by the Board of the Corporation or by the professional broadcast community. Regardless of his strength, he is bound to be viewed by most of those people as a purely political appointment. There was considerable resentment on the Board of Directors about the President's desire to shape the Corporation, particularly in the news and public affairs area. Tom Moore, Al Cole, and Jack Wrather feel that that attitude will prevail even more strongly after the veto.

Irving Kristol is in agreement with our philosophy at least as strongly as Tom Curtis -- perhaps even more so, because his beliefs grow from an intellectual conviction after some familiarization with public broadcasting. I believe he would be far more effective than Curtis in selling our point without arousing political opposition. His reputation is such that it would be very hard for the press or the professional public broadcasters to accuse him of partisan motivation. Furthermore, his intellectual conceptualization of our point of view would greatly assist Henry Loomis in the practical task of turning the Corporation around, and would deflect much of the public attention away from the changes

All four of the Board members I have talked to are willing to work to get our choice elected Chairman, but all point out that it will not be easy. Like it or not, we have to work through the Board to achieve our objectives. The major danger is that someone now on the Board would react negatively to our choice and announce his own candidacy. There is sufficient animosity on the Board towards the President that someone like Jim Killian could build a sizeable coalition against us. Considering the two personalities, I, and the Board members I have talked with, believe it would be far easier to convince the Board to go with Kristol than with Curtis.

In light of all these considerations, and particularly in light of the effect of the veto, I feel strongly that we would be far better off proceeding with Kristol. His appointment would reflect more credit on the President and display less political motivation; he could be more easily elected Chairman in the Fall; and, finally, Loomis and he would be an effective team in working to achieve the changes we want. Tom Moore, Al Cole, and Jack Wrather all concur in this analysis based on the general characteristics of the two individuals. Len Garment believes that Kristol might be more useful to the Administration elsewhere, although he believes that both Curtis and Kristol would do a good job. Frank Shakespeare knows both individuals and agrees with my analysis. Neal Freeman, one of our newest appointees to the Board and one of our strongest supporters, also agrees.

In conclusion, I am recommending that we proceed with Kristol as rapidly as possible. It is absolutely essential that he be named before July 17, so that (by virtue of a Recess Appointment) he be able to attend the July 21 Board meeting. (The Recess Appointment, by the way, would look rather devious if Curtis were the nominee.) If you concur, I would appreciate your notifying Dan Kingsley as soon as possible. I am sure Dan will be in touch with me. If you have problems, perhaps we should try to make contact by phone.

Thursday 7/6/72

5:45

Mr. Al Cole called regarding Mr. Whitcomb's request for information on Irving Krystal and Thomas Curtis. He said Krystal is an alien, primarily a writer, a strong conservative and Nixon supporter. Mr. Cole talked to Jack Olin, who is a close friend of Nixon's. Mr. Olin talks highly of Curtis. He said he is a former Congressman (D.), a strong supporter of the Nixon Administration, and an outstanding administrator, and might be better for the job than Krystal.

JULY 14, 1972

Office of the White House Press Secretary
(San Clemente, California)

THE WHITE HOUSE

The President today announced the recess appointment of Thomas B. Curtis of St. Louis, Missouri to be a member of the Board of Directors of the Corporation for Public Broadcasting, for the remainder of the term expiring March 26, 1976. He succeeds John H. Whitney who has resigned.

Mr. Curtis was born May 14, 1911, in St. Louis, Missouri. He received an AB degree from Dartmouth College in 1932 and an LLB degree from Washington University Law School in 1935. He was admitted to the Missouri Bar in 1934.

Mr. Curtis was elected in 1950 to the 82nd Congress of the United States representing the 12th District of Missouri and was subsequently elected to the 83rd through the 90th Congress representing the 2nd District of Missouri. While serving in the Congress he was a member of the Ways and Means Committee, Joint Economic Committee, Joint Committee on the Organization of Congress, and the Joint Committee on Internal Revenue Taxation.

Since 1934 he has been a partner in the law firm of Biggs, Hensley, Curtis & Biggs in St. Louis; and has been Vice President and General Counsel of Encyclopedia Britannica since 1970.

Mr. Curtis was appointed Chairman of the Rent Advisory Board of the Price Commission on November 23, 1971.

He was a member of the State Board of Law Examiners from 1948-1950, and is currently a member of the American, Missouri, St. Louis and St. Louis County Bar Associations. He is also a Trustee of Dartmouth College, William Woods College.

Mr. Curtis is married to the former Susan R. Chivvis and they have five children. They reside in St. Louis, Missouri.

The Board of Directors consists of 15 persons appointed by the President for terms of 6 years. The Corporation was established by PL 90-129 of November 7, 1967 to facilitate the development of non-commercial educational radio and television broadcasting.

THOMAS B. CURTIS

Position for which considered: Member of the United States Advisory Commission on International Education and Cultural Affairs

Present Position: Vice President and General Counsel of Encyclopedia Britannica

Office Address: Security Building, St. Louis, Missouri

Born: May 14, 1911, St. Louis, Missouri

Legal Residence: St. Louis, Missouri

Marital Status: Married

Family: Wife: former Susan R. Chivvis
Children: Elizabeth
Leland
Allan
Charles
Jonathan

Home Address: 462 Florence Avenue, Webster Groves, St. Louis, Missouri

Education: A.B. 1932, M.A. 1951 (honorary), Dartmouth College
LL.B. 1955, Washington University Law School
LL.D. 1962 (honorary), Westminster College

Experience:

Non-Government

1934

1934 to present

Admitted to Missouri Bar

Partner of law firm: Biggs, Hensley, Curtis & Biggs, St. Louis

Military

1942-45

United States Navy, Atlantic and Pacific Theaters

Government

1950-69

United States Representative to 82d Congress, 12th District of Missouri; to 83d-90th Congress, 2d District of Missouri
Served as Member: Ways and Means Committee, Joint Economic Committee, Joint Committee on the Organization of Congress, Joint

Non-Government
1970 to present

Vice President and General Counsel of
Encyclopedia Britannica

Publications:

Author: 87 Mission Jobs

Memberships:

Member of State Board of Law Examiners,
1948-50

Member of the American, Missouri, St. Lo
and St. Louis County Bar Associations

Trustee: Dartmouth College, William Woc
College

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 28, 1972

MEMORANDUM FOR:

THE PRESIDENT

FROM:

CASPAR W. WEINBERGER *Caspar W. Weinberger*

Subject:

Authorization Bill for the
Corporation on Public Broadcasting

You have asked that we prepare an authorization bill for the Corporation for Public Broadcasting (CPE) enacting a one-year extension of the authorization and providing \$35 million. We have prepared such a bill and the papers necessary to transmit it to the Congress. The transmittal papers explain that the amount being requested is \$10 million less than that proposed in your January budget, because the Congress has increased many programs above your requests in its action on the budget to this point and offsets must be found.

However, while the draft bill was being prepared, Senator Pastore evidently discussed the matter with the Office of Telecommunications Policy and Senators Cotton and Baker and secured their general agreement for a new bill (S.3824) to be introduced in the Senate. This bill was introduced and passed on July 21 without reference to committee and without debate.

Senate Bill 3824 differs from our draft in that it provides \$45 million instead of \$35 million (the \$45 million being the figure in your January budget). Senate Bill 3824 also differs from the draft bill in that it does not require the distribution of a specific amount (\$7 million in our bill) to individual stations, and it provides \$25 million for construction facilities for individual stations.

Senator Pastore believes the \$45 million figure in his bill is responsive to your veto message of the earlier bill, which message mentioned that \$45 million was an appropriate level of funding.

In view of the Senate action on S.3824, which is now in the House Commerce Committee awaiting consideration, should we proceed with the transmittal of the new draft bill providing

\$35 million; or should we try to secure a lower authorization than the \$45 million contained in S.3824 by negotiations with the House committee; or should we simply acquiesce in S.3824?

_____ Transmit our bill as currently drafted providing \$35 million.

_____ Work with the House committee accepting the form of S.3824 but trying to reduce funding to \$35 million.

_____ Acquiesce in S.3824 and the \$45 million level.

bcc:

Mr. Whitehead, ✓ OTP

Mr. Ehrlichman

Mr. Timmons

Tuesday 8/1/72

3:00

Jack Wrather's office called. Mr. Wrather needs a bio on Henry Loomis and Tom Curtis for the CPB Nominating Committee.

Brian has indicated he will get them for us.



TOMORROW ENTERTAINMENT, INC.

A subsidiary of General Electric Company

THOMAS W. MOORE, President

August 1, 1972

MEMO

To: Peter M. Flanigan
The White House

CONFIDENTIAL

Dear Peter:

This is an effort to put together the "scenario" you suggested at the Grove:

OBJECTIVE

To have the Board of the CPB adopt a policy of devoting all its non station appropriations to cultural, educational, and experimental entertainment programs to the exclusion of public affairs. Then, to execute the policy in such a manner that this policy and character of public broadcasting will become permanent and not altered by future Boards.

PRESENT POSITION:

Four new members of the Board, new Chairman to be chosen in September, policy committee appointed in July to respond to Board in September.

First move: Elect Tom Curtis as Chairman. This will be done, but it should be done with enthusiasm in order to achieve our basic objectives. Curtis should keep a humble low profile with Wrather, Cole, and me to handle the election. Wrather, Cole, and Bob Benjamin, (Ch. United Artists, Democrat) are the nominating committee. If we get Cole and Wrather strongly behind Curtis we will have a clear majority and, in fact, he can be elected unanimously by acclamation.

Prepare for this by giving core group (Wrather, Moore, Cole, and Curtis) a non publicized meeting with the President. Let him sound his feelings directly, and urge the cooperation to that end.

Memo- August 1, 1972

Elect Curtis in September.

After election, the policy committee (now consisting of Moore, Chairman, Valenti, Killian, and Curtis) should be changed to five members by Curtis appointing his replacement and one other. The policy committee would then recommend a policy change on public affairs , and with some opposition, we should be able to pass this with a close majority of the Board. Cole and Wrather are swing votes here, and the point should be made by the President at his meeting.

After this policy change, if the present staff is still intact, we would select a new president of the Corporation for Public Broadcasting, who in turn, would staff the organization to implement the new policy. There are indications that if we have changed policies, with the new Board, the staff problem will solve itself.

This new staff would undertake the preparation of a strong program schedule, and budget request for 1974-75, 75-76. The schedule would be without public affairs, but heavy with music, drama, education, and new forms. It would be created with advice and participation of such people as Nancy Hanks, Joe Papp, Sol Hurok, and educators (adult, graduate, under-graduate, secondary, primary, and pre-school).

With this schedule, the positive approach to this programming will enable the President to make his recommendation to Congress for a two year financing bill. During his second term, the President can be repeatedly identified with the cultural and educational programming. He can well shape the character of the public television in such a positive way that the public affairs issue will never come up again.

Welcome to the New Public Television.

Best regards,


Thomas W. Moore.

It was good to see you at the Crane and I enjoyed meeting a few weeks with you.

cc: Mr. Tom Whitehead.

INADEQUATE PUBLIC BROADCAST-
ING BILL BETTER THAN NONE

pages E 7281 - E 7

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 1973

Mr. MACDONALD of Massachusetts. Mr. Speaker, it is with easily restrained enthusiasm that I rise to support a bill designed to breathe some life, if only a little, into noncommercial, educational broadcasting, for the next year.

This bill is short and simple; it calls for Federal funding, in fiscal year 1973, in the amount of \$45 million, for the Corporation for Public Broadcasting. It also calls for a badly needed increase in the appropriations for technical facilities at the local stations that broadcast television and radio programs on educational channels, from current levels in the \$15 million range, to \$25 million.

This is a far cry from the bipartisan bill that passed this House in June and then was passed by the Senate in identical form. That bill called for 2-year funding instead of 1, at a substantially higher level; it called for representation on the CPB Board by station representatives, and it called for other safeguards to insure that public broadcasting would have a fair chance to fulfill the mission this Congress assigned to it when we passed the Public Broadcasting Act of 1967.

However, as you know, the President vetoed that bill just before the July 4th recess, and we are reduced to getting this modest—and incidentally inadequate—funding for public broadcasting for the coming year, or getting no bill at all.

It is not my desire to take up the valuable time of the House by rehashing the arguments that occupied so much of our time and energy during long hours in my subcommittee, in the full Interstate and Foreign Commerce Committee, and on the floor of the House.

Needless to say, I have not retreated from the position that I held then. Stated in its simplest fashion, I believe that the people to whom we have entrusted public broadcasting over the past 5 years have done a good job in upgrading it from a group of weak, disjointed stations with virtually no audience to a viable medium that offered the American public a choice in their viewing and listening.

That progress, which was proceeding in a sturdy, healthy way until this roadblock in the form of a presidential veto was thrown up, requires some assurance of operating funds for the years ahead. Since 1967, the Congress has been assured by successive administrations that a plan for long-range funding of public broadcasting would be forthcoming. This type of funding is not only needed so that important programs which require 2 or 3 years lead-time can be undertaken; it is also needed to give the public broadcasting system the financial pressure that the original act en-
visaged.

unsure, bland medium, we have only to look at the record of the last 3 months. The Director of the White House's Office of Telecommunications Policy has sent on a speaking tour to warn public television people against the use of national programming, particularly in the area of public affairs. I repeat "public affairs" not news, because everyone understands that public television broadcasting news has no ambitions to compete with Cronkite or Chancellor or Howard K. Smith, but serious examination of the issues facing this country, using the essential tool of national television that commercial TV cannot use, which is prime time exposure. Public television has done a good job along this line, despite the dire predictions of those to whom the very mention of certain so-called liberal commentators' names was like waving red flags or the ringing of bells in front of Pavlovian-type trained bulls. For the most part, public affairs presentations have been fair and balanced; and where they may have failed to present some particular point of view with the weight some critics want, it was not for the lack of their trying to do so.

I will continue to oppose, as strenuously as I know how, the naked pressure that the Office of Telecommunications Policy puts on public television by implicit or direct threats, promises or divisive tactics. I resent their attempts to weaken public broadcasting by false labels like "localism" when they know that we all want the local voices of non-commercial, educational broadcasting to be strong. We must also face up to the reality that they can only be strong if they can also present compelling national programs on their schedules that local personnel want to be aired but lack the funds to produce.

Just as we will be watching the Office of Telecommunications Policy to make sure that they do not step further out of line by trying to tell public television what they should or should not put on the air, we will be watching with equal diligence the performance of the Corporation for Public Broadcasting, the Public Broadcasting Service and the local stations. None of these entities are created or licensed to serve a partisan political purpose, either. Their use of public funds for public purposes will be scrutinized by the Congress, which is our responsibility. I know well we exercise that responsibility responsibly, meaning that I hope we do not try to intimidate creative people who need encouragement instead of threats if they are going to give us superior television and radio programs which are the reason for their existence. The Office of Telecommunications Policy to make good on its many promises to submit a plan for long-range financing to the Congress by the end of this calendar year. And I challenge the public broadcasters to give us more programs of the caliber of Sesame Street and Masterpiece Theater, so we can finally convince the doubters that we are capable of making room in our outstanding free broadcast

television stimulating instead of boring, involved instead of escapist, and truly educational instead of time-wasting and enervating.

With all these reservations, I still urge you to pass this bill, which will at least provide public broadcasting enough money to keep up with inflation, as well as letting them get on with the job of producing, and exhibiting superior television fare.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON, D.C. 20504

DIRECTOR

August 4, 1972

To: Jon Rose
From: Tom Whitehead 7-

Since the House vote on the new CPB legislation is scheduled Monday afternoon, the attached comments must be delivered to the House Commerce Committee first thing Monday morning. I hope, therefore, you will review them at once.

We are sending a copy to Will Taft, with whom you have discussed this matter.

Attachment

O.K. by Ken Cole

8/4/72 Jon Rose
6:45pm

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

August 7, 1972

TO: Lew Berry

FROM: Brian Lamb

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

August 7, 1972

TO: Bob Guthrie

FROM: Brian Lamb

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS POLICY

WASHINGTON, D.C. 20504

August 4, 1972

DIRECTOR

Honorable Harley O. Staggers
Chairman
Committee on Interstate
and Foreign Commerce
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your request for the views of the Office of Telecommunications Policy (OTP) on S. 3824, a bill authorizing appropriations for the Corporation for Public Broadcasting (CPB), and for the educational broadcast facilities program.

As to the authorization for CPB, S. 3824 is consistent both in amount and purpose with the President's statement of June 30, 1972, regarding his veto of H.R. 13918, the previously passed public broadcast funding bill. The \$45 million authorization represents a 30 per cent increase over CPB's Fiscal 1972 funding and will allow for the measured growth of public broadcast service. Being a simple one-year authorization, the bill does not attempt to resolve many of the problems that have appeared in the organization and structure of public broadcasting. As noted in the President's statement, this cannot successfully be achieved for some time, until the still evolving structure of public broadcasting and its role in our national life are more clearly defined. Meanwhile, annual funding as proposed by S. 3824 should be continued.

Our only reservation regarding the CPB portion of the legislation is that, unlike the Administration's bill (H.R. 13007), or even H.R. 13918, there is no mandatory requirement for CPB to distribute a significant proportion of its Federal funds to support local educational broadcast stations. In light, however, of public statements by the officers of the Corporation and actions taken by its Board of Directors, we are confident that CPB will voluntarily distribute to the local stations no less than 30 per cent of a \$45 million appropriation. We are informed that this is also the understanding of the national association representing the local stations.

As to the portion of the legislation authorizing a \$25 million appropriation for the educational broadcast facilities program administered by the Department of Health, Education, and Welfare. Unlike CPB, this program already has funding authorization for Fiscal 1973. That authorization is at the level of \$15 million and the President's budget requests a \$13 million appropriation. There exist serious questions concerning the desirable priority of distributions under the facilities program, and we do not believe alteration of the presently established funding level should be made while they are unresolved. Moreover, congressional funding of many other programs at levels significantly above the President's budget request render it unrealistic to expect expenditure of educational broadcast facilities funds at a greatly increased rate during the present fiscal year.

I hope, Mr. Chairman, this provides you with information that will be useful as the House completes its deliberations on S. 3824. Please call on us for further comment, if you feel it would be necessary or helpful.

Sincerely,



Clay T. Whitehead

8/15/72
7:00

Tuesday 8/8/72

INV.
8/11/72
Evening

:00

Brian advises Mr. Whitehead may be having dinner with Tom Curtis on Friday, August 11. Brian will be in touch with Curtis on this.

Thursday 6/10/72

DINNER
6/15/72
7:00 p.m.

2:00 -

Brian has scheduled a dinner for Mr. Whithead with Tom Curtis and himself for 7:00 p.m., Tuesday, 6/15/72, at the University Club. Mr. Curtis is making the reservations.

CPS-3000

Macy Resigns as Public TV Head

By ALVIN KREES

John W. Macy Jr., the embattled president of the Corporation for Public Broadcasting, resigned his \$65,000-a-year job yesterday. He had been at loggerheads with the White House and some elements of Congress over the political and financial directions public broadcasting has taken.

The 55-year-old Mr. Macy had been president of C.P.B. since 1960, when it was formed by act of Congress to channel public, foundation and private contributions to the growth of the nation's noncommercial television and radio systems.

In his letter of resignation to Frank Pace Jr., C.B.C.'s board chairman, Mr. Macy said, "You are aware of my growing belief that current trends in the development of the [public broadcasting] industry point toward the desirability of a change in leadership of the corporation. ... This is desirable for the future of the corporation and my own public service career."

Mr. Macy, who underwent abdominal surgery in June and faces another operation next month, was motoring yesterday from Washington to Nantucket, Mass., where he will rest until after Labor Day, and could not be reached for further comment. But an official at C. P. B. gave his interpretation of Mr. Macy's decision to quit:

"The poor guy was frustrated. He was at odds with the White House over the whole thrust of public broadcasting, with the Administration favoring our channeling most of our funds directly to individual stations and Macy taking the position that the Public Broadcasting Service should be the principal beneficiary.

"The last straw was Presi-

dent Nixon's veto of the two-year, \$155-million authorization bill for C.P.B. passed by Congress this summer. The fight for passage had been tough enough on Macy, with both the White House and some members of Congress accusing him and C.P.B. of liberal political bias in the choice of subjects and personalities featured on public broadcasting screens."

After Mr. Nixon's veto of the two-year, \$100-million authorization bill, which C.P.B. had pressed for in the hope it would make funds available for long-term planning, Congress began consideration of the Administration's one-year, \$45-million authorization bill. Action on that bill is still pending.

Mr. Macy recently told associates that he believed the re-election of Mr. Nixon would be "the death blow for public broadcasting as I envision it." White House policy, he said, would continue to be "impregnable resistance to what holds the best progress for public broadcasting."

Internal Opposition

Mr. Macy also expressed disappointment that certain quarters in public broadcasting itself had not supported him in his efforts to make C.P.B. a strong national organization that would balance the giving of strong financial support to P.B.S. and the public broadcasting stations that supply it with programs, with generous grants to local stations. P.B.S. is the network that supplies local public stations with their principal programs.

One of the severest critics of Mr. Macy—and the entire C. P. B. set-up—has been Dr. John C. Schwarzwald, execu-

five vice president of KCTA, the public TV station in Minneapolis-St. Paul.

Last month Dr. Schwarzwald called for the resignations of Mr. Macy and several other public TV executives, and added: "The suicide, figurative or actual, of about half of those now in executive positions in this movement . . . would be a net gain to America."

Harford Gunn, president of the Public Broadcasting Service, expressed "deep regret" over Mr. May's resignation.

"Since Mr. Macy assumed the presidency of C. P. B.," said Mr. Gurnea, "the level of Federal funding grew from \$5-million in fiscal year 1969 to \$75-million in 1971. P. B. S. and National Public Radio were established to provide service for the country's public TV and radio stations. The number of public TV stations rose from 165 in 1969 to 223 today, and the number of Americans watching public TV more than doubled."

Mr. Macy, a former executive vice president of Wesleyan University, served as chairman of the Civil Service Commission under Presidents John F. Kennedy and Lyndon B. Johnson. In addition, he was Mr. Johnson's principal recruiter for positions at the highest level of government. His resignation is effective Oct. 15.

Mr. Pace, who steps down Sept. 15 as board chairman of C. P. B., said no successor to Mr. Macy had been selected. Ralph W. Nicholson, vice president, will serve as acting president until Labor Day, when he departs for a job in the Postal Service. Then John Golden, the C. P. B. director of planning, research and evaluation, will assume the acting leadership.

And Then There Were None

By John Carmody

John P. Witherspoon, number three man in the Corporation for Public Broadcasting, will announce his resignation today, leaving all top spots vacant in CPB as of Oct. 15.

The director of television activities for the Corporation, Witherspoon was a key go-between for the hundreds of local station managers in the public broadcasting industry.

His resignation follows by a week that of John W.

Macy, Jr., as president of CPB. Macy's leave-taking is also effective October 15. Earlier, vice president Ralph W. Nicholson, now acting in Macy's place, had announced he was leaving for a job with the U.S. Postal Service. Replacements for all three men are presently being sought by a three-man committee from the CPB board of directors, which will meet here Sept. 15.

Witherspoon's action makes a clean sweep of top management at CPB follow-

ing President Nixon's veto of a breakthrough, two-year, \$155 million authorization for the Corporation last June.

Industry sources trace Macy's resignation to his disappointment over administration criticism of the Corporation, which oversees the 510 public radio and 223 public television stations, as well as the Public Broadcasting Service (PBS) network, which serves the latter.

In a statement, Witherspoon today calls the build-

ing of a broadcasting system under constant federal scrutiny "sometimes dismayingly frustrating." He adds that "given the difficult political context, too little money and our well-known tendency for self-destruction, the building of a system sometimes seems beyond comprehension."

Witherspoon, 43, joined the Corporation in 1970, a year after Congress formed the independent agency. A former station manager at what is now KPBS-TV in San Diego, Calif., Witherspoon is highly regarded within the educational broadcasting establishment.

Macy to Tell

By BERNIE HARRISON
Star-News Staff Writer

Nantucket must be as nice a place as any to recuperate from a serious operation, or a hectic job separation in Washington.

John W. Macy Jr. is recovering swiftly from both and sounded unexpectedly chipper ("the weather is beautiful") on the phone the other evening, like a man with a large load off his shoulders and a story to tell. He will be telling it, too; count on it.

Macy, who resigned last Thursday as president of the embattled Corporation for Public Broadcasting, plans a full account of his administration which began with the corporation's founding in 1959. Macy returns to Washington Sept. 5, but faces another operation in a Washington hospital on the 12th. (The 15-member board of the corporation meets next month to select a new chairman and president.)

Macy thought my story on his resignation was "fair, but you were a little too hard on the bureau." In the rereading, he's right (he was referring to the national Public Affairs Center.)

The center's hiring of Sander Vanocur and Robert MacNeil really steamed the White

House, but it was only the trigger, just as the White House veto of the two-year \$135 million funding bill was the point of no return for Macy.

In fairness, the history of controversy over public affairs shows on public TV is a long one — it started long before the corporation came into being — and Macy points out that complaints came from Democrats as well as Republicans.

"I have to agree with the principle of hiring top professionals," Macy said. He added, however, that few seem to understand that the president's role doesn't extend to programming content or personnel.

Two of the biggest flaps, for example, came out of New York's WNET-13, not the center. One was a segment on "The Great American Dream Machine" accusing the FBI of encouraging violence, and a Woody Allen political spoof about Henry Kissinger, which never got on the air.

The Macy insights — when he gets around to it — should be fascinating reading for viewers, politicians and the next president of the corporation.

(Listen to Bernie Harrison weekdays, 5-02 p.m. WGAY am and fm.)

CPB Bill Goes to Nixon

Associated Press

The Senate completed Congressional action yesterday on a bill authorizing \$45 million for the Corporation for Public Broadcasting for one year.

By accepting technical House amendments, the Senate sent the bill to the White House. President Nixon earlier vetoed a \$155 million two-year authorization.

The bill, covering the year which began July 1, calls for \$5 million of the \$45 million to be matched by contributions from nonfederal sources.

The total federal authorization is \$10 million more than last year.

CP 12

August 18, 1972

MEMORANDUM FOR

Wilfred S. Toward
Assistant Director for
Legislative Liaison
Office of Management and Budget

This is in response to your request of August 17, 1972, for review of the House of Representatives bill, H.R. 3824, an enrolled bill relating to public broadcasting. This enactment, if approved, would authorize and appropriate for fiscal year 1-73 of \$45 million for the Corporation for Public Broadcasting. In addition, it would increase the authorization for grants for the construction of educational broadcast facilities from the Department of Health, Education, and Welfare, to \$25 million, compared to \$15 million in fiscal year 1972.

S. 3824 embodies Administration recommendations to the Congress that a one-year extension of the authorization for the Corporation for Public Broadcasting be enacted and a \$45 million funding level provided. The increased authorization for LEW's educational broadcast facilities program causes some concern. Unlike CPB, this program already has funding authorization for Fiscal 1973. That authorization is at the level of \$15 million and the President's budget requests a \$13 million appropriation. For a number of reasons, budgetary and substantive, it is unrealistic to expect expenditure of educational broadcast facilities funds at a greatly increased rate during the present fiscal year.

With this reservation, I recommend that the President approve S. 3824.

Clay T. Whitehead

cc:
DO Records
DO Chron
Mr. Whitehead (2) ✓
cc Sub4

August 18, 1972

Mr. John W. Macy, Jr.
Corporation for Public Broadcasting
999 15th Street, N.W.
Washington, D. C. 20006

Dear John:

I returned from overseas to find your letter of July 24 and was happy to learn of your safe passage through surgery. I hope that your second round of surgery is equally as successful. I realize what your feelings must have been with regard to the President's veto, and I'm sorry it had less than a recuperative effect on your health.

I am sure you know that you will be missed by the entire broadcasting community. While we have differed on a number of matters, I have always had the greatest respect for you, and for your considerable accomplishments as CPB's first chief executive. You have seen CPB through a turbulent, but productive, infancy and can be proud of many fine accomplishments. I hope that in the future you will continue to be concerned with the sound growth of public broadcasting as I will be and that we can stay in touch.

With warm regards and best wishes for a speedy recovery.

Sincerely,

15/
Clay T. Whitehead

DO Chron
DO Records
Mr. Whitehead (2)
GC Chron
GC Subj File ✓

HGoldberg/tw: 8/18/72

CORPORATION FOR PUBLIC BROADCASTING

88 SIXTEENTH STREET, N.W., WASHINGTON, D. C. 20006 [A] TELEPHONE: (202) 293-6160

JOHN W. MACY, JR.

President

July 24, 1972

Honorable Clay T. Whithead
Director
Office of Telecommunications Policy
Washington, D. C. 20504

Dear Tom:


It was gracious of you to write me so promptly and cordially following my surgical bout in Phoenix. Although I am still in the process of recuperation, now at home in McLean, I am slowly gathering new strength in preparation for the second surgical bout to return me to my original condition. By your return in August I should be gradually moving back to the combat of public broadcasting.

I must confess that the news from Washington on June 30 with respect to the authorization bill had less than a recuperative effect. In the interests of lowered rhetoric I will not actually report my verbal observations at that time.

I hope that your trip through the Pacific area has been productive.

With appreciation and best wishes,

Sincerely yours,


John W. Macy, Jr.
President

Rogers

Box 2, Folder 8

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

9/6/72

To: Brian

From: Judy

CTW would like you to
coordinate all of this.
He would like you to get
as many people working to
suggest names as you can,
but he wants you to
coordinate it all.

CPB
Tuesday 9/5/72

9:10 Checked with Mr. Scalia whether he and Brian had a list of people for high-level positions in CPB (as you had requested).

Mr. Scalia said they have discussed possibilities but no list has been made -- it isn't that easy.



OFFICE OF THE VICE PRESIDENT
WASHINGTON

August 17, 1972

Mr. Clay T. Whitehead
Director
Office of Telecommunications Policy
1800 G Street, Northwest
Washington, D. C. 20504

Dear Tom:

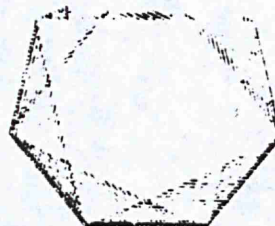
The attached letter to Mr. William G. Harley, President National Association of Educational Broadcasters, maybe of some interest to you. It seems to express a point of view towards localism which I believe has great merit.

I first met Rick Breitenfeld, the author of the letter, when I was legal counsel to the Maryland Center for Public Broadcasting and was impressed then, as I am now, with his feel and expertise in public broadcasting. Under the Vice President, who was then Governor of Maryland, public broadcasting in Maryland received its maiden voyage. Rick has done, and continues to do, an extraordinary job. For these reasons, I would have no hesitancy in recommending Rick for some role in the Corporation for Public Broadcasting; perhaps he may well be a good addition to the Board, should a vacancy occur.

Warm regards.

Sincerely,

Frank A. DeCosta
Deputy Chief of Staff and
Counselor to the Vice President



MARYLAND CENTER FOR PUBLIC BROADCASTING

OFFICE OF THE EXECUTIVE DIRECTOR

August 15, 1972

Mr. William G. Harley
President
National Association of Educational
Broadcasters
1346 Connecticut Avenue, N. W.
Washington, D. C. 20036

Dear Bill:

It is somehow fascinating: noncommercial broadcasting has been "at the cross-roads" for as long as I can remember. The almost total shakeup at the Corporation puts us once again in a position to check our bearings and direction.

As the professional association of noncommercial broadcasting, NAEB will undoubtedly make its feelings known during the next several months. In particular, questions and phone calls and letters will be rampant, no doubt, as different names of candidates for the Corporation presidency are considered.

I am writing to suggest that we should make known the qualities and attitudes we feel would be good for the position. You are more aware than I of the political overtones in this kind of appointment, but I am convinced that those doing the selecting will be totally sincere and that they will want the best for public broadcasting.

The following criteria strikes me as worthy of NAEB's attention and acceptance:

- 1) The candidate should be committed to a public broadcasting system in which the stations are the core and in which the original "bedrock of localism" is paramount.
- 2) Obviously, the candidate should be a recognized name in educational as well as broadcasting circles.

OWINGS MILLS, MARYLAND 21117/AREA CODE 301 366-8600

WMFB/CHANNEL 67 • WCPE/CHANNEL 28

- 3) The candidate should of course want a strong public broadcasting system in America, but he should also want a small, and quiet Corporation for Public Broadcasting. The continued, dignified and national understatement of CPB's role should perhaps be on the candidate's mind continually.
- 4) The candidate should be committed to a true station-controlled national interconnection. One way to achieve that control is to arrange the support of PBS so that the money comes from the stations themselves. I believe Hartford Gunn's latest position paper describes one very reasonable way in which this could be accomplished. I would hope that the candidate would see this as a reasonable plan.
- 5) Public broadcasting, it appears, has stretched the First Amendment quite enough during these last few years. I believe the candidate should be aware of the educational job to be done nationally, and that he should start concentrating national resources toward making public broadcasting a true instrumentality of enlightenment.

Bill, I hope you understand the intent with which I submit the above. It is neither personal nor capricious. It is essential, I believe, for the Association to take these stands quickly and firmly.

Regards,



Frederick Breitenfeld, Jr.
Executive Director

FB:pd

cc: O. Leonard Press
Lloyd Kaiser
Antonin Scalia
Frank DeCosta

August 22, 1972

Mr. Frank A. DeCosta
Deputy Chief of Staff and
Counselor to the Vice President
Room 273-1/2
Old Executive Office Building
Washington, D. C.

Dear Mr. DeCosta:

Your letter of August 17 regarding Rick Breitenfeld arrived after Mr. Whitehead had left for his vacation. He expects to return to the office on September 5, and we will call your letter to his attention at that time.

Sincerely,

Eva Daughtrey
Confidential Assistant
to Clay T. Whitehead

cc: Mr. Whitehead
Mr. Bromley Smith
Mr. Antonin Scalia
Mr. Brian Lamb
DO Records
DO Chron

EDaughtrey 8/22/72

Tuesday 8/22/72


10:00 When Mr. Whitehead called, told him we had received the attached letter from Frank DeCosta concerning Rick Breitenfeld. He asked that Brian and Nino check and see who he is. When I read his title, etc., he remembered hearing about him.

Asked to have Brian and Nino put together a list of people for high-level staff positions in CPB once the new management takes over.

cc: Mr. Smith
Mr. Scalia
Mr. Lamb

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504
August 22, 1972

GENERAL COUNSEL

TO: Tom
FROM: Nino 
SUBJECT: Rick Breitenfeld

I think you should pursue Frank DeCosta's suggestion of Rick Breitenfeld as a potential officer of the Corporation for Public Broadcasting.

I have had lunch with Breitenfeld on several occasions - through Frank's good offices - and I came away with the impression that he is unusually capable and sympathetic with our basic positions. Moreover, unlike John Schwartzwalder and Lindy Wade, he seems to have remained "on the inside" of the public television establishment. He is much too young to be considered as a replacement for John Macy, but I think his name should be suggested to the new President as a replacement for Ralph Nicholson or John Witherspoon.

THE WHITE HOUSE
WASHINGTON

Tom White he
Indy
Rec'd
8

September 16, 1972

NET

MEMORANDUM FOR: AL SNYDER
FROM: CHARLES COLSON

How did we miss the fact that National Educational Television ran the full McGovern speech to the Security Analysts in New York? Not only do they run it once, but they re-ran it a second time. Somewhere along the line we're not watching these things carefully enough. Even though NET has a small audience, two runs of that speech is an outrageous violation of Section 315. The Corporation of Public Broadcasting also never made known to us that this had happened, so we would of course have found out about it only by monitoring. They damn well, as a public corporation, had an obligation to tell us and I would like you to take this up with whoever you deal with there. Also, I would very much like to know why our monitoring operation failed in this instance. We should have demanded and been given equal time to put on a spokesman. Even though the audience is limited, as I say, it would have been worth doing. It is too late now because we did not make a timely protest, but I think this reflects some real deficiencies in our operation somewhere.

Incidentally, this was pointed out to me yesterday by Frank Stanton as an example of the kind of thing we should not miss.

New President for Public Broadcasting

By John Carmody

Henry Loomis, who has been deputy director of the United States Information Agency since 1969, yesterday was named president of the Corporation for Public Broadcasting. He will take over the post Oct. 1.

He succeeds John Macy Jr., who resigned the post in August after leading the corporation since its formation in 1968.

Loomis, who is reportedly wealthy, accepted an annual salary of \$42,500, considerably less than the annual \$67,000 Macy received. The latter's salary was the object of considerable congressional criticism during the past year, when the corporation—which oversees the nation's non-commercial and educational broadcasting establishment—came under

heavy fire from Nixon administration and industry sources.

Thomas Curtis, newly elected chairman of the CPB board, made the announcement. He had hinted at it Friday.

A CPB source said yesterday the salary was a point of contention. Loomis has indicated privately that he feels the public broadcasting post should be considerably higher paid, the source indicated.

The CPB board, however, is still feeling the sting of the veto by President Nixon on June 30 of an authorization bill that would have considerably increased CPB funding. At that time, the reduction to \$42,500 of Macy's salary was included as an amendment to the vetoed bill. The amendment did not survive in the bill finally passed in August.

Loomis, 53, is a research physicist and a partner in the J. Vincents Island Co. He has served in several high defense and USIA posts since 1950. He resigned the USIA during President Johnson's term, citing that administrative policies were dictating the course of America's broadcast material.

Curtis yesterday praised Loomis, adding that "the board believed that it was necessary to move as fast as possible to find a suitable successor to John Macy so that the solid foundation he has built can become a launching pad for new achievements."

Macy and other top CPB officials resigned following the presidential veto. At the time, industry sources said Macy was "heartbroken" over the controversy surrounding the CPB. In addition,

he underwent serious surgery last summer from which he is still recuperating.

Coincidentally, the first full meeting of a revamped Public Broadcasting Service (PBS) board of directors will be held here today.

PBS is the "interconnection" for the nation's 225 public TV stations. It was set up on a semi-independent basis by CPB two years ago to acquire and transmit programming to the outlets.

The network's performance has been one of the prime sources of the criticism that has dogged CPB during the last year. Curtis has already indicated a review of PBS programming practices is under way by the CPB board.

The PBS board now includes six members from the public sector and 12 station managers—indicating

PBS sensitivity to industry criticism—as well as PBS president Hartford N. Gunn Jr.

New public sector members, named in August, include: Thomas I. Atkins, an urban affairs specialist and Secretary of Communities and Development for the Commonwealth of Massachusetts; Erwin D. Canham, editor-in-chief of the Christian Science Monitor; and Mrs. Dollie Ann (Edward N.) Cole, Detroit civic leader and wife of the General Motors Corp. president.

Also named were Leonard Woodcock, president of the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW); and Sam E. Wyly, board chairman of University Computing Co., Dallas. Clifton R. Wharton, Jr., president of Michigan State University, was an earlier appointee.

The six new managers represent outlets in Chapel Hill, N.C.; Buffalo, N.Y.; Charlotte, N.C.; Redding, Calif.; Nashville, Tenn.; and Hartford, Conn.

SEP 21 1972

CP-3

Mr. Henry Loomis
Deputy Director
U.S. Information Agency
1750 Pennsylvania Avenue
Room 700
Washington, D. C. 20547

Dear Henry:

I am delighted to learn that you have been named President of the Corporation for Public Broadcasting and want to extend my sincere congratulations.

Your dedicated and distinguished Federal Government service will be a tremendous asset to the Corporation, and I am very pleased that someone of your calibre has been chosen for this vital leadership position.

It will be a pleasure working with you, and I hope that you will let me know whenever this Office can be of assistance.

Sincerely,

Signed
TOM

Clay T. Whittehead

cc: DO Records
DO Chron
Mr. Whittehead
~~Eva~~
HCH Subject
HCH Chron

HCHall:slb 9-21-72

SEP 22 1972

Mr. Thomas Curtis
Vice President
Encyclopedia Britannica
425 North Michigan
Chicago, Illinois 60611

Dear Tom:

Needless to say, I am very, very pleased that you have been elected Chairman of the Board of the Corporation for Public Broadcasting and wanted to take this opportunity to extend my warmest congratulations.

Your outstanding ability and extensive experience in both the Federal Government and the private sector will provide the Corporation with invaluable leadership.

I very much look forward to working with you in the coming months and hope that you will call on this office whenever we can be of assistance.

Sincerely,

Signed
TOM

Clay T. Whitehead

cc: DO Records
DO Chron
~~Mr.~~ Whitehead
Eva
HCH Subject
HCH Chron

HCHall:slb 9-21-72

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

October 11, 1972

DIRECTOR

MEMORANDUM FOR MR. WHITEHEAD'S PERSONAL FILE

Subject: Discussion with Henry Loomis and Tom Curtis on Friday,
October 6, 1972

We discussed the following:

1. The GAO audit. Is clearly related to long-range financing. Should be able to provide useful information on station accounting and financial information essential to sound long-range financing plan. The audit was requested by Staggers, and Loomis and Curtis plan to bring this to the Board's attention at the next Board meeting.
2. Long-range financing related to GAO audit and veto message. Tom Curtis will explain to the Board the current willfully inadequate basis for developing a long-range plan. Curtis will point out the difficulties in getting capital the size of the system, funding levels, timing, etc.
3. Station liaison. Tom Curtis will work with local board chairmen and Henry Loomis with local station managers.
4. FY 74 budget. CPB staff wanted to plan on a \$90 million basis for FY74, but was scaled down to a \$74 million request to OMB with 37% going to local stations. Loomis estimates that \$5 million is required to stay even, and approximately \$60 million is a minimum for political purposes. I suggested it might be difficult in this tight budget year to get more than \$50-55 million.

5. Meeting with the President. It was agreed that the President should meet with Curtis and Loomis at the earliest possible opportunity.

Yet to be discussed: Ford Foundation, staffing, news and public affairs, and PBS.

Clay T. Whitehead

OCT 11 1972

MEMORANDUM FOR MR. FLANIGAN

This is in response to your inquiry regarding the statutory or other legal requirements for public affairs programming on public television.

Public Broadcasting Act Requirements

There is no explicit requirement in the 1967 Public Broadcasting Act for the Corporation for Public Broadcasting (CPB) to subsidize the production and distribution of public affairs programs. However, there is at least an implication that the Act contemplates that CPB will engage in this type of programming, since Section 396(c)(1)(A) requires that, if the Corporation makes such programming available to the local stations, there must be "strict adherence to balance and objectivity and balance in all programs or series of programs of a controversial nature."

The only specific encouragement to do public affairs programs appears in the legislative history of the 1967 Act. The Senate report (p. 6) states that:

"Although the aims of noncommercial broadcasting should be directed toward cultural and information programs, it should not be so highly specialized, however, that it caters to the most esoteric tastes. Particularly in the area of public affairs your committee feels that noncommercial broadcasting is uniquely fitted to offer in-depth coverage and analysis which will lead to a better informed and enlightened public." (Emphasis added.)

Arguably, this affirmative injunction can be read as applying to public broadcasting generally and not as a specific mandate for CPB to finance and distribute public affairs programs (see below).

In any event, as we have found, "public affairs" is virtually undefinable: we have taken the position that it is unwise and inappropriate for "K" to use tax monies to "inform" the public on politically controversial public affairs, no matter how balanced the coverage.

Other Statutory or Local Requirements

Under the FCC's interpretations of the Communications Act of 1934, all broadcast stations--with no distinctions between commercial and noncommercial stations--have a "public interest" obligation to do public affairs programs. Individual public broadcast stations probably must provide some programming on controversial issues in their local areas or else risk FCC action. Our broadcaster license renewal bill for next year will address this problem.



Clay T. Whitehead

DO Records
DO Chron
GC Subject /
GC Chron
Whitehead
Eva

EGoldberg:csb:10-11-72

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL

Date: October 12, 1972

From: Peter Flanigan

Via: David N. Parker

Handwritten initials: PFD

MEETING: Thomas Curtis, Chairman of the Board
Corporation for Public Broadcasting

Henry Loomis, President
Corporation for Public Broadcasting

Clay T. Whitehead, Director
Office of Telecommunications Policy

DATE: Not later than December 1, 1972

PURPOSE: To discuss the future direction and role
of the Corporation for Public Broadcasting (CPB).

FORMAT: Informal 20 minute conversation.
Oval Office.

PRESS COVERAGE: Announcement. White House photographer.

STAFF: Peter Flanigan

RECOMMEND: Peter Flanigan
Clay T. Whitehead

PREVIOUS
PARTICIPATION: Met with Frank Pace, Chairman of the
Board of Directors, Corporation for
Public Broadcasting; and Al Cole, Director
of the Corporation for Public Broadcasting,
on one earlier occasion.

BACKGROUND:

CPB's new Board Chairman, Tom Curtis, and its new President, Henry Loomis, have the opportunity to provide leadership that will set the direction and tone of public broadcasting far into the future. It is essential that they have a clear understanding of your goals for the public broadcasting system as soon as possible. In particular, they need to be informed of your strong desire to have the December meeting of the CPB take steps to eliminate public affairs programming from PBS activity.

Approve _____

Disapprove _____

Dnl.

SCHEDULE PROPOSAL

Date: October 11, 1972
FROM: Peter Flanigan
TO: Clay T. Whitehead

| | |
|----------------------------|---|
| MEETING: | Clay T. Whitehead, Director, Office of Telecommunications Policy |
| | Thomas Curtis, Chairman of the Board, Corporation for Public Broadcasting |
| | Henry Louis, President, Corporation for Public Broadcasting |
| DATE: | Not later than December 1, 1972 |
| PURPOSE: | To discuss the future direction and role of the Corporation for Public Broadcasting (CPB). |
| FORMAT: | Informal 30-minute conversation, Oval Office. |
| PRESS COVERAGE: | Announcement. White House photographer. |
| STAFF: | Mr. Peter Flanigan |
| RECOMMEND: | Mr. Peter Flanigan Mr. Clay T. Whitehead |
| PREVIOUS PARTICIPATION: | Met with Frank Pace, Chairman of the Board of Directors, Corporation for Public Broadcasting; and Al Cole, Director of the Corporation for Public Broadcasting, on one earlier occasion. |

RECORDED

Following your vote of the two-year
CPB authorization, all of the public
broadcasting organizations are in a
quandary about their future. CPB's
new board Chairman, Mr. Curtis, and
its new President, Henry Lucie,
have the responsibility of setting
leadership that will set the direction
and tone of public broadcasting far
into the future. It is essential that
they have a clear understanding of
your goals for the public broadcasting
system as soon as possible.

APPROVED: _____

cc: DO Records
DO Chron
Mr. Whitehead
Eva
GC Subject
GC Chron
Goldberg Chron

HGoldberg:pb:10-11-72

Thursday 10/26/72

LUNCH
10/26/72
12:30

11:00

Mr. Loomis' office called to say the place for the lunch today (which will include Mr. Curtis) has been changed to the Metropolitan Club at 12:30.

Tuesday 10/10/72

LUNCHEON
10/26/72
12:30

2:30 Tom Curtis' office called to schedule a luncheon with you and Henry Loomis on Thursday, Oct. 26, at 12:30 at the University Club.

(312) 321-7000 Laverne

Thursday 10/26/72

9:45

Tom Curtis is in a U. S. Chamber International Committee meeting all morning today. Have left word for him to call you this morning.

659-6111

Monday

10/30/72

ENV. ACC.

12/3/72

7:30 a.m.

3 00

Mr. Whitehead advises he has scheduled a breakfast with Tom Curtis at 7:30 a.m. on Wednesday, Nov. 3, at the University Club.

COOPERATION FOR
PUBLIC BROADCASTING

Nov. 7

Tom:

This is our "burn before
reading" document. No one
here knows you have it.

Henry Loomis

Do not
reproduce

We do not suppose
to have this.

Lamb & Goldberg
can look at it -
but not to be
reproduced.

CORPORATION FOR PUBLIC BROADCASTING

888 16th Street, N.W., Washington, D.C. 20006. Phone 202/293-6160

1345 Avenue of the Americas, New York, N.Y. 10019. Phone 212/582-2020

Reply to Washington

October 20, 1972

MEMORANDUM

TO: Program Advisory Committee
FROM: David Stewart *[Signature]*

I am forwarding to you a tentative National Program Profile, the initial staff recommendations for CPB support of major series in Fiscal Year 1974.

