HISTORY OF OTP ACTIONS

(Eger et al Visit)

February 11, 1976

HISTORY OF OTP ACTIONS

1971

January 7	POLICY ON AERONAUTICAL SATELLITE COMMUNICATIONS (FAA) (FAA)
May	Recommendations on satellite/cable mix (FCC) (see December 22, 1975)
July 8	Cabinet Cable Committee established (see January 16, 1974)
July 20	Began preparation for 1979 WARC (see May 6, 1974)
August 19	*Broadband Cable Demonstration Study announced (see May 15, 1972)
August 19	Recommended 223-225 MHz for citizen band radio (FCC) (see December 27, 1974; March 29, 1972)
September 8	Radar spectrum engineering criteria established (Agencies)
September 9	Recommend need for interference standards for video equipment (FCC)
October 5	Recommended radio deregulation pilot program (FCC) (see November 1975; October 3, 1975)
October 28	*RECOMMENDED POLICY OF OPEN ENTRY FOR DOMESTIC SATELLITES (FCC) (see March 17, 1972)
November 15	SUMMARIZED ADMINISTRATION'S VIEWS ON FCC CABLE TELEVISION PROPOSALS (Congress)
December 6	Establishment of spectrum technical standards for Federal Government (Agencies)

HISTORY OF OTP ACTIONS

1972

January 6	Began development of national policy on computer/ communications through contract study (see September 27, 1973)
February 1	Released First Year Summmary Activity Report
February 3	Coordination and approval of Federal program on control of potentially hazardous electromagnetic radiation (Agencies) (see April 29, 1975; May 20, 1974)
February 14	Proposed joint program on satellite communications for international civil aviation (FAA) (see January 11, 1971)
March 17	*Released studies on Open Entry DOMSAT Policy (FCC) (see October 28, 1971)
March 29	Recommended for a "General Public Radio Service" at 223-225 MHz for unfilled needs of a "nation on the move" (see August 29, 1971; December 27, 1974)
April 4	ANNOUNCED CHANGES IN EMERGENCY BROADCAST SYSTEM
April 14	*Began significant common carrier contract studies on (a) Economies of Scale, (b) Multipart Tariffs, (c) Uniform System of Accounts, and (d) Economics of Terminal Interconnection (see September 30, 1974; September 23, 1973)
April 24	Recommended against mandated consortium of space segment applicants (proposed by FCC) (see November 25, 1974)
April 24	Established Federal Government communications policy and planning council
May 15	*Released Broadband Demonstration contract study (see August 8, 1971)
June 20	50th anniversary of IRAC
August 3	*Released contract study of "Cost Analysis of CATV Components" by Resources Management Corporation (RMC)
November 7	Held first conference on communications policy research

HISTORY OF OTP ACTIONS

1973

January 15	Issued new Federal Government Manual on frequency management (Agencies)
February 26	ISSUED POLICY OBJECTIVES PAPER CONCERNING INTERNATIONAL INDUSTRY STRUCTURE
March 19	Proposed broadening changes to Communications Satellite Act of 1962 (see April 9, 1974; November 19, 1973)
March 21	URGED NATIONWIDE ADOPTION OF 911 EMERGENCY NUMBER (STATES) (see December 4, 1973)
March 21	Recommended reduction in TV reruns and prime time (see September 20, 1974)
May 23	*Recommended approval of AT&T DUV System, but with pre-condition to allow interconnection and resale (FCC) (see February 25, 1975; January 24, 1974)
June	*OTP recommends an experiment of user fees for Government spectrum
August 1	Expressed need for copyright law interpretation and sports retransmission of sports events for cable TV (Pastore)
August 6	Expressed concern for privacy considerations in development of Federal information systems (see April 30, 1974; May 12, 1975; October 29, 1974, September 11, 1975)
August 17	*POLICY ON USE OF 900 MHz BAND FOR LAND MOBILE RADIO COMMUNICATIONS
September 14	Expressed concern about blackout of home sports events from television (FCC)
September 27	Released contract study on computer communications (see January 6, 1972)
October 12	Established program for coordinated planning of Government Communications (Circular 12, Agencies)

1973 (Cont'd)

November 28	Frequency requirements established for emergency medical services (FCC) (see January 30, 1975)
October	PROPOSAL FOR ADDITIONAL VHF TELEVISION ALLOCATION (see May 14, 1974)
November 19	LEGISLATION PROPOSED FOR MODIFYING COMMUNICATIONS SATELLITE ACT OF 1962 (see March 19, 1973; April 9, 1974)
December 4	Issued handbook on Communications for 911 Emergency Number Communications (see March 21, 1973)

HISTORY OF OTP ACTIONS

1974

January 7	Policy reducing Federal funding for communications satellite applications (Agencies) (see January 31, 1975)
January 16	*CABINET CABLE REPORT SUBMITTED TO THE PRESIDENT (see July 8, 1971)
January 24	*Recommended FCC inquiry as to need for regulating value added networks (VANS)
January 24	*Recommended FCC initiate inquiry into resale and shared use of common carrier services (FCC) (see February 25, 1975; May 23, 1975)
February 1	Issued draft guidelines for Federal agencies radio broadcasting "spots"
February 11	Released study by interagency audio-visual study group
February 25	*Recommended need for more careful evaluation of regional frequency allocation experiment (FCC)
April 1	Recommended standard radio brevity code for public safety
April 9	Legislation for modification of 1962 Communications Satellite Act forwarded to Congress (see March 19, 1973; November 19, 1973)
April 30	RECOMMENDED AGAINST PROPOSED REQUIREMENT FOR ALL RADIOS TO HAVE BOTH AM AND FM RECEPTION (Congress)
April 30	RECOMMENDED CURTAILMENT OF FEDNET GOVERNMENT DATA NETWORK PROCUREMENT (Agencies) (see August 6, 1973; May 12, 1975; October 29, 1974; September 11, 1975)
May 6	Specified agenda for U. S. participation in 1979 WARC (FCC) (see July 20, 1971)
May 14	VHF drop-in policy confirmed (FCC) (see October 1973)
May 20	Released report on dangerous biological effects of electromagnetic radiation (see April 29, 1975; February 3, 1972)

1974 (Cont'd)

June 21	POLICY ON PROCUREMENT OF GOVERNMENT TELECOMMUNICATIONS FROM THE PRIVATE SECTOR (Circular 13, Agencies) (see June 5, 1975)
July 1	Recommended fuel for telecommunications be provided priority allocation by FEO
July 2	Recommended free broadcast time for major party political candidates not be constrained by equal time rules (Congress)
July 16	LEGISLATION FOR LONG-RANGE FUNDING OF PUBLIC BROADCASTING SUBMITTED (Congress) (see February 11, 1975)
July 30	*Whitehead testimony before Hart Committee urges increased competition in telecommunications industry
September 20	Recommended experiment significantly reducing anti-siphoning rules (FCC 19554)
September 20	Recommended repeal of prime time rules (FCC 19622) (see March 21, 1973)
September 23	New programs in spectrum management in response to GAO Report (Congress) (see September 29, 1975)
September 23	Released contract study concerning common carrier depreciation practices and uniform system of accounts (FCC) (see September 30, 1974; April 14, 1972)
September 30	Recommended significant modification of common carrier uniform system of accounts (FCC) (see April 14, 1972; September 23, 1974)
October 10	Recommended against continued extension of Government frequency for metroliner experiment (DOT) (see October 6, 1975)
October 22	RECOMMENDED AGAINST EXTENDING MESSAGE SWITCHING CAPABILITY IN CRIME INFORMATION COMMUNICATIONS SYSTEMS (see May 12, 1975; August 6, 1973; April 30, 1974, September 11, 1975)

1974 (Cont'd)

November 5	Announced National Emergency Readiness Plan for communications
November 18	*Supports RCA Alaska Communications Plan as meeting Federal Government requirement, and requirements unique to Alaska (FCC)
November 25	*Concern about proposal to require, rather than permit, satellite mergers and anti-competitive potential of IBM/COMSAT merger (see April 24, 1972)
December 27	Supported compatibility between citizen radio Class E 223-225 MHz allocation and Government operation (see August 29, 1971; March 29, 1972)

HISTORY OF OTP ACTIONS

1975

January 13	*POLICY OF VHF WEATHER WARNING SYSTEM FOR NATIONAL EMERGENCY HOME WARNING
January 30	Requests inclusion of new emergency medical communications standards in FCC Rules (FCC) (see November 28, 1973)
January 31	Organized Federal committee to evaluate satellite technology applications (Agencies) (see January 7, 1974)
February 3	Warning to Federal agencies concerning underwriting public television (Agencies)
February 11	New legislation concerning public television funding submitted to Congress (Congress) (see July 16, 1974)
February 25	*RECOMMENDED THE OPPORTUNITY FOR RESALE AND SHARED USE OF COMMON CARRIER SERVICES (FCC) (see January 24, 1974, May 23, 1973)
February 1975	*OTP Paper released, "Television Distribution in Rural Areas"
April 14	Concern expressed on inability of U. S. to present unified front in international discussions and negotiations
April 24	*RECOMMENDED PROVIDING THE OPPORTUNITY FOR INTERCONNECTION TO THE COMMON CARRIER COMMUNICATIONS SYSTEMS (FCC 20003)
April 29	Announced consolidated Federal research on the biological effects of electromagnetic radiation (see February 3, 1972; May 20, 1974)
May 12	Requested Justice Department to stop FBI from enhancing switching capability on crime information communications systems (see October 29, 1974; August 6, 1973, April 30, 1974, September 11, 1975)
June 5	*Initiated contract study to stimulate private sector competition in Federal communications procurement (see July 15, 1974)

1975 (Cont'd)

June 26	*Announced study on potential on additional services for television (see January 1976)
July 14	Announced study of the potential impact of new technology on radio spectrum utilization
August 28	Organized committee to analyze U. S. posture in telecommunications exports
September 10	Announced contract study to reduce number of Government navigation systems (Agencies)
September 11	Released contract study on legal protections of privacy (see August 6, 1973; April 30, 1974, May 12, 1975; October 29, 1974)
September 17	Recommended against increasing FCC time for suspending tariffs to nine months (Congress)
September 29	Initiated Government career program in spectrum management (see September 13, 1974)
October 3	*Recommended broadening proposed experiment on relaxation of Fairness Doctrine in the top 10 radio markets (FCC) (see October 5, 1971; November 1975)
October 6	Grant of one-month additional extension on use of Government frequency for metroliner communications experiment (see October 10, 1974)
October 28	Concern expressed that Hawaii must be integrated into mainland communications system
October 29	Testified at McDonald Congressional Hearing on the need for competition in parts of the common carrier system (Congress)
November	*Announced intent to draft legislation for deregulation experiment in radio (Congress) (see October 5, 1971; October 3, 1975)
December 1	Organized advisory committee on improving Government and private sector cooperation in telecommunications R&D
December 22	RECOMMENDED ELIMINATION OF SATELLITE/CABLE FILL MIX REQUIREMENT FOR INTERNATIONAL COMMUNICATIONS (FCC) (see May 1971)

HISTORY OF OTP ACTIONS

1976

January 15	Organization of Pacific Telecommunications Conference
January 28	*Released DRI contract study on Add-On Services for Television (see June 26, 1975)

1971

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

January 7, 1971

PRESS RELEASE

NIXON ADMINISTRATION ANNOUNCES POLICY ON AERONAUTICAL SATELLITE COMMUNICATIONS

Clay T. Whitehead, Director of Telecommunications Policy, announced today the release of a "Statement of Government Policy on Satellite Telecommunications for International Civil Aviation Operations." The policy provides the framework for the development of aeronautical satellite programs during the 1970's.

This policy was established by the Director after a study conducted within the Executive Office of the President with participation by interested agencies in the Executive Branch. The Deputy Director, OTP, George F. Mansur, chaired the study group and coordinated the OTP policy formulation.

The highlights of the policy statement are:

- Due to the limitations of existing communications and the projected increase in air traffic in the oceanic areas, the United States promotes pre-operational deployment of satellite communications in the Pacific in 1973 and Atlantic in 1975.

- The Department of Transportation/Federal Aviation Administration, which has the statutory responsibility for air traffic control, assumes program management responsibility within the government for pre-operational and operational systems and services.

- The Department of State, in conjunction with the Department of Transportation, will seek international utilization of the pre-operational system and initiate cooperative efforts with other nations to establish an operational system by 1980.

- The Government will utilize commercial communications facilities and services to the maximum extent feasible.

- The Government will utilize the UHF frequency band near 1600 MHz in both pre-operational and operational satellite air traffic control communications.

- Experimental evaluation of independent surveillance by satellite should begin with initial system deployment in the Pacific and should be followed by pre-operational evaluation in an air traffic control environment sometime after 1975.

- A unified program to satisfy both Government and airline requirements in the Pacific and Atlantic Ocean areas should be adopted to provide the economic benefits of a single program.

The United States has primary responsibility for air traffic control in the Pacific basin and other oceanic routes through agreements with the International Civil Aviation Organization. Because of the rapid increase in aircraft density on international routes and the limitations of existing communications systems, improved communications services must be employed to assure aircraft safety and to efficiently control air traffic.

Although satellite systems offer the most promising method to meet these communications requirements, there have been extended delays in reaching the decisions necessary to initiate an appropriate program. The policy statement resolves the major issues that have been responsible for the delays and establishes guidelines that will ensure orderly progress of a national program. Periodic program reviews will be established to evaluate the progress being made to meet the objectives of the policy statement.

Government use of commercial communication facilities and services helps to lower costs and agrees with the Administration's policy of encouraging the vitality of the private sector in developing and providing communication services. This policy envisages that the FAA will contract for services on a lease basis in contrast to government procurement and ownership of systems.

The President, in his statement on space of March 7, 1970 stated:

- "We should hasten and expand the practical applications of space technology...."

- "We should encourage greater international cooperation in space...."

This policy furthers those objectives by bringing about the timely and useful applications of American space technology for an important purpose in a way that will benefit all nations.

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

STATEMENT OF GOVERNMENT POLICY ON SATELLITE TELECOMMUNICATIONS FOR INTERNATIONAL CIVIL AVIATION OPERATIONS

January 7, 1971

The rapid increase in aircraft traffic densities, the introduction of larger passenger aircraft on international overseas routes, and the limitations of existing communications channels make it increasingly clear that improved telecommunications will be required for air traffic control to speed the flow of traffic and to assure aircraft safety.

The Federal Aviation Administration (FAA) has defined and stated the general quantity and quality of the telecommunication services that will be needed to support expected future air traffic control operations. Specific requirements have been established for voice and data communications and for automatic reporting of aircraft position information over both the Atlantic and Pacific Oceans in the early 1970's. The FAA also anticipates an operational requirement for independent surveillance in the late 1970's or early 1980's.

It is clear that the provision of these services is in the public and national interest. There is broad consensus in both government and the private sector that satellites offer technically and economically the most practicable method to meet the requirements in a reliable way. This policy statement is provided to establish guidelines that will permit the effective, efficient, and orderly progress of a national program to provide the needed services.

OBJECTIVES

The objectives of this policy are to:

1. Assure the safety, efficiency, and economic viability of international civil aviation.

2. Promote the timely and useful application of technological advances to assure adequate, reliable, and economic telecommunications for air traffic control, operational control, and search and rescue.

3. Assure that program institutional arrangements are responsive to the requirements of the users, compatible with the evolving National Aviation System, and consistent with the foreign policy objectives and commitments of the United States.

4. Encourage international cooperation in research, development, and applications programs within an institutional framework which assures effective utilization of resources.

5. Facilitate early deployment of advanced applications such as independent surveillance and navigation.

6. Minimize duplication of Federal facilities and programs and encourage the use of facilities available from the private sector.

TECHNICAL AND OPERATIONAL ARRANGEMENTS

Pre-operational use and evaluation of voice communications should be implemented in the Pacific in 1973 and Atlantic in 1975. Pre-operational deployment of data link communications and automatic reporting of aircraft position will be promoted in the Atlantic and Pacific in 1975. Feasibility demonstration of independent surveillance in an Air Traffic Control environment will be promoted in the Pacific in 1973, with subsequent transition to a pre-operational evaluation in the Pacific and Atlantic in the post-1975 time period.

It is the Government's policy to promote use of the UHF frequency band near 1600 MHz in the operational system. This will alleviate serious spectrum congestion at VHF frequencies, permit early achievement of the benefits of independent surveillance, and accords with foreign Administration preferences. Use of UHF rather than VHF in the pre-operational system will avoid economic, technical, and operational difficulties -- both domestic and international -- which would result from a later transition from a VHF system to the UHF band. In support of this objective, the Government will utilize UHF for air traffic control purposes in the pre-operational system.

To assure orderly growth and efficient deployment of aeronautical satellite systems, implementation of initial systems should be compatible with long-term objectives. Communications in the wide sense and reliable knowledge of aircraft position will continue to be essential parameters in the air traffic control system. The Federal Aviation Administration's National Aviation System Ten-Year Plan (1971-1980) and studies recently completed by the President's Science Advisory Committee suggest that the long-term role of communications in air traffic control will involve automatic data collection, data processing, control, and display utilizing digital data links and digital processing techniques. Pre-operational satellite communication and surveillance systems in the Pacific and Atlantic oceanic areas should be

designed and phased in coordination with the domestic plan to assure interoperability between the international and domestic systems with the consequent economies and operational advantages.

MANAGEMENT ARRANGEMENTS

Development of an effective national program requires unambiguous leadership. Accordingly, the Department of Transportation (DOT), as the Federal agency with statutory operational obligations, is to be the lead management agency and to assume responsibility for defining requirements, program budgeting, and management of pre-operational and operational systems activity.

In order to assure that the broad spectrum of space activities supported by the Government is effectively utilized and not duplicated, the National Aeronautics and Space Administration (NASA) is expected to conduct independent research and development on technologies which have broad application and, under the management and budget of the Department of Transportation, to provide other technical support unique to transportation applications. Both the DOT and NASA should give consideration to the desirability of conducting fundamental research on competing technologies in order to assure that continuing system development is making full and economic utilization of technological possibilities.

Because the program heavily involves the international community and must be conducted in accord with treaty obligations and other pertinent inter-governmental agreements, the Department of State will exercise its responsibility to assure effective and timely coordination with foreign Administrations and international organizations. Through the Department of State, the Department of Transportation as the management agency should seek international utilization of the pre-operational system and should initiate cooperative activity with other nations to establish an operational system in the Atlantic and Pacific oceanic areas by 1980.

It is possible that a single system combining the functions of communications and position fixing to support both maritime and aviation services would permit economic benefits in a worldwide operational system. The DOT should work with appropriate government agencies to explore the feasibility and desirability of such an approach.

ECONOMIC ARRANGEMENTS

The two broad classes of potential users of an aeronautical satellite system are the aviation administrations responsible for air traffic control in the various International Civil Aviation Organization world regions and the airlines flying international oceanic air routes. Substantial economic resources are required to develop and deploy an aeronautical satellite system, and there are economic benefits to be derived from combining government and airline requirements in both the Atlantic and Pacific ocean areas into a single program. The DOT should actively encourage arrangements for use of a common system by all segments of the aviation community which distributes financial responsibilities equitably among users.

The Government shall utilize commercial telecommunications facilities and services to the maximum extent feasible in both pre-operational and operational systems.

DEFINITIONS

Telecommunication

The term telecommunication means any transmission, emission or reception of signs, signals, writings, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems.

Aeronautical Telecommunication Services

The provision of voice and data communication, surveillance and/or navigation functions in ground-air-ground networks using radio transmission including relay via an active earth satellite.

Automated Air Traffic Control

The acquisition, transfer and display of flight information and, eventually, command and control guidance in an air traffic control environment by means of automatic data processing and other telecommunication techniques.

Independent Surveillance

Independent Surveilance by satellites means computation of a position fix utilizing equipment which is remote from the vehicle and is based on range measurements from two or more satellites. Usually a cooperative vehicle is inferred but it is not implicit in the term.

Navigation

Navigation by satellites means computation of a position fix utilizing equipment which is self-contained within the vehicle and is based upon the time of arrival of signals from two or more satellites whose ephermerides are known.

The terms used to define various aeronautical satellite systems are taken from the ICAO ASTRA Panel Second Meeting and include the following:

"Experimental Systems. These relate to experimental work on space techniques in general. Insofar as the interests of ASTRA are concerned, they would place

emphasis on, but not necessarily be limited to, the solution of problems that would assist in the development of characteristics for aeronautical satellite systems. Examples would be the NASA Application Technology Satellites (ATS).

NOTE: In some States, participation by airlines could be expected provided it was not identified as experimental on their part.

Pre-Operational Systems. These would be primarily aeronautical systems with emphasis on performing operational as well as technical evaluations. For the purpose of their evaluation they would need to operate in parallel with conventional communication and/or radio-determination systems serving Air Traffic Control. It is understood that carriage of the airborne elements of such systems would be on a voluntary basis. It is also understood that while such systems might often be designed as potential operational systems, they might also provide only some of the functions that would be required ultimately in an operational system.

Operational Systems. These would be systems capable of being used on a primary basis to satisfy the aeronautical operational requirements established at a given time in a given area."

NO NEED FOR NEW TRANSATLANTIC CABLE AT THIS TIME, AND EXISTING LINKS PLUS INTELSAT IV SATELLITES PROVIDE SUFFICIENT CAPACITY TO MEET NEEDS THROUGH 1977, OTP TELLS FCC IN RECOMMENDATIONS AFTER REVIEW OF ISSUES

There is no need for a new transatlantic cable at this time, and existing facilities plus the Intelsat IV satellites already authorized by the Federal Communications Commission "provide sufficient capacity to meet the traffic projected by the industry through 1977, with sufficient reserves," the Office of Telecommunications Policy said late Friday, May 21.

OTP asked the FCC, in planning additional facilities for Atlantic basin communications in this decade, to take into consideration the conclusions it spelled out as "the product of a comprehensive review by this office."

HIGHLIGHTS: Whitehead tells Burch memorandum is "administration's position". . .Letter first public outgrowth of lengthy controversy within government. . .FCC expected to consider TAT-6 application at special meeting early this week. . .OTP views next generation cable as comparable to Intelsat IV in cost. . .Looks toward reduction in satellite rates with Intelsat IV technology. . .Says public policy does not require particular satellite-cable ratio. . .Government to continue to use commercial facilities to extent feasible and economic.

The letter from Dr. Clay T. Whitehead, OTP Director, to FCC Chairman Dean Burch was the first public outgrowth of a controversy which has been going on inside the federal government since the application for the TAT-6 cable was filed (TELECOMMUNICATIONS, Sept. 8, 1970). It is well known that the Defense and State Departments, at least, do not agree with the OTP position, but Dr. Whitehead's letter of May 21 said he was enclosing "the administration's position."

The FCC, it is understood, will consider the TAT-6 application at one of a series of meetings it is holding in the first half of this week before Chairman Dean Burch and Commissioner Robert E. Lee depart for Europe and the World Administrative Radio Conference (see separate story on U.S. delegation). Dr. Whitehead had said earlier in the week (see separate story) that the policy statement on satellite-cable planning would be forthcoming soon.

There is, the three-page policy memorandum attached to Dr. Whitehead's letter late last week said, "already in being adequate cable capacity to accommodate current and projected needs for high-priority national security communications and for specialized commercial services."

It continued, "Current (SF) cable technology is several times more costly per circuit than current (Intelsat IV) satellite technology for high density transatlantic routes. The next generation (SG) cable appears comparable to Intelsat IV satellites in terms of cost and capability at relevant demand levels." It is understood that a number of government officials, including some at the FCC, share the view that the SG 1840-circuit cables will make more economic sense.

The memorandum went on, "Satellite rates for transatlantic service can and should be reduced substantially in response to the lower cost Intelsat IV technology, provided that no new capacity is constructed in the next two years so that a reasonable fill rate can be maintained. Construction of additional cable capacity at the present time will be doubly costly to the public because of the higher costs of SF cable and the creation of excess capacity that will prevent early satellite rate reduction."

Final conclusion stemming from the OTP review, it was stated, is that "The most efficient means for achieving overall reliability of service adequate to support international direct distance dialing appears to be automatic restoration of interrupted satellite circuits on redundant satellite facilities."

Earlier in the memorandum, headed "policy recommendations and conclusions for international facilities," basic conclusions set forth included the following:

"New facilities should be approved only when necessary to meet valid growth requirements, and only upon demonstration that they will result in the lowest additional cost"--which a footnote said would be "based on present value of added investment and expected operating costs at relevant traffic levels"--for "comparable circuit capacity, reliability, and quality. . .

"Tariff rates cannot be used as a valid public interest criterion for approval of investments in new facilities, since they reflect the effects of past investment costs, rate averaging, promotional pricing, and other deviations from true service costs. . .

"Excess capacity or redundant facilities should be authorized to the extent reasonably necessary to make allowance for failure of facilities and to enable automatic restoration of interrupted service--but not in excess of this requirement. . .

"Public policy does not require a particular ratio between satellite and undersea cable circuit capacity. Both modes may be needed to meet specific service requirements and should be vigorously developed, but within broad limits the ratio should be allowed to evolve in response to operational needs and economic considerations. . .

(continued on page 28)

OTP OPPOSES TAT-6 CABLE (continued from page 5)

"Cable and satellite circuits are comparable for most uses, and neither technology is inherently superior in a broad sense. . .

"The rapid development of international direct distance dialing should be encouraged through improvements in the continuity and reliability of international transmission service. . .

"The executive branch will inform the FCC of significant national security and foreign policy needs. The government will continue to use commercial facilities to the maximum extent feasible and economic; however, specialized government circuit requirements do not provide a basis for approval of inefficient facilities, nor should they affect the mix of commercial facilities. Where there are too few circuits of any particular type for government needs, the government will construct or lease facilities rather than burden the using public by adding commercially inefficient facilities to the carriers' rate base.

"An international working group of government and industry representatives should be established to explore ways which would permit more flexibility in its investment and circuit activation decisions--e.g., redefinition of half circuits. This may alleviate much of the concern of our European communications partners, to whom the principle of proportional fill for cable and satellite facilities has been particularly annoying."

In his letter to Chairman Burch, Dr. Whitehead expressed the belief that "adoption of this policy framework will strengthen the ability of the Commission to assess the public interest in future investment decisions, and at the same time provide industry with the guidance it needs to plan efficiently and effectively."

He told the FCC Chairman that "The policy further assumes that the Commission will determine when new capacity will be required sufficiently far in advance for orderly planning and approval of investment in new facilities." He suggested to the FCC that "Investment proposals should then be solicited and evaluated with a view to obtaining the required capability and reliability when needed at least cost." -End-

COLLINS BREAKS OFF TRW MERGER TALKS, BEGINS SESSIONS WITH ROCKWELL

The North American Rockwell Corp. and Collins Radio Co. announced last week that the two companies have entered into preliminary discussions looking to a "significant investment" by North American in Collins, and an affiliation of the two companies. Earlier in the week, it was reported that exploratory talks with TRW, Inc., regarding possible affiliation, had been discontinued by Collins. -End-

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

July 8, 1971

OFFICE OF THE DIRECTOR

MEMORANDUM FOR THE NEWS MEDIA

OTP

In 1970 President Nixon submitted, and the Congress approved, Reorganization Plan No. 1 establishing the Office of Telecommunications Policy. The functions of the Office were further specified in Executive Order 11556. Essentially, it is OTP's responsibility to develop overall communications policy. First, the Director of the Office is the President's principal adviser on electronic communications policy. Second, the Office develops the Executive Branch positions and speaks for the Administration with a clearer voice on national communications matters as a partner in policy discussions with Congress, the FCC, the industry, and the public. Third, the Office formulates new policies and coordinates operations for the Federal Government's own very extensive use of electronic communications.

