

To: Clay T. Whitehead; Susan Burgess
From: Wendell Bartnick
Date: June 11, 2007
Re: Effects of Federal Radio Commission Creation

Question

Did the creation of the Federal Radio Commission (“FRC”) result in dramatic changes to the spectrum assignments that existed before its creation?

Answer

Not really, when the FRC was created, “it immediately grandfathered rights for major broadcasters, while eliminating marginal competitors and all new entry. . . . The FRC restored order out of chaos by ordering stations to ‘return to their [original Commerce Department] assignments.’”¹ The FRC decided not to widen the existing broadcasting band.² The FRC also adopted the same standards, (e.g. priority-in-use rights), for determining which entities got which frequencies and power levels as the DOC used before the FRC was created.³ Initially, the FRC simply moved stations from congested to less congested areas rather than reduce the number of stations.⁴ However, later the FRC thinned out spectrum use by failing to renew 83 broadcast licenses in July 1927 and gave reduced power and time assignments to nonprofit organizations.⁵ Basically the 1927 Radio Act cemented what was occurring before the legislation by creating the mechanisms to assure commercial broadcasters dominance of broadcasting.⁶

¹ Thomas W. Hazlett, *The Rationality of U.S. Regulation of the Broadcast System*, 33 J.L. & ECON. 133, 154 (1990).

² *Id.* at 155.

³ *Id.* at 166.

⁴ Fritz Messere, *The Davis Amendment and the Federal Radio Act of 1927: Evaluating External Pressures in Policymaking* 5, <http://www.oswego.edu/~messere/DavisAmend.pdf>.

⁵ Hazlett, *supra* note 1, at 167.

⁶ *Id.* at 173.

Mother Mary Angelica of the Annunciation, P.C.P.A. is 83 years old

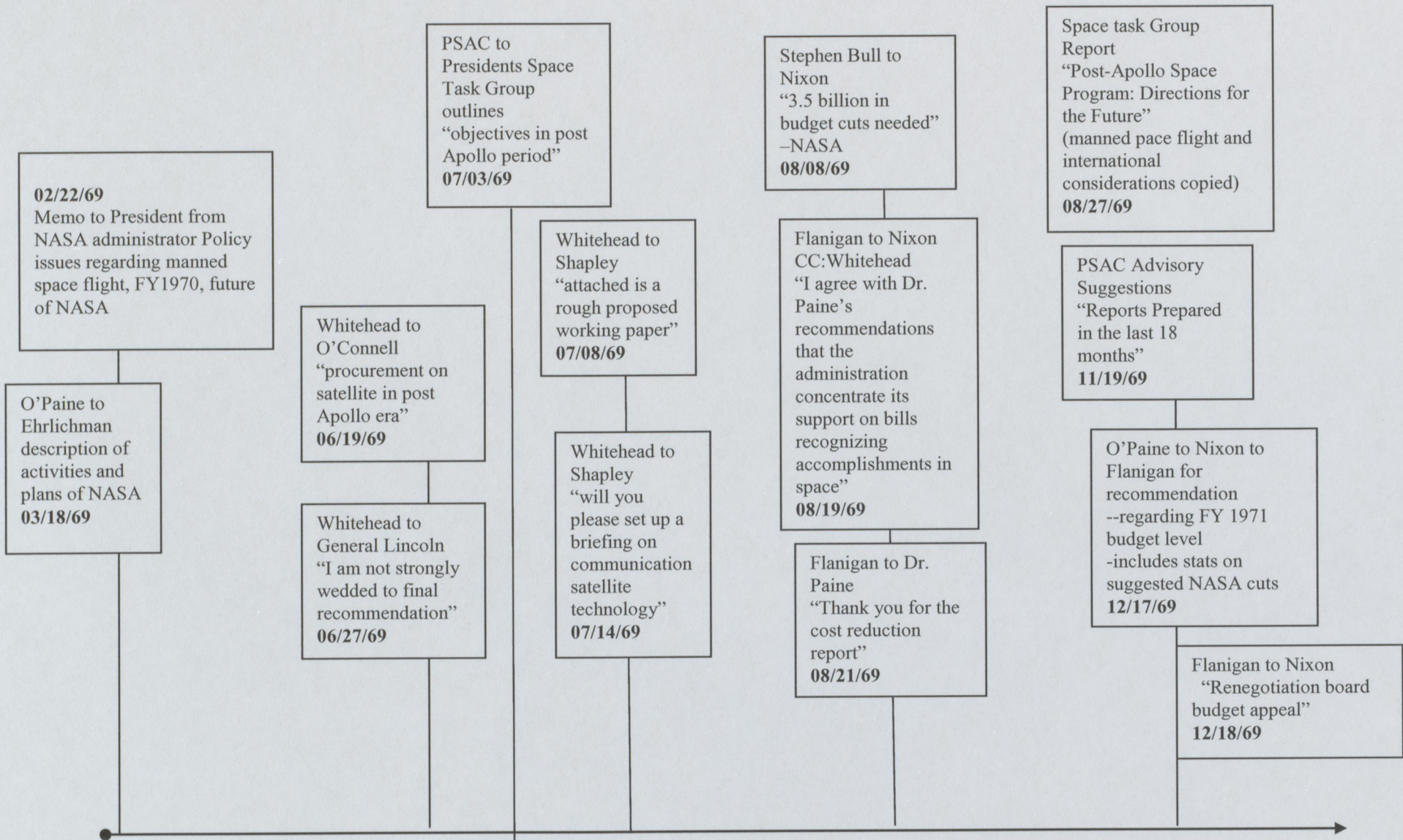
MOTHER ANGELICA Eternal Word Television Network

Irondale, Ala.