The material is organized in six basic categories:

- I. RECOMMENDATIONS FROM CURRENT SERIES: Major series which are now in national network distribution and which we recommend continuing in Fiscal Year 1974.
- II. RECOMMENDED NEW PROPOSALS: New major series proposals to which we believe commitments should be made now.
- III. RECOMMENDED RESERVE FOR NATIONAL PRODUCTION BY LOCAL STATIONS: We recommend that \$1 million be reserved for two locally produced series, one in public affairs, the other in cultural affairs, in Fiscal Year 1974. These two production activities, each budgeted at about \$500,000, would take advantage of our experience with a similar and extremely promising local public affairs project which is now underway, supported by \$400,000 from FY 1973 funds. We believe these projects are valuable, not only for the programs produced (the current series incorporates the work of twenty-three local stations), but also for their strong contribution to the enhancement of the system's overall production capacity, to say nothing of raising station morale.
- IV. RECOMMENDED RESERVE FOR PROGRAM DEVELOPMENT: We recommend the reservation of \$1,200,000 for program development. We regard these funds as critical to raising the level of program quality and bringing fresh ideas into the system. In the past, funds set aside for this purpose have been seriously eroded before they could be employed for program research and piloting. In consequence, we have not been able

to increase appreciably the numbers of exciting series which reflect higher standards of production. A partial listing of program ideas which we believe should be researched and developed further (in some cases this may include the production of one or more programs) appears in a separate section of this report.

- V. CURRENT SERIES UNDER CONSIDERATION: Current series which, either because they are too new to the network schedule or because of some other reservation, require further evaluation before final Fiscal Year 1974 production decisions are made. It is not anticipated that all of these series will be continued.

- VI. NEW PROPOSALS UNDER CONSIDERATION: Promising new proposals which merit more study before firm commitments are made.

Programs in each of the categories are listed by type, (i.e. Children's, Cultural, Public Affairs, and Science and Health.)

A summary of the six categories is followed by tables which provide more detailed information -- the number of programs in each series, their length, the source and amount of funds required for each.

The preparation of this material has included recommendations from PBS. The PBS staff evaluated the same proposals which were sent to CPB. We have discussed their recommendations with them at considerable length. The present CPB recommendation do not include all of the series which were recommended to us by PBS. We have attached these to our report and will be prepared to comment upon them at our meeting on October 27th.

The most significant of these PBS recommendations concerns public affairs. The full text of this new concept is attached to our report. Since it was received on the date the report itself was mailed to you, there was not sufficient time to analyze it adequately. This will be done, however, prior to our meeting on the 27th. As a start I have appended to it some first impression observations. Also attached to the report is the full text of a PBS network program analysis.

Finally, I would like to emphasize the tentative nature of these recommendations. On October 6, two weeks ago, we received about 250 proposals for major series and single program special from 56 PTV production organizations throughout the country. They arrived in various states of completeness. We were immensely gratified by the response from the stations, particularly after PBS's prediction concerning the system's ability to respond to this solicitation in the time provided. -- the categories found in this

capacity to assess thoroughly all proposals and to assign precise dollars to them.

Though time for proposal analysis was short, we believe the report reflects prudent judgements under the circumstances. What is most important is the fact that we have increased our planning time, relative to former years, by nearly five months.

The risks we assumed in calling in proposals now will be justified if we use this time wisely, to make some commitments, to evaluate many proposals further, and to negotiate intelligently with prospective producers.

I feel compelled to add a personal note. A small, professional, dedicated, and loyal staff has supported me in assembling these programming recommendations in a period characterized by considerable changes in the Corporation's structure, changes which did not divert them from the job at hand. For this I wish to express to them -- through you -- my appreciation.

November, 1972

November 8 - CPB Board Meeting: Voted to adopt the recommendations of the Program Advisory Committee for 1974 programming. The Committee's recommendations were premised on \$70 million financing for FY 1974; its recommended program list did not include Buckley or Moyers but did include "30 Minutes With".

At the meeting Wrather cautioned against automatic annual renewal of programs and urged that CPB must not delegate its program authority.

Friday 11/10/72

MEETING
11/13/72
2:00

12 00

We have scheduled your meeting with Mr. Loomis at 2:00 on
Monday, Nov. 13.

Tuesday 11/14/72

MEETING
11/17/72
10:30 a.m.

11 00

We have scheduled your meeting with Flanigan, Shakespeare,
Garment, Curtis, and Loomis at 10:30 on Friday, Nov. 17,
in Mr. Flanigan's office.

Via

Thursday

11/16/72

MEETING

11/20/72

10:00 a.m.

11:00

We have scheduled your meeting with Messrs. Flanigan, Garment, Shakespeare, Curtis and Loomis for 10:00 on Tuesday, Nov. 28, in Mr. Flanigan's office.

Mr. Loomis suggested doing it on Nov. 28, as it was impossible to schedule it before Thanksgiving.

cc: Mr. Goldberg

Flanigan - 2361

Garment - 2775

Shakespeare - 632-4906

Loomis - 293-6160

Curtis - (312) 321-7000

*Jan Whithead
get up? already*

November 28, 1972

MEMORANDUM FOR:

PETER FLANIGAN

FROM:

DAVID PARKER

SUBJECT:

Proposal for Meeting for Thomas
Curtis, Henry Leornis and Clay
Whithead with the President

Concerning the attached Schedule Proposal, it is not possible to arrange for this meeting by December 1st, as requested.

Further, Herb Klein suggests that he, you and Colson meet with the group and have an opportunity for a detailed discussion prior to their seeing the President.

" If you agree, will you follow this up with those concerned.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

November 28, 1972

MEMORANDUM FOR:

PETER FLANIGAN

FROM:

DAVID PARKER

SUBJECT:

Proposal for Meeting for Thomas
Curtis, Henry Loomis and Clay
Whitehead with the President

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Further, Herb Klein suggests that he, you and Colson meet with the group and have an opportunity for a detailed discussion prior to their seeing the President.

If you agree, will you follow this up with those concerned.

EXECUTIVE SECRETARIAT
CJP

1972 NOV 29 PM 2 30

NOV 29 1972

C: Gunning

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL

Date: October 12, 1972

From: Peter Flanigan

Via: David N. Parker

PM

MEETING: Thomas Curtis, Chairman of the Board
Corporation for Public Broadcasting

Henry Loomis, President
Corporation for Public Broadcasting

Clay T. Whitehead, Director
Office of Telecommunications Policy

DATE: Not later than December 1, 1972

PURPOSE: To discuss the future direction and role
of the Corporation for Public Broadcasting (CPB).

FORMAT: Informal 20 minute conversation.
Oval Office.

PRESS COVERAGE: Announcement. White House photographer.

STAFF: Peter Flanigan

RECOMMEND: Peter Flanigan
Clay T. Whitehead

PREVIOUS
PARTICIPATION: Met with Frank Pace, Chairman of the
Board of Directors, Corporation for
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of the Corporation for Public Broadcasting,
on one earlier occasion.

BACKGROUND:

CPB's new Board Chairman, Tom Curtis, and its new President, Henry Loomis, have the opportunity to provide leadership that will set the direction and tone of public broadcasting far into the future. It is essential that they have a clear understanding of your goals for the public broadcasting system as soon as possible. In particular, they need to be informed of your strong desire to have the December meeting of the CPB take steps to eliminate public affairs programming from PBS activity. -

Approve _____

Disapprove _____

Thursday 11/30/72

MEETING
11/30/72
2:15 p.m.

1:55 Mr. Goldberg would like to meet with you some time before your 4:30 meeting with Henry Loomis today.

. Meeting set for 2:15 p.m.

Rogers

Box 2, Folder 9

Thursday

1/4/73

LUNCH
1/6/73
12:00 noon

4 10

Brian has arranged for you and him to have lunch with Tom Gherardi on Saturday, Jan. 6, at 12 00. Mr. Gherardi will come here.

Itinerary for
Clay T. Whitehead
New York, New York
January 11, 1973

Thursday, January 11, 1973

- 8:10 a.m. Coyt will pick you up
8:30 a.m. Lv. National airport via American #303
9:25 a.m. Arr. La Guardia
- 10:00 a.m. Interview with Mr. Sandy Lechner (212) 581-7777
Eye Witness Exclusive
ABC-TV
433 West 53rd
- 12:30 p.m. Address before the NATAS (212) 581-1000
Imperial Ballroom B
Americana Hotel
53rd Street and 7th Avenue
- 2:30 p.m. Meeting with Irving Kristol (212) 593-7124
Century Club
7 West 43rd Street
- 4:00 p.m. Meeting with James Shepley (212) 556-5495
and Barry Zorthian
Time Life Building
6th Avenue and 50th Street
- 5:00 p.m. Interview with Theo Sklover (212) 354-8910
Open Channel
220 West 22nd Street
(Between 7th and 8th Avenue)
16th Floor
-
- ~~7:30 p.m. Lv. La Guardia via American #339~~
~~8:23 p.m. Arr. National airport~~
~~Coyt will pick you up~~

Friday 1/26/73

DINNER
1/29/73
7:30 p.m.

10:00

Brian advises he, Tom, and Hank will have dinner at Tom Cherardi's home on Monday, Jan. 29, at 7:30.

Home: 356-3660

C

Friday 1/26/73

LUNCH
2/5/73
12 00 noon

9 00

We have scheduled your lunch with Henry Loomis, Keith Fischer,
and Brian on Tuesday, Feb. 5, at 12:00.

Where should we make the reservations?

C

(

C

CORPORATION FOR PUBLIC BROADCASTING

808 SIXTEENTH STREET, N.W., WASHINGTON, D. C. 20006 ☐ TELEPHONE: (202) 293-6160

January 31, 1973

Mr. Brian Lamb
Assistant to the Director
Office of Telecommunications Policy
800 G Street, N.W.
Washington, D. C. 20504

Dear Brian:

Henry Loomis asked that we send you immediately the enclosed drafts.

One deals with a proposed policy on interconnection; the other on public issues programs.

Let me emphasize that these are in the earliest stage. In fact, our Board has not yet seen them. We will keep you advised as these are formulated into more formal documents.

I enjoyed meeting you the other day and look forward to our second weekly lunch next Monday.

Cordially,



Keith P. Fischer
Executive Vice President

enclosures

PROPOSED POLICY FOR SELECTION OF PROGRAMS
WHICH TREAT PUBLIC ISSUES

The CPE Board reaffirms its support for programs which treat major public issues.

Support for the programs will be based upon the following considerations:

- (1) The Board of Directors of the Corporation will, with the advice of public organizations and the independent stations, identify current issues and designate resources to be reserved for production of programs which treat the identified priority issues of current importance. Enduring potential for educational use will be a continuing high priority.
- (2) Controversy will be neither sought nor avoided in the development of a balanced program or series.
- (3) Production under this authorization will be of the highest quality and will reflect the efforts of best talent of diverse organizations within and outside the public broadcasting community.
- (4) Production will provide a balanced and objective treatment of the designated issue(s) with priority being given to production which achieves balance and objectivity within each program.
- (5) ~~Production will be based upon analysis in depth, but~~ will employ the most imaginative production techniques suited intended audiences.
- (6) Production will be of a quality which will encourage use by independent stations as core programs for related

(7) Production will be of a quality which will permit use as an element in development of novel curriculae within educational establishments.

PROPOSED CPB POLICIES RELATING TO INTERCONNECTION

The Public Broadcasting Act of 1967 authorized the Corporation to assist in the establishment and development of one or more systems of interconnection to be used for the distribution of television or radio programs. The Corporation has provided all funds to establish, develop and maintain a radio interconnection system and a television interconnection system. The purpose of these systems is to provide quality programs and a diversity of programs to individual public broadcasting stations. The Board believes that a policy is necessary to guide future decision making on matters of interconnection:

1. The engineering quality of current interconnection systems will be of the highest quality reflecting the professionalism of public broadcasting and the needs of the public it serves.
2. Long range planning must be maintained to develop the systems in terms of potential audience reach, efficiency of interconnection, program diversity available to licensees, regional interconnection systems, time delay centers, and library facilities.

3. All programs or series of programs carried over the radio and television interconnections must meet the requirement of the 1967 Act of strict adherence to objectivity and balance in all programs or series of programs of a controversial nature.

Certainly, the standards of objectivity and balance apply whether CPB or other funds have been utilized to produce such programs.

4. CPB will continue to encourage the development and distribution of programs for public broadcasting not funded in whole or in part by the Corporation. Moreover, CPB will continue to make radio and television interconnection available to such programs having met standards of the Act.

5. The 1967 Act states that the interconnection is for the purpose of distributing programs so that all non-commercial radio and television stations that wish to may broadcast the programs at times chosen by the stations.

Therefore, the scheduling of programs on interconnection facilities both for immediate and delayed broadcast by the licensees must reflect the needs of the licensees, whether

programs scheduled are those funded by the Corporation or by other sources.

Monday 2/5/73

MEETING
2/5/73
12:00

11:00

We have made reservations today for lunch at 12:00 at the Port of Georgetown (31 and M--333-6000) for Loomis, Keith Fischer, Goldberg, Lamb, and Goldberg.

338-6600

Monday 2/5/73

MEETING
2/5/73
11:00 a.m.

9:00 Brian advises Mr. Whitehead and Mr. Colson will meet this morning at 11:00 with the President.

10:30 The meeting will start at approx. 11:40.

UPI015

ADD THE PRESIDENT'S APPOINTMENTS:

11:00 CLAY WHITEHEAD, DIRECTOR OF TELECOMMUNICATIONS POLICY.

12:15 PRESIDENTIAL AIDE AND MRS. ROBERT BROWN, FAREWELL CALL.

3:00 AGRICULTURE SECRETARY BUTZ, HUD SECRETARY LYNN, OMB
DIRECTOR ASH, NEW SECRETARY-DESIGNATE WEINBERGER AND PRESIDENTIAL
ASSISTANT JOHN ERNLICHMAN

UPI 02-05 09:46 RES

OFFICE OF TELECOMMUNICATIONS POLICY
WASHINGTON

2/13/73

To: Chuck Colson

From: Tom Whitehead

As requested.

DRAFT
CTWhitehead:jm
2/8/73

mtg 2/5/
w/President

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with the President, February 5, 1973,
H. R. Haldeman, Charles Colson, Clay T. Whitehead

The President opened the meeting saying how much he admired and appreciated the efforts Mr. Whitehead had made in recent months, particularly with respect to the problem of the networks in broadcasting. He indicated that this was a most serious problem that had to be pursued vigorously but one in which we were up against formidable adversaries. He stated that some in the White House did not share his view of the priority of this problem but that he wanted a clear staffing pattern established so that once decisions were made everyone in the Administration would be on board in public statements because we could not afford to appear indecisive.

The President requested Mr. Haldeman to hold an immediate meeting with Messrs. Colson, Shultz, Ehrlichman, and Whitehead to agree on coordination arrangements, to be followed by a meeting including Messrs. Klein, Ziegler, Buchanan, Moore, and Garment to discuss the directions being taken and make sure everyone was on board.

The OTP broadcasting license renewal bill was discussed, and the President indicated he favored that general approach in response to broadcaster problems with the current licensing scheme. He agreed with Mr. Whitehead's strategy that we should insist on broadcast industry support in improving network news in return for our vigorous pursuit of this bill. He also expressed agreement with the strategy of both seeking and professing First Amendment goals in broadcasting while at the same time working privately to get more exercise of local broadcaster responsibility and a wider range of points of view on TV news.

Cable television was discussed as the most likely long-run solution to many of the problems brought about by the current Messrs. network dominance of broadcasting. / Whitehead, Colson, and Haldeman all felt this should come as soon as possible, and the President generally agreed. He asked that the report of the Cabinet committee on cable television be forwarded as soon as possible.

The prime-time rule was discussed briefly, and the reasons behind the President's recent approval that we seek repeal

of the rule were also discussed briefly. The President reaffirmed his view that we should oppose the funding of controversial public affairs programming with tax dollars. Mr. Whitehead expressed concern that the various parts of the public television field were tearing themselves apart and that because of the strong tendencies to produce one-sided _____ political affairs programming he felt that it may become necessary in the future to eliminate the use of Federal tax monies to fund public television programming. The President appreciated that such steps might become necessary.

The meeting closed with the President reaffirming his concern that the Administration speak with one voice in these areas and stressing the need to establish a coordination mechanism to make sure that everyone in the White House "got the word" on broadcasting matters and to assure that the rest of OTP's communications programs received prompt staffing.

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

February 16, 1973

DIRECTOR

Honorable Carl Albert
Speaker of the House of
Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

I am submitting herewith for the consideration of the Congress a proposed revision of Section 396 of the Communications Act of 1934, which pertains to the Corporation for Public Broadcasting.

This bill would authorize the appropriation for fiscal year 1974 of \$45 million for the Corporation, of which \$5 million must be matched by funds derived elsewhere.

In authorizing the Corporation's funding at a \$45 million level, the proposed legislation recognizes the substantial contribution and potential of public broadcasting to the life of the Nation; at the same time, it acknowledges that the still unresolved problems facing Government financed public broadcasting demand the continuation of carefully measured annual funding.

The Secretary of Health, Education and Welfare will be forwarding to the Congress a proposed authorization for grants for the construction of noncommercial educational broadcasting facilities. This should be considered together with the proposed authorization for the Corporation, since both authorizations involve communications policy aspects of public broadcasting.

-2-

The Office of Management and Budget advises that enactment of the proposed legislation would be in accord with the program of the President.

A similar letter is being sent to the President of the Senate.

Sincerely,

A handwritten signature in dark ink, appearing to read "Clay T. Whitehead", enclosed within a large, loopy circular flourish.

Clay T. Whitehead

Enclosure

A B I L L

To authorize appropriations for the fiscal year 1974 for the Corporation for Public Broadcasting.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That
(a) section 396(k)(1) of the Communications Act of 1934 is amended to read as follows:

"(k)(1) There is authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1974, the sum of \$40,000,000."

(b) Section 396(k)(2) of such Act is amended by striking out "1973" and inserting in lieu thereof "1974".

Rogers

Box 2, Folder 10

Monday

3/5/73

MEETING

3/6/73

2:30

5:30

Mr. Whitehead has scheduled a meeting with Tom Curtis
on Tuesday, March 6, at 2:30.

Amended
1973

RESOLUTION
THE BOARD OF DIRECTORS
THE CORPORATION FOR PUBLIC BROADCASTING

March 7, 1973

Resolved, that:

The Corporation for Public Broadcasting shall seek a two-year extension of federal support for the Corporation's activities, at the following levels of authorization and funding:

For Fiscal Year 1974, \$55 million, plus amounts equal to income from non-federal sources, up to \$5 million; and

For Fiscal Year 1975, \$75 million, plus amounts equal to income from non-federal sources, up to \$5 million.

The Corporation regards the two-year authorization as basic to sound planning for public radio and television activities to the efficient use of taxpayer dollars. The Corporation regards the \$60 million and \$80 million levies for fiscal 1974 and fiscal 1975, respectively, as essential to the maintenance of a pattern of deliberate growth in public broadcasting's quality and quantity of services to the American people.

RESOLUTION
THE BOARD OF DIRECTORS
THE CORPORATION FOR PUBLIC BROADCASTING

March 7, 1973

Resolved:

- I. The Board of Directors of the Corporation for Public Broadcasting has received, and fully concurs in, advice of counsel that supports the authority of the Corporation, under the Public Broadcasting Act of 1967, to use the interconnection facilities owned and operated by AT&T and funded by the Corporation for the distribution of programs to public broadcasting stations who wish to use them, at times chosen by the stations.
- II. The Board has also received, and fully concurs in, advice of counsel that, under the Public Broadcasting Act of 1967, the Corporation has ultimate responsibility, and accountability to the Congress, for the proper use of the interconnection facilities funded by the Corporation.
- III. It is the Board's desire that its authority and responsibility regarding use of the interconnection be exercised in a fashion that best reflects a spirit of maximum cooperation with public broadcasting licensees. In order to determine how that spirit may best be implemented, the Board has begun, and shall continue to carry on, close contact and discussion with the Chairmen's Coordinating Committee of public television station boards.
- IV. In order to facilitate these contacts and discussions, the Board directs the CPB President, working with the guidance and assistance of Directors Thomas Moore, James R. Killian, and Jack Valenti, to consult with representatives of the Chairmen's Coordinating Committee, and to report to the Board, no later than April 13, 1973, a plan or alternative plans regarding the use of the interconnection (including scheduling and related matters) based upon the principles noted above.
- V. To further facilitate those contacts and discussions, and ultimately a plan for full cooperation with station licensees, the President is also directed to determine the cash support support from CPB that the Public Broadcasting Service would require to furnish only those technical and engineering services necessary for use of the interconnection supplied by AT&T and funded by CPB. The President is directed to request that PBS furnish this information in writing no later than April 1, 1973.

General
1973

RESOLUTION
THE BOARD OF DIRECTORS
THE CORPORATION FOR PUBLIC BROADCASTING

March 7, 1973

Resolved, that:

The Board of Directors of the Corporation for Public Broadcasting hereby adopts the following national program service for 1973-1974, including Notes 1-3. The national program service for 1973-1974 is based upon federal funding for CPB during fiscal 1974 at a continuing resolution level of \$35 million (of which \$13 million will be available for CPB's national program service), and the indicated levels of non-CPB support for the programs listed.

CPB
NATIONAL PROGRAM SERVICE
1973 - 1974

(Dollar Amounts in Thousands)

| PROGRAM/ SOURCE | NUMBER/ LENGTH | EST. TO- TAL COST | EST. OTHER SUPPORT | EST. CPB SUPPORT |
|--|-------------------|----------------------|--------------------------|---------------------|
| <u>ON AIR</u> | | | | |
| SESAME STREET (CTW) | 130/60 min | \$13,000 | / | |
| ELECTRIC COMPANY (CTW) | 130/30 | | \$ 8,000 | \$ 5,000 |
| MISTER ROGERS' NEIGHBORHOOD (FCI) | 47/30 | 1,000 | 350 | 650 |
| BLACK JOURNAL (WNET) | 35/30 | 842 | 497 | 345 |
| OTHER BLACK PROGRAMS (See Note #1) | | | | 305 |
| OPERA (WNET) | 2/60 + 2/90 | 400 | 200 | 200 |
| THE ADVOCATES (WGBH) | 26/60 | 1,083 | 550 | 533 |
| BOOK BEAT (WTTW) | 46/30 | 127 | 0 | 127 |
| WALL STREET WEEK (WMPB) | 39/30 | 263 | 178 | 85 |
| ZOOM (WGBH) (New) | 26/30 | | / | |
| (Repackage) | 13/30 | 1,130 | 565 | 565 |
| <u>NEW</u> | | | | |
| THEATRE IN AMERICA (WNET) | 20/various | 2,000 | 1,000 | 1,000 |
| SCIENCE (WGBH) | 16/60 | 1,000 | 500 | 500 |
| CURRENT ISSUES DOCU- MENTARIES (WETA) (See Note #2) | 26/60 | 1,300 | 500 | 800 |
| RELIGIOUS AMERICA (WGBH) | 13/30 | 450 | 250 | 200 |
| BOARDING HOUSE (KQED) | 13/30 | 90 | 0 | 90 |
| THE MEN WHO MADE HOLLYWOOD (WNET) | 8/60 | 227 | 127 | 100 |
| <u>NEW - RESERVES</u> | | | | |
| HEALTH SERIES (See Note #3) (CTW) | 26/60 | 6,000 | 4,000 | 1,000 |
| PILOTS | | | | 800 |
| LOCAL PRODUCTION | | | | 400 |
| NATIONAL MINORITY PROGRAMS | | | | 200 |
| -UPS | | | | 100 |
| | | | \$13,000 | |

*Additional \$1,000 for FY 1975 also authorized, subject to appropriate level of formal support for CPB.

Note #1 OTHER BLACK PROGRAMS:

Approval of this amount for additional Black programs is intended to permit CPB Management to continue support of Soul! for a period to be determined by Management. In view of the promising program concept and format of a proposal called Interface, the Board authorizes expenditure of funds from the "other Black programs" funds approved here to support the production and review of a pilot for this series. Should Management determine that the pilot warrants support for an Interface series, Management is authorized to apportion "other Black program" funds between Soul! and Interface in any manner conducive to the airing of the highest obtainable quality of Black programs.

Note #2 CURRENT ISSUES DOCUMENTARIES (WETA):

Although Management had held preliminary discussions with WETA and this series promises to afford balanced and objective in-depth analyses of major current issues and programs of enduring value, with high potential for educational and instructional use, the Board instructs Management to work closely with WETA management in the development of more detailed information regarding programs within the series. As Management determines that the information developed gives sufficient promise of programs that meet these criteria, Management is authorized to release funds from this reserve to WETA for actual production.

Approval of this amount for WETA production, subject to the above conditions, shall not be regarded as recognition of any legal obligation for such support in any amount.

Note #3 HEALTH SERIES (CTW):

In light of the fact that there are programs of high quality that the Board would support if additional funds were available, Management is instructed to proceed with negotiations, and subsequent piloting and review, of the proposed CTW Health Series as quickly as possible. Should negotiations with CTW reach an impasse, or the pilot and review of the CTW Health Series lead Management to believe that further support of the series is not warranted, then Management shall so report to the Board, and the funds here approved for the Health Series and not then expended shall become available for the support of other programs, as determined by the Board.

Wednesday 3/21/73

4:00 Dick McCormack called. He feels that it is important that people put pressure on CPB to do some contingency planning before the next board meeting, which is scheduled in mid-April.

Would like to talk with you or Brian about this.

cc: Brian.

Thursday 3/22/73

MEETING
3/22/73
4:30

9:00 We have scheduled a meeting this afternoon at 4:30 with
Henry Loomis, Hank Goldberg, and Brian Lamb.

Thursday 3/22/73

MEETING
3/26/73

2.00

Mr. Whitehead asked us to schedule a meeting with Tom Curtis before the public broadcasting hearings on March 28-29. Mr. Curtis will come to Washington on Sunday, March 25, arriving at 10:00 p.m. He will stay at the University Club.

Laverne will check with Curtis and call us to either schedule an 8:00 breakfast or an 8:30 meeting.

Mr. Curtis has a 10:00 appointment on the Hill that morning.

(312) 321-7000 Laverne

Friday 3/23/73

BREAKFAST

3/26/73

8:00 a.m.

9 00 We have scheduled you to have breakfast with Tom Curtis on
Monday, March 26, at 8:00 at the University Club.

(312) 321-7000

OFFICE OF TELECOMMUNICATIONS POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20504

March 27, 1973

DIRECTOR

MEMORANDUM FOR THE RECORD

FROM: Clay T. Whitehead

We were advised by the White House today that the President still sees serious dangers in the existence of a Federally-funded broadcasting network. He is strongly opposed to control of the interconnect and its scheduling anywhere other than with CPB since that is the entity responsible to the Congress by law for the use of Federal funds. The effort Mr. Curtis is making to seek more involvement by the boards of local public broadcast stations and a more active partnership with them in funding programs has much good in it. But the President would have to oppose that plan and Mr. Curtis personally, both strongly and openly, unless the principles of board responsibility and of safeguarding against excessive control by private organizations are clearly incorporated.

President sees serious danger in existence of Federally funded network.

Is strongly opposed to control of interconnect scheduling anywhere other than CPB as entity response by law.

This effort has much good in it, but he would have to oppose it and you openly unless ~~it can be worked out along these lines~~ *that can be clearly*

Best if you would pass over this in hearing as still under discussion.

Taken down in dictation over the telephone on April 9, 1973

To: Board of Directors
Corporation for Public Broadcasting

From: Thomas W. Moore

Date: April 6, 1973

Subject: MINORITY REPORT OF THE AD HOC COMMITTEE FOR
NEGOTIATIONS WITH THE NEW P.B. SERVICE

The Committee met on Wednesday, April 4, 1973.

All Members Present:

Dr. James R. Killian, Jr.
Mr. Jack Valenti
Mr. Thomas W. Moore, Chairman

Also invited and attending:

Thomas Curtis, Chairman, CPB
Henry Loomis, President, CPB

Mr. Valenti and Dr. Killian were in accord and Mr. Valenti was asked to make a majority report to the Board from the Committee. His report, therefore, becomes the recommendation of the Committee.

The following is the minority position of the Committee, and is the dissenting opinion held by the Committee Chairman, Thomas W. Moore.

At the same time, the station organization should, and must have, full access to the interconnection system for purposes of transmitting any program not funded by CPB subject only to fairness and balance.

This right of access is second in priority only to the transmission of those programs funded by CPB.

It is believed that the best interest of public broadcasting can best be served by CPB ~~owning, operating, scheduling and trafficking~~ the interconnection system. CPB ~~not only should operate the interconnection; it is obligated to do so, and CPB cannot delegate that authority and responsibility for scheduling.~~

Signature: _____

Thomas W. Moore

April 9, 1973

To: All CPB Board Members

From: Henry Loomis

Following is the text of the majority report from the Ad Hoc CPB Board Committee to negotiate with the Rogers Group. This is the Killian/Valenti recommendation. You have already received Tom Moore's dissenting opinion directly from him.

CONCLUSION: Killian/Valenti recommend the Board of CPB approve a partnership with the Rogers Group, as follows:

1. CPB will, in consultation with the Rogers Group, decide all CPB funded programs, through a CPB Program Department. Should the Rogers Group dissent from any particular programming decision of the CPB programming staff, the Rogers Group can appeal to the chief operating officers of CPB and the Rogers Group. Should these executives fail to agree, final appeal is to the respective chairmen of the two organizations. Their joint decision carries *unless otherwise decided by CPB Board*

2. All non-CPB funded programs will have access to the interconnection. Should there be any conflict of opinion as to balance, fairness and objectivity of any of these programs, either group can appeal to a monitoring committee consisting of three CPB trustees and three Rogers Group trustees. It will take four votes of this committee to bar a program's access to the interconnection *unless ...*

3. Scheduling of the interconnection will be done by *CPB staff subject to Rogers Group* the Rogers Group, in direct consultation with the *program staff of CPB* ~~program staff of CPB~~. Should ~~the CPB~~ *the Rogers Group* object to any scheduling decision, appeal can be made to the *Pres of CPB* ~~chief operating officers of both groups~~. Should conflict still prevail, appeal can be made to the respective chairmen of both groups. Their decision is ~~final unless ...~~

(Note: It is ~~CPB's intention to request the Rogers Group to~~ continue the past policy of PBS to schedule CPB programs at 8:00pm/10:00 pm EST and 11:00 pm/1:00 am EST every evening).

This scheduling responsibility will be ~~contracted by CPB to the Rogers Group for one year with a review at the end of that period, one year.~~

RATIONALE FOR THE RECOMMENDATION:

The prime objective is to extract the thorns of discontent, disaffection and persistent controversy that have infected public and private views of the current public broadcasting arena.

By constructing a partnership with lay board chairmen, as the chosen instrument of local stations, we put to rest all the acrimony which has threatened to disfigure our public image, and rupture our congressional support.

Nothing in these recommendations is set in concrete. If this arrangement proves unworkable, we can change it.

But, let us give it a chance to work. We must understand that the Rogers Group and the CPB Board want the same thing, that is, a worthy, valuable public broadcasting medium providing a useful service to the people who view it. The Rogers Group is composed of intelligent, reasonable men and women of integrity who are influential, prominent and respected in their local communities. They aim as high as we do.

We can trust each other because we are both working toward the same goal.

(Monday 4/9/73

MEETING
4/12/73
11:00 a.m.

10:00

Mr. Whithead has scheduled a meeting with Tom Curtis on Thursday, April 12, at 11:00.

(312) 321-7000

Wednesday 4/11/73

MEETING
4/12/73
2:30 p.m.

3:45

We have rescheduled the meeting with Mr. Curtis for 2:30 p.m., Thursday, April 12. Mr. Whitehead said Tom Moore will also be sitting in on the meeting.

April 12, 1973

To: Tom Whitehead

From: Dick McCormack

This is to confirm a telephone conversation with your office yesterday.

As you know, Rogers and probably Curtis are initiating a campaign to discredit and ultimately remove Loomis as President of CPB.

Already word of this effort has leaked to the trade press, though Rogers name was not specifically linked to that article.

By now, Curtis must have learned of broad dissatisfaction with his conduct as chairman. He may well have learned that Loomis, as well as a number of his fellow board members would like to remove him as chairman this September. Moreover, by comparison with Loomis, Curtis suffers on television appearances. This too, for a proud ex politico must rankle him. For all these reasons, I suspect that Curtis would like to have Loomis out of the way. And as a skilled politician, Curtis knows that the first step in removing someone is a whispering campaign.

The conflict between Curtis and Loomis simply must not be permitted to continue or surface. If this happens, and if there is an open breach, Loomis' ability to influence the outside will be sharply reduced. And we might as well pick up our marbles and go home.

Finally, the Rogers' plan is still not in agreed upon form, nor has there been any real resolution of the PBS dispute.

In view of this general situation, I propose the following:

1. That the White House prevail upon Curtis to issue a statement of confidence in Loomis--or that the Board of Directors as a whole give Loomis a vote of confidence. In view of the printed reports, a vote of confidence in management is a perfectly normal procedure and would stop the whispering campaign cold.
2. That the White House prevail upon the Board of Directors of CPB to support an "interim plan" confirming CPB control of the programming decisions-- while at the same time instructing CPB management to continue negotiations with PBS and to report on recommendations in one year's time. A perfectly valid rationale for this decision can be that the Rogers proposal is still not clear or agreed upon by the other parties. And that the Corporation's Board and staff simply can not devote the amount of time to this matter that they have been compelled to during the past five months. Other pressing internal CPB questions must be dealt with and resolved to ensure the continuing high level of public broadcasting.

3. CPB Board should pass a resolution thanking Ralph Rogers for his selfless efforts thus far toward finding a common solution to the questions facing the public broadcasting industry.

4. We must recruit a more effective buffer between CPB management and CPB chairman and board of directors than the present secretary of the board, who also functions as the general counsell. We have pretty much lost control of our board-- and it's going to take a bigger man than Gherardi to get on top of the situation. In the ego conflict between Gherardi and Curtis, the only winner has been Ralph Rogers and Harfford Gunn. WE SIMPLY CAN NOT AFFORD TO LET THIS SITUATION CONTINUE.

I say flatly that if Matt Coffee is inserted in this role, which he formerly occupied with distinction, our problems across the entire spectrum will be reduced by 50% within 30 days.

CORPORATION FOR
PUBLIC BROADCASTING

4/11/73

Mr. Goldberg:

Per your discussion with Tom Gherardi
last evening, the enclosed is FYI.

Dale Chakarian Turza



THOMAS G. GHERARDI

RESOLUTION OF THE BOARD OF DIRECTORS
THE CORPORATION FOR PUBLIC BROADCASTING
ADOPTED AT ITS REGULAR MEETING
ORINGS KILLS, MARYLAND
JANUARY 10, 1973

CPB is the independent, non-government, non-profit corporation created under terms of the Public Broadcasting Act of 1967. Members of the CPB Board are appointed by the President with the advice and consent of the Senate. A Board member's term is six years. One third of the Board is appointed every second year. Not more than eight of the Board's fifteen members may be of the same political party. The Act requires the Board to report annually to the President and the Congress.

CPB is charged with aiding the full development of educational broadcasting, including the establishment and maintenance of libraries of broadcast materials, and assisting in the interconnection of educational broadcast stations, so that programs of high quality, obtained from diverse sources, will be available to stations that wish to broadcast them at the times chosen by the stations. The Act recognizes that there is a division of responsibility at the local and national levels. In fact, CPB's dollar contribution amounts to approximately 20 percent of public broadcasting's income overall, with 80 percent coming from other sources, mostly local.

The Act requires that CPB be non-partisan and that it assure strict adherence to objectivity and balance in all programs or series of programs of a controversial nature broadcast as a result of its work in the development of educational broadcasting. CPB is also required to pursue its objectives in a manner that assures the maximum freedom of local station licensees from interference with or control of program content or other activities.

In order to increase the opportunities for representatives of the stations, other interested parties, and the public to counsel with and inform the CPB Board and management on matters within the Board's decision-making responsibility, the Board has today adopted a policy expanding their access to virtually every stage of CPB decision-making. Details of the procedures established under this policy will be published shortly, after consultation with all interested parties.

The CPB Board reaffirms that the individual station is the bedrock of public broadcasting, and that the individual station licensee, not CPB, must determine the programming that is responsive to the interest of the people in its locality.

CPB Board policy is designed to fulfill three crucial objectives: 1) the most effective use of public funds to ensure the highest quality programs; 2) an increase in the number, diversity, and quality of programs and program services; and 3) sound, long range planning for programs and program services. In meeting these objectives, CPB will enlarge the involvement and assistance of local stations and public advisory groups in planning for and funding programs and their distribution.

The Board cannot and will not seek to delegate its responsibilities for final decision-making, but the involvement and assistance of local stations and public advisory groups will prove of enormous value. As the Board undertakes its work in the public interest, it is vital, indeed indispensable, for it to maintain the most intimate and sympathetic coordination and collaboration with local stations and the public.

As the Board expands the involvement and assistance of the local stations and the public in its decision-making, it is appropriate for the Board to review CPB's relationships with all who share its devotion to excellence and diversity in public broadcasting, both in television and radio, including PBS, NPR, SAEB, ETS, NER, ACNO, chairmen and boards of directors of local public television and radio stations, citizens advisory groups, and the public at large.

Certainly, among those who share CPB's devotion to excellence and diversity in public broadcasting is the Public Broadcasting Service, which, in a very short time, has made significant contributions to the growth of non-commercial television broadcasting. According to its Articles of Incorporation, the Public Broadcasting Service is a non-profit corporation of the District of Columbia, established solely to effect and operate one or more interconnection systems for the distribution of television programs to non-commercial television stations and networks, and to undertake the other activities regarding interconnection, and duplication, storage, and distribution of television programs specified in its Articles.

This Board has reviewed its Project Grant to the Public Broadcasting Service and pertinent legal, legislative, and administrative materials. This review has demonstrated the inclusion within PBS of activities and functions which should be lodged within CPB, and the possibility of unnecessary duplication of staff and other resources in both corporations. These include, but are not limited to:

1. Certain legal and related functions;
2. Certain program-related functions, including,
 - a. The decision-making process, and ultimate responsibility for decisions, on program production support or acquisition.
 - b. The pre-broadcast acceptance and post-broadcast review of programs to determine strict adherence to objectivity and balance in all programs or series of programs of a controversial nature.
3. Certain research and public awareness functions.

The Board is particularly concerned about the dilution or confusion of decision-making responsibility between CPB and PBS. All of the authorities and all of the responsibilities vested in the Corporation pursuant to the Public Broadcasting Act of 1967 are those of the CPB Board. While, in appropriate circumstances, the Board may delegate its authority or arrange to exercise its authority by contractual or other arrangements, it may not and should not delegate its responsibilities under the Act.

7 Now, therefore be it RESOLVED that the CPB President shall prepare, for submission to the Board at the earliest possible date:

- 1) A plan to establish, solely within the Corporation, the staff and resources necessary for CPB to exercise the authorities and meet the responsibilities vested in CPB under the Public Broadcasting Act of 1967 and in accordance with the policies expressed in this Resolution, and
- 2) Negotiated terms of a formal, written contract to govern such relationships between CPB and PBS as may be consistent with sound management, the prudent allocation of resources, and the policies expressed in this Resolution.

Thomas B. Curtis
The Barclay House
Apartment 3-B
230 S. Brentwood Blvd.
Clayton, Missouri 63105

April 16, 1973

2-2-73
The President
The White House
Washington, D. C. 20500

Dear Mr. President:

RL
I am sending you a copy of a letter I have sent to the members of the Board of Directors of the Corporation for Public Broadcasting telling them of my resignation from the Board, and setting forth some of the reasons which I felt required it.

I am sorry about this. I had hoped that sometime during the seven months during which I served as Chairman of the Board I would have had an opportunity to discuss with you at some length the problems in public broadcasting and the course of action I thought the Board could follow to attain the basic objectives you had in mind and with which I agreed. It had been my understanding from your assistants concerned with these matters that this was to come about.

A difference of opinion developed between myself and what Mr. Whitehead stated to me was your opinion in respect to the course of action the Corporation should be taking in working out its current relationships with PBS, the local stations and other organizations. I told Mr. Whitehead that of course I respected your opinion, but I was certain you did not have the benefit of my experience over the past seven months I have been Chairman and dealing with the matter, nor did he. That I was anxious to give you my views as to why the course of action the Board under my leadership seemed ready to take was wise. Mr. Whitehead suggested that if the Board persisted in the course of action it seemed ready to pursue, a veto of the new authorization Bill probably would be forthcoming. I responded by saying the Board would proceed and if it did follow the course seemingly it was ready to follow, perhaps the results would be such that the Board would be proven right and that a veto would not be advisable.

...

April 16, 1973

Mr. Whitehead and others did not accept this position. Their approach was to call individual members of the Board privately without my knowledge or the knowledge of the other members of the Board and presumably try to persuade them to the position that he stated you had taken. This resulted in the Board deferring action on the resolution and considerably altering the delicate negotiations in progress with the new PBS organization and others involved in public broadcasting.

I have been vigorously defending a wide-spread, persistent false and vicious attack against your administration and the CPB alleging in essence that your administration was seeking to take over public broadcasting a) either to make a propaganda arm for your administration, b) to emasculate it so that no criticism of your administration would emanate from it. I pointed out that you had made it clear that you wanted public broadcasting so structured that neither your administration nor any succeeding administration could make a propaganda arm out of public broadcasting, or at least make it exceedingly difficult to do so.

I pointed out that the assurance of this was to emphasize and build up the independence of the Board within the spirit and the letter of the statute creating it. Of course the efforts of Mr. Whitehead and others however well intentioned to save the Board from making what they deemed to be a serious mistake has seriously undermined this independence and integrity, and placed me in a position of not being able to defend the independence of the Board with the vigor required.

Respectfully,

Thomas B. Curtis

Enc.

Thomas B. Curtis
The Barclay House
Apartment 3-B
230 S. Brentwood Blvd.
Clayton, Missouri 63105

April 16, 1973

Dr. James R. Killian, Jr.
MIT, Room 9-235
77 Massachusetts Avenue
Cambridge, Massachusetts 02138

Dear Dr. Killian:

I have resigned from the Board of Directors of the Corporation for Public Broadcasting; accordingly, the position of Chairman of the Board is vacant and as Vice Chairman, you are the Acting Chairman.

As I told the Board, I felt after its action on Friday that I could not see how I could be of any further value to it. For a short while I had thought to withhold my resignation from the Board in order to give the new ad hoc committee created to negotiate with the new PBS a full opportunity to do so, but upon reflection I realized that the basic issue at stake was not the negotiation with PBS nor the substance of the proposal the Board deferred, but rather the integrity of the CPB Board.

I have tried since I assumed the Chairmanship to drive home to the Board, its executive officers, the White House, the Congress, and the public what to me is the underlying issue if the federal government is to participate in public broadcasting in a healthy and successful way, namely, that the Corporation for Public Broadcasting must be independent. To be independent, the White House, the Congress, the CPB staff and employees, and other institutions and persons in the society seeking to deal with the Board and its executive officers must assist in maintaining this independence and resist at all times any misguided effort to undermine it.

It is important that any appearance in the eyes of the public that the Board is acting other than as a result of its independent judgment be resisted, and if there is cause for the suspicion remove the cause, and if there is no cause, try to get the correct message across to the public.

April 16, 1973

I was able to state to the Pastore subcommittee in its public hearings two weeks ago Wednesday that I felt the Board had been acting independently in its judgments and decisions and that the extent of the pressures put on it were appeals to facts and fair arguments presented in a proper and orderly way. I rejected out of hand any insinuations that statements by members of the White House were a reflection of the Board's views or that there had been any improper pressure placed upon the Board.

I have been disturbed over the seven months I have been a member of the Board and serving as its Chairman to find a constant and widespread attack in the news media on the integrity of some of the Board's major decisions even though almost all of these decisions had been made unanimously after considerable deliberation by the Board. These attacks were primarily directed against the Nixon administration; they alleged "a Nixon takeover" of the Board. I have been disappointed to find the members of the Board rather apathetic to these attacks; at least, in only rare instances did anyone other than myself speak out to rebut these attacks as being false and unfair. Apparently because the thrust of the attacks seemed to be directed at me as Chairman of the Board, the rest of the Board felt that they were not involved. Nothing could be further from the fact. Indeed, because of my political background as a Republican member of Congress for 18 years, a simplistic way to make ad personam attacks on the integrity of the Board was to direct them against me. I had incorrectly assumed that my public record which showed what some considered to be a rather foolish insistence on independence would make these attacks ineffective. I hoped that my actions as Chairman of the Board and the actions of the Board itself would put these attacks to rest.

In spite of the attacks I felt that real progress was being made and that as the Board continued to move forward to cope with the problems that faced it, the integrity of the Board in its actions would be underscored. I felt that the public hearings before the Pastore Committee went a long way to further this end.

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Dr. James R. Killian, Jr.

-3-

April 16, 1973

However, I was disappointed that Mr. Whitehead in his appearance before the Pastore Committee did not stress in his prepared statement to it what I had understood he would that it was the Nixon administration's position that if public broadcasting was to move forward, the integrity of the Board must be respected and enhanced, and that he and others in the White House having to deal with the subject matters before the Board were the first to wish to respect and to enhance it.

I trust that you and other members of the Board understand after the Friday Board meeting, discussion and vote, and the events immediately preceding the meeting why I no longer feel able to defend the integrity of the Board in the vigorous manner I have to date. Frankly it shocked me to find that I was the only member who referred to the seriousness of what I think was rather apparent to all that there were indications that attempts had been made outside the Board room to alter a judgment the Board seemed about to reach in what up until then I thought was in an orderly and considered manner. And it was not cut and dried in any way as to what that decision might have been. It might have been along the lines expressed by certain persons in the White House.

It is quite possible that there is an honest difference of opinion as to what constitutes outside interference with the Board's decision-making process. I myself have pointed out that I always welcome facts and fair arguments from all sources. However, even facts and fair arguments must be presented in a fair and orderly manner so that all members of the Board hear the same arguments, whatever response and rebuttal there may be, and then listen to their fellow members in the ensuing discussion before reaching their decision. That is why I reject the method of polling by telephone, as one example.

I am willing to let the matter rest as a difference of opinion of how the Board should receive input in its decision-making process, but I believe it is imperative that the Board discuss this matter and adopt firm rules to control it. The various independent agencies such as FCC, FTC, SEC provide good reference material.


Dr. James R. Killian, Jr.

-4-

April 16, 1973

I have set these ideas out at some length because I have the fond hope that the past events may have some beneficial results. Of this I am certain - the Board must establish and maintain its integrity as an independent body. The law requires it. If this is not done, I think there are very few in the Congress or in the public who will countenance the Federal government playing a role in public broadcasting.

Sincerely,


Thomas B. Curtis

cc: To all members of
the Board of Directors,
CPB

APR 19 1973

Honorable Thomas E. Curtis
The Barclay House
Apartment 3-B
230 South Brentwood Boulevard
Clayton, Missouri 63105

Dear Tom:

The President has informed me that he has received your letter of resignation from the Board of Directors of the Corporation for Public Broadcasting. I am very sorry that things did not work out as you wanted, but we all very much appreciate your service as Chairman of the CPB Board.

I am sure the President appreciates, as much as I, your devoting so much time to this important and difficult area.

Sincerely,

Clay T. Whitehead

cc:
DO Records
DO Chron
Mr. Whitehead
Mr. Lamb
Eva
Mr. Goldberg ✓

CTWhitehead:BPLamb:nlf:4-19-73

April 20, 1973

MEMORANDUM FOR

Honorable Dave Baker
The White House

Attached is a suggested draft of a letter for the President to send to Ion Curtis accepting his resignation from the Corporation for Public Broadcasting Board of Directors.

Brian P. Lamb
Assistant to the Director

Attachment

cc:
DO Records
DO Chron
Mr. Whitehead
Mr. Goldberg
Mr. Lamb

BPLamb:m1f:4-20-73

D R A F T

Honorable Thomas B. Curtis
The Barclay House
Apartment 3-B
230 South Brentwood Boulevard
Clayton, Missouri 63105

Dear Tom:

I accept with regret your resignation from the Board of Directors of the Corporation for Public Broadcasting. It is most discouraging that public television in this country continues to be embroiled in controversy. As you know, it has been very difficult and frustrating to find a sound and proper role for government financing of a mass medium of expression as powerful as television.

Tom Whitehead has kept me informed of your important efforts to find the proper solutions to the problems in this difficult area; and I know you have devoted much of your time during these past seven months to this exceedingly complex issue. I commend you for your efforts and regret that you find it necessary to take the course of action that you have chosen.

Sincerely,

Richard M. Nixon