ADMINISTRATION COMMITTEE ON CABLE TELEVISION

On June 23, 1971, President Nixon announced that he had established a special Administration committee to help develop proposals for a comprehensive policy regarding cable television. Clay T. Whitehead, Director of the Office of Telecommunications Policy, is chairman of the committee which includes Mr. Elliot L. Richardson, Secretary of HEW, Mr. George Romney, Secretary of HUD, Mr. Maurice H. Stans, Secretary of Commerce, Mr. Robert H. Finch, Counsellor to the President, Mr. Leonard Garment, Special Consultant to the President, and Mr. Herbert G. Klein, Director of Communications for the Executive Branch. An OTP review of broadcasting and cable television policies has been underway for several months and will serve as the focal point of the discussions.

CLAY T. WHITEHEAD

Mr. Whitehead, 32, is President Nixon's first Director of the Office of Telecommunications Policy. Before taking this position Mr. Whitehead served for two years as a Special Assistant to President Nixon with responsibilities in economic, regulatory, and technological areas. Originally from Kansas, Mr. Whitehead graduated from the Massachusetts Institute of Technology and later received his Ph.D. in management, also from M.I.T. Mr. Whitehead has previously worked on a number of defense and domestic policy issues at the Rand Corporation, has served as a consultant to the Bureau of the Budget, and has served two years in the Army.

(For further information, please call Brian P. Lamb: 395-5800)

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

OFFICE OF THE DIRECTOR

July 20, 1971

NEWS RELEASE

NEWS CONFERENCE ON WARC, THURSDAY, JULY 22

A news conference will be held at 4:30 P.M. on Thursday afternoon, July 22, 1971, at the Office of Telecommunications Policy in room 737. Results of the just-completed World Administrative Radio Conference on Space Communications in Geneva will be discussed.

Participating in the news conference will be Mr. Robert C. Tyson, Chairman of the United States WARC delegation and the three vice-chairmen: Mr. Will Dean, Office of Telecommunications Policy; Mr. Gordon Huffcutt, Department of State; and Commissioner Robert E. Lee, Federal Communications Commission. In addition, Mr. Saul M. Myers, Deputy Chief Engineer of the Federal Communications Commission, will be present.

The results of the WARC set the pattern for the application of space technology in the communications field for the next decade -- braodcasting satellites, communications satellites, earth resources satellites, space research, radio astronomy, and aeronautical and maritime mobile.

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

STATEMENT BY AMBASSADOR ROBERT C. TYSON, CHAIRMAN, U.S. DELEGATION TO THE WORLD ADMINISTRATIVE RADIO CONFERENCE ON SPACE TELECOMMUNICATIONS

As you gentlemen of the press are aware, communications is the nervous system of our modern society. It is that capability which permits us to flash words, pictures, and data from one place to another with the speed of light.

With the advent of satellites 14 years ago a new communications tool became available to man. In 1963, the first Space Conference of the ITU was held primarily to provide spectrum resources which would foster the application of space communications. Before going further, I think it is appropriate to point out that the frequency spectrum is a limited and highly contested natural resource wherein all of the world's uses of radio must be accommodated. International cooperation is thus vital, for uncontrolled spectrum pollution would render it useless.

The 1963 Conference made provisions for first generation communication satellites, navigational satellites, and meteorological satellites. Some provision was also made for other applications such as space research, radio astronomy, and support functions.

The advancement of space technology since 1963 has been truly phenomenal and the future portends even greater strides. During the past three years, in anticipation of the recently completed World Administrative Radio Conference, the United States and other nations have been busily engaged looking to the future, predicting foreseen needs and developing recommended changes to the International Radio Regulations.

Thus, our job at the 1971 Space Conference was to meet with 100 countries, involving 700 representatives, and together set the international boundaries for space communications for the next 10-12 years.

I must say that at the outset we knew the Conference would be difficult, and it was. Communications is burgeoning throughout the world in every nation and in particular the developing countries are rapidly expanding their ability to communicate through the use of radio. Virtually all of this expansion involves "non-space" or terrestrial communications and takes place in areas of the spectrum which are also ideal for space communications. Thus, great strains are placed on the limited frequency resource and the only manner by which space systems can be superimposed on existing or planned terrestrial radio systems is through the development and application of precise sharing criteria; that is, careful engineering.

Carefully developed engineering criteria were agreed upon at the recent Conference, providing the foundation for considerably expanded spectrum allocations for space communications. Procedures were also developed aimed at ensuring the necessary coordination among nations in planning for and implementing their terrestrial and space systems.

The Conference was, in my opinion, a success as evidenced by all attending Administrations signing the Final Acts last Saturday morning; the agreed upon implementation date being 1 January 1973. Of course, these Acts require ratification by the appropriate legislative or governing bodies

in the respective countries before they will have international treaty status. So far as the United States is concerned, I plan to submit the final report of the Delegation to the Secretary of State in the next couple of weeks containing the detailed composition, activities, and results of the Conference. Consideration of the Final Acts by the Senate Foreign Relations Committee looking toward ratification will follow in due course.

While the going was difficult, I feel sure it is the consensus of our delegation that U.S. and world objectives were met generally in a satisfactory manner. While in negotiations of this type no one's desires are ever satisfied fully, the results of this Conference do provide a sound foundation for the application of space communications for the next decade.

I should now like to turn the presentation over to Mr. Dean who will summarize the results in specified areas.

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

STATEMENT BY W. DEAN, JR., VICE CHAIRMAN, U.S. DELEGATION TO THE WORLD ADMINISTRATIVE CONFERENCE FOR SPACE TELECOMMUNICATIONS

The major results of the World Administrative Radio Conference on Space Telecommunications involve three basic areas--Technical, Frequency Allocations and Regulations--and may be summarized as follows:

a. Technical.

1. In order to convince the Conference that additional space communications services could be accommodated in a spectrum already congested with terrestrial services, it was necessary to establish technical criteria for sharing between space and conventional radio services. Such criteria were developed or, where already existing, revised for virtually all allocations proposed. For example, new procedures were agreed upon for determining the distance wherein coordination between respective Administrations is necessary in the application of space technology. Limitations were adopted on the permissible radiated power from ground based transmitters. The signal strengths permissible at the earth's surface from satellites, were defined for various space applications.

2. As regards sharing between space systems, station keeping limits (the degree of accuracy to be maintained by a satellite occupying the geostationary orbit) were established, antenna pointing accuracies for geostationary satellites were agreed upon and a power flux density limitation at the geostationary orbit from suborbital satellites was adopted.

b. Frequency Allocations. With a strong technical base, it was then possible for the Conference to proceed with confidence in the allocation of spectrum to various space applications. I shall touch only the highlights, Mr. Myers will go into further detail.

1. Communication satellites--Provision was made for a "thin line" or demand -assignment-multiple-access satellite system in the vicinity of 2 GHz. This could be particularly important in providing better communications for Alaska. A secondary allocation in the vicinity of 6/7 GHz was realized which can be of considerable assistance to our broadcasting industry in the distribution of broadcast program material. Allocations were also made for domestic and future higher capacity Comsat capabilities between 11 and 15 GHz and numerous provisions were made for future systems above 15 GHz.

2. Space Research and Radio Astronomy--New and improved allocations were made to support expanded efforts in space research such as Space Shuttle development and the Grand Tour program envisaged by NASA for exploring Jupiter, Saturn, Neptune, etc. With respect to radio astronomy, numerous allocations were made to accommodate new spectral lines and improved rights were obtained for many existing allocation provisions. These resources will permit astronomers, with their sensitive radio telescopes, to plumb more deeply into the composition and nature of the Universe.

3. Earth Exploration Satellites--Allocations were made for a new radio service whereby the condition and variations in the earth's resources can be surveyed--land types and uses, crop conditions, etc... This is a follow on to President Nixon's proposal to the UN in September of 1969 for a cooperative application of Peaceful Uses of Outer Space. Provision was also made for higher capability meteorological satellites of the next generation.

4. Radio Amateur Service--Accommodation was made on certain worldwide bands for the use of satellite techniques by amateurs and new provisions were made in the vicinity of 435 MHz and 24 GHz.

5. Aeronautical Maritime Mobile Satellites--An excellent allocation was made for aeronautical and maritime satellite communications between 1535 and 1660 MHz. No such service exists today and safety and reliability of sea and air transportation should be greatly enhanced thereby. In the vicinity of 400 MHz, a new provision was made for Emergency Position Indicating Radio Beacons which can provide greatly improved capabilities to rescue forces in assisting downed aircraft and ships in distress.

6. Broadcasting--In the broadcasting area, which for political reasons was most contentious, allocation arrangements were hard to come by. Success was realized, however, in obtaining allocations whereby broadcasting satellites can, subject to certain technical restrictions, be used in the current UHF TV band between 620 and 790 MHz. A substantial provision was made at 2500 to 2690 MHz for the accommodation of broadcasting satellites for domestic purposes. This

is important to the United States, and other countries such as India, because of plans for the distribution of education and public service information by this mode of communications. Additional provision for broadcasting satellites was made at 11.7 to 12.2 GHz. In a moment I will ask Mr. Huffcutt to review some of the sensitivities involved in the broadcasting area.

c. Coordination Procedures. Having achieved allocations for the general space services, it was necessary to modify and improve the coordinating mechanism whereby frequencies may be brought into use. Improved procedures were developed for the international notification and registration of space services. This problem was sticky at the outset in view of the desire of certain countries to set up detailed assignment plans for discrete portions of the geostationary orbit and radio frequencies. The procedures developed obviated the necessity for such plans.

d. Other Actions. New and revised definitions for space services were developed. Additionally, numerous resolutions and recommendations were adopted looking to the future. Attention is invited in particular to two resolutions which were quite significant and I'm sure Mr. Huffcutt will speak to them in a moment. Resolution F. relates to the Establishment of Agreements and Associated Plans for Broadcasting Satellite Service and Resolution G. relates to the

Bringing into Use of Broadcasting Space Stations, prior to the entry into force of Agreements and Associated Plans for the Broadcasting Satellite Service.

Those are the high points of the results of the Conference. Now I would like to call on Mr. Myers, the U.S. Spokesman on Allocations, Mr. Huffcutt, who "fielded" the Broadcasting problem, and Commissioner Lee, who was our source of strength in the Editorial Committee, for additional comments.

SNM/OCE/FCC
July 19, 1971

FREQUENCY ALLOCATIONS

SUMMARY OF RESULTS OF THE WARC-ST
(Date of entry into force-1/1/73)

The WARC treated a number of subjects but its primary purpose was to up-date the international Table of Frequency Allocations to accommodate new space services and to meet the expanding needs of radio astronomy and existing space radiocommunication services.

Also, since bands of frequencies are allocated to specific radio services, it is significant to note that the WARC adopted a new philosophy with respect to the naming of the several space services. No longer will terrestrial services use "space techniques" - this will now be done within newly named services, i.e., amateur-satellite service, aeronautical mobile-satellite service, maritime mobile-satellite service, etc. What was called the communication-satellite service is now the fixed-satellite service, on the theory that it is analogous to the fixed service. In general, however, the new names are self-explanatory and will impose no real hardship on the user. Typically, where a service was previously authorized to use space techniques the table will now show two services, e.g., AERONAUTICAL MOBILE and AERONAUTICAL MOBILE-SATELLITE.

The following summarizes, service-by-service, the proposals of the USA as presented to the Conference and the results of the WARC with respect to each of those services.

AMATEUR SERVICE

USA PROPOSAL	WARC RESULTS
1) Space techniques without specific limits in all exclusive, world-wide amateur bands above 7 MHz, i.e., 7.0 - 7.1 MHz 14.0 - 14.35 21.0 - 21.45 28.0 - 29.7 144 - 146	The WARC adopted the USA proposal, except in the band 14.0-14.35 MHz where the amateur-satellite service will be authorized only in the band 14.0-14.25 MHz. Additionally, however, 24.0-24.05 GHz was allocated exclusively and world-wide to the amateur and amateur-satellite services.
2) Space techniques, on a secondary basis, in all bands shared by the amateur service either on a Regional basis or with other services, on the condition that control functions be established to alleviate any interference that developed. Thirteen bands in this category were proposed between 50 and 10500 MHz - including the band 420-450 MHz.	The WARC refused, by a large majority, to accept the proposal - except in one instance. The band segment 435-438 MHz was allocated to the amateur-satellite service on a secondary basis, on the condition that the launching administration notify the IFRB in advance and that adequate control stations be established to deal with interference cases.

USA PROPOSAL	WARC RESULTS
1) A footnote to the band 88-108 MHz. reading as follows: "The broadcasting-satellite service also may be authorized in this band, subject to agreement among administrations concerned and those having services operating in accordance with the table, which may be affected."	Supported by a handful of countries but rejected by an overwhelming majority favoring the status quo.
2) A footnote to the band 470-890 MHz, reading as follows: "The broadcasting-satellite service also may be authorized in the band 614-890 MHz for television broadcasting, subject to agreement among administrations concerned."	WARC adopted new footnote 332A reading as follows: "Within the frequency band 620-790 MHz, assignments may be made to television stations using frequency modulation in the broadcasting-satellite service, subject to agreement among the administrations concerned and those having services which may be affected. (See Resolutions Spa F & G)* Such stations shall not produce a power flux density in excess of the value -129 dBW/m^2 for angles of arrival less than 20° (see Recommendation No. Spa DD) within the territories of other administrations without the consent of those administrations."
3) 2500-2690 MHz - Broadcasting-Satellite Service (community reception) sharing co-equally with existing terrestrial services. /NOTE: our original proposal considered this to be in the communication-satellite service but it was changed at the WARC to coincide with others/	WARC adopted the proposal but added the fixed-satellite service (down) in the band 2500-2535 MHz and (up) in the band 2655-2690 MHz for thin-route systems. A number of footnotes were applied also. See Annex 1 for details.
4) 11.7-12.2 GHz BROADCASTING-SATELLITE COMMUNICATION-SATELLITE Mobile	WARC adopted this in Region 2 but added FIXED, MOBILE except aero mobile, and BROADCASTING. Regions 1 & 3 are the same less COMMUNICATION (now FIXED)-SATELLITE. Also, in Reg. 1 the allocation goes to 12. See Annex 2 for details.

*Resolution F calls on the Administrative Council to examine the question of a WARC and/or Regional conferences to draw up agreed plans for stations in the broadcasting-satellite service - Resolution G provides interim procedures for establishing service pending the conference(s) referred to in Res. F.

5) none above 12.2 GHz

WARC allocated the band 22.5-23 GHz, in Region 3 only, to the FIXED, MOBILE and BROADCASTING-SATELLITE SERVICES with a footnote stating that the last named is subject to power flux density limits for the protection of the terrestrial servic in the band.

Also allocated to the broadcasting-satel lite service were the bands 41-43 GHz and 84-86 GHz, each on a world-wide, exclusive basis.

FIXED-SATELLITE SERVICE

USA PROPOSALS

1) a) 2150-2200 MHz
COMSAT (up)
FIXED
MOBILE

b) 2500-2550 MHz
COMSAT (down)
FIXED
MOBILE
(later changed to 2075-2110 MHz to attempt to meet Canadian problem)
/USA proposal was for intra-Alaska only/

2) 6625-7125 MHz (Region 2 only)
FIXED
MOBILE
COMMUNICATION-SATELLITE

3) 10.95-11.2 & 11.45-11.7 GHz
COMMUNICATION-SATELLITE (down)
FIXED
MOBILE

WARC RESULTS

WARC adopted, for Regions 2 & 3 only,
2500-2535 MHz
FIXED 364C
FIXED-SATELLITE (space to earth)
MOBILE except aero mobile
BROADCASTING-SATELLITE 361B
361A 364E

2655-2690 MHz
FIXED 364C 364D
FIXED-SATELLITE (earth to space)
MOBILE except aero mobile
BROADCASTING-SATELLITE 361B 364H
364E 364G
Full details will be found in Annex 1

WARC adopted footnote status only: "392AA - In Brazil, Canada and the USA, the band 6625-7125 MHz is also allocated on a secondary basis to the fixed-satell service for space-to-earth transmissions In Region 2, the power flux density produced by space stations in this band shall be in accordance with Article 7, Section VIII (No. 470MM). In Regions 1 it shall be at least 6 db lower. Receiv earth stations in this band may not im restrictions on the locations or technic parameters of existing or future terres- trial stations of other countries."

WARC adopted this world-wide with addel proviso that Region 1 could also use it for upward transmissions. Conventional power flux density limits apply in down direction.

USA PROPOSALS

4) 11.7 - 12.2 GHz
BROADCASTING-SATELLITE
COMMUNICATION-SATELLITE
Mobile

5) 12.75-13.25 GHz
COMMUNICATION-SATELLITE (up)
FIXED
MOBILE

6) 17.7-19.7 GHz
COMMUNICATION-SATELLITE (down)
FIXED
MOBILE
19.7-21.2 GHz
COMMUNICATION-SATELLITE (down)

7) 27.5-29.5 GHz
COMMUNICATION-SATELLITE (up)
FIXED
MOBILE
29.5-31 GHz
COMMUNICATION-SATELLITE (up)

WARC RESULTS

WARC adopted this but added other services as well. See 4) under Broadcasting-Satellite and Annex 2 for details.

WARC adopted:
1) 12.5-12.75 GHz (Regions 2 & 3)
FIXED
FIXED-SATELLITE (up in 2, down in
MOBILE except aero mobile

2) 12.5-12.75 GHz (Region 1)
FIXED-SATELLITE (up and down)

3) 14-14.3 GHz
FIXED-SATELLITE (up)
RADIONAVIGATION
405BC 407 405BF
14.3-14.4 GHz
FIXED-SATELLITE (up)
RADIONAVIGATION-SATELLITE
405BF
14.4-14.5 GHz
FIXED
FIXED-SATELLITE (up)
MOBILE
405BD 405BE

405BC permits space research (up) secon
405BD permits same (down) secondary
405BE is a cautionary note re radio astr-
nomy and the formaldehyde line
405BF requires radionavigation & radio-
navigation-satellite to afford ade-
quate protection to space stations
the fixed-satellite service.

WARC adopted these, with a footnote in the higher band permitting fixed & mobile in Japan, on condition it did not impose PFD limits on space stations in the fixed satellite service.

As in 6) WARC adopted these for the fixed satellite service, with similar provisio for Japan.

FIXED-SATELLITE SERVICE (contd)

USA PROPOSALS	WARC RESULTS
8) None	WARC adopted Japanese proposals for 40-41 GHz FIXED-SATELLITE (~~up~~) and 50-51 GHz FIXED-SATELLITE (~~down~~)
9) Above 40 GHZ we proposed 92-95 GHz COMMUNICATION-SATELLITE (up) 102-105 ditto - down 140-142 ditto - up 150-152 ditto - down	WARC adopted all USA proposals plus Japanese proposals for 220-230 and 265-275 GHz with the direction of transmission unspecified in the last two.
10) Space-to-Space proposals were 54.25-58.2 GHz 59.0 -64.0 105 -130 170- -182 185 -190	WARC adopted all USA proposals, in what is now termed the inter-satellite servic

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AERONAUTICAL MOBILE-SATELLITE SERVICE

USA PROPOSALS	WARC RESULTS
1) 118-136 MHz - retain footnote 273A unchanged.	WARC agreed.
2) Divide the overall band 1535-1660 MHz as follows: 1535 - 1537.5 MARITIME MOBILE 352D 1537.5-1542.5 AERONAUTICAL MOBILE (R) 352F MARITIME MOBILE 352F 1542.5-1557.5 AERONAUTICAL MOBILE 352G 1557.5-1637.5 AERONAUTICAL RADIONAVIGATION 1637.5-1640 MARITIME MOBILE 352H 1640 - 1645 AERONAUTICAL MOBILE(R) 352I MARITIME MOBILE 352I 1645 - 1660 AERONAUTICAL MOBILE (R) 352J	WARC adopted the philosophy and the footnotes generally but made the allocation to mobile satellite services rat than to terrestrial services using spac techniques. More importantly, however, changed appreciably the amount of spect given each service. USA had proposed 2 MHz in each direction for maritime, 5 M in each direction shared, 15 MHz in eac direction for aeronautical and 80 MHz f aeronautical radionavigation. WARC cha this, respectively, to 7.5, 1, 15 and 7
3) None .	WARC adopted a French proposal footnoti 5000-5250 MHz to permit earth station-t satellite links for use by the aero mob (R) and/or radiodetermination services.

AERONAUTICAL MOBILE-SATELLITE SERVICE (contd)

USA PROPOSALS	WARC RESULTS
4) Above 40 GHz it was proposed that the bands 43-48, 66-71, 95-101, 142-150, 190-200, and 250-265 GHz be allocated to: AERONAUTICAL MOBILE AERONAUTICAL RADIONAVIGATION MARITIME MOBILE MARITIME RADIONAVIGATION	WARC adopted all but named them: AERONAUTICAL MOBILE-SATELLITE MARITIME MOBILE-SATELLITE AERONAUTICAL RADIONAVIGATION-SATELLITE MARITIME RADIONAVIGATION-SATELLITE

MARITIME MOBILE-SATELLITE SERVICE

USA PROPOSALS	WARC RESULTS
1) a) 157.1875-157.4375 MHz MARITIME MOBILE* b) 161.7375-162.0375 MHz MARITIME MOBILE* *Footnotes called on the 1974 Maritime Conference to determine how best to use the bands - and for terrestrials other than marine to vacate by 1/1/75	WARC adopted only a footnote "...the use of satellite systems for safety and distress may be authorized on certain channels on an exclusive basis in the band 157.3125-157.4125 MHz for transmissions from ships to satellites and in the band 161.9125-162.0125 MHz for transmissions from satellites to ships. The date on which satellite systems may be brought into use shall not be earlier than 1/1/7[illegible] (see Resolution No. Spa B)." (Also: WARC invites the '74 Maritime Conference to [illegible] how best to implement this footnote).
2) 335.15-335.4 MHz MARITIME MOBILE (down) 406-410 MHz A note indicated need to find a matching up band of 250 kHz.	This proposal was withdrawn in favor of a USA-generated resolution adopted by the WARC in recommendation-form (see Recommendation No. Spa II) calling on administrations and international organizations to continue to review the situation; and on CCIR to continue its studies re the optimum portion of the spectrum; and suggesting some future conference take such action as might be necessary to meet the needs of small ships and survival craft.
3) Late in the WARC we proposed 406-406.1 MHz MOBILE-SATELLITE (up) With a footnote stating: "This band is reserved solely for the use and development of low-power (not to exceed 5W) emergency position-indicating radiobeacon (EPIRB) systems using space techniques."	WARC adopted this proposal.

MARITIME MOBILE-SATELLITE SERVICE (cont'd)

USA PROPOSALS	WARC RESULTS
4) 1535-1660 MHz - same as 2) under AERONAUTICAL MOBILE-SATELLITE SERVICE	See 2) under AERONAUTICAL MOBILE-SATELLITE SERVICE.
5) Above 40 GHz - same as 4) under AERONAUTICAL MOBILE-SATELLITE SERVICE	See 4) under AERONAUTICAL MOBILE-SATELLITE SERVICE.

MOBILE-SATELLITE SERVICE

USA PROPOSALS	WARC RESULTS
1) 235-328.6 and 335.4-399.9 MHz Footnote 308A - In these bands the mobile service may be authorized the use and development, for that service, of systems using space techniques. Such use shall be subject to agreement among the administrations concerned and those having services operating in accordance with the Table which may be affected.	WARC adopted 308A saying: "The bands 240-328.6 MHz and 335.4-399.9 MHz may also be used by the mobile-satellite service. The use and development of of this service shall be subject to agreement among...etc..."

RADIO ASTRONOMY SERVICE

Virtually all USA proposals for radio astronomy were adopted by the WARC. In addition, cautionary notes for the protection of the service on various spectral lines were adopted on behalf of other administrations. The USA had proposed a Resolution calling for the protection of radio astronomy on the far side of the moon. This emerged as Recommendation No. Spa JJ.

STANDARD FREQUENCY- & TIME SIGNAL-SATELLITE SERVICES

USA PROPOSALS	WARC RESULTS
1) Late in the WARC USA proposed 400.05-400.15 MHz STANDARD FREQUENCY-SATELLITE A footnote designates 400.1 MHz as the standard frequency with emissions to be confined to $\pm$ 25 kHz.	WARC adopted this proposal.
2) None	Despite USA opposition, WARC adopted footnote 379A designating 4202 MHz $\pm$ 2 ... down and 6427 $\pm$2 MHz up, subject to ...

SPACE RESEARCH SERVICE

The USA proposed 25 changes to the Table for this service. Each was treated to our satisfaction, although not always on the terms requested.

Allocations were secured for the 1750-1850 MHz and 2025-2110 MHz earth-to-space bands paired with 2200-2300 MHz space-to-earth band and the 7145-7235 MHz up-band pairing with 8400-8500 MHz space-to-earth band. These two sets of frequencies will provide for the principal needs of scientific satellites, manned space and deep space research.

Additionally, a pair of bands was allocated at 13.25-14.2 GHz and 14.4-15.35 GHz. These are planned for future deep space research and satellite data relay experiments. Consistent with our proposals, they are allocated on a secondary basis with respect to other services in the bands.

Ten bands of frequencies above 40 GHz were also allocated for space research. Two of these, 51-52 and 65-66 GHz, provide for transmissions whereas the others, placed in molecular resonance areas, are for passive reception only.

Unsolicited by the USA, but added to the Table, were six small bands in the upper guard bands of the standard frequenies, 2.5 to 25 MHz, plus part of the lower guard band at 20 MHz.

METEOROLOGICAL SATELLITE- & EARTH EXPLORATION-SATELLITE SERVICES

The USA proposed ten substantive changes to the Table for these services. All were adopted although in a few instances the terms of the allocation differ somewhat from those proposed. Nonetheless, there is adequate frequency support for the USA to meet its objectives in an expanded meteorological-satellite service and in the introduction of the earth exploration-satellite service - a newly adopted name for what we had termed the earth sciences-satellite service in the USA proposals.

In addition to the USA proposals, the WARC adopted a French proposal to allocate the band 1525-1535 MHz, on a secondary basis, world-wide, to the earth exploration-satellite service.

SPACE OPERATION SERVICE

The existing table contains a number of bands allocated to SPACE (telemetering and tracking) or SPACE (telemetering). Under the new terminology philosophy, however, there is no SPACE SERVICE, per se, and since these allocations were intended to accommodate the indicated operational functions, the WARC established this new definition to deal with the matter.

> "Space Operation Service - A radiocommunication service concerned exclusively with the operation of spacecraft, in particular tracking, telemetry and telecommand. These functions will normally be provided within the service in which the space station is operating."

MHz

<table>
<tr><th>Region 1</th><th>Region 2</th><th>Region 3</th></tr>
<tr><td rowspan="2">2500-2550

FIXED 364C
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B

361A 362 364F</td><td colspan="2">2500-2535

FIXED 364C
FIXED-SATELLITE (Space-to-Earth)
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B

361A 364E</td></tr>
<tr><td colspan="2">2535-2550

FIXED 364C
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B

361A</td></tr>
<tr><td colspan="3">2550-2655

FIXED 364C
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B

362 363 364 364F</td></tr>
<tr><td>2655-2690

FIXED 364C 364D
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B 364H

363 364 364F 364G</td><td colspan="2">2655-2690

FIXED 364C 364D
FIXED-SATELLITE (Earth-to-Space)
MOBILE except aeronautical mobile
BROADCASTING-SATELLITE 361B 364H

364E 364G</td></tr>
</table>

361A - In France the band 2500-2550 MHz is also allocated on a primary basis to the radiolocation service and, on a secondary basis, to the fixed and mobile services. In Canada, the band 2500-2550 MHz is also allocated on a primary basis to the radiolocation service.

361B - The use of the band 2500-2690 MHz by the broadcasting-satellite service is limited to domestic and regional systems for community reception and such use is subject to agreement among administrations concerned and those having services operating in accordance with the Table, which may be affected (see Resolutions Nos. Spa F and Spa G). The power flux density at the surface of the earth shall not exceed those given in Nos. 470MH-470MK.

362 - In the United Kingdom, the band 2500-2600 MHz is also allocated, on a secondary basis, to the radiolocation service.

364A - In Bulgaria, Cuba, Hungary, India, Israel, Kuwait, Lebanon, Morocco, Pakistan, the Philippines, Poland, the United Arab Republic, Roumania, Czechoslovakia, the U.S.S.R., and Yugoslavia, the band 2690-2700 MHz is also allocated to the fixed and mobile services.

364C - When planning new tropospheric scatter radio-relay links in the band 2500-2690 MHz, all possible measures shall be taken to avoid directing the antennae of these links towards the geostationary satellite orbit.

364D - Administrations shall make all practicable efforts to avoid developing new tropospheric scatter systems in the band 2655-2690 MHz.

364 - In Region 1, tropospheric scatter systems may operate in the band 2550-2690 MHz under agreements concluded between administrations concerned and those having terrestrial radiocommunication services operating in accordance with the Table, which may be affected.

GHz

Region 1	Region 2	Region 3
11.7-12.5 FIXED MOBILE except aeronautical mobile BROADCASTING BROADCASTING-SATELLITE 405BA	11.7-12.2 FIXED FIXED-SATELLITE (Space-to-Earth) MOBILE except aeronautical mobile BROADCASTING BROADCASTING-SATELLITE 405BB 405BC	11.7-12.2 FIXED MOBILE except aeronautical mobile BROADCASTING BROADCASTING-SATELLITE 405BA
	12.2-12.5 FIXED MOBILE except aeronautical mobile BROADCASTING	

405BA - In the band 11.7-12.2 GHz in Region 3 and in the band 11.7-12.5 GHz in Region 1, existing and future fixed, mobile and broadcasting services shall not cause harmful interference to broadcasting-satellite stations operating in accordance with the decisions of the appropriate broadcasting frequency assignment planning conference (see Resolution No. Spa F) and this requirement shall be taken into account in the decisions of that conference.

405BB - Terrestrial radiocommunication services in this band shall be introduced only after the elaboration and approval of plans for the space radiocommunication services, so as to ensure compatibility between the uses that each country decides for this band.

405BC - The use of the band 11.7-12.2 GHz by the broadcasting-satellite and fixed-satellite services is limited to domestic systems and is subject to previous agreement among administrations concerned and those having services, operating in accordance with the Table, which may be affected (see Article 9A and Resolution No. Spa G).

PRESS RELEASE

July 22, 1971

STATEMENT OF COMMISSIONER ROBERT E. LEE
FEDERAL COMMUNICATIONS COMMISSION

Re: WARC - World Administrative Radio Conference for Space Telecommunications — June - July, 1971

This was my first experience with a world-wide conference on radio regulations, and I must say I was impressed with the quality of the United States Delegation and the dedication to their work.

I think the United States accomplishments were significant, and I was particularly pleased by the fact that it will now be possible for the instructional television to be augmented in the space age. This was a project that the U. S. educators were vitally interested in, and we came back with what we asked for. I would point out that in all of the areas of world-wide allocations, further projects for domestic implementation will have to be undertaken. This means that in the next few years there will be further rule makings and, perhaps, even hearings which will give all interested parties another bite at the apple, prior to implementation of the final acts of the Conference.

I would like to compliment Ambassador Tyson and his very able staff for a job well done.

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

(For further information: Mr. Brian Lamb - 395-4990)

OFFICE OF THE DIRECTOR

August 19, 1971

OTP TO STUDY BROADBAND CABLE DEMONSTRATION PROGRAM

The Office of Telecommunications Policy announced today the award of a contract to conduct a feasibility and program definition study of possible demonstration programs in broadband cable communications. The consulting firm of Malarkey, Taylor and Associates of Washington, D.C. has been chosen to conduct this study. Walter Hinchman, Assistant Director of OTP for cable and broadcast programs, indicated the study will identify those new broadband services which might be offered on a pilot or experimental basis to test the social benefits, public acceptance, and economic viability of such services. The study will be completed within three months and will supply much of the information needed by the Office in determining the extent to which more detailed planning and actual experimentation should be considered.

Although much has been written concerning the potential benefits of and opportunities for new services using cable and other broadband systems, Mr. Hinchman said:

> "No single public or private institution has yet seen the way clear to mount the large-scale hardware and software effort required to evaluate such services in a live situation. For this reason, the OTP feels a joint demonstration program, involving both public and private participants as well as Federal and local officials, may be needed."

Such a program might, for instance, involve the extensive wiring of several diverse communities, including rural areas, with interactive two-way broadband capabilities. These communities could serve as test beds for controlled evaluation of alternative services in education, recreation, health, banking and finance, merchandising, public administration, public safety, or other areas.

Mr. Hinchman stressed that:

> "The role of OTP in this effort, should it appear feasible on the basis of this study, would be primarily that of catalyst and coordinator. While the Office will be vitally interested in the policy guidance to emerge from such a program, it would leave the individual experimentation to agencies having specific responsibilities for social services (e.g. HEW, HUD, OEO, Justice), and to private entrepreneurs. We are particularly interested in stimulating private entrepreneurs, and hope that firms having an interest in possible participation in such a program will make their specific interests known to the Office at an early date."

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

September 8, 1971

OFFICE OF THE DIRECTOR

NEWS RELEASE

The Director of the Office of Telecommunications Policy, Clay T. Whitehead, announced today the establishment of radar spectrum engineering criteria applicable to the departments and agencies of the Executive Branch of the Government. These criteria will bring about less blockage of the radio spectrum by radars that make large demands for spectrum space. This in turn permits more frequencies for direct communications use.

The new criteria establish allowable radar antenna patterns, tolerance requirements, requirements for tunability over the bands for which a given device is designed to operate, and require that overall receiver characteristics be commensurate with related transmitter bandwidths.

The new criteria, applicable to all radars which operate below 40 GHz except for certain low power and mobile uses, become effective:

(a) On January 1, 1973, for all new radars developed under the sponsorship of agencies of the Federal Government.
(b) On July 1, 1978, for all radars operated by Federal Government agencies (waivers will be allowed under some exceptional circumstances).

These criteria were developed through the mutual efforts of the Interdepartment Radio Advisory Committee (IRAC), the Electromagnetic Compatibility Analysis Center (ECAC) operated by the Department of Defense, and with the assistance of recognized industry experts in the field of radar design.

Copies of the criteria can be obtained by phoning Mr. Brian P. Lamb at 395-4990.

5.3.2 RADAR SPECTRUM ENGINEERING CRITERIA

Criteria

The wide application of radar for various functions makes large demands on the radio spectrum, and requires the application of effective frequency management measures for the equipment and systems involved. Criteria for certain equipment characteristics are specified herein to ensure an acceptable degree of electromagnetic compatibility among radar systems, and between such systems and those of other radio services sharing the frequency spectrum.

These criteria are concerned with promoting efficient use of the spectrum, and in specifying them there is no intent to require particular numerical values from the standpoint of the radar's mission. For example, characteristics such as power, sensitivity, pulse repetition rate, pulse duration, pulse rise time, and the range of radio frequency emission are closely related to operational requirements. Accordingly, where limits for some of these characteristics are specified herein, the criteria have been chosen to avoid undue degradation of operational effectiveness. Moreover, the specification of these criteria is compatible with the policy of encouraging a free and unrestricted approach in further research looking toward more effective radars. Nevertheless, any proposals for new approaches and new system concepts involving radar must be reviewed from a frequency management viewpoint prior to development of new equipment.

Useful receiver techniques are available for reduction of the susceptibility of radars to low-duty-cycle pulsed interference. The applicability of such devices as video integrators, correlators, PRF and pulse width discriminators varies with factors such as cost, availability, and their adaptability to specific equipments and environmental situations. While the mandatory incorporation of such devices is not specified herein, their application is recommended for low-duty-cycle radars intended for operation in congested frequency bands and geographic areas.

Effective Dates

The Radar Spectrum Engineering Criteria shall become effective on January 1, 1973 for all new radars developed under the sponsorship of agencies of the Federal Government. On July 1, 1978, the provisions of paragraph 2 of part 5.0 become applicable for all non-conforming radars for which waivers have not been granted.*

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*Part 5.0 (in part):
In any instance of harmful interference involving the use of nonconforming equipment on the one hand, and the use of conforming equipment on the other hand, the responsibility for adjustment to eliminate the interference normally shall rest with the agency employing the nonconforming equipment, unless it is shown that the deficiency in that regard is not a contributing factor to the interference.

Applicability

The Radar Spectrum Engineering Criteria apply to all radars that operate below 40000 MHz except:

a) man-portable radars;

b) pulsed radars that have a rated peak power of less than 1 kW; and

c) pulsed radars designed to be used aboard a mobile platform (e.g. ships, aircraft or spacecraft), and whose operating frequencies are equal to or greater than 2900 MHz, and whose rated peak power is no greater than 100 kW.

Waivers

Waiver of the requirements herein may be requested when supported by reasonable justification. When technical and engineering data are supplied in support of a request for waiver or in evaluating the performance of equipment pursuant to provisions of paragraph 2 of part 5.0, an explanation of the non-conforming parameters and any measurement methods employed shall be furnished. Manufacturer's data may be used where deemed appropriate and adequate.

Symbols Used

B = emission bandwidth, in MHz.

B_c = compression bandwidth, in MHz

B_s = bandwidth of the frequency shift ("modified" radar systems) in MHz.

B_d = bandwidth of the frequency deviation (peak difference between instantaneous frequency of the modulated wave and the carrier frequency) -- (FM/CW radar systems), in MHz.

F_o = nominal operating frequency, in MHz.

M = bandwidth due to modification of pulse or to deviation from carrier frequency, in MHz.

t = pulse duration in μsec. (time between 50% amplitude points of pulse).

t_r = pulse rise time in μsec. (time required for instantaneous amplitude to rise from 10% to 90% of the peak value).

Δf_1 = value of one half the emission bandwidth (B/2).

Δf_2 = ten times value of Δf_1 ($10\Delta f_1$).

P_t = maximum power spectral level of the radar in dBm/kHz.*

ϵ = suppression below P_t in dB.

$K = t/t_r$ (ratio of pulse duration to pulse rise time).

k = weighting factor for K.

Radar Emission Bandwidth

The bandwidth of the radar emission spectrum is obtainable from the following relationships:

1. For conventional pulse radars and pulse doppler radars:

   $$B = \frac{2kK^{**}}{t} \leq \frac{64}{t}$$

   or ½% of F_o (whichever is greater)

2. For "modified" pulse radars, including chirp, matched filter, pulse compression, and pulse stretch:

   $$B = \frac{2kK^{**}}{t} + M \leq \frac{64}{t} + M$$

   (where $M = B_c$ or B_s)

3. For CW radars:

   $B = 0.0003\ F_o$

4. For FM/CW radars:

   $B = 0.0003\ F_o + 2M$

   (where $M = B_d$)

---

* P_t may be measured or may for the purposes of these Criteria be calculated from the following:

$$P_t = P_p + 20 \log D_c + 10 \log (1000 \text{ Hz/PRR}) \quad \text{(Conventional pulse)}$$

$$P_t = P_p + 20 \log D_c + 10 \log (1000 \text{ Hz/PRR}) - 10 \log d \quad \text{(Compressed pulse)}$$

where: P_p = peak power in dBm

D_c = duty cycle

d = pulse compression ratio

PRR = pulse repetition rate in pulses per second.

** Values of the weighting factor "k" vary from unity upward according to the relationship in Figure 2. Its value is unity for values of $K = 14.44$ and higher. Values of K are commonly 10 or less. Bandwidths resulting from values of K greater than 14.44 (t/t_r in excess of 14.44) require justification based upon technical systems requirements.

The radar emission levels outside the above bandwidth at the antenna input shall be no greater than the values obtainable from the curve in Figure 1.* At plus or minus the frequency Δf_1 from F_o, the level shall be at least 40 dB below the maximum value. At and beyond plus or minus Δf_2 from F_o, the level shall be at least the value below the maximum which is given by the formula:

$$S = P_t - 20 \log F_o + 100 \geq 40 \text{ dB}$$

or, in absolute level,

$$P_{\Delta f2 \text{dBm/kHz}} = P_t - S$$

Between Δf_1 and Δf_2 values, the level shall be at least the value below the maximum which is obtainable from the straight line drawn between the Δf_1 and Δf_2 values.

Allowable Radar Antenna Patterns

Since electromagnetic compatibility considerations involve phenomena which may occur at any angle, the allowable antenna patterns for many radars may be usefully described by "median gain" relative to an isotropic antenna.** Antennas operated by their rotation through 360° of the horizontal plane shall have a "median gain" of -10 dB or less, measured in the principal radiation plane. For other antennas, suppression of lobes other than the main antenna beam shall be provided to the following levels, referred to the main beam:

major sidelobes -- 20 dB;

all other lobes -- 30 dB.

---

* For radars employing more than a single emitter, including certain phased-array radars, special methods may be required in establishing the maximum level of emission and determining levels outside the bandwidth B. Pending adoption of standardized procedures for such radars, values submitted for these parameters shall be accompanied by an explanation of their derivation.

** Median gain is defined as that level over an angular region at which the probability is 50% that the observed or measured gain at any position of the antenna will be less than or equal to that level.

Frequency Stability (Tolerance)

based on practical electromagnetic compatibility considerations, such as those involving the selection of usable frequencies, all radar transmitters shall have a long term stability no larger than those noted in the following table:

Frequency Range (in MHz)	Tolerance (parts/million)
Below 960	400
960 to 4000	800
4000 to 10000	1250
10000 to 30000	2500
30000 to 40000	5000

Frequency shift radars shall meet the above tolerance requirements as appropriate at the upper and lower extremes of the shift frequency.

Radar Tunability

Maximum capability for tunability supports operational flexibility and promotes electromagnetic compatibility. A minimum requirement is that the radar be tunable either over the allocated bands for which it is designed to operate or over a band which is 10% of the tuned frequency. Radars may be continuously tunable, or have the capability to tune in discrete steps of no more than 2% of the operating frequency.

Radar Receivers

In general terms, the overall receiver selectivity characteristics shall be commensurate with the transmitter bandwidth, as portrayed in Figure 1. Receivers shall be capable of switching bandwidth limits to appropriate values whenever the transmitter bandwidth is switched (pulse shape changed). Receiver image rejection shall be at least 50 dB; rejection of other spurious responses shall be at least 60 dB. Radar receivers shall not exhibit any local oscillator radiation greater than -40 dBm at the receiver input terminals. Frequency stability of receivers shall be commensurate with, or better than, that of the associated transmitters.

Measurement Capability

In order to coordinate radar operations in the field, an accurate measurement of the center frequency is necessary. An accuracy of ± 1 part in 10^6 is desirable, although, for most radars, ± 1 part in 10^4 is adequate. Accordingly, a frequency measurement capability of at least ± 1 part in 10^4 shall be available for use by every fixed radar installation and for every service facility responsible for maintenance and adjustment of mobile radars not exempt from these criteria.

Of comparable importance is the capability to measure pulse rise time and spectrum occupancy. Accordingly, every fixed radar installation and every service facility responsible for maintenance and adjustment of mobile radars not exempt from these criteria shall have access to a suitable oscilloscope and spectrum analyzer to measure pulse rise time and spectrum occupancy.

RADAR EMISSION BANDWIDTH AND EMISSION LEVELS

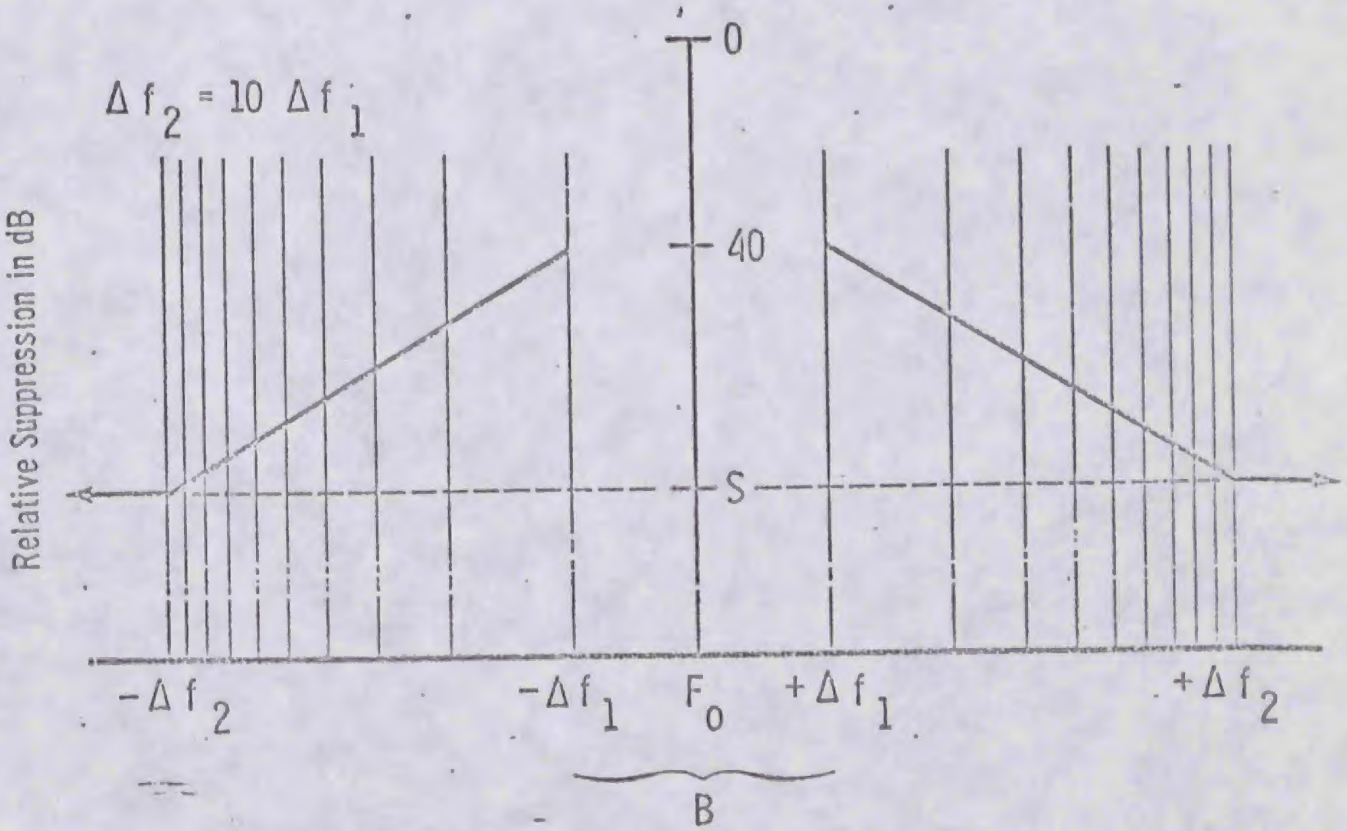

FIGURE 1

DEPENDENCE OF WEIGHTING FACTOR k UPON K

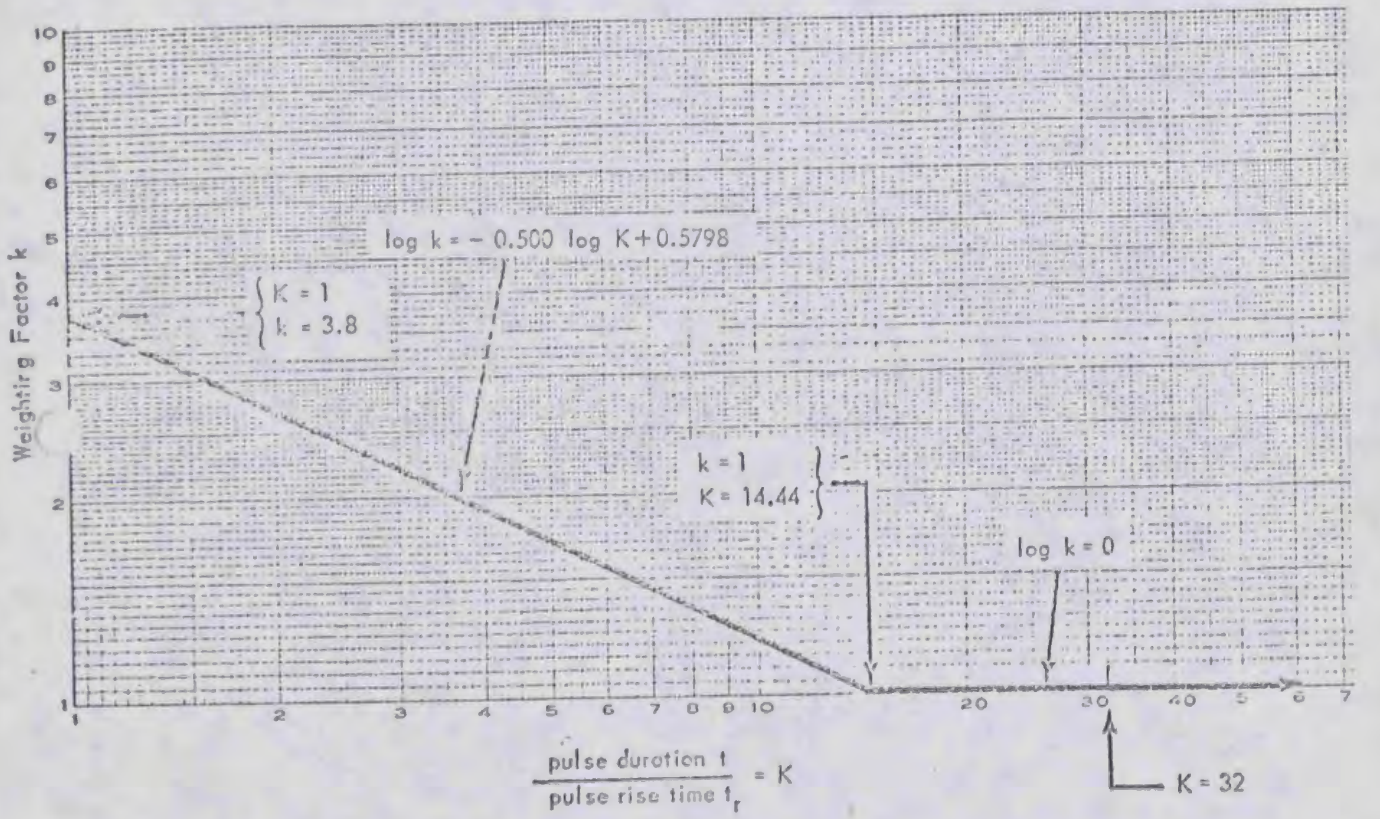

FIGURE 2

SEP 9 1971

Honorable Dean Burch
Chairman
Federal Communications Commission
Washington, D. C.

Dear Dean:

I noted with considerable concern the Commission's Notice of Proposed Rulemaking for regulating TV cameras, cartridges, and video player systems. While I recognize the need to assure that such equipment does not leak radiation which would cause harmful interference, it is not at all apparent that this goal is best achieved by detailed Federal intervention in the design of equipment through mandatory-type acceptance. Could not the same result be obtained by creating appropriate definitions of harmful interference, supplemented by voluntary-type acceptance or review in private laboratories?

As you know, we generally favor giving new technologies the maximum feasible freedom to develop before imposing regulations that might reduce the vigor of innovative activity and rapidity with which new applications of technology are marketed and costs reduced. For these reasons, I am concerned with the apparent suggestion in Docket 19281 that there is a need for even limited regulation of home video recorders, players, and similar nonbroadcast devices. I fully recognize that this is initially a relatively limited technical regulation, but it seems unnecessary and provides a preliminary step on the road we have walked so many times in the past -- namely, from limited technical oversight to increasingly detailed regulation of applications and economics.

Perhaps it is appropriate to undertake a comprehensive review of the overall type acceptance policy and procedures, as they apply to equipment of all kinds. But in the meantime, it seems desirable to avoid further extension of government type acceptance to devices whose primary function is not radiation.

This, of course, does not imply any opposition to the establishment of such interference standards as do seem appropriate.

Sincerely,

(s) Tom

Clay T. Whitehead

Mailed SEP 13 '71

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

DIRECTOR

October 5, 1971

Honorable Dean Burch
Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D. C. 20554

Dear Dean:

It is my concern -- and one I know you share -- that government regulation of broadcasting be no more extensive than is necessary to protect the public interest. Government regulation risks government control; and where free speech and free press are so intimately involved, that risk should not be assumed without serious reason.

To some extent, the necessary degree of regulation depends upon the economic and competitive situation of the broadcast medium involved. As you have noted recently, radio more closely approaches the free enterprise system than any other segment of the broadcast industry. In large cities, there are many radio stations and competition is vigorous. Costs of access, both for speakers and listeners, are low. And the "scarcity" justification for content regulation does not exist.

I would like to suggest that the FCC and OTP cooperate in the development of a pilot program to test the feasibility of substantial de-regulation of commercial radio. The details of the project can be worked out within the limits of the FCC's power to conduct experimental programs. One possibility might be to select one or more large cities for which all radio assignments and transfers would be made on the basis of the "short form" (Form 316) application. The programming section of renewal and other applications could be amended to delete reference to programs and commercial practices. This could be supplemented with elimination of FCC-imposed and FCC-enforced requirements of the Fairness Doctrine. Statutory and constitutional rights of

access could be left to enforcement by the courts, except for the political broadcasting provisions of section 315. Commercial practices could be left entirely to regulation by the Federal Trade Commission.

I recognize the difficulties that would be involved in such a pilot project. It is to my mind worth the effort, however, if it can lay the basis for removal of government control from a field where government control is most dangerous. It is my hope that the program could lead to legislative recommendations for more extensive de-regulation within the radio field.

Sincerely,

Clay T. Whitehead

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

October 28, 1971

DIRECTOR

Honorable Dean Burch
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Dean:

The unrealized potential of satellite communication systems for U.S. domestic services continues to be a source of serious concern to the Administration. Prospective suppliers of these services have been delayed for more than six years while various parts of the Government have examined and reexamined the question of public policy guidelines.

In January 1970, the Administration recommended that domestic satellite communications be allowed to develop under a basic policy of open entry. Under this policy, any financially qualified entity which sought to establish a domestic satellite system, including common carriers, would be authorized to do so, subject only to antitrust considerations and essential technical coordination.

The Commission responded favorably to this approach, but chose to solicit applications and comments from all prospective satellite operators before proceeding further. The private sector has since responded to this initiative with seven proposals for full-service satellite systems and several proposals for partial service offerings -- all to be offered on a privately financed commercial basis.

The Office of Telecommunications Policy has carefully reviewed the major applications to determine whether they raise questions about any of the principles and premises set forth in the Administration's original

recommendation. We have examined questions of technical and economic feasibility, particularly those relating to spectrum and orbit utilization and to the existence of economies of scale or other natural monopoly conditions. We also have reviewed the several legal and procedural issues raised. In no area did we find evidence which would negate the Administration's previous policy recommendation.

Indeed, the opposite is true. There are customers waiting for satellite services and prospective suppliers with the capital and the will to offer them on a commercial basis. We see no reason for the government to continue keeping these groups apart. No further study, sifting of applications, or enforced commercial arrangements would be as constructive for the using public or for the industry as the prompt opening up of this new and exciting field.

As you know, the President recently established measures designed to alleviate the problems of our nation's economy. The prompt authorization of domestic satellite systems would aid substantially in this effort by stimulating up to $450 million in investments, and associated employment, in the aerospace and electronic industries -- two segments of the economy which have been hit particularly hard by cutbacks in Federal spending. The authorization would also provide lower transmission costs and thereby help reduce upward pressure on common carrier rates.

I urge the Commission to examine carefully the enclosed recommendations and to adopt an open entry policy as promptly as possible.

I am available, as is my staff, to discuss this subject in whatever depth you may desire.

Sincerely,

Tom

Clay T. Whitehead

Enclosure

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

November 15, 1971

DIRECTOR

Honorable Harley O. Staggers
Chairman, Interstate and Foreign Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Staggers:

You have asked me to provide you with the Administration's views on the FCC's cable television proposals, as well as Administration recommendations resulting from the work of the special Cabinet Committee on broadband cable. Since the Committee will not address specifically the FCC's proposed conditions of distant-signal carriage, and since it will in any event not complete its work for several more weeks, I am replying separately to your first request.

The Administration's views on the FCC proposals can be summarized as follows:

(1) It is highly desirable that the "freeze" on cable development in the major markets be eliminated, and that the new medium be permitted to proceed with its growth as soon as possible in an atmosphere conducive to stability and cooperation among the various interests involved in providing program services to the public.

(2) Those matters pertaining to cable retransmission of broadcast television signals which the FCC has addressed (i.e., permissible distant signals, definition of local signals and "anti-leapfrogging") involve the type of substantive determination which, within broad limits, is best resolved by an administrative agency. Those proposals should be supplemented, however, with provisions applicable to radio signals and with restrictions upon importation of copyrighted programming.

(3) The balance of the proposals, including the division of federal-state authority over broadband cable services are predicated on unclear authority and address issues of major national concern which will ultimately determine the form and structure of the new industry. Implementation of these proposals should not be allowed to preclude thorough Congressional review of the fundamental policy questions which the Cabinet Committee is considering.

The Supreme Court has affirmed the FCC's authority to impose those regulatory requirements on cable television that are "reasonably ancillary to the effective performance of the Commission's various responsibilities for the regulation of television broadcasting." The FCC's proposals dealing with carriage of television broadcast signals clearly fall within this authority. Accordingly, there is no question of the FCC's power to resolve such issues as the definition of "local" signals, the appropriate number of distant signals to be carried by cable systems, and restrictions on the points of origin of distant signals (i.e., "anti-leapfrogging").

We have no substantive comments on these aspects of the proposed rules. These provisions are intended to provide cable with an opportunity for immediate growth, while protecting the economic viability of our "over-the-air" television broadcast system. They involve judgmental determinations of the type which, within broad limits, Congress must of necessity leave to the discretion of its regulatory agencies. What is essential, as far as the broadcast-carriage proposals are concerned, is that there be prompt adoption of a regulatory approach which will receive general acceptance, thereby enabling the sound growth of the industry to proceed.

There are, however, several problems which these broadcast-related proposals leave unresolved: first, there is the problem of the importation of distant radio signals, and second, the problem of exclusivity protection for copyrighted television programming.

Leaders of the affected industries have recently reached an agreement regarding provisions that deal with these concerns and also involve minor modifications of some broadcast-related items already included in the Commission's proposals. If reflected in the Commission's final rules, this agreement would fully meet our concerns regarding radio and copyright. Absent this accord on the final rules, there is serious risk that an end to the freeze will be delayed by challenges in the courts and Congressional hearings on these matters. We believe the public interest would not be served by such developments.

Turning now to those aspects of the proposals which go beyond the conditions of cable retransmission of over-the-air signals, relating to broadband cable as a communications medium in its own right: These aspects of the proposed rules (together with existing rules and further contemplated rulemakings) involve such matters as Federal preemption of state and local control, the extent of FCC supervision of programming, limitations on numbers of channels, flexibility with respect to new services, and prescribed channel usage. These and other matters of like

importance will shape the economic structure, and indeed the character, of the new medium. They are the subject of the Cabinet Committee's work and will ultimately require careful Congressional consideration. The Commission itself has noted that the recent Midwest Video case casts doubt upon the legality of this type of regulation, and it has requested Congressional clarification. Similarly, we believe the 1934 Communications Act provides inadequate guidance for the regulation of broadband cable communications. Therefore, while we favor immediate implementation of the proposed rules in order to permit the growth of cable television, our recommendation is based upon the hope and expectation that Congress will address these fundamental aspects of broadband cable policy at an appropriate time, before the economics of the industry and the character of the medium have become irreversibly set in the mold contemplated by the Commission.

Cable television involves many fundamental and complex policy matters of national importance. Until they can be resolved by due Congressional deliberation, we believe the public interest will best be served by ending the cable "freeze" through adoption of the FCC proposals. This course of action will enable the Congress to give its full attention at a later time to the major issues involved in the future of broadband communications services without further delaying the expansion of cable television service for the American people.

Sincerely,

Clay T. Whitehead

AT&T GIVES INTERCONNECTION VIEWS (continued from page 13)

devices if they were to be marketed directly to the using public as you suggest should be done."

In addition, AT&T declared, "When these devices are provided by the telephone companies, they are also installed and maintained by the regulated carriers. . .These responsibilities should remain with the carriers until carefully controlled alternatives are available. The mere fact that the equipment itself may be found not objectionable does not protect against all potential harms." -End-

---OTP PLANS STUDY OF COMPUTER/COMMUNICATIONS INTERACTION POLICY---

Initiation of a study program to "develop long-range national policy objectives in the area of computer/communications interaction" was announced Jan. 6 by the Office of Telecommunications Policy.

OTP said it expects to start with the award of a contract to study teleprocessing systems, "in order to develop analytic tools and models to determine what are the most cost-effective systems of computation, communications, and information storage." It expects to release the request for proposals for the contract this month.

The contract, it stated, will include an examination of the factors affecting economies of scale of hybrid computer/communications systems. OTP added that it will use the results to examine computer and data communications policy alternatives.

Organizations with experience in computer/communications interaction, and/or in systems analysis studies, and wishing to be placed on the bidders' list, may contact Michael J. McCrudden, room 775, OTP, Executive Office of the President, Washington, D.C. 20504. -End-

FCC BUREAU ISSUES INTERIM WAIVER TO PERMIT NORMALIZATION ACCOUNTING

An interim waiver of the Federal Communications Commission's rules, to permit telephone companies to use normalization (reserve) accounting of accelerated depreciation tax benefits in determining 1971 income taxes, has been issued by the Chief of the FCC Common Carrier Bureau. The action permits normalization accounting retroactive to Jan. 1, 1971. Permanent revision of the accounting rules is now pending, the Commission noted. -End-

- - -

SALE OF $200,000,000 OF COMMON STOCK of the Southwestern Bell Telephone Co. to the American Telephone & Telegraph Co. was announced last week. The sale increased Southwestern Bell's total outstanding shares by 12,000,000 to 104,400,000. The company plans a record construction program of $868,600,000 this year. -End-

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

NEWS RELEASE

OFFICE OF THE DIRECTOR
February 1, 1972

OTP RELEASES ACTIVITIES REPORT

The Office of Telecommunications Policy released today a report of its activities and programs for 1971-1972.

The report was prepared at the request of Senator John O. Pastore, Chairman, Subcommittee on Communication, Senate Commerce Committee, for use by the Committee. It summarizes the principal activities of the Office in the four broad areas of its concern--domestic communications, Government communications, international communications, and spectrum plans and policies--and sets forth the principal programs contemplated during the present year.

One copy of the report is enclosed and additional copies may be obtained by calling OTP on 202-395-4990.

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

NEWS RELEASE

OFFICE OF THE DIRECTOR

February 3, 1972

OTP APPROVES PROGRAM FOR CONTROL OF ELECTROMAGNETIC RADIATION

Clay T. Whitehead, Director of the Office of Telecommunications Policy, announced today the approval of a "Program for Control of Electromagnetic Pollution of the Environment: The Assessment of Biological Hazards of Nonionizing Electromagnetic Radiation."

This program stems from concern about possible radiation hazards resulting from communications activities and is the result of study and effort over the past two years by the Electromagnetic Radiation Management Advisory Council (ERMAC), in coordination with observers from cognizant Federal agencies. The Council, comprised of non-governmental experts in various related disciplines, advises the Director of OTP on side effects of nonionizing radiations, including possible biological hazards to operating personnel and the general public.

In essence, the program outlines the problem--that we do not know with confidence the potential impact of nonionizing electromagnetic radiations on human beings. While "heating" effects have been treated somewhat, the possible effects of long-term exposures to lower levels of radiation are not understood adequately. The program calls for a coordinated five-year effort, with expenditures of $63 million allocated among the cognizant agencies of the Federal Government. It recommends survey, testing, and research to establish a rational scientific basis for determining potential hazards to man and his environment due to radio-frequency and other nonionizing radiation.

The OTP Director has forwarded the program to Federal Government agencies and departments for their views on its implementation at the earliest practicable

FOR IMMEDIATE RELEASE

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

NEWS RELEASE

OFFICE OF THE DIRECTOR
February 14, 1972

The proposed joint DOT-FAA/ESRO program to provide satellite communications for international civil aviation has been carefully reviewed. The U.S. Government desires to cooperate with all nations in providing improved communication services. However, the proposed joint program cannot be approved in its present form. The U.S. Government plans to continue discussions with foreign officials in the immediate future.

BACKGROUND

Plans for a satellite communications system to serve civil aviation have been under discussion since 1966. Both the National Aeronautics and Space Administration and the Federal Aviation Administration developed plans for independent systems. The Office of Telecommunications Policy issued a statement of Administration policy on 7 January 1971, which designated the DOT/FAA as the implementing agency and required the FAA to obtain its satellite communication services through lease from the private sector. Subsequently, the FAA entered into negotiations for a joint program with the European Space Research Organization (ESRO), acting on behalf of European's aviation interests. The negotiations led to a proposal for a government system to be jointly owned, operated and managed by the FAA and ESRO for both the Atlantic and Pacific oceans.

Administration review of this proposal has been underway since November 1971, and has led to the current decision.

FOR IMMEDIATE RELEASE

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

March 17, 1972

NEWS RELEASE

OTP RELEASES DOMESTIC SATELLITE STUDIES

The Office of Telecommunications Policy today released the results of three studies on domestic satellite communications. The studies, conducted for OTP by the Stanford Research Institute, Ross Telecommunications Engineering Corporation, and the Commerce Department's Office of Telecommunications, address technical and economic aspects of the several applications for domestic satellite systems now pending before the FCC, and the implications of these factors for the organization, operation, and regulation of the domestic satellite industry.

Walter Hinchman, OTP Assistant Director, noted in releasing the studies that their findings further support the Administration's view that multiple domestic satellite systems can be economically viable on a competitive basis and can be made technically compatible with one another and with existing and future terrestrial systems, with minimal regulatory controls.

Summary conclusions from the three OTP reports are attached. The complete texts of these reports may be examined at the OTP offices, and copies will be available from the National Technical Information Service, U.S. Department of Commerce near the end of April 1972. For those interested in obtaining further information or copies, the exact titles are:

"Economic Viability of the Proposed United States Communications Satellite Systems," Stanford Research Institute.

"A General Analysis of Domestic Satellite Orbit/Spectrum Utilization," Policy Support Division, Office of Telecommunications, U.S. Department of Commerce, Boulder, Colorado.

"Analysis of Earth Station Siting for the Proposed Domestic Satellite Systems," Ross Telecommunications Engineering Corporation.

March 17, 1972

OTP Studies* on Domestic Satellite Communications
Principal Conclusions

ECONOMIC

- The data presented in the FCC applications for the several systems proposed show no clear indication of substantial economies of scale that would suggest a tendency to natural monopoly. Indicated unit costs are comparable for large and small systems of the same type and there are apparent economies of specialization for several of the proposed services which would offset any claimed economies of scale. Systems of substantially different types differ in function, performance, and probability of successful deployment and thus are not directly comparable on an economic basis.

- The potential market for domestic satellite services in the near future, though substantial, will probably support several but not all of the proposed systems as presently envisioned. There is an apparent near-term market for 89-163 broadband satellite channels (transponders), whereas the total operational capacity of all proposed systems would be 336 transponders, with additional back-up capacity of 252 transponders.

- The total market includes several sectors that are relatively insulated from one another (e.g., public message telephone traffic, broadcast and cable video interconnection, and various leased-line services), each of which could be served economically by a different operator.

- More than one satellite operator may be expected to compete on a continuing basis for the leased line market, and to a more limited extent for the other market sectors.

- Under a policy of open entry at least two, and probably three or more, separate systems would likely be established, having a combined capacity in excess of 100 channels (transponders) plus 50 or more back-up transponders. Each of these systems would likely incorporate an independently viable basic service offering (e.g., PMTS, video interconnection, etc.) combined with competitive leased-line offerings.

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* "Economic Viability of the Proposed United States Communications Satellite Systems," Stanford Research Institute.

"A General Analysis of Domestic Satellite Orbit/Spectrum Utilization," Policy Support Division. Office of Telecommunications, U. S. Department of Commerce, Boulder, Colorado.

"Analysis of Earth Station Siting for the Proposed Domestic Satellite Systems," Ross Telecommunications Engineering Corporation.

- A policy of open entry can be expected to result in a viable competitive industry, with return on capital commensurate with risks. However, there is little solid evidence regarding the specific structure this industry would take, which will be affected by differences in technology, design concept and configuration, comparative market strategies, and consortia arrangements not readily apparent at this time.

TECHNICAL

- The average spacing of 3.7^{o} required to accommodate all 23 of the initial U. S. and Canadian satellites in the relevant sector of the geostationary orbit (i. e., 53^{o} - 138^{o} W) is not inconsistent with the spacings proposed and analyzed in the applications.

- A general analysis indicates that 23 satellites with characteristics typical of those proposed could be accommodated, although minor adjustments in some system parameters might be necessary in the unlikely event that all systems were fully deployed.

- The ultimate capacity of the available geostationary orbit using (and reusing) 2000 MHz of spectrum vastly exceeds the indicated initial demand; thus, scarcity of this resource is not a compelling issue in policy determination.

- The siting of earth stations near large metropolitan areas in the manner proposed by the various applicants is feasible from an interference standpoint.

- Although the applicants did not coordinate specifically for off-path interference, this type of potential interference has been taken into account to some degree in the coordination for possible great-circle interference, since the terrestrial microwave facilities most likely to cause both types of interference are the same.

- For all cases of great-circle interference problems as represented by the applicants, there are viable techniques available for controlling the level of interference within acceptable limits.

- The installation of earth stations for several applicants in a certain area would not produce accumulative interference effects beyond those anticipated in the development of acceptable interference criteria by the CCIR.

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

March 29, 1972

DIRECTOR

Honorable Dean Burch
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

By letter of August 19, 1971, I advised that the band 223-225 MHz could, with certain limitations, be made available on a shared basis for Citizens Band use. By letter of January 12, 1972, your staff requested comments on a draft Notice of Proposed Rule Making on this matter and asked for a review of the necessity for a geographic restriction in the Texas and New Mexico areas. I have attached a statement of the restrictions necessary for military reasons.

In view of the many non-Government interests (citizens band, radio amateurs, and business radio) vying for use of this spectrum resource, we feel that favorable consideration should be given to establishing a new radio service. For example, using the two megahertz of spectrum offered by my letter of August 19, 1971, eighty FM radio channels could be made available for a General Public Radio Service, having as its prime objective the satisfaction of many currently unfulfilled communication needs of a nation on the move--travelers, sportsmen, hobbyists, and quasi-business activities. Propagation characteristics of 225 MHz, coupled with carefully developed FCC rules, could afford a high fidelity, orderly communications service, responsive to the needs and interests of the private citizen. Additionally, estimates of the industrial activity contribution of such a service suggest a market size as large as 300 to 500 million dollars per year.

While the spectrum involved (223-225 MHz) is allocated currently to the Radio Amateur Service, in addition to Government Radiolocation, the three megahertz remaining (220-223) would seem adequate for current and likely future radio amateur operations. Radio amateurs could continue to use the 223-225 MHz band provided they complied with the rules applicable to the new radio service. Although we are greatly reluctant to reduce any frequency allocations now devoted to amateur use, we feel the large public need for this new radio service justifies this action.

In summary, there is a need for a disciplined radio service responsive to the needs of the general public and, properly handled, such a service could be provided responsive to the needs of all potential users.

We look forward to working further with you on this matter.

Sincerely,

Clay T. Whitehead

Enclosure

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

For further information,
contact Mr. Brian Lamb,
395-4990

FOR RELEASE
6 P.M. April 4, 1972

OTP ANNOUNCES CHANGES IN EMERGENCY BROADCAST SYSTEM

Clay T. Whitehead, Director of the Office of Telecommunications Policy, today announced changes to improve the reliability of the Emergency Broadcast System. The changes are a result of an intensive review of the system which was undertaken by OTP at the request of the White House following a test failure on February 20, 1971. They are designed to restore public confidence in the operation of the System.

"The Emergency Broadcast System will be used only to permit the President to address the American people in extreme emergencies on short notice," Mr. Whitehead said. "After the President has spoken, State and local governments may be able to use their portions of the network to broadcast urgent information affecting the local populace," he added.

The emergency system will no longer be used as a backup system for warning the nation in case of enemy attack.

Mr. Whitehead explained: "The primary warning system to alert the public in case of national emergency is now and will continue to be the National Warning System operated by the Office of Civil Defense and by State and local governments. This system includes telephones, teletypes, and sirens interconnected throughout the U.S.

"We will ensure that the broadcast media receive immediate warning announcement to deliver to radio and television audiences. To do this, additional warning facilities are planned to take effect at the same time as the EBS changes," Mr. Whitehead stated.

Plans for improvements and additions to the Emergency Broadcast System were developed by the Office of Telecommunications Policy, working with the Department of Defense, the Office of Emergency Preparedness, the Federal Communications Commission, and the communications industry. The FCC, working with its National Industry Advisory Committee, will issue simplified instructions for all broadcast stations defining the procedures the stations will follow when the Emergency Broadcast System is activated.

FOR IMMEDIATE RELEASE

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

April 14, 1972

NEWS RELEASE

OTP AWARDS COMMON CARRIER STUDY CONTRACTS

The Office of Telecommunications Policy announced today the award of several study contracts in the area of common carrier communications. Walter Hinchman, OTP Assistant Director, noted in making this announcement that the information to be developed will ultimately assist OTP in formulating policy recommendations on issues of concern to the Congress, the FCC, and the public.

Systems Applications, Inc. has been awarded a contract to develop quantitative information on the outputs and costs of various operations that underlie provision of end-user communication services. This will help to determine the type and extent of regulation and competition which may be necessary or feasible in various sectors of the industry.

Dittberner Associates, Inc. was awarded a contract to develop information on the economics of terminal equipment interconnection with the common carrier networks. Estimating the structure of the terminal equipment market under alternative environments, as determined by policy and tariff structures, is one of the objectives of the study.

Peat, Marwick, Mitchell and Co. will conduct a study to provide data on existing accounting and depreciation procedures for major Class A telephone carriers. The information gathered in this study

will contribute to an understanding of how well the Uniform System of Accounts serves the needs of the industry and the regulators, particularly in view of the rapidly developing new service markets.

The final study in the current program, to be conducted by Jack Faucett Associates, will obtain information on the feasibility of multi-part tariffs for some services. Multi-part tariffs, consisting of flat rates plus usage sensitive rates, might provide some of the benefits associated with marginal cost pricing, and net benefits to the industry and users alike.

The study program, scheduled to begin this month, will be completed in January 1973 and will cost approximately $275,000.

BUREAU'S DOMESTIC SATELLITE RECOMMENDATIONS TAKE AWAY FROM PRIVATE CTOR DECISION-MAKING ROLE, OTP SAYS IN FILING ITS OBJECTIONS TO PLAN

The domestic satellite policy recommendations of the Federal Communications Commission's Common Carrier Bureau take away from the private sector the burdens of market predictions and other economic decision-making, and will produce a division of the market largely determined by the Commission itself, the Office of Telecommunications Policy said late Friday, April 21, in comments to the regulatory agency.

OTP joined the forces aligned against the bureau's proposals (see separate story) in the 32 filings made last week preparatory to the FCC's May 1-2 oral argument on the domestic satellite question.

The approach urged by the bureau--calling for a consortium of some space segment applicants and a limitation on the American Telephone & Telegraph Co. and the Communications Satellite Corp. in their uses of satellite facilities--"would place severe restrictions on entry and subsequent competitive operations in a domestic satellite industry," OTP declared. It added the suggestion that the objectives which it has advocated--a broader open entry policy--and those of the bureau "argue rather for selection of an option that lies between the two extremes of totally unsupervised entry and severely restricted entry."

OTP urged adoption of an approach that would "allocate more of the burden of market prediction and other economic decision-making on the private sector. Regulatory supervision would be exercised, but only where necessary to protect vital public interests. This would achieve the objectives not only of carrier stability but also of technological innovation and responsiveness to user needs."

It recommended six modifications in the bureau's proposal: "(1) That no consolidation of proposed systems or earth station operations be required as a condition to the granting of Commission authorization, since any such consolidation should be left to the business judgment of the applicants themselves, subject to normal antitrust restrictions and common carrier regulations.

"(2) That the Commission require as the sole economic criterion for authorization only that the applicant demonstrate its financial ability to proceed with the proposed system in a manner that does not jeopardize its ability to continue any monopoly services it may now be providing.

"(3) That common carriers be allowed as a matter of policy to use satellite technology for any monopoly services they are authorized to offer, and for any competitive services where they can establish the absence of cross-subsidization from their monopoly offerings.

"(4) That the Commission undertake as a separate proceeding of high priority an inquiry to determine the information carriers must provide to prove the absence of cross-subsidization for competitive services; and that until the completion of this inquiry carriers be permitted to provide private line voice bandwidth services via satellite even without the required showing of non-cross-subsidization.

"(5) That no additional limitations be imposed at this time on GTE with respect to its proposed carriage of long lines traffic or on Comsat with respect to its provision of dedicated space segment services to other carriers in addition to any competitive services it may offer.

"(6) That arrangements be devised to assure that basic communication services between Alaska, Hawaii, Puerto Rico, and the contiguous 48 states be in line with comparable services within the contiguous states, as to both rates and availability."

Its own proposal was labeled by OTP as "phased open entry." It said it would meet the deficiencies of the options in the bureau's recommendations "by providing a framework of private decision-making augmented by regulatory intervention where necessary to protect essential public interests."

-End-

FIRST MEETING OF COMMUNICATIONS POLICY & PLANNING COUNCIL SCHEDULED

The first meeting of the new Council for Government Communications Policy & Planning will be held Friday, April 28, at the Office of Telecommunications Policy, under the chairmanship of OTP Director Clay T. Whitehead.

Members of the council include: Assistant Secretary of State for Administration Joseph F. Donelan, Jr.; Assistant Secretary of Defense (Telecommunications) Eberhardt Rechtin; Assistant Secretary of Commerce for Science & Technology James H. Wakelin, Jr.; Assistant Secretary of Transportation Robert H. Cannon, Jr.; CIA Deputy Director John W. Coffey; Robert M. O'Mahoney, Commissioner, Transportation & Communications Service, General Services Administration; and Willis Shapley, Associate Deputy Administrator of the National Aeronautics & Space Administration.

-End-

OFFERING OF ADDITIONAL SHARES TO STOCKHOLDERS PLANNED BY MOUNTAIN BELL

A new common stock offering to shareholders of the Mountain States Telephone & Telegraph Co., expected to be on the basis of one new share for each five held on June 1, was approved Wednesday, April 19, by the company's Board of Directors. The price, to be announced shortly before the offering, probably will be somewhat lower than the market price at that time.

-End-

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

NEWS RELEASE

OFFICE OF THE DIRECTOR

May 15, 1972

The Office of Telecommunications Policy released today a study entitled "Pilot Projects for the Broadband Communications Distribution System." The study, conducted by the firm of Malarkey, Taylor, and Associates of Washington, D.C. for OTP, evaluates demonstration programs to test the uses and public demand for cable TV and related services. The report specifically proposes that government and industry cooperate to establish a pilot cable system using the latest practical technology serving a basic test group of 1,000 or more homes. The suggested pilot system would involve two-way cable transmission facilities, terminals to control system services in each home, central information files and simple data processing accessible to home users, and facilities for local program origination live or with film and video tape.

No decision has yet been made concerning possible implementation of the MTA study recommendations. Discussions are continuing among interested Federal agencies and industry and public interest groups, but no immediate decision is anticipated. The Cabinet committee on cable television established last June to develop Administration policy for the regulation and development of broadband cable communication is considering this concept as part of its deliberations.

Copies of the Malarkey, Taylor report may be obtained from the National Technical Information Service, 5285 Port Royal Road, Springfield, Virginia 22151. The price is $3.00 per copy. (Accession Number: PB 208913)

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

June 20, 1972

50TH ANNIVERSARY OF THE INTERDEPARTMENT RADIO ADVISORY COMMITTEE

June 1972 marks the 50th Anniversary of the Interdepartment Radio Advisory Committee (IRAC). In a short review of its history, Director of Telecommunications Policy, Clay T. Whitehead, noted that the Committee was established in June 1922 to advise Secretary of Commerce, Herbert Hoover, on radio spectrum matters. Later on, increasing importance of communications led the Congress to pass the 1934 Communications Act which assigned responsibility for Government radio spectrum usage to the President of the United States. Since that time, IRAC has played an invaluable role in assisting the President on such matters. Today, IRAC assists and reports to the Director of Telecommunications Policy who, by Executive Order of President Nixon, has been delegated the authority to act on behalf of the President.

Mr. Whitehead applauded the efforts of IRAC, which during the past 50 years has been an immeasurable asset in the allocation, management, and use of the spectrum. Mr. Whitehead pointed out the importance of continuing efforts to meet the communications-electronics needs of the future.

On April 17, in recognition of the services provided by IRAC over the past years, the President sent the Committee a letter commending its enduring contributions to the country's sophisticated communications and electronics capabilities. A booklet containing the Presidential letter and commemorating the 50th Anniversary of IRAC may be obtained by contacting the Office of Telecommunications Policy at (202) 395-4990.

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

NEWS RELEASE

August 3, 1972

OTP RELEASES RESOURCES MANAGEMENT CORPORATION STUDY

The Office of Telecommunications Policy announced today the release of a study by the Resource Management Corporation entitled, "Cost Analysis of CATV Components." The study, completed in June 1972 for OTP, develops cost-estimating relationships for the investment and operation costs of cable systems, and should be of interest to potential investors, franchising authorities, and others. The report also includes a cost handbook with illustrative examples.

Research for the study involved the development of technical information about CATV systems and the industry, and cost analyses of headend and distribution components and system operation. The cost handbook describes the inputs required for the analysis of any particular system.

Copies of the report may be obtained in late August from the National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22151.

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

NEWS RELEASE

OFFICE OF THE DIRECTOR

November 7, 1972

CONFERENCE ON COMMUNICATION POLICY RESEARCH

Clay T. Whitehead, Director of the Office of Telecommunications Policy, has announced that OTP will sponsor a Conference on Communication Policy Research in Washington on November 17 and 18, 1972.

About 16 people from the academic world have been invited to give papers and join in discussion of policy research issues. The purpose of the Conference is to provide a forum in which government officials and academics interested in communication policy research can interact with each other. The Conference will also seek to explore ways in which the flow of information between policy researchers and the Government can be increased.

Bruce M. Owen, OTP Chief Economist, is the Conference coordinator.

A list of the participants and their biographies is attached. Attendance at the Conference is by invitation. For further information, please call the Office of Telecommunications Policy at 395-4990.

Attachment

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

CONFERENCE ON COMMUNICATION POLICY RESEARCH
November 17-18, 1972

BIOGRAPHIES OF PARTICIPANTS

STEPHEN R. BARNETT

Professor of Law, University of California at Berkeley. A.B., Harvard, 1957; LL.B., Harvard, 1962. Author of several articles on communications policy issues including media concentration and cable television.

WILLIAM J. BAUMOL

Professor of Economics, Princeton and New York Universities, BSS, CCNY, 1942; Ph.D., London University, 1949. Author of numerous books and articles, including Welfare Economics and the Theory of the State (1952), and Performing Arts: The Economic Dilemma (with W. G. Gowen), 1966.

STANLEY M. BESEN

Associate Professor of Economics, Rice University. B.B.A., CCNY, 1958; M.A., Yale, 1960; Ph.D., Yale, 1964. Author of several articles dealing with television economics.

WILLIAM M. CAPRON

Associate Dean, John F. Kennedy School of Government and Lecturer in Political Economy, Harvard University. A.B., Swarthmore, 1942; MPA, Harvard, 1947; M.A., Harvard, 1948. Author of various books and articles, including Technological Change and Regulation (Brookings, 1971).

RONALD H. COASE

Professor of Economics, University of Chicago School of Law. B.Com., London School of Economics, 1932; D.Sc., University of London, 1951. Author of several very influential articles on economics and regulation. Editor of The Journal of Law and and Economics.

ROSS D. ECKERT

Assistant Professor of Economics, University of Southern California. B.A., UCLA, 1963; M.A., UCLA, 1964; Ph.D., UCLA, 1968. Author of several papers and articles on regulation and co-author of "A Property System for Market Allocation of the Electromagnetic Spectrum," Stanford Law Review (June, 1969).

Biographies of Participants (continued)

GEORGE W. HILTON

Professor of Economics, UCLA. A.B., Dartmouth, 1946; M. A., Chicago, 1950; Ph.D., Chicago, 1956. Author of The Transportation Act of 1958; The Cable Car in America; and (with John F. Due) The Electric Interurban Railways in America.

ALFRED E. KAHN

Robert Julius Thorne Professor of Economics and Dean of the College of Arts and Sciences, Cornell University. A.B., NYU, 1936; M.A., NYU, 1937; Ph.D., Yale, 1942. Author of many books and articles, including the recent two-volume Economics of Regulation.

LIONEL KESTENBAUM

Attorney, Washington, D. C., law firm of Bergson, Borkland, Margolis and Adler. Visiting Associate Professor of Law, Tel Aviv University. A.B., Yale, 1948; LL.B., Columbia, 1951. Formerly Director of Policy Planning, Antitrust Division, U. S. Department of Justice. Author of several articles on competition and communications.

ROBERT A. MEYER, JR.

Assistant Professor of Economics, Purdue University. B.S., University of Illinois, 1965; Ph.D., Stanford, 1968. Author of various articles and books on economics, including a forthcoming text, Problems in Price Theory.

ROGER G. NOLL

Senior Fellow and Co-Director of Studies in the Regulation of Economic Activity, The Brookings Institution. B.S., Caltech, 1962; A.M., Harvard, 1965; Ph.D., Harvard, 1967. Author of many books and articles on public policy and economics, including Reforming Regulation: An Evaluation of the Ash Council Report (1971).

ROLLA E. PARK

The RAND Corporation, Santa Monica, Calif. B.S., Caltech, 1957; MBA, UCLA, 1963; Ph.D., Princeton, 1970. Author of many articles, including several on the economics of cable television.

MERTON J. PECK

Professor of economics and Chairman of the department, Yale University. Former member of the Council of Economic Advisors. A.B., Oberlin, 1949; M.A., Harvard, 1951; Ph.D., Harvard, 1954. Author of numerous books and articles on economics and co-author of a forthcoming Brookings volume on the television industry.

JAMES N. ROSSE

Associate Professor and Vice Chairman, Department of Economics, Stanford University. B.S., University of Minnesota, 1961; M.A., Minnesota, 1963; Ph.D., Minnesota, 1966. Author of several articles dealing with regulation; presently engaged in writing a book on the American daily newspaper industry.

EDWARD E. ZAJAC

Head, Economic Analysis and Graphics Research Department, Bell Telephone Laboratories. BME, Cornell, 1950; MSE, Princeton, 1952; Ph.D., Stanford, 1954. Various publications on applied mechanics and mathematics, computer graphics and economics.

Biographies of Participants (continued)

THOMAS G. MOORE

Professor of Economics, Michigan State University. A.M., University of Chicago, 1959; Ph.D., University of Chicago, 1961. Author of several books and papers including The Economics of the American Theater (1968) and Freight Transportation Regulations (1972).

1973

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

NEWS RELEASE

January 15, 1973

OTP ANNOUNCES NEW FEDERAL GOVERNMENT RADIO FREQUENCY MANAGEMENT MANUAL

The Federal Government's "Manual of Regulations and Procedures for Radio Frequency Management" has been made available for public sale through the Government Printing Office. OTP Director Clay T. Whitehead announced that effective January 1, 1973, the contents of the Manual, including the U.S. Government Table of Frequency Allocations, were declassified. The Manual is the Federal Government's counterpart to the FCC Rules and Regulations, and applies to the use of radio frequencies by U.S. Government stations. In addition to the Government Allocation Table, it includes chapters on spectrum policy, international matters, technical standards for radio equipment, regulations on the use of frequencies, and frequency application procedures. Revisions to the Manual will be issued three times annually. Subscriptions at $21.50 (domestic) and $27.00 (foreign) are available from Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

an continue to improve its performance and efficiency."

A 10-page statement entitled "International Communications Objectives and Policy" offered for the record by Dr. Whitehead went into that field in somewhat more detail, although not with the far-ranging specific recommendations of the two previously reported policy statements.

It observed that "Under current U.S. regulatory practices, authorized common carriers are limited to facilities investments and ownership in one or the other of these two transmission modes. Customer services and rates are determined in part by these arbitrary restraints on international transmission facilities ownership and the concomitant regulatory control of traffic distribution. This is compounded by the current regulatory practice of allowing carriers to earn profits only on the facilities they own.

"The rapid technological advances, the growth of communications traffic, and the expansion of communications facilities that lies ahead are clearly consistent with U.S. interests and long-range goals, and must be supported and encouraged. Our response to this challenge, however, cannot be as ad hoc as has been the case in the past."

In terms considerably less sweeping than previously reported, the statement said the policy proposals being made "are intended to serve as guidelines for future government oversight of the U.S. international communications industry. Broadly stated. our policy should be to create conditions that will allow ample competition among U.S. international communications entities, reduce the need for detailed regulatory intervention in industry decision-making, simplify relationships with foreign entities, and promote U.S. national interests. Our specific proposals are as follows:

"(1) There should be no forced merger of international record carriers or of international transmission facilities.

"(2) Federal regulation of carriers owning international transmission facilities should encourage efficient utilization of both cable and satellite technology without heavily detailed intrusion into the investment and operating decisions of the carriers.

"(3) International communications services other than public telephone service--e.g., record and specialized services--should be provided on a competitive basis with only such regulatory oversight as is necessary to protect from potentially anticompetitive practices.

"(4) The Communications Satellite Act of 1962 should be reviewed to determine what changes are needed to reflect the permanent Intelsat agreements, the maturity of Comsat as a commercial common carrier, and

COMMENTS ON PROPOSED CHANGES IN 1962 COMMUNICATIONS SATELLITE ACT, WHICH HAVE BEEN DRAFTED BY OTP, INVITED FROM SEVEN AGENCIES BY OMB

The language of proposed amendments to the Communications Satellite Act of 1962 has been circulated by the Office of Management & Budget to seven interested government agencies for their comments, which are to be returned to OMB by March 21.

The bill, drafted by the Office of Telecommunications Policy, is intended "To amend certain provisions (of the 1962 act) to encourage increased competition and efficiency in the provision of international communication facilities by U.S. communications entities and for other purposes."

Among other things, the proposed changes broaden the definition of "communications satellite system" to include any satellite system, in addition to Intelsat. An explanation of the amendments, attached to the draft, notes that the 1962 act currently recognizes the Communications Satellite Corp. as the U.S. chosen instrument to represent the U.S. in the Intelsat organization.

"While Comsat's special role is retained," it was stated, "the possible emergence of other systems is now recognized in the new definitions."

Among other changes--some of which were referred to in earlier reports, (TELECOMMUNICATIONS, Feb. 20 and 26)--Comsat is "authorized to expand its activities into specialized satellite services involving mobile stations, such as aeronautical and maritime services."

A new section to be incorporated into the action would direct that "the President shall provide for continuous review of all phases of the development and operation of satellite systems. Since any satellite system involves activities in outer space and the U.S. government has international organizations under several treaties and conventions relating to such activities, the President, or his designated agent, must maintain a watch over such activities in the national interest.

"Matters of international involvement include use of radio frequencies, launch and flight of objects to operate beyond the territorial limits of the U.S., and other international coordination requirements which must be overseen by the President or his delegated agent."

Another amendment refers "to other telecommunications entities who may become involved in the establishment of communications satellite systems. This revision gives the President responsibility to oversee the foreign relations aspects of such activities with a view toward assuring compatibility with the foreign policy of the U.S."

OTP MAR 26 1973

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

NEWS RELEASE

March 21, 1973

The Director of the Office of Telecommunications Policy, Clay T. Whitehead, announced today that the Administration urges nationwide implementation of the emergency telephone number "911". To assist in establishing the "911" service, Mr. Whitehead said that a Federal Information Center has been established in the Office of Telecommunications, Department of Commerce, in Washington, D.C., to provide information to state, local and municipal governments.

Mr. Whitehead made the announcement at a press conference with Washington, D.C., Chief of Police, Jerry V. Wilson. The Director indicated that Chief Wilson, who has been asked by President Nixon to assist local and state governments on public safety matters, will assist in promoting the "911" service. Also in attendance were representatives from the International Association of Chiefs of Police (IACP), the International Association of Fire Chiefs (IAFC), Associated Public-Safety Communications Office (APCO), United States Independent Telephone Association (USITA), American Telephone and Telegraph Company (AT&T), National Governors' Conference, U.S. Conference of Mayors, and National League of Cities.

Mr. Whitehead and Chief Wilson encouraged local authorities to develop and improve emergency communications by establishing the "911" emergency telephone service throughout the United States. At present, there are only two hundred and fifty "911" systems serving approximately 20 million persons. "The implementation of the "911" service is essentially a local and state concern, and Federal regulation or legislation in this area is not needed."

Mr. Whitehead stated, "although it is important that the same number be used nationwide."

Mr. Whitehead and Chief Wilson cited several key benefits to the public of the "911" service. These include: one easy number to remember; a quick number to dial; a quicker response time to emergencies; and calls received by trained personnel. For further information, please contact the Information Center on "911", Office of Telecommunications, Department of Commerce, Washington, D.C. 20230.

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

March 21, 1973

DIRECTOR

Honorable Dean Burch
Chairman
Federal Communications Commission
1919 M Street, N. W.
Washington, D. C. 20036

Dear Dean:

As you know, the President last fall directed the Office of Telecommunications Policy to study the causes and effects of the increasing percentage of same-season, prime-time reruns by the three television networks. The President noted that this increase diminishes the amount of diverse programming available to the viewers and threatens the economic health of the American programming industry. The President asked that we seek a voluntary solution to this problem or, failing that, explore whatever regulatory recommendations may be in order.

OTP has completed its study and has now forwarded a report of the results to the President. The study shows that the percentage of prime evening time programs rerun within the same television year has increased substantially over the past decade. The television networks are beginning earlier and earlier each year to repeat their prime-time television programs. This means that the viewers see fewer and fewer hours of new programs and that the viability of the television program production industry is further threatened.

In the 1962-63 television season, NBC, for example, was buying an average of 32 original episodes in a program series. This declined to 24 episodes in the 1971-72 season. Some series now have as few as 22 original episodes. Moreover, the combined effects of the increase in reruns and the Commission's prime-time access rule (§73.658(k)) have reduced the amount of original prime-time programming on the three networks combined by 25% over the last ten years.

The principal reason for the increased rerun percentage has been the increased cost of the prime-time television program production. Between 1962 and 1971, network

payments for production of original program episodes increased by almost 90%. Increased reruns have become a way for the networks to maintain profit levels in the face of rising program costs. Our study, however, found that the most plausible explanation for much of this cost increase is the rivalry of the networks for ratings, which causes them to bid up the fees of the highly popular talent and also increases other costs that the studios incur.

The study concludes that the increasing percentage of prime-time reruns in each broadcast year has contributed significantly to the decline of employment in the television program production industry. Other factors include the increased use of feature-length movies in prime time by the networks and the prime-time access rule.

Since this study discloses no economic forces at work to halt the trend toward ever higher percentages of prime-time reruns, we believe that the networks should exercise voluntary restraints or that appropriate regulatory restraints should be considered.

OTP explored with the networks the possibility of voluntary reductions in the percentage of rerun programming in prime time. We did not suggest that they program any particular number of original episodes, but simply that they find ways to reverse the trend toward fewer and fewer original programs. The networks refused to consider adopting voluntary restraints; although one network indicated that it would be willing to do so if the cost of producing programs could be reduced.

In the face of the networks' unwillingness to consider voluntary solutions, OTP urges the Commission to conduct a full inquiry into this matter and consider whatever regulatory remedies may be appropriate in protecting the public interest. For your information, we have attached a copy of our rerun study. At this point, we recommend only an inquiry and not the imposition of restrictions, since it is not entirely clear whether direct restrictions or other measures would be the most appropriate way to deal with the root causes of the rerun problem.

The data that we have collected indicate that the effects of prime-time rule, like the effects of reruns, limit the amount of diverse, original, and high-quality programming available in prime time to the American public. Its effects also weaken the program production industry, contrary to the rule's basic objectives. The rule was intended to stimulate new programming markets, encourage independent sources of program production, and create more program diversity in prime-time TV than the networks were providing. There are enough anticompetitive forces at work in TV without the Government adding more. Therefore, we also recommend that the prime-time rule be changed to allow the networks to program on a regular basis in the 7:30 - 8:00 p.m. time period beginning this fall.

Sincerely,

Clay T. Whitehead

Enclosure

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

May 23, 1973

OFFICE OF THE DIRECTOR

NEWS RELEASE

OTP ANNOUNCES POSITION ON DATA UNDER VOICE (DUV)

The Office of Telecommunications Policy announced today that it has urged the Federal Communications Commission to authorize the Bell System to construct facilities for digital data transmission between five principal cities using the new "data under voice" (DUV) technology.

OTP pointed out that this application could be of major importance as the initial facilities of a new nationwide long-haul data communications network, possibly providing a higher-quality, lower-cost digital data service than has been available up to now. FCC approval of Bell's proposal, however, should be predicated on the assurance of nondiscriminatory and nonrestrictive access to and use of these facilities by the public. By doing this, the FCC would establish a competitive environment at the outset for data communications in which benefits of economic efficiency and technology innovation can be more widely available to the public and business.

The full text of OTP Director Clay T. Whitehead's letter to FCC Chairman Burch elaborating on OTP's position is attached.

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

August 1, 1973

DIRECTOR

Honorable John O. Pastore
United States Senate
Washington, D.C. 20510

Dear Senator Pastore:

This is in response to your letter of July 17 requesting the views and recommendations of the Office of Telecommunications Policy concerning the application of S. 1361, the proposed general revision of the copyright law, to cable retransmissions of professional sports broadcasts.

The Federal Communications Commission (FCC) rules contemplate that new copyright legislation will provide for compulsory licensing of the distant signals retransmitted by cable systems, to complement the various degrees of program exclusivity protection afforded by the rules. Although the FCC's initial cable rules did not include specific provisions as to sports programming, the Commission recognized that sports programs stood on a different footing from other television fare. Accordingly, the FCC proposed rules designed to prevent cable systems from circumventing the sports broadcast practices, particularly the so-called home game blackout, which are sanctioned by the antitrust exemption granted by Public Law 87-331.

Although the proceeding in which the proposed cable-sports rules are being considered is still pending, the Commission has stated the underlying principle that cable systems should not be allowed to circumvent the national policy respecting broadcast rights for sports events through their retransmissions of sports telecasts. OTP supports this principle. We also agree with Senator McClellan's expressed desire that Section 111 of the copyright revision be modified to eliminate all provisions that may be regarded as primarily regulatory and that the copyright bill simply implement whatever statutory policy governs sports broadcasts and cablecasts at the time the bill is enacted.

While the present language of Section 111 accomplishes the objective of implementing the policy on sports presentations, it appears to go further by depriving a cable system of a compulsory license for retransmission of distant sports broadcasts whenever the broadcast stations in the cable system's local area have not, for whatever reason, received authorization for broadcast of such games.

For example, while public policy might permit a team or a league to black out certain games to protect home game gate receipts, Section 111 would prevent the cable retransmission of any game not locally televised even where no home game is being played or where the system is not located within the home territory of any professional team.

Moreover, under the professional football league contracts with the television networks, when home games are blacked out, the network provides the local affiliate with another game that is presumed to be of regional or local interest. Section 111 would operate to preclude the cable system in that area from offering another football telecast from a distant broadcast station, thereby confining cable subscribers to the choice of games made available for them by the network.

Finally, Section 111 would even prevent the retransmission of a game into a market where a team or league had not sought to make that game available to broadcast stations because of anticipated lack of viewer interest.

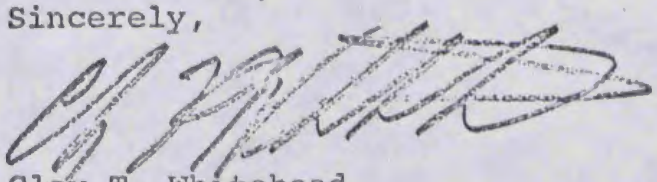
In situations such as these, cable systems would be precluded from offering sports presentations to their subscribers solely by operation of Section 111(c)(4)(C) and not as a means of preventing circumvention of the public policy regarding sports broadcasts, whether reflected in Public Law 87-331, S. 1841, or any other legislative provision.

Therefore, if Section 111 is intended only to preserve intact public policy regarding sports broadcasts, which pertains at the time the copyright revision is enacted, it should be modified. It should be more narrowly drawn so as to remove from compulsory licensing only those professional sporting events whose retransmission by cable systems would result in a departure from legally sanctioned sports broadcast practices.

This still leaves a question of whether professional sports leagues, which enjoy the benefits of a statutory antitrust exemption, should be allowed to deprive millions of fans in cities throughout the Nation of the opportunity to watch their home team even when seats to the game are sold out in advance. I would like to take this opportunity to state that the Administration wholeheartedly favors legislation which would prohibit such sports leagues from blacking out sold-out home games.

Should you require any additional information, I would welcome the opportunity to provide it.

Sincerely,



Clay T. Whitehead

WHITEHEAD DISCUSSES ROLE OF OTP IN PROVIDING POLICY GUIDANCE TO OTHER GOVERNMENT AGENCIES IN TESTIMONY ON FEDERAL INFORMATION SYSTEMS, PLANS

The second phase of hearings on federal use of information and communications technology, being conducted by the House Foreign Operations and Government information subcommittee, was concluded Tuesday, July 31, with testimony from Clay T. Whitehead, Director of Telecommunications Policy, and Charles Joyce, Assistant Director-government communications in OTP.

Mr. Whitehead, pointing to OTP's responsibility for providing policy guidance to federal agencies who operate telecommunications or information systems, noted that he has "initiated a joint planning process in which federal agencies with similar operational missions and communications requirements will work together to optimize the communications operations in their respective areas."

Commenting that while electronic technology has increased the ability to acquire and disseminate information, mechanisms to ensure individuals their privacy and the privacy of their communications have not advanced as rapidly, he added that OTP has "undertaken to investigate the adequacy of common law, statutes, and federal regulations to protect individuals regarding the privacy of their electronic communications and the security of the systems carrying them. This is being done with the view towards identifying what policies, standards, or legislative safeguards are necessary."

While responsibility for protecting the confidentiality of data must lie with the agency collecting it, Mr. Whitehead said that "this simple rule is not enough when federal systems containing confidential data are to be interconnected, or when confidential files are to be used in shared information systems. Admittedly, there are potential benefits to interconnection and sharing in the form of greater overall economy and wider accessibility within the government of useful information. However, such steps also contain risks or loss of effective control over confidential data. It is in resolving these conflicting considerations of government economy and effectiveness and sound policy that my responsibilities come into the picture."

The OTP Director said he has been working with the federal agencies which have extensive telecommunications systems to clarify federal policy on interconnection and sharing. Although no all-encompassing policy document has been issued, he stated, "we have come to an understanding that interconnection and sharing are not ends in themselves. OTP has been insisting on a clearer understanding of the magnitude of benefits and risks involved in interconnecting or combining government systems," and he expects the planning process will provide more information about plans for the future of federal government information systems.

-End-

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

August 17, 1973

NEWS RELEASE

OTP ANNOUNCES POLICY ON LAND MOBILE COMMUNICATIONS

The Office of Telecommunications Policy (OTP) today released a policy statement on the allocation of new frequencies for mobile radio use. The statement recommends an approach which would maximize competition and minimize regulation in the mobile communications industry. In the past, the frequency spectrum for mobile communications has been limited and these services have been largely restricted to state and local governments and commercial users. Now that new frequencies will be available, OTP forsees an opportunity to make low-cost mobile communications available directly to consumers.

According to the OTP plan, the new portion of the radio spectrum available for mobile services would be allocated in blocks of sufficient size to encourage industry investment in new technologies and services. However, in order to preserve flexibility and to avoid initial overcommitment to any particular service or technology, OTP recommends that a substantial portion of the available spectrum be held in reserve to be allocated at a later time as warranted by consumer demand.

OTP recommends that one portion of the spectrum [illegible]

OTP recommends that one portion of the spectrum (approximately 40 Mhz) be allocated for all mobile radio services on a competitive, non-rate regulated basis. This approach would create an environment which would accommodate numerous competitive suppliers and would obviate the need for rate regulation. It would also encourage the development of new services and technologies.

Another portion of the spectrum (approximately 14 MHz) would be allocated to telephone common carriers for the provision of rate regulated mobile telephone service and ancillary dispatch services as an extension of their regular telephone service.

OTP also recommends that procedures be adopted to permit the operating rights for licensed mobile services to be transferred on a relatively pro forma basis in order to allow market mechanisms to provide added flexibility in spectrum utilization. In order to provide economic incentives for efficient spectrum use, the Office suggests that the FCC consider adopting a license fee schedule to reflect the scarcity value of the spectrum.

In a letter to FCC Chairman Dean Burch forwarding the OTP policy statement, OTP Director Clay T. Whitehead said:

> "We believe that this policy will enable the widest possible flexibility for serving the mobile communications needs of the public. It will also lead to more efficient use of spectrum resources, provide incentives for technological innovation by means of competition and permit the benefits of such innovation to flow directly to consumers of mobile services."

* * * * *

Copies of the policy statement may be obtained by calling 395-4990.

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

September 14, 1973

NEWS RELEASE

After the President's signing of H.R. 9553, which would eliminate, on a three-year experimental basis, the television blackouts of home games which are sold out three days in advance of game time, Clay T. Whitehead, Director of the Office of Telecommunications Policy made the following statement:

> This Administration has long supported legislation to make sold-out sports attractions more widely available to the vast number of people who would not otherwise have the opportunity to see their favorite teams playing in their home areas. By lifting the home game telecast restrictions, the Congress, with the leadership of the communications subcommittees of the House and the Senate, has provided the opportunity for viewers to have full choice of sports broadcasts available to them.
>
> In recent years, the popularity of professional sports has grown dramatically, as witnessed by the expansion of leagues, increased attendance at games and expanded television coverage. Professional sports, particularly football, have become so popular, in fact, that many fans cannot attend the home games of their local teams. In addition, the football league has historically followed a practice of withholding home games from local television. This home game blackout practice has been sanctioned and fostered under the 1961 exemption from the anti-trust laws that the Congress has allowed the professional sports leagues. This has led to the creation of an artificial barrier that has prevented millions of Americans from having access to a full choice of sports broadcasts. The enactment of H.R. 9553 finally removes this artificial barrier and expands the viewer's choices.

In one sense, however, a bill such as this should not even be necessary. It is time to re-examine basic premises regarding the relationship between government and the media, when programming decisions that should be made by the private enterprise broadcast media and sports leagues must be raised to the level of governmental decisions. The programming marketplace must function without the need for governmental intervention if we are to continue to preserve our fundamental values of free enterprise and free expression. Viewers should have an opportunity to have their programming needs met without having to seek redress from the government. Our basic traditions argue against the notion that government has a free hand in controlling TV programming. Accordingly, great care must be exercised in the enforcement of this legislation if we are not to create the dangerous precedent of bringing any private enterprise activity under government's regulatory control simply because that enterprise chooses to offer its products or services to the public over the broadcast media.

As long as care in the enforcement of this legislation is exercised, the interests of the viewers, the sports leagues, and the broadcast media can only be served by a good faith experiment in lifting the home game blackout.

EXECUTIVE OFFICE
OF THE PRESIDENT

OFFICE OF TELECOMMUNICATIONS POLICY

TECHNICAL ANALYSIS OF VHF TELEVISION BROADCASTING FREQUENCY ASSIGNMENT CRITERIA

OCTOBER 1973

INTRODUCTION AND SUMMARY

Executive Order 11556 requires that OTP, among other things, "Develop in coordination with the FCC, a comprehensive long-range plan for improved management of all electromagnetic spectrum resources." Consistent therewith OTP is constantly striving to ensure that the radio frequency spectrum resource is used in the best national interest. For example, during the past three years, extensive measures have been taken to reduce the percentage of spectrum space between 10 kHz and 40 GHz which heretofore was allocated exclusively to the Federal Government. In this time frame this percentage has been reduced from 46% to 26%, i.e., over 9,000 Megahertz have been made available for sharing by the non-Government sector.

The challenges of the future in this area loom large in view of the foreseen telecommunication requirements of a nation increasingly on the move, the increased application of space technology, and pressing requirements in areas such as Highway Safety and Emergency Medical Services.

The OTP and the FCC have been conducting a cooperative review of the spectrum resource as a forerunner to determining how future requirements can best be accommodated spectrumwise. As a part of this evaluation, a preliminary analysis was undertaken by the OTP as to the technical suitability of existing VHF-TV assignment criteria.

Findings thus far are summarized as follows:

- Existing separation criteria are conservative and there is sufficient evidence to indicate that, with the application of readily available technical measures, a substantial number of additional VHF television broadcasting stations could be inserted into the major 100 markets in the Continental United States, without affecting those already in being and operating in accordance with current FCC rules.

- Techniques exist, the application of which, singly or in combination, would facilitate additional drop-ins:

  — Reduction of present distance separation criteria.

  — Use of directional antennas where necessary to overcome slight derogations of distance separation criteria.

  — Increased use of precise off-set frequency control.

  — Increased consideration of the advantages offered by terrain shielding.

— Possible simultaneous use of horizontal and vertical antenna polarization.

- As a result of analysis of the possible application of one of the above technical techniques (relaxation of existing co-channel criteria by not more than 10%), it appears feasible to introduce as many as 30 additional VHF-TV stations within the top 100 markets. Relaxations of this magnitude already exist as regards certain current VHF-TV frequency assignments. Further, through the use of directional antenna patterns to reduce separation distance by another 5%, it should be possible to add at least another 37 VHF-TV stations within these markets, for a total of 67; the use of such patterns being consistent with present practice in certain instances.

- In addition to the above technical possibilities, a review would seem in order of the existing FCC policy which assures TV broadcasting stations the ability to take advantage of maximum antenna heights and powers.

- The current FCC Television Assignment Criteria should be reviewed and revised, taking into account the current state of the radio art, experience gained in the past 20 years, and technical compensations which can be applied readily to permit additional use of the valuable VHF television broadcasting spectrum allocations.

BACKGROUND

In April 1952, the FCC issued its Sixth Report on Television Allocations which established the basic structure for the development of VHF television use of the radio spectrum. This structure was predicated on the adoption of certain fixed separation distances between co-channel and adjacent channel operations.

Today, in the top 100 markets of the United States, virtually all VHF television allocations are on the air. Existing assignment criteria have already been derogated in numerous instances.

Examples of distance derogations in being are:

- Albany, New York and Newark, New Jersey, both on channel 13, 142 miles separation (16.5% derogation).

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

October 12, 1973

NEWS RELEASE

OTP Announces A New Government-wide Communications Planning Program for National Security, Transportation, Law Enforcement, Environment, and Administrative Communications

The Office of Telecommunications Policy (OTP) initiated a new communications planning program within the Executive Branch today to foster systematic and coordinated planning of Federal communications systems in five areas: national security, transportation, law enforcement, environment, and administrative communications.

The new planning program has three principal objectives:

1. To foster economy in Federal communications systems through resource sharing, common procurement, and other means.

2. To improve the overall effectiveness of Federal Government communications, under both normal and emergency conditions, through appropriate interconnection and compatibility of systems.

3. To stimulate the application of new communications technology and service concepts to improve the performance of Federal agency missions.

Plans for communications system development in each of the five areas will be closely coordinated and will be reviewed annually by OTP. In this way, OTP will exercise its assigned responsibilities to provide leadership, review and coordination of the planning of

communications systems and facilities used by the Federal Government, while each agency still retains principal responsibility and adequate flexibility for its use of communications systems in support of its mission.

This program was arrived at after extensive consultation with the departments and agencies. It reflects OTP's conviction that neither a single system for all Federal communications needs, nor a single manager for all Federal communications operations, is an appropriate means of achieving the above objectives. The technical complexity of a single system, the diversity of applications, and the critical importance of responsive communications for certain operations all argue against such a solution. This new approach, therefore, is a balance between the two extremes of centralized planning and uncoordinated growth.

In a letter to several Members of Congress, OTP Director Clay T. Whitehead said:

> These new arrangements eliminate many existing barriers to effective and coordinated planning, both within and across agency boundaries, and provide emphasis on planning in areas where it is most needed. The real test of these measures will come over the next year or two as we gain experience in actual operation under these new arrangements.

The attached circular to the heads of Executive departments and establishments explains the plan in fuller detail.

For further information please call (202) 395-4990.

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

October 12, 1973 OTP CIRCULAR NO. 12

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Government Communications Planning Program.

1. Purpose. This Circular sets forth policies and establishes procedures for a coordinated Government planning program for telecommunications systems and services required by Government agencies in the conduct of their activities.

2. Objective. The objectives of the coordinated Government planning program established by this Circular are:

- To promote more effective use of communications technology, resources, and services by Government agencies;
- To permit better evaluation of existing and planned communications systems;
- To help achieve the optimum degree of coordination, compatibility, and resource sharing in Federal communications programs; and,
- To promote economy in the Government's use of communications.

3. Approach. The communications services used by the Government can be divided into two general classes.

One is the class of services which are widely used and common to many agencies, where the efficiency or cost-effectiveness of the service is a paramount consideration. These services are most economically provided on a common user basis. The General Services Administration is responsible for planning such services.

The other class of services supports operational functions in support of particular agency missions, in which cost considerations must yield to performance or security factors. These services have some characteristics in common, but often cannot be adequately satisfied by general purpose systems designed to provide the most economical bulk services. These services are most efficiently provided by systems or services planned by those responsible for the mission.

4. Mission Area Planning. Many communications systems have unique operational reasons for their existence, but there are areas in which agencies with similar missions have separate but similar systems. In each of these areas, a greater degree of coordinated communications planning is desirable.

Four broad mission areas have been identified, which require such treatment:

- National Security
- Transportation
- Environment
- Law Enforcement.

To achieve the necessary improvements in Government-wide planning in these mission areas, the following agencies are designated to take leading and participating roles in coordinated communications planning:

National Security - Lead Agency: Department of Defense as Executive Agent, National Communications System - Participants: Departments of State, Defense, and Transportation, Central Intelligence Agency, General Services Administration.

Transportation - Lead Agency: Department of Transportation - Participants: Departments of Defense and Commerce, National Aeronautics and Space Administration.

Environment - Lead Agency: Department of Commerce - Participants: Environmental Protection Agency, Departments of Defense, Interior and Transportation.

Law Enforcement - Lead Agency: Department of Justice - Participants: Departments of Treasury and Interior.

Other Executive branch agencies not identified above may be invited by Lead Agencies to participate as appropriate for specific purposes.

5. Implementation. Each Mission Area Group will develop an annual summary plan for its area of responsibility including appropriate treatment of requirements, system plans, alternatives, cost, performance, standards, interconnections, and other relevant aspects. The General Services Administration will prepare a comparable plan for general-purpose Government systems. OTP will provide pertinent planning guidance at the beginning of each planning cycle. These summary plans should cover five years from the date of submission and should be transmitted to the Office of Telecommunications Policy, Executive Office of the President, Washington, D. C. 20504, no later than August 15th of each year. OTP will review these plans to determine compliance with overall Federal Government telecommunications policy, including evaluation of whether an appropriate degree of compatibility and resource sharing is represented in the plans. The determinations made by OTP on such plans will be reported to the agencies involved and to the Office of Management and Budget for their consideration with respect to planning, programming, and budgeting, and to GSA as appropriate for consideration with respect to their planning and procurement actions.

6. Effective Date. This Circular is effective immediately.

Clay T. Whitehead
Director

OTP SEEKING VIEWS ON PROPOSED CHANGES IN COMMUNICATIONS SATELLITE ACT; WOULD OPEN DOOR TO PARTICIPATION IN NON-INTELSAT INTERNATIONAL SYSTEMS

The Office of Telecommunications Policy is soliciting the views of other government agencies on proposed amendments to the 1962 Communications Satellite Act, it was learned last week.

OTP, in late 1972 and early this year, distributed to other interested agencies draft legislation which would have provided for sweeping changes in international telecommunications policy on a broader scale, but these suggested changes never saw the light of day on Capitol Hill after attention was diverted to other matters involving OTP at an "oversight" hearing before the Senate Commerce communications subcommittee (TELECOMMUNICATIONS, Feb. 26).

The current proposal concentrates on the satellite communications field, and would affect particularly the Communications Satellite Corp., which was created by the 1962 act.

Primary aim of the legislation would be to eliminate certain unnecessary statutory restrictions affecting Comsat, and to permit Executive Branch "oversight with regard to the creation and implementation of additional communications satellite systems in which the U.S. government participates pursuant to formal arrangements with foreign countries."

OTP commented that many uncertainties which existed in 1962--such as the type satellite system to be used and the extent of foreign participation in a satellite system--do not now exist, and that it was proposing to change the law to reflect current conditions.

A major recommendation is what amounts to an "open door" policy in the international satellite communications field, with others besides Comsat having the opportunity to be the U.S. entity in such ventures. OTP observed that additional systems may be created separate from Intelsat, and that "Such systems would necessitate a high level of government-to-government cooperation and accord.

"Not only are national administrations concerned about the nature of their external satellite communications links to foreign destinations, but communications are often required to support directly special governmental responsibilities involving air navigation and traffic control, as well as safety of life.

"Thus," it stated, "the establishment of such systems may be dependent upon formal intergovernmental participation and agreement as well as upon conventional supporting commercial agreements between U.S. and foreign communications entities. It is essential that U.S. governmental institutions and the private international carrier industry act in a coordinated fashion.

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

NEWS RELEASE

November 28, 1973

OTP RELEASES COMMUNICATIONS PLAN FOR EMERGENCY MEDICAL SERVICES

The Director of the Office of Telecommunications Policy, Clay T. Whitehead, today released a comprehensive communications plan for emergency medical services (EMS) which, according to medical authorities, could lead to the saving of thousands of lives each year. If implemented by the Federal Communications Commission, the plan will provide a major expansion of frequencies, standardized across the country for maximum efficiency. This will permit improved emergency communications between ambulances, medical personnel, and hospital facilities which have been constrained by a lack of frequencies, and it will enable much more rapid diagnosis and treatment of emergency patients. The plan is flexible enough to offer state and local EMS authorities a variety of ways to meet their individual needs, while still standardized enough to assure that vehicles of various jurisdictions can communicate with each other and with each other's hospitals.

During the OTP news conference today, Mr. Whitehead said,

> "Prompt and effective communications is the vital ingredient to truly effective emergency medical service. I am hopeful that the concepts in the plan we have offered today, and the emergency number "911" we urged for nationwide use last March, will be adopted by every community in the nation."

Dr. Charles Edwards, HEW Assistant Secretary for Health, also present at the news conference, said,

> "Accidental injury is the leading cause of deaths among all persons aged 1 to 38 and more than half of heart attack deaths occur before reaching the hospital. A system of rapid communications, from the site of an accident to the hospital emergency room will assure faster attention for the injured person at the site and upon arrival at the hospital."

Dr. Edwards pointed out that physicians in attendance at the hospital will be able to monitor the patient's vital life signs before the patient gets to the hospital, enabling better preparation for emergency treatment.

Major recommendations of the plan include:

- Standardized national radio frequencies for EMS units on route to and at the scene of medical emergencies.
- Paging systems for EMS and the general medical community.
- Ambulance dispatching and direction service.
- Communications networks for biomedical telemetry, to permit, for example, a doctor at a hospital to monitor the electrocardiograms of patients in an ambulance to give instruction to the medical attendants.
- Specialized medical data handling and voice circuits for exclusive use by doctors.
- An Emergency Medical Radio Service that would be similar to and have the same status and protection under the FCC Rules and Regulations as the Police and Fire Radio Services.

Dr. James Gregory, Administrator of the National Highway Traffic and Safety Administration, who provided major assistance in the preparation of the report, said,

> "Every medical emergency beyond the hospital doors involves some mode of transportation but the goals of the national highway safety effort can only be accomplished through effective communication services. The recommendations of the OTP report would permit and prompt such services and enhance the entire highway safety program."

The report released today was prepared for OTP by the Interdepartment Radio Advisory Committee (IRAC) under the Chairmanship of Wilfrid Dean, OTP Assistant Director for Frequency Management, and in cooperation with the FCC and the medical community. Mr. Whitehead has forwarded the report to the FCC Chairman Dean Burch urging the Commission to proceed promptly with rulemaking actions required to implement the plan.

Copies of the report may be obtained by calling (202) 395-4990.

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

December 4, 1973

NEWS RELEASE

OTP RELEASE "911" EMERGENCY NUMBER HANDBOOK

The Director of the Office of Telecommunications Policy, Clay T. Whitehead, today released a handbook entitled "911 - The National Emergency Number: A Handbook for Community Planning." The handbook is designed to assist state and local officials in planning, establishing, and implementing the 911 service. It was prepared under the direction of the Office of Telecommunications Policy and is available from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402 (GPO 2205-0003; $1.35).

In March of this year, OTP issued a national policy statement which cited the many benefits of the 911 service, encouraged its nationwide use, and authorized a 911 Federal Information Center. The 911 emergency number is easy to remember and is quick and convenient to dial, providing a much faster response time to emergencies. Since the establishment of the 911 concept, over 330 communities have implemented the service, involving a population of over 23 million.

For further information, write the Federal Information Center on 911, Office of Telecommunications, Department of Commerce, Washington, D.C. 20230, or call (202) 967-5788.

1974

OTHER AGENCIES ADVISED BY OTP OF NASA DECISION IN COMMUNICATIONS AREA

Director of Telecommunications Policy Clay T. Whitehead, in a memorandum Thursday, Jan. 3, to the heads of various executive departments and agencies, called attention to the decision of the National Aeronautics & Space Administration to curtail its overall communications applications program as part of a government-wide effort to reduce federal spending.

This decision, it was noted, has resulted in the phasing out of much of NASA's communications satellite work, particularly with respect to early commercial applications. A small group of communications satellite experts will be retained within NASA to support primarily in-house requirements and to provide interagency advisory services authorized by statute.

A limited technical support capability will also be available to other agencies on a reimbursable basis. Included would be that research, development, and technical assistance provided by NASA to other agencies, where NASA has been selected because of a unique technical competence which it has developed in meeting its own needs and objectives.

"In addition to providing services to agencies on a reimbursable basis, NASA will continue to support selected efforts in satellite communications which are aimed at satisfying broad national needs rather than those associated with specific agency programs," Mr. Whitehead said. "Such needs will be defined by OTP in consultation with other concerned or affected agencies. Specific requirements may be assigned to lead agencies for further definition and follow-on actions." -End-

NELSON SUCCEEDS PAIGE AS WISCONSIN TELEPHONE's PUBLIC RELATIONS HEAD

David F. Nelson, formerly General Traffic Manager of the Wisconsin Telephone Co., last week became Vice President-public relations, succeeding John H. Paige, who retired after 43 years of Bell System service. Arthur D. Carter, Assistant Vice President-revenue and business research, replaced Mr. Nelson.

Mr. Nelson joined the Wisconsin company in 1946 and held several positions in the traffic, commercial, and plant departments before being named to his most recent post. Mr. Carter, who started with the company in 1949, became Assistant Vice President-personnel in 1961 and then was named to his most recent assignment in 1970. Mr. Paige, who started with the New York Telephone Co. in 1930, also served with the American Telephone & Telegraph Co. before moving to Wisconsin Telephone in 1948 as General Commercial Manager. He was elected Vice President-personnel and public relations in 1949, and continued in the public relations job when the functions were split in 1951. -End-

NEWS RELEASE

FOR FURTHER INFORMATION:
CONTACT 202-395-4990

FOR RELEASE:
6:00 P.M. EDT WEDNESDAY
JANUARY 16, 1974

CABINET COMMITTEE ON CABLE COMMUNICATIONS RELEASES ITS REPORT TO THE PRESIDENT

Washington, D.C.--A Cabinet Committee on Cable Communications, established by President Nixon in June of 1971, today released its report recommending a comprehensive, new national policy for cable. The Committee's goal was to insure that cable develops as a medium of communications open and available to all Americans, free of both excessive concentrations of private power and governmental regulation.

The Committee members included Robert H. Finch, Leonard Garment, Herbert G. Klein, Peter G. Peterson, Elliot L. Richardson, George Romney, and Clay T. Whitehead. Whitehead, Director of the Office of Telecommunications Policy (OTP), who served as Chairman of the Committee, stated that legislation that would begin to implement the Committee's recommendations will be drafted by OTP and sent to the President soon for his consideration.

Cable is presently regulated by the Federal Communications Commission (FCC) through interpretation of its authority over broadcasting under the Communications Act of 1934. But cable is vastly different from broadcasting, and its full potential

cannot be developed under a forty year old law intended to govern broadcasting. Television broadcasting is limited by the scarcity of airwaves to a half dozen or so stations in any locality, but cable is capable of providing an almost unlimited number of channels without use of public airwaves.

Moreover, under current policies for both broadcasting and cable, the electronic communications media have "second class" status in comparison to the other media. Unlike FCC regulation of the broadcast and cable media, a government agency does not require a documentary film-maker to "balance" his film with contrasting points of view, or a newspaper to cover certain stories or public issues.

For broadcasting, this different treatment under the First Amendment has been based upon the argument that use of the scarce public airwaves gives broadcasters enormous power over the content of communications, requiring the exercise of offsetting government power to assure that the public interest is served.

Similarly, the technical and economic imperatives of cable system operations make it highly likely that in each community cable will be a local monopoly, and that government power must be used to offset the potential for abuse of the cable

operator's monopoly power. The Committee concluded that there is a need for a new policy direction for cable--one that enhances the opportunities presented by cable's abundance of channels and restores the primacy of the First Amendment and the competitive marketplace to cable regulation.

The recommended new policy is based upon the principle of separating the cable system owner's control over the medium of communications from control over the messages distributed over that medium. The cable operator would offer his channels, or time on those channels, for lease to others at nondiscriminatory rates.

The important benefits of the separations principle include the following:

-- For creators and providers of a wide range of services, information, entertainment, and news, use of cable channels would be as unconstrained as use of the print and film media.

-- For TV networks and broadcasters, the present FCC restrictions on their ownership of cable systems would be removed, and they would have access to additional channels for national networking and local programming.

-- For the public at large, the policy would allow a wide choice of specialized and diversified programs and other information services, either through advertiser sponsorship or subscription.

The Committee recognized that the full separations policy should be applied only when the cable industry is more developed and mature than today. Consequently, it recommended a transition period during which the proposed new cable policies gradually would be implemented. There is an immediate need, however, for a national consensus on the directions of cable growth and Federal policy, preferably reflected in Federal legislation, before cable growth is so extensive that changes would be impracticable.

-30-

Copies of the report are available from the Superintendent of Documents, Government Printing Office, Washington, D.C.

GPO Order # PR37.8:C11/R29/974

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

DIRECTOR

January 24, 1974

Honorable Dean Burch
Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D. C. 20554

Dear Dean:

The Commission's recent grant of authority to Packet Communications and Graphnet for the provision of "value-added" communications services, together with its adoption of a liberal entry policy for such entities, are notable steps in the direction of encouraging the introduction of new and improved means of meeting unique and specialized communications requirements.

We note that the Commission, in its decision granting the Packet application, acknowledged that there were several issues relating to the regulatory status of "value-added" vendors, and that a subsequent rule-making proceeding would be instituted to explore these issues and to investigate common carrier tariff provisions regarding the shared use and resale of common carrier circuits.

Our preliminary studies indicate that there are no obvious economies of scale or other natural monopoly characteristics inherent in these proposed systems. Accordingly, it would appear that full common carrier regulation may not be required. We assume that the grant of these applications pursuant to Title II of the Communications Act did not constitute a determination that such entities should be regulated as common carriers, but rather, was an interim procedural expedient pending full examination of the regulatory issue in the rule-making proceeding.

It is important that the regulatory uncertainty that now exists in this area be removed so that potential value-added vendors can implement their business plans and commence

serving specialized user markets. We therefore urge that the Commission undertake its rule-making and inquiry into this matter as soon as possible. We would suggest that the inquiry be designed to elicit sufficient information to enable the Commission to evaluate comprehensively all the issues and to develop an overall policy approach to this emerging industry that would avoid detailed Government regulation.

OTP will continue its studies and will comment further on the regulatory issues in the forthcoming rule-making proceeding. We look forward to cooperating with the Commission in this important matter.

Sincerely,

Clay T. Whitehead

Spot Guidelines

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

February 1, 1974

DIRECTOR

MEMORANDUM FOR DISTRIBUTION LIST

SUBJECT: Draft guidelines for radio spots

Attached for your review and comment are draft guidelines regarding the content, format, and dissemination of prerecorded audio news messages prepared by departments and agencies and intended for broadcast to the public.

Recently, as you know, the General Accounting Office reported instances in which agencies had disseminated prerecorded audio news messages that were in noncompliance with statutes governing the use of funds for publicity or propaganda purposes designed to support or defeat legislation pending before Congress. See Report No. B-178648 of September 21, 1973. The Chairman of the House Subcommittee on Communications and Power subsequently requested this Office to prepare draft guidelines on radio spot content and use.

It is intended that these guidelines, when issued, will be reflected in affected agency operations so as to assure insofar as possible that such operations are conducted fully in conformance with applicable law and general policies against unnecessary publicity programs, or Federal propaganda activities.

Receipt of you agency's comments by Monday, March 4, 1974, is requested. Inquiries regarding this matter may be directed to Mr. Charles C. Joyce, Jr. (395-4876).

Clay T. Whitehead

Attachment

DRAFT GUIDELINES FOR RADIO SPOTS

1. Content: The content of prerecorded audio news messages should be directly related to the legal responsibilities of the originating agency. Emphasis should be placed on informing the public of the availability of services and benefits, and assistance from the agency, and of established government policies and programs, approved by the Congress, which require public understanding and support for effective implementation. Messages tending to emphasize the importance of the agency or of government officials must be avoided. Messages palpably designed to influence the general public to urge members of Congress to vote for or against pending legislation are specifically prohibited by law (P.L. 92-351, 86 Stat. 471, Sec. 608a) and should not be prepared nor disseminated.

2. Format: Prerecorded audio messages should not be formatted in a fashion that facilitates their direct broadcast to the public. Accordingly, the use of professional broadcast announcers, "out-cues," test or calibration tones, and the like, for such messages is not permissible. Particular care should be taken to reflect the agency as the source of the information as part of content of such recordings, in accordance with FCC Public Notice 73-595.

3. Dissemination: Prerecorded audio news messages should not be disseminated over toll-free telephone lines unless (1) this represents the least costly method of dissemination for the government, and (2) the average cost per message disseminated to the intended receivers is below the cost of an ordinary message toll telephone call, taking into account the utilization of the system over at least one year.

4. Applicability: These guidelines apply to all uses of audio recordings to disseminate information to the public via domestic radio broadcasting stations.

January 15, 1974

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

FOR RELEASE: MONDAY
FEBRUARY 11, 1974

OTP RELEASES AUDIO-VISUAL STUDY

Clay T. Whitehead, Director of the Office of Telecommunications Policy, today called for increased public scrutiny of the scope and extent of government produced messages for radio and television. Mr. Whitehead said he reached this conclusion after seeing the results of an interagency study, made public today by OTP, which shows that the Federal Government spent $375 million in Fiscal Year 1972 on a broadly defined array of audio-visual activities.

Whitehead, pointing to the increased use of prepackaged announcements for radio and television, expressed concern over the potential for misuse of radio and television by the Government. "Federal agencies are learning the value of sophisticated audio-visual techniques for getting their message across," said Whitehead, "but no one has faced up to problems inherent in government- wide use of such media techniques. What messages provide valid and necessary information for the public; and what messages are just government or agency propaganda?"

The assigned task of the Interagency Audio-Visual Group, established in late 1972, was to conduct for the Office of Management and Budget a study of in-house versus contract production of audio-visual materials, the volume and need for government-owned facilities and equipment, and the potential for interagency coordination and cooperation for effective utilization of such facilities and equipment.

One of the principal findings of the study is that government agencies are ignoring current federal policy of relying on private industry for their products and services. Government policy, established

by OMB, requires periodic review and justification of activities within the government which produce products or services which are also available from private industry. These reviews were available for only 111 of the 650 audio-visual facilities identified within the government. None of the reviews demonstrated any cost advantage for in-house facilities, and in only one case was information provided to support the claim that a satisfactory product could not be obtained from a private firm.

In breaking down the total amount of 1972 audio-visual expenditures the group found that the 15 Federal Government agencies involved in the study spent $65 million on motion picture activities, $50 million on television, and $35 million in other media developed for use with an audience. The balance of the $225 million was spent on still photography, graphic arts, recording of scientific data, microfilming documents and other activities in which the end product is not intended for communication with an audience.

Mr. Charles Joyce, OTP Assistant Director for Government Communications and Chairman of the Interagency Study Group, estimated that the total cost of all motion pictures produced by or for the Federal Government is about $30 million. The balance of the government's $65 million motion picture spending is for distribution, presentation, and storage.

The study found that private firms produced two-thirds of all government motion picture output in 1972. In contrast, over 95% of all television production for the government was performed in-house.

OTP Director Whitehead endorsed the overall recommendations of the report and forwarded it to OMB for appropriate action. Additionally, he wrote Civil Service Commission Chairman, Robert E. Hampton, suggesting that consideration should be given to the feasibility of consolidating and sharing the use of government television facilities, particularly in Washington, D.C., and the possibility of greater interagency cooperation in planning and acquisition of television programs for education and training within the government.

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

ASSISTANT DIRECTOR

February 25, 1974

Mr. Raymond E. Spence
Chief Engineer
Federal Communications Commission
1919 M Street, N. W.
Washington, D. C. 20554

Dear Ray:

We have read and evaluated the draft paper entitled, "Joint Discussion of the FCC Regional Frequency Management System" received February 21, 1974, as well as other material prepared subsequent to the Office of Telecommunications (OT) report entitled "Policy Implications of the Regional Frequency Management System." We are encouraged by the proposed changes to the monitoring and AFAM programs and many of the concerns expressed in the OT report have been mitigated by them. However, even with these changes, we still have certain reservations regarding the Regional Frequency Management System. It should be emphasized, however, that these remaining reservations are not in regard to the overall merits of the regional frequency management concept, but whether the current system has been sufficiently refined and proven to warrant further expansion to other centers at this time.

Succinctly stated, we feel that the ultimate effectiveness of the system has not yet been clearly demonstrated at the user level and therefore such expansion is not warranted. Specifically, we continue to recommend that all monitoring and computer resources be concentrated in the Chicago area to (1) refine the data gathering requirements/costs and (2) to demonstrate the efficacy of the AFAM procedures. We do support, as we did in our joint review report, the start of collection of Form 425 license data from users in San Francisco or other selected site, anticipating the eventual verification of the Chicago system. While there have been significant improvements of recent origin, the recommendations made

previously still, in effect, state our current opinion. If the Commission feels that the design of additional monitoring vans will not be made obsolete by changes in procedures based on further monitoring in Chicago and if the purchase of a third van at this time is necessitated by lead time or budget considerations, then we would support the immediate procurement of such a van for eventual use in gathering monitoring data in San Francisco.

This recommendation is based on the following considerations. With regard to the monitoring data, we are in general agreement with the SRI estimates of the number of samples needed to characterize properly a mobile radio channel in "all dimensions except the times at which the peak or minimum values occur." We remain unconvinced that performance during the busy hour is not an important parameter to the user for we are confident that further data will show statistically significant diurnal variations in occupancy. We fully support the intention of gathering more data to answer this latter question and, at the same time, refine the data gathering requirements.

With regard to the AFAM program, we are convinced that AFAM-type procedures can eventually be developed which will be a significant improvement over current coordinator assignments. We still do not believe that the AFAM procedures as now implemented have proven themselves in the field, nor do we believe that the technical concerns expressed in the OT paper have been adequately answered. In view of (1) the remaining uncertainties in the data requirements and the proposed and unevaluated modifications to the monitoring plan (specifically the change from a 10 ft. to a 70 ft. high antenna) and, (2) the lack of extensive field checks of the AFAM program results as related to actual installed and operating systems, we must reluctantly reach the conclusion that further expansion should be delayed and all efforts be concentrated on alleviating these concerns in a convincing fashion. I reiterate that we are not saying that the cost/effectiveness of the Regional Frequency Management System will not be demonstrated eventually, but merely that it has not yet been done.

I would also like to take this opportunity to congratulate you and the Spectrum Management Task Force for the obvious dedication shown in the development of such a large and complex system. We all are anxious for the time when today's potential benefits will actually be available to the land mobile radio community and other users of the spectrum resource tomorrow.

Sincerely,

Walter E. Sutter

Dale Hatfield

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

April 9, 1974

NEWS RELEASE

OTP INTRODUCES COMSAT LEGISLATION

The Office of Telecommunications Policy (OTP), this week submitted legislation to the Congress to amend the Communications Satellite Act of 1962. The 1962 Act called for the creation of a commercial communications satellite system as part of an improved global communication network and created the Communications Satellite Corporation (COMSAT) as the chosen instrument of the United States for accomplishing this end. The amendments are designed to update the Act to reflect current conditions and do not change the basic policy premises underlying the original legislation.

The proposed amendments would:

1. eliminate the requirement that COMSAT incorporate in the District of Columbia;
2. repeal the provision calling for Presidentially-appointed and common-carrier elected directors;
3. eliminate the special class of common carrier stock;
4. reduce permissible common carrier shareholdings to five percent;
5. permit COMSAT to issue par value stock;
6. repeal the requirement for COMSAT to obtain FCC approval prior to obtaining additional capital.

The amendments also make explicit that COMSAT could participate in new specialized systems that are separate from the global INTELSAT system, although on a non-exclusive basis.

In the twelve years that have elapsed since the original legislation was enacted, many developments have occurred which necessitate certain additions to the Act and which require the deletion of certain existing provisions which are no longer necessary. In 1962, there were a number of technical and operational uncertainties attendant to the creation of a new corporation (COMSAT) to serve as the U.S. entity in establishing the global communication satellite system. As a result of these uncertainties, many special provisions were included in the Act relating to COMSAT's ownership and the conduct of its affairs, provisions not normally associated with a private communications common carrier. With the successful establishment of the International Telecommunications Satellite Organization (INTELSAT) global communication satellite network and the emergence of COMSAT as an established and mature corporation, it is appropriate to remove a number of these special provisions.

Additionally, it is clear from the legislative history of the Communications Satellite Act of 1962 that it was the multi-national character of the global system that necessitated the statutory designation of the role of the Executive. The multi-national character of emerging non-INTELSAT systems is no less evident. Accordingly, the proposed amendments delineate an Executive Branch role in the planning, implementation and operation of certain new specialized international systems developed pursuant to intergovernmental agreements. Such oversight is intended to insure that institutional arrangements are responsive to national needs and consistent with foreign policy objectives and commitments of the United States. In February 1973, OTP stated that the Communications Satellite Act of 1962 should be reviewed to determine what changes were needed to reflect the permanent INTELSAT agreements, the maturity of COMSAT as a commercial common carrier, and the emergence of new satellite systems. The draft legislation is the result of the OTP review.

all Channel Radio

APR 3 0 1974

Honorable Warren G. Magnuson
Chairman
Committee on Commerce
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am pleased to respond to your request for comments of the Office of Telecommunications Policy on S. 585, a bill "To amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated (AM) and frequency modulated (FM) broadcasts."

If enacted, the proposed legislation would add a new subsection 303(t) to the 1934 Act to grant to the Federal Communications Commission additional authority--analogous to that conferred by the 1962 "All-Channel Television Receiver Act" (76 Stat. 150, 47 U.S.C. §303(s))--to issue regulations requiring AM-FM capability for all radios retailed for $15.00 or more. Similar "all-channel radio" bills were introduced during the Ninety-Second Congress (S. 217, H.R. 2136).

Enactment of S. 585 would foreclose consumer choice through Government regulations. It would require the radio buying public--particularly car radio purchasers--to buy FM capability they would not otherwise be willing to pay for. We do not feel that such a step is desirable at this time, nor required to promote the continuing growth of FM broadcasting.

Accordingly, we recommend against favorable consideration of S. 585. We have been advised that the Office of Management and Budget has no objection to the submission of this report.

Sincerely,

Clay T. Whitehead

AMTRAK

AT&T

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

APR 30 1974

DIRECTOR

Honorable Arthur F. Sampson
Administrator
General Services Administration
Washington, D.C. 20405

Dear Mr. Sampson:

I am quite concerned over the approach GSA is taking to obtain data processing and communications network services. Instead of obtaining the necessary services directly from the private sector, GSA has chosen instead to procure and operate a large amount of data processing and communications hardware itself.

Procurement of service rather than hardware allows the government to take maximum advantage of continuing improvements in technology while at the same time remaining sensitive to changes in user demands. New commercial offerings are constantly arising which offer an ever widening range of features to satisfy a great variety of user needs. Since it is the policy of the Federal Government to encourage the private sector in continuing to offer new and innovative communications services on a fully competitive basis, the government should take advantage of this capability where possible to meet its own internal needs.

The cost of commercial data communications services has been declining at an annual rate of over 10% during the past few years. Even at today's rates, equivalent commercial services would cost about half as much as the proposed GSA data communications network.

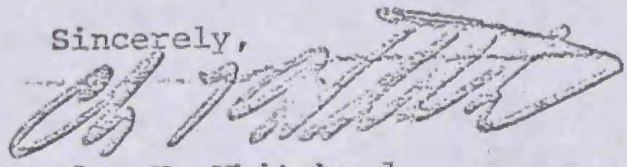
It is my view that present GSA plans for an in-house government designed and operated data communications network should be terminated and at least the communications portion of the present solicitation should be reoriented toward procurement of commercial services. Further serious consideration should also be given to the advantages of obtaining the data processing service on a similar basis.

Moreover, a government-owned network of computers of such large capacity and with such widespread remote access, raises important questions about privacy: For example, how will

access be controlled through use of the communications links, and what incentives will there be to fill the computers with unnecessary data on individuals and firms?

Please let me know what action you plan to take on this matter. Because the request for bids has already been released prompt action is necessary.

Sincerely,



Clay T. Whitehead

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

May 6, 1974

DIRECTOR

Honorable Richard E. Wiley
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

As you are aware, the International Telecommunication Union (ITU) has scheduled a World Administrative Radio Conference for 1979 to consider a general revision of the Radio Regulations appended to the International Telecommunication Convention.

Based on past experience, preparation for this conference will be a task of enormous scope, complexity, and detail. If vital U.S. telecommunication interests are to be adequately protected, I feel that this work must start now and be the most complete and comprehensive effort of this type ever undertaken.

Accordingly, I have alerted the heads of the cognizant agencies of the Executive Branch as to the importance of this task and solicited their support. A copy of a representative letter together with our present work schedule in this regard are enclosed.

Continued coordination in the above effort will be maintained through your liaison representative to the IRAC, Mr. Merle Glunt, and the results of our preparatory activities will be forwarded to the Department of State for coordination with other administrations.

Your support in this matter will be appreciated.

Sincerely,

Clay T. Whitehead

Enclosures

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

VHF-TV

DIRECTOR

May 14, 1974

Honorable Richard E. Wiley
Chairman
Federal Communications Commission
Washington, D. C. 20554

Dear Mr. Chairman:

Recently the Office of Communications of the United Church of Christ, et al., filed a Petition for Rulemaking to amend the television table of assignments to include additional VHF channels. We agree that the Commission should undertake a formal reevaluation of the present VHF assignment criteria and the VHF television table of assignments, with the goal of making available the largest possible number of additional VHF outlets in the major markets.

Since our first report on this matter in October, 1973, we have continued our studies and, with your staff's assistance, we have recently reevaluated the number of additional VHF-TV assignments that are possible, from an interference standpoint, in the top 100 markets of the United States. The results of this reevaluation are enclosed.

The analysis employed three different distance separation criteria, and used a data base of existing VHF assignments and a computer program supplied by your staff. The results of this analysis validate the primary finding of our original study, i.e., that there is no technical reason why a substantial number of additional VHF-TV channels cannot be assigned in the top 100 markets.

Many of the additional assignments could be located sufficiently near the principal communities of the designated markets to enable so-called "city grade" service to those communities, as required by the Commission's rules. In cases where this requirement could not be met, the channel could be assigned to an outlying community and still provide substantial service to the principal community of the market.

I hope that this further analysis will be of assistance, and I look forward to working with you in this important area of spectrum planning. Should you desire any additional information, please let me know.

Sincerely,

Clay T. Whitehead

Enclosure

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

NEWS RELEASE

OFFICE OF THE DIRECTOR

May 20, 1974

OTP RELEASES REPORT ON THE BIOLOGICAL EFFECTS OF RADIO WAVES

A Federal Government program to assess the biological effects of radio waves is the subject of a report submitted to Congress today by the Office of Telecommunications Policy. This second annual report summarizes activities by several Government agencies during 1973, coordinated under OTP's direction.

The multi-agency program represents a pioneering effort designed to produce a sound scientific understanding of how non-ionizing electromagnetic radiations (radio waves) effect living organisms. Its purpose is to ensure the well-being of man and his environment without unnecessarily restricting the use of the electromagnetic spectrum and the many vital services it provides.

Internationally, progress was made in establishing cooperative activities and technical exchange in this area. For example, an international symposium was held in Warsaw and a collaborative activity is being developed with the U.S.S.R.

Microwave and other radio frequency radiations at sufficiently high intensity are known to cause adverse biological effects

due to the generation of heat in the organism. But the effects at lower intensities, particularly with continued or long-term exposure and various modulation modes, are not known adequately. Studies of effects at power densities around and above 100 mW/cm^2 -- a unit of power density measuring milliwatts per square centimeter -- led to the general acceptance in the United States and most western countries of a power density of 10 mW/cm^2 as a safe level below which injury from heating would not be expected.

But as noted in an earlier report recommending the creation of the current multi-agency porgram: "Power levels in and around American cities, airports, military installations and tracking centers, ships and pleasure crafts, industries and homes already may be biologically significant. Unless adequate monitoring programs and methods of control are instituted in the near future, man may soon enter an era of energy pollution of the environment comparable, in public health and ecologic implications, to the chemical pollution of today... There is increasing anxiety based on limited evidence that non-ionizing electromagnetic radiations, even at relatively low power densities, can affect biological organisms ... Ongoing research in the field of long-term, low-level effects of electromagnetic radiation on living systems has been near a standstill in this country for lack of funds and the tacit acceptance of the concept that thermal effects are the only health hazard."

1973 represented the first year a coordinated program had operated under increased Congressional appropriations -- $6 - 7 million total -- principally divided among the Defense Department, HEW and EPA. Other agencies were involved to a lesser extent. Administration of the funds is controlled by the individual agencies. OTP is responsible for coordination, eliminating duplications, identifying voids in the overall effort and for liaison with other concerned organizations. An inter-agency working group was formed and meets monthly under the chairmanship of OTP.

The activities during 1973 focused mainly on establishing a soundly-based research activity of reasonable volume, appropriately oriented toward the program objectives and generally serving as a foundation for future efforts. The program currently consists of 114 projects, of which 40 were initiated during 1973.

A few tentative and preliminary indications are noted in the report "which at present suggest that effects may occur -- in the nervous system and behavior, normal developmental and growth processes, and possibly in some metabolic and biochemical parameters -- at lower levels [of radio wave radiations] than anticipated in the past. It is emphasized, however, that these are preliminary observations and not scientifically validated results."

observations:

The report on 1973 activities made these ~~recommendations~~:

(1) More work is needed involving chronic exposure over extended periods of time, as well as observations for possible delayed effects following explosure. Most of the present studies involve exposures over relatively short periods of time.

(2) Long-term studies involving periods up to the life span of the animal and studies of successive generations involve considerable cost and dedicated exposure facilities. Such studies are not now underway. Short of this, and particularly important at present, is the need for more work with exposure durations of at least several months. This is compatible with existing resources.

(3) While the level of financial activity related to this program increased in 1973, the overall funding level has been lower than desirable with respect to developing new approaches, facility requirements and attracting new investigators. Funding for Fiscal Year 1973 was above $6 million and the current estimate for FY 1974 is about $7 million. By comparison, recommended levels were $10.6 million for the first full year of coordinated effort (FY 1974) and $15.2 million for FY 1975.

Accordingly, while efforts to obtain increased budgetary resources continue, it may be necessary to accommodate a more graduated buildup of funding to the requisite levels. The unavoidable effect will be that work will have to be conducted over a more protracted period of time.

Commenting on the status of the current program, the Electromagnetic Radiation Management Advisory Council (ERMAC)[1] concluded: "The present funding level of the program as a whole is too low with respect to current and foreseeable needs and is not responsive to the level of public, professional or governmental concern."

There was notable growth during 1973 in the area of international exchange, both in terms of actual interchange and planning for future cooperative activities. An international symposium on

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1 The ERMAC was formed in 1968 to assist the Director of the Office of Telecommunications Policy and his predecessor by advising on side effects and the adequacy of controlling electromagnetic radiations arising from communications activities. The Council is comprised of experts in the fields of electronics, engineering, physics and medical sciences. In its 1971 report recommending the creation of a Government-wide program, it concluded that we do not know the potential impact of non-ionizing electromagnetic radiations on man with sufficient confidence and that on-going efforts were inadequate to resolve current and foreseeable issues.

biological effects and health hazards of microwave radiation was held last October in Warsaw and included representatives from 50 countries, including the U.S. This meeting afforded the first substantial opportunity for contact and exchange between Eastern and Western investigators. The resultant dialogue and rapport should enhance international cooperation in the future.

In April, a Soviet team of investigators visited the United States to discuss environmental pollution. The U.S. will be sending a team to the Soviet Union May 24 - 29 to discuss specifically the biological effects of non-ionizing radiation. The representatives are expected to be Dr. Donald McRee of the National Institute of Environmental Health Sciences, Department of Health, Education, and Welfare; Dr. Morris Shore, Bureau of Radiological Health, Department of HEW; Dr. William Guy, University of Washington; Dr. Ross Adey, UCLA; and Janet Healer of OTP.

GOVERNMENT TELECOMMUNICATIONS PROCUREMENT POLICY PLACING HEAVY STRESS ON PRIVATE SECTOR ISSUED BY OTP; PURCHASING SERVICE, NOT FACILITIES, IS PREFERRED, AGENCIES TOLD; MUST SHOW 'SIGNIFICANT' SAVINGS IN PLANS

A government policy which "places heavy reliance on the private sector in providing telecommunications service for its (the government's) own use," and emphasizes that "purchasing service directly is preferred," has been issued by the Office of Telecommunications Policy. (June 21)

First mentioned publicly by OTP Director Clay T. Whitehead in his testimony last week before the Senate Judiciary antitrust and monopoly subcommittee (see separate story), OTP Circular 13 describes two avenues to obtaining telecommunications from the private sector--purchase of facilities, or of services--but states a clear preference for the latter.

Any proposal which puts the government in any "provider" role, it was stated, should be adopted "only if commercial service is: (1) not available to the user during the time needed; (2) not adequate from either a technical or operational standpoint; or (3) significantly more costly."

The direct system purchase approach, the OTP circular continued, "is acceptable if such an approach will result in significant savings over an otherwise acceptable commercial service offering. To be considered significant, the savings must exceed 10% of the cost of the commercial service. The cost estimate of the non-commercial approach must include, as a minimum, all of the factors called out by (Office of Management & Budget) circular A-76." That circular (TELECOMMUNICATIONS, March 14, 1966) also used the 10% or more savings standard, and directed that cost comparisons should include foregone federal tax revenues, and all elements of compensation of civilian and military government personnel, including retirement and other benefits.

OTP went on, "if the proposed approach involves heavy investment, rapid obsolescence, or uncertain requirements, the minimum savings threshold should be increased to reflect these factors."

In spelling out what it meant by the "provider" role, OTP noted that "The federal government places heavy reliance on the private sector in providing telecommunications service for its own use. This means that all functions normally associated with providing the service shall be performed by the private sector. These functions include design, engineering, system management and operation, maintenance, and logistical support."

OTP commented that "Agencies which procure facilities, rather than services, are forced to maintain staffs with all of the expertise necessary to develop the detailed system design. The service approach, while not eliminating the need for in-house telecommunications staffs, will

shift more of the burden for system design and detailed equipment specification to the private sector. The level of in-house design-oriented expertise necessary to insure that proposed service offerings are sound depends on type and frequency of procurement actions in which the agency is engaged."

The agency called for reports by government entities on the subject within six months, or at the close of this year.

It was pointed out, meanwhile, that a further limitation on establishment of private systems by government entities was contained in OTP Circular 11, issued in November, 1972, to "insure that availability of frequency spectrum support for government communications-electronics systems receives a critical review at the national level prior to the expenditure of public funds for such systems."

Provided is review of new government telecommunications systems by the Spectrum Planning Subcommittee of the Interdepartment Radio Advisory Committee "at a number of the stages of their evolution prior to the assignment of frequencies." For example, terrestrial systems with a "major impact on spectrum usage" are to be reviewed on completion of "concept definition," normally three years prior to the planned date of initial operation. -End-

SWEARING-IN CEREMONY FOR COMMISSIONERS LEE, WASHBURN, AND ROBINSON IS COMBINED WITH AN OBSERVANCE OF 40th ANNIVERSARY OF REGULATORY AGENCY

The Federal Communications Commission combined an observance of its 40th anniversary with the swearing in of the agency's two newest members and the renewal of the oath of its oldest member, in terms of service, at ceremonies Wednesday, July 10.

The Fine Arts Theater, adjacent to the FCC building, drew a capacity crowd, including six former commissioners--three of whom had served as Chairman--and a number of persons from industry and government active in the communications field.

Associate Supreme Court Justice Harry A. Blackmun administered the oath to Robert E. Lee, for his fourth seven-year term; Abbott M Washburn, to fill a term expiring June 30, 1975; and Glen O. Robinson, for a term that ends June 30, 1976.

Before the swearing-in ceremony, FCC Chairman Richard E. Wiley reviewed the activities of the Commission in the 40 years since its first meeting on July 11, 1934. In discussing some of the highlights of the Commission's history, Mr Wiley noted that it began in 1934 with a staff of 233 and an annual budget of slightly more than $1,000,000. Today, the agency has more than 1900 employees and a budget of around $40,000,000 -End-

fuel

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

July 1, 1974

DIRECTOR

Mr. John C. Sawhill
Administrator
Federal Energy Office
Washington, D.C. 20034

Dear Mr. Sawhill:

This is in reference to the fuel allocation rules recently adopted by the Federal Energy Office.

The Office of Telecommunications Policy is responsible for coordinating the telecommunications activities of the Federal Government, evaluating the capability of telecommunications systems to meet national security and emergency preparedness requirements, and coordinating policies, plans, and procedures for utilizing telecommunications resources in an emergency.

All government departments and agencies, including the Department of Defense, are heavily dependent upon leased services from the communications common carriers. These services are vital to our national security, and many special procedures have been adopted to insure continuous service without interruption.

I am concerned about the effect of the fuel allocation rules on the ability of communications common carriers to continue to provide these vital services. The present rules appear to permit communications common carriers to obtain the same fuel allocation level during normal operating periods as all other commercial services. Because of the restrictive definition of the term "telecommunications services," the carriers would be entitled to a higher allocation level only during periods of "substantial disruption of normal service." Moreover, even at this higher level, the allocation would be subject to reduction by the application of an "allocation fraction."

These rules do not appear to reflect the intent of Congress in enacting the Emergency Petroleum Allocation Act of 1973, P.L. 93-159, to the effect that a high priority should be assigned to essential public services, including those provided by investor-owned utilities, so that service will be continued without disruption. This priority is not reflected by affording telecommunications services the same allocation treatment as all other commercial services during periods of normal

operation. In addition, the application of an allocation fraction, which might be substantial in times of acute fuel shortages, could precipitate, or at least contribute to, the service disruptions that Congress has sought to avoid.

I therefore recommend that the allocation rules for telecommunications services be modified to reflect the essential nature and priority needs of these services, both to the Federal Government and to the public, and to insure that communications common carriers receive no less fuel than is required to maintain normal service and prevent disruption or interruption.

I hope that you will give this matter your immediate attention. Please feel free to call me or my staff if you have any questions on this matter.

Sincerely,

Clay T. Whitehead

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

July 2, 1974

DIRECTOR

Honorable Warren G. Magnuson
Chairman
Committee on Commerce
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is in response to your request of May 20, 1974, for the views of the Office of Telecommunications Policy on S. 3463, proposed legislation to repeal the "equal opportunities" requirement of section 315(a) of the Communications Act of 1934, as amended (47 U.S.C. §315(a)) with respect to candidates for President and Vice President. Presently section 315(a) provides that if a broadcast licensee permits any legally qualified candidate for public office to use his station, he must afford equal opportunities to all other candidates for the same office in the use of his station.

We are not in disagreement with the purposes of this proposed legislation -- to allow broadcasters to offer free time and coverage to major party candidates without being legally compelled to offer "equal opportunities" to minor party candidates. We take exception, however, to limitation of this bill to Presidential and Vice Presidential candidates. The adverse effects of section 315(a) may be much more pronounced with respect to candidates for other Federal offices. We see no reason why the reform prescribed by this bill should be so severely limited.

Accordingly, we recommend that your Committee report unfavorably on S. 3463.

Sincerely,

Clay T. Whitehead

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

NEWS RELEASE
July 16, 1974

OFFICE OF THE DIRECTOR

OTP SUBMITS LONG-RANGE FUNDING BILL FOR BROADCASTING

Clay T. Whitehead, Director of the Office of Telecommunications Policy, today sent to Congress legislation that would, for the first time, provide long-range funding for the Corporation for Public Broadcasting. He stated that the proposed legislation, which was recently approved by the President, recognizes the progress and potential of public broadcasting. In letters to the President of the Senate and the Speaker of the House, Whitehead said that many of the concerns expressed in Congress and the Administration for not including a long-range financing plan in the Public Broadcasting Act of 1967 have now been substantially resolved. As examples, Mr. Whitehead cited growing diversity and excellence in programming and the assurance that the local radio and television stations will have a significant role along with the CPB in the programming and operational decisions of the public broadcasting system.

Mr. Whitehead noted that the President has long considered that the availability of substantial Federal subsidies for the production and distribution of television and radio programming poses the threat of Federal control of program content and the possibility of public broadcasting becoming a propaganda vehicle. The extremely sensitive relationship between Government and a Federally funded mass communications medium calls for some means of insulating that medium from the possible pressures that might result from the annual appropriations and budgeting processes of the Congress and the Executive Branch. The Director of OTP stressed that the needed insulation must be achieved through long-term appropriations and through substantial involvement of local educational stations in the decision-making of the public broadcast system.

As to long-term appropriations, Mr. Whitehead stated that solving the dilemma presented by large-scale Federal financing of a medium of communication called for a departure from the usual funding mechanisms employed by the Federal Government. Rather than annual appropriations,

the legislation would provide for a full five-year appropriation. Public broadcasting would be one of the few activities funded by the Federal Government that would not be subject to the annual review of the congressional appropriations committees. Mr. Whitehead stated that the Congress should be willing to loosen control oif its pursestrings, as the White House has done in proposing this legislation, in order to insulate programming decisions from governmental intrusion.

Mr. Whitehead also stated that innovative financing mechanisms are not alone sufficient to assure a free and independent public broadcasting system. To achieve this goal, the local educational stations must have a voice and role in the decisions regarding public broadcasting programs and operations. The legislation would accomplish this by requiring that a substantial portion of the Federal appropriation be distributed directly to the local stations for use at their discretion. In this way, Mr. Whitehead stated, the principle of local station autonomy in public broadcasting system will be fostered.

Finally, Mr. Whitehead noted that proposed legislation would up-date the 1967 Public Broadcasting Act by making Federal funding available for the development and use of non-broadcast communications technologies for dissemination of educational radio and television programming.

In submitting the legislation today, Whitehead pointed out that key Congressional leaders had expressed their interest to move forward with the bill as aoon as the Administration submitted it. Given these assurances and the general support the bill has among public broadcasters, the CPB and PBS leadership, Whitehead said that he expects the bill to pass and be signed by the President before the end of this congressional session.

(Specifics of Legislation)

The bill has three principal purposes relating to the Corporation for Public Broadcasting and the system of non-commercial educational radio and television stations.

1. The bill would provide long-term Federal financing for the CPB by means of a 5-year authorization and appropriations. Here is how the Federal money would go to the CPB:

A. A Public Broadcasting Fund would be established in the Treasury Department.

B. Into this Fund Congress would appropriate EITHER 40% of the entire public broadcasting system's non-Federal income (this matching formula amounts to one Federal dollar for every $2.50 the system raises from other sources), OR a set amount as described below -- whichever amount is LESS.

C. The maximum amount authorized and appropriated by Congress

FY 1976 -- $70 million
FY 1977 -- $80 million
FY 1978 -- $90 million
FY 1979 -- $95 million
FY 1980 -- $100 million

NOTE: According to CPB figures published in the Long-Range Financing Task Force Report, the entire public broadcasting system's non-Federal, non-duplicated income for FY 1974 was estimated at $200 million. Hence, for the first year under the bill, FY 1976, the CPB would be entitled to the maximum $70 million from the Fund (the Federal match is based on the system's non-Federal income for the second preceeding fiscal year).

2. A second major purpose of the bill is to assure that a reasonable portion of Federal funds is distributed directly to local non-commercial educational broadcast stations. Here is how the CPB would be required to distribute Federal funds to the stations:

A. The following minimum amounts of the Federal grant to CPB would go to stations:

40% -- at $70 million to $89 million appropriation level
45% -- at $90 million to $99 million appropriation level
50% -- at $100 million

B. There would be a limit on the amount of funds CPB may distribute to any station -- no more than 1/2 of licensee's total non-Federal money.

The stations may use this money for local program activities or to contribute to the PBS national programming cooperative to get programming from other public TV stations.

3. The scope of existing law governing public broadcasting would be expanded to include the development and use of non-broadcast communications technologies for the distribution and dissemination of educational radio and television programming. Examples include cable and communications satellites. The bill would permit stations to use the Federal funds distributed to them by the CPB for the development of such technologies and also would authorize the CPB to conduct research, demonstrations or training in their use.

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

September 20, 1974

GENERAL COUNSEL

Vincent J. Mullins, Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D. C. 20554

Re: Consideration of the Operation of, and Possible Changes in, the Prime Time Access Rule, Section 73.658(k) of the Commission's Rules (Docket No. 19622)

Dear Mr. Mullins:

Following the decision of the United States Court of Appeals for the Second Circuit reversing in part the Commission's Report and Order of February 6, 1974, in Docket No. 19622, the Commission invited further comments on the Prime Time Access Rule, both as recently modified and as originally adopted. In its Further Notice Inviting Comments, the Commission stated that as a result of this inquiry its decision modifying the rule could "remain essentially unchanged, the original rule could be retained, some solution between these alternatives could be reached, further modifications could be made resulting in less 'cleared' time, or conceivably the rule could be repealed." 1/ The Office of Telecommunications Policy (OTP), for the reasons set forth below, respectfully urges the Commission to follow the last-quoted course.

The original Prime Time Access Rule, adopted by the Commission in 1970, prohibited stations in the top fifty markets from (1) carrying network programs in more than three of the four evening prime time hours, and (2) broadcasting off-network programs or recently televised feature films during the one hour of prime time from which network programs were excluded. In our view, the original rule has proven unsatisfactory for two reasons: (1) its effect has been precisely the opposite of that which was intended, and

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1/ Further Notice Inviting Comments, Docket No. 19622, 39 Fed. Reg. 26918, 26919, July 24, 1974, footnote omitted.

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

NEWS RELEASE

Release Date: September 23, 1974 (A.M.)
Contacts: John A. Loftus
Walda W. Roseman
202-395-4990

OTP ACTS ON GAO RADIO REPORT

John M. Eger, Acting Director of the Office of Telecommunications Policy (OTP), announced today a series of initiatives responsive to a General Accounting Office (GAO) report which saw several critical problems arising from use of the least understood of our natural resources -- the radio frequency spectrum. The report by the investigating arm of Congress was prepared in cooperation with OTP and the Federal Communications Commission (FCC) and made public last week.

While GAO declined to make specific recommendations, the report mentioned several trouble areas:

--With U.S. Government and industry already having some $90 billion invested in spectrum-dependent electronics equipment, "demands for spectrum services are increasing more rapidly than technology can find space in the available range of usable frequencies."

--Unless more extensive use is made of communications technologies such as cable, wire or wave guides (fiber optics, etc.) in lieu of over-the-air transmissions, congestion in the spectrum bands used by the more common technologies will be compounded.

--The availability of persons skilled in spectrum management has not kept pace with either the increased demand for usage or the enormous economic and technical complexities associated with the expanded use of the spectrum.

--Aside from managing the spectrum, more research is needed to determine how man and his environment are affected by ever-increasing amounts of exposure to radio frequency energy (electromagnetic radiation).

Mr. Eger described specific actions taken recently by OTP to meet the issues raised in the report:

--The formation of a spectrum management career development program under the direction of OTP (see below).

--Increased coordination with the FCC in OTP's ongoing electromagnetic compatibility (EMC) analysis efforts. EMC studies predict whether interference will result from the simultaneous operation of communications systems, new and existing, using adjacent frequencies. The GAO report found the FCC's in-house EMC analysis capability inadequate.

--The scheduling by OTP of a seminar of communications-electronics experts from Government and industry to review current EMC analysis techniques and recommend improvements.

--The completion of the first phase of a long-range planning report on spectrum usage undertaken by the Frequency Management Advisory Council (a group of non-Government scientists and engineers who advise OTP).

--The preparation of legislation which would implement certain recommendations contained in the Cabinet Committee's Report to the President on Cable Communications, so as to accommodate new services such as emergency communications to the home, meter reading, etc., which otherwise would increase demands for radio frequencies.

--The preparation of OTP's third annual report on the biological effects of radio waves and the continuation of its role as coordinator of Federal Government electromagnetic non-ionizing radiation research.

A Career Development Program for Spectrum Management

The GAO report said there was an urgent need for experienced spectrum managers in Government service. Lack of such experience, the report noted, "may jeopardize United States interests" at the 1979 World Administrative Radio Conference. Preparation for this Conference, which will consider major reallocations of spectrum for international and national needs, is already underway.

Addressing this manpower problem, Mr. Eger said that at OTP's request the U.S. Civil Service Commission issued a report last month citing reasons for the shortage. The Commission said the problem stemmed in part from the highly specialized nature of the field, from the lack of established tracks for career advancement, from the dearth of training programs,and from a shortage of qualified and interested personnel at the middle levels of Government service. Consequently, the Commission made the following recommendations:

--OTP should establish an ad hoc committee within the Interdepartmen Radio Advisory Council (IRAC) to foster career development of spectrum management personnel. IRAC is an OTP support group composed of top spectrum managers in various departments and agencies of the Federal Government.

--Based on specific IRAC recommendations, OTP should consider establishing a Government-wide system for training and development in spectrum management.

An ad hoc committee of IRAC has been formed, met for the first time last week and has developed plans to complete the study and organizational phase of its program within six months.

Managing the Radio Spectrum

The radio spectrum is the range of electromagnetic frequencies shared internationally for the over-the-air transmission of information. Since two radio signals cannot occupy the same frequency at the same time, competition for spectrum space is often fierce and gives rise to spectrum overcrowding. To avert problems of congestion and to promote the most efficient use of the spectrum, OTP has been designated manager of those portions of the spectrum used by the Federal Government. The FCC has authority over all other U.S. spectrum users.

The complexity of managing the radio spectrum and promoting its most efficient use is growing, the GAO report said. As the boundaries of the usable frequencies become more visible, technology is creating demands for spectrum space faster than it is finding methods for conserving it. Until only recently, the report noted, the opposite has been true -- technology has prevented serious spectrum overcrowding and interference.

One area in particular which is creating new strains upon spectrum engineers and managers is the proliferation of satellite communications. Latecomers to spectrum competition, satellites require considerable spectrum space and their signals can cover up to 42% of the earth's surface. Such coverage could interfere with other radio systems in the shadow of the signal. The cause for immediate concern, however, is not generally with the spacecraft but rather with the number and location of the earth terminals in support of satellite communications, their potential for interference with one another and with other radio services, e.g., communications, microwave links and radar. OTP also was party to the International Telecommunications Satellite Organization agreement which placed constraints on the proliferation of satellites for international communications.

Another area of concern noted in the GAO report is the rapid growth of radio navigation or locator systems, some involving the use of satellites. GAO found "impressive evidence of a proliferation of systems, some duplicative, whose mounting costs must be borne by both Government and users." The report suggested the need for more "coordination and reconciliation of views" among

Federal agencies. OTP is coordinating such an effort and is working toward the development of a National Radio Navigation Program.

There have been several proposals, GAO said, for managing the overcrowded spectrum more efficiently. These include a spectrum rental system designed to reward conservation and efficiency; improved regulation, involving stringent equipment standards, improved engineering, stepped up monitoring, etc. OTP already has established a more stringent regulatory scheme for Federal users. The rental question leads to the broader issue of getting a meaningful reflection of economics into the spectrum management picture. OTP has a study of this subject underway.

Another approach to more efficient spectrum use, the report noted, is the possibility of consolidating under the President, through OTP, or conversely, under the FCC, total management authority, thereby reducing competition between Government and private users. GAO found, however, that under OTP's direction, the number of Government-only frequency bands dropped from 42% in 1969 to 26% in 1973, proof of extensive additional Government-non-Government spectrum sharing. Consolidation of the spectrum management authority, the report warned, could lead to conflicts of interests:

> It appears that, if a single frequency "czar" were established, he would have to divide his own resources and management methods along lines paralleling present arrangements or risk serious penalties to either or both (Government and non-Government) communities. The vast majority of matters and actions affecting both the Federal and civil sectors are resolved in the daily coordination between the FCC and IRAC and its subcommittes. These arrangements seem to have worked reasonably well. We found no instances when an issue had not been resolved at or below the FCC Chairman-OTP Director level.

The report, Information On Management And Use Of The Radio Frequency Spectrum -- A Little-Understood Resource, September 13, 1974, is available from GAO, Room 4522, 441 G Street, N.W., Washington, D.C. 20548. Accompany $1.00 with the report name, date and order number B-159895. Free to Government and the press.

The summary continued, "Recognizing that an 'actual cost' accounting system could be prohibitively expensive and, in fact, might not be required, the study points to two ways to improve on the 'separations principles' now used to arrive at approximations to 'true' costs:

"(1) Refinement of the current revenues and expense account categories to the level where aggregates of direct costs can be identified. The remaining joint costs would necessarily be allocated by appropriate economic procedures.

"(2) A cost accounting/management information system that provides basic data on a regular basis. These data could be combined according to specific regulatory needs.

"Accounting data provided in the form and detail proposed above could significantly aid in identifying any cross-subsidization between service offerings. Additional data, such as cost presentation in a fixed/semi-fixed format. . .and by type of equipment and materials used in the provision of services, would be required to allow determination of incremental costs on a service-by-service basis. The extent to which such expanded data formats can and should be incorporated in the uniform system itself is a matter for further study."

The study also made a number of recommendations in the area of definitions and instructions. It was suggested that:

"(1) Terms such as 'just and reasonable,' 'unduly discriminatory,' and 'public need' should be made more specific to allow comparability of data between companies and within individual companies over time; (2) the term 'accounting area' should be better defined, perhaps via specification of particular accounting areas. This would foster uniform reporting and comparability of data;

"(3) Retirement units, which determine whether replacement plant and labor expenditures are charged to expense or capital accounts, should be formally prescribed by the FCC to insure a uniformity that is now lacking. Individual telephone companies, for example, can add their own retirement units on a year-to-year basis. As part of this process, smaller retirement units should be eliminated; and

"(4) Individual and aggregate accounts for small property items that are of importance in separations and allocations procedures should be redefined for greater visibility and ease in tracking."

The study also made a series of recommendations on income account classifications. It was noted that "The income section (series 300) of the uniform system of accounts originally was intended to serve as an income statement within the system. This intent is frustrated today because operating and non-operating expenses and revenues, reported as

commingled in this section.
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.W., Washington, D.C. 20504.

ANT TO COMMISSIONER WASHBURN

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ENATE GROUP ON DIGITAL ORIGINS

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

10 OCT 1974

DEPUTY DIRECTOR

Honorable Richard E. Wiley
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

Since 1966, the public radiotelephone service on the New York - Washington Metroliner has operated on Government frequencies in the band 406-420 MHz. The assignment of Government frequencies was made as an expedient to meet contractor equipment deadlines and due to the inability of the Commission to provide non-Government frequencies within the short time available. The test use of these frequencies was to end no later than October 1969, and, if a requirement existed for regular use, it was to be met in an appropriate non-Government band. A total of four extensions has been granted since then, with the current authorization expiring in 1975. A detailed history of this subject is contained in the enclosure.

Concurrent with the 1975 expiration of this authorization is the termination of the Department of Transportation (DOT) sponsorship of the project at which time the Metroliner (and its radiotelephone service) will become totally non-Government. The assignment of frequencies for continuation of the radiotelephone service will then be solely a matter of FCC cognizance.

It is unreasonable to assume that the use of Government frequencies can be further extended in connection with the foregoing service since:

- There is already congestion in the Government band in question, and the OTP and the Interdepartment Radio Advisory Committee (IRAC) are now in the position of having to deny valid requests from Government agencies for frequencies in certain areas. Previous correspondence and discussions between OTP and the Commission have pointed out in detail our growing concern over the ability to accommodate foreseen Government spectrum requirements into the 1980's.

- Within the next 2-3 years it is expected that two of the six channels currently assigned to the Metroliner will be lost to satellite services (EPIRB's) under the new (1971) international reallocations of the ITU.

- There appears to be some question as to the actual requirement for such a service. A recent survey of Metroliner passengers

revealed that 68% do not believe it is important to have the capability of placing calls (outgoing traffic) and 82% felt so regarding the ability to receive (incoming traffic) calls on the train.

For the reasons outlined above, future spectrum accommodations for the Metroliner should not be on the basis of another extension of the authorization of current "temporary" assignments. DOT and AMTRAK interests are being advised accordingly.

The views of the Commission on the future frequency provisions for the New York - Washington Metroliner service would be appreciated.

Sincerely,

John Eger
Acting Director

Enclosure

ENCLOSURE 1

EXTENSION OF AVAILABILITY OF FREQUENCIES FOR NORTHEAST CORRIDOR HIGH-SPEED TRANSPORTATION PROJECT

Public Law 89-220 of September 30, 1965, authorized the Secretary of Commerce (since then made the responsibility of the Department of Transportation) to undertake research and development in high speed ground transportation. This included authorization to contract for demonstrations and resulted in the Northeast Corridor High-Speed Transportation Project.

In July 1966, the OTM/IRAC were presented with an urgent requirement to provide temporary frequency support for the public radiotelephone service planned for high-speed demonstration train tests between Washington, D.C. and New York City. This evolved because the equipment suppliers had a deadline of July 15, 1966 for decision on the frequency complement, if it were to meet the operational objective of October 1967 for high-speed train service on the Washington-New York route, and the FCC found it was not feasible to complete the necessary rule making to provide non-Government frequencies by that date.

After a special meeting and recommendations by the IRAC, the Director, Office of Telecommunications Management, in a letter to the Chairman, Federal Communications Commission, on July 11, 1966, stated that "in view of the problems which confront the Commission in providing the frequencies within the constraints by the deadline of July 15, 1966, as set forth in detail in your letter of July 8, I have arranged to make the necessary frequencies available for licensing by the Commission for that purpose. The frequencies and the conditions for their use are given in the enclosure," (Enclosure 1).

Reference to the enclosure indicates that the frequencies were made available for a temporary period, beginning October 1, 1967 and ending not later than October 31, 1969 and that if there were a requirement for the service on a regular basis, it should be met in an appropriate non-Government frequency band.

Due to unforeseen delays in the demonstration test and as the result of requests by the Department of Transportation (Coast Guard), the frequency provision was extended twice--to October 31, 1970 and again to October 31, 1971--under the original conditions. By letter dated June 3, 1971, the Coast Guard requested a still further extension of the frequency provision to October 31, 1973.

In July 1971, the Committee expressed no objection to an extension to October 1973 of the use of the 406 and 416 MHz frequencies authorized by the FCC for the subject project. Due to escalating Government

requirements in the same band, however, the Committee did express concern about extension beyond 1973 and urged that emphasis be placed on the need to release the frequencies to meet foreseen Government requirements. See Doc. 14224, attached.

As a result of a meeting in August 1973 of AT&T, DOT, and OTP Representatives, a further extension for two years was agreed to with the understanding a) that AT&T and DOT would develop plans for discontinuing the project or obtaining other frequency resources and b) that progress in developing these plans would be monitored semi-annually.

Enclosure 1

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF THE DIRECTOR OF TELECOMMUNICATIONS MANAGEMENT

July 8, 1966

Frequencies for the Northeast Corridor High Speed Transportation Project Demonstration of Public Radiotelephone Service between Washington, D.C., and Newark, N.J., between October 1, 1967 and October 31, 1969.

The following frequencies are available as stipulated hereafter for licensing by the Federal Communications Commission for a temporary period beginning October 1, 1967 and ending not later than October 31, 1969, for use on the high speed trains in the Northeast Corridor High Speed Project, between Washington, D.C. and Newark, N.J.:

Mobile Stations (Transmitting Frequencies)	Way-Stations (Transmitting Frequencies)
406.025 Mc/s	416.125 Mc/s
406.075	416.175
406.125	416.225
406.775	416.875
406.825	416.925
406.875	416.975

Way-stations may use an E.R.P. of 300 Watts, and mobile stations may use 25-50 Watts, all with 36 F2 and 36 F3 emission.

Way-Station Locations are:		Antenna Height Above Ground
1.	Newark, New Jersey	300 feet
2.	New Brunswick, New Jersey	150
3.	Trenton, New Jersey	200
4.	Philadelphia, Pennsylvania	400
5.	Wilmington, Delaware	100
6.	Aberdeen, Maryland	250
7.	Baltimore, Maryland	500
8.	College Park, Maryland	100

The indicated frequencies will be cleared of Government operations within interference range by September 1, 1967, to permit necessary testing of equipment.

If there is a requirement for this service on a regular basis, it should be met in an appropriate Non-Government frequency band.

DOMESTIC COUNCIL COMMITTEE ON THE RIGHT OF PRIVACY

WASHINGTON, D.C. 20504

October 22, 1974

The Honorable William B. Saxbe
Attorney General of the United States
Department of Justice
Washington, D. C. 20530

Dear Mr. Attorney General:

This office has reviewed a copy of the letter of October 11, 1974 sent to you by the Office of Telecommunications Policy raising questions about the reported decision of the Justice Department to give tentative approval for the Federal Bureau of Investigation to add a message switching capability to the National Crime Information Center.

I share OTP's concerns about the potential impact of this decision on individual rights -- particularly the right of privacy. As you know, the Administration is committed to legislative or executive action to define personal privacy rights with respect to Federal agency record-keeping policies and practices by the end of this year. Moreover, pursuant to action by the Domestic Council Committee on the Right of Privacy on July 10, 1974, steps are being taken to establish practices and procedures within Executive Departments and agencies that will ensure systematic attention to protections for personal privacy in the planning and use of Federal data processing and communications systems.

Draft regulations on such practices and procedures are now under agency review. In the meantime, we are urging that agencies seeking to implement new systems with obvious privacy implications prepare privacy safeguard plans prior to decisions on system design, modification, and procurement.

This action is consistent with the views of the President. In expressing concern over the Government's proposed FEDNET system, then Vice President Ford called for the preparation of privacy impact statements prior to decisions on data processing and communications systems affecting the personal lives of Americans. The aim of such a procedure is to permit an objective assessment of the privacy implications of any such decisions.

We urge, therefore, that the Justice Department develop a Privacy Safeguards Plan prior to any decision affecting the data processing or communications components of the National Crime Information Center. It is our understanding that the specifications of the proposed implementation plans for NCIC message switching do not include several elements essential to a Privacy Safeguards Plan.

As with other agencies, this office will be pleased to work with the Department to interpret the requirements resulting from the action of our Committee.

Sincerely yours,

Douglas W. Metz
Acting Executive Director

DWM/fme

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

5 NOV 1974

DEPUTY DIRECTOR

Honorable Richard E. Wiley
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

The Interdepartment Radio Advisory Committee (IRAC), with assistance by the FCC Liaison Representative, has forwarded to me the enclosed updated Emergency Readiness Plan for the Use of the Radio Spectrum and has indicated urgency in getting this updating approved for planning purposes.

Since emergency planning is a matter that involves both Government and non-Government use of radio frequencies, I would appreciate your views on the enclosed Plan. I am prepared, upon receipt of your concurrence, to approve the Plan for promulgation.

Sincerely,

John Eger
Acting Director

Enclosure

Unclassified upon removal of the Enclosure.

SECRET

RCA ALASCOM PLAN WOULD MEET U.S. GOVERNMENT NEEDS, OTP TELLS FCC

The capabilities described in the RCA Alaska Communications plan for providing services in that state (TELECOMMUNICATIONS, Sept. 23) "are adequate to meet federal government needs," the Office of Telecommunications Policy stated last week in reply to an inquiry from the Federal Communications Commission.

OTP said its reply was based on responses of the major federal user agencies. It added, however, that its reply should not be considered "as an endorsement of the RCA plan in its entirety by OTP." It noted conflicting views of RCA Alascom and the state of Alaska concerning the adequacy of the plan to meet Alaska's needs.

Stating its "special interest in seeing that the unique telecommunications requirements of citizens in remote areas of the United States are met," OTP said the FCC should note that "it is quite possible that a market for high powered commercial satellite capabilities will be developed to support public service and other non-commercial needs.

"We are working with the Department of Health, Education & Welfare to try to encourage this development," OTP said. "A satellite of this type would be an option for meeting some of the telecommunications requirements peculiar to the state of Alaska." -End-

RCA GLOBCOM SAYS NEITHER LAW NOR AGREEMENT PRECLUDES USE OF TELESAT SATELLITE FOR PROVIDING THULE SERVICE; NOTES DoD SERVICE REQUIREMENT

Neither United States law nor international agreement require that the service being proposed between Thule, Greenland, and San Francisco by RCA Global Communications (TELECOMMUNICATIONS, Oct. 7) must be via Intelsat, RCA has replied to petitions by Communications Satellite Corp. and ITT World Communications to the Federal Communications Commission.

By the very terms of the Intelsat agreement, RCA Globcom stated, the Thule service is exempt from being provided through the Intelsat space segment because of the national security characteristics of the service. Further, it said, the service is domestic in nature for the purposes of the Intelsat agreements, and therefore it is not mandatory that it be provided through the Intelsat space segment. The intergovernmental arrangement with Canada would also not preclude the use of the Telesat Canada satellite for this service, RCA Globcom added, noting that the Canadian government has authorized such use.

RCA Globcom proposes to provide the service to the Defense Department for national security mission. Under a temporary authorization, it has placed an earth station at Thule in operation and is currently providing a grade of service acceptable to DoD. -End-

James M. Haynes, speaking for the General Telephone & Electronics Corp., told the group that his company has observed the meetings, and will determine its position "after the dust settles." He said GTE regards the proposed stipulation as the product of AT&T and the OCCs. Adding that any comments the company may have will be filed later, he noted that the Independents are part of the interstate enterprise, but that GTE has as yet been unable to determine whether or not its interests are being protected.

-End-

OPEN ENTRY POLICY WOULD FAVOR CML RESTRUCTURING PROPOSAL, BUT NUMBER OF 'SERIOUS QUESTIONS' NEED TO BE ANSWERED BEFORE FINAL DECISION, OTP STATES IN LETTER TO FCC; COMMISSION ALLOCATES TIMES FOR ORAL ARGUMENT

On the eve of oral argument Monday, Nov. 25, before the Federal Communications Commission on the proposal for a restructuring of the CML Satellite Corp., the Office of Telecommunications Policy at the end of last week stated its views to the FCC on the plan which calls for the International Business Machines Corp. to acquire a 55% interest, and Comsat General Corp. to hold 45% of CML through an acquisition of interests now held by MCI Communications and Lockheed Aircraft Corp.

In view of the policy of open entry which the administration has advocated in the domestic satellite communications field, OTP said "there is a presumption in favor of the restructuring as proposed by CML, Comsat, and IBM." However, OTP added, there are a "number of serious questions" which must be answered before a final FCC decision.

HIGHLIGHTS: FCC decides against panel discussion as part of proceeding in view of lack of enthusiasm by most parties. . .Eger, in letter to Commission, reviews OTP policy in domestic satellite field, but says presumption in favor of CML plan might be overcome by questions involving anti-competitive effects, relationships among IBM, Comsat, and AT&T.

A total of four hours and 25 minutes to hear oral argument has been set by the FCC, starting at 9:30 a.m. Monday in the Commission's meeting room.

The allocations of time, with the order of appearances, are: CML, Comsat General, and IBM, a total of 70 minutes; Federal Trade Commission, Data Transmission Co., and Western Union Telegraph Co., each 25 minutes; American Telephone & Telegraph Co. and ITT World Communications, each 10 minutes; Computer Industry Association, 30 minutes; RCA Global Communications and American Satellite Corp., each 25 minutes; and Southern Pacific Communications Co. and Domestic Satellite Corp. of Hawaii, each 10 minutes.

said that in view of the responses, showing no enthusiasm will be no panel discussion as part of the proceeding. the participants are requested to address the ques- the alleged adverse public interest effect that could from IBM entry as a communications common carrier by having the Commission attach conditions upon such so, what conditions might be appropriate.

ter from OTP Acting Director John Eger to FCC Chairman , the OTP official said that since the relevance of omestic satellite policy recommendations may be called uring the oral presentation, "we felt that it would be us to explain our policy in relation to the Comsat and IBM proposal.

In taking a position of open entry, Mr. Eger said, the administration recommended that "government should not seek to promote uneconomic systems or to dictate ownership arrangements; that any financially qualified public or private entity should be permitted to establish and operate domestic satellite facilities, subject to appropriate conditions to preclude harmful interference and anti-competitive practices; and that a presumptive exclusion of proposals would only be warranted in the event that specific applications posed immediate and irreconcilable frequency or technical conflicts."

With regard to antitrust objections which had been raised against several of the applicants in the first cluster of filings for domsat approvals, Mr. Eger observed that OTP had recommended that "anti-competitive behavior be policed if and when it occurred, rather than at the outset."

It was also observed that after the FCC made a proposal to require mergers among several of the domsat applicants, OTP said this approach was contrary to the basic purposes of open entry. It urged that the Commission, rather than require, consolidations and mergers, so that market selection and other economic decisions could be made by the private sector, not the government.

"Since making those comments," Mr. Eger wrote, "OTP has not seen any developments in the domestic satellite field that would militate against the proposed policy of open entry, a policy which creates a presumption of entry by any technically and financially qualified entity.

"In this policy," he continued, "there is a presumption in favor of manufacturing as proposed by CML, Comsat and IBM. We recognize