Few people believed Mother Angelica could pull off her dream of creating a cable network that Catholics could watch and learn from. But that didn't stop the determined nun, even though she knew next to nothing about the television business. With only \$200 at her disposal, Mother Angelica built a TV studio in the garage of her monastery in Irondale, Ala., which led to the creation in 1981 of Eternal Word Television Network — the first cable channel dedicated solely to religious programming. Over the past 21 years EWTN has grown to 50 million television homes in the United States and another 30 million worldwide. EWTN has always been offered to the cable industry free of charge and has done so without any advertising revenue. One of the network's most popular programs, *Mother Angelica Live*, was the first national live religious call-in program format on cable television. EWTN has delivered live coverage of several religious events including several of Pope John Paul II's visits to the United States as well as International World Youth Days. Mother Angelica, now 83 and recovering from a stroke she suffered two years ago, also established the world's largest privately owned and operated short-wave radio station, a satellite-delivered AM and FM radio network, a printing operation that sends out thousands of publications each month and a website featuring live audio and video streaming of EWTN's programming.

Accomplishments:

- brought the Poor Clares to Alabama as their abbess (in 1962)
- built the Hanceville monastery (which opened in 1999), and helped turn this pocket of Alabama into a veritable Catholic theme park.
- Mother Angelica is best known as the founder of the Eternal World Television Network (EWTN) — with just under 300 employees, an annual budget of about \$29 million, and an audience of about 66 million households in 43 countries, the largest Catholic cable network in the nation.
- On August 15, EWTN celebrates its 23rd birthday — two decades of skyrocketing growth since Mother Angelica started it in 1981 with just \$200 as a single television station operating out of the garage of her previous monastery in Irondale, Alabama, a Birmingham suburb some 50 miles from Hanceville. Irondale is still the home of EWTN's headquarters, and although Mother Angelica retired as chairman of its board in 2000, she still makes the drive there twice a week to tape her popular *Mother Angelica Live* television show in front of a studio audience
- While praying the Holy Rosary in her office with a recent visitor, she experienced an unusual healing. The visitor asked her to remove the braces from her legs and to try to walk without her crutches. Mother later explained that a heat came over her ankles. "Every time I walked back and forth," she said, "my legs started coming in straight." She was able to walk without her crutches for the first time in over forty years. So too her spinal injury seems to have been fully healed; she no longer needs her back brace. And her asthma? That seems to be gone too, she remarked.



03/07/70
***Nixon's statement on Space**

03/06/70 Shapley to Whitehead
"These are the changes George Low and I recommended to you at Paine's request"

12/01/70
Ed Harper to Ehrlichman
NERVA Plans

02/06/71 Whitehead Memo:
"We really ought to decide if we mean to muddle through on space policy for the rest of the presidents term in office or if we want to get serious about it."

01/06/70 Flanigan to O'Paine and Mayo "It was agreed that with Dr. Payne that NASA's FY 1971 budget will be met subject to the following presidential objectives"

03/06/70 Flanigan to Nixon
"To discuss statement on space and Dr. Paine's press briefing"

12/12/70
Low to Flanigan
CC:Kriegman
"there are two important points which bear on the President's posture on NASA..the BOB and Russia
***includes charts on payloads Russia vs USA

02/16/71
Flanigan to Ehrlichman
"Attached is a thoughtful memo I asked Whitehead to prepare on NASA."

***** Whitehead to Flanigan****The current NASA budget is as follows, the major differences are, BOB, Viking,
** packet includes attached memo including Kriegsman's suggested reductions (12/29/69), includes expenses/outlays, and Flanigan's NASA budget cuts
01/05/70

03/06/70
Flanigan to Ehrlichman
Advise Paine meeting w/ the president
"this is not the occasion to try and change his message on space



01/05/72
Nixon Statement on Space

12/29/71
NASA admin. to Cap Weinberger
“report the results of space shuttle options and to recommend a course of action”

01/29/1972 John Rose to Flanigan
“We have come from \$6Billion to \$3B thanks to Whitehead...
“My suspicion is without having intently studied the matter tat we would not have a viable space program if the level were too much lower than it is now.”

12/19/72
Rose to Knubel
“OMB analysis indicated that the only way to reach the overall desired mark of 3.04 billion is to cancel the Viking Mars mission scheduled to arrive in ‘76”...

OMB outline of suggestions to Nixon for FY 73 and the future manned space program

04/27/72
Rose to Flanigan
“PSAC science panel would inevitably creep into areas in duplication of NASA’s technology and OMB’s purview.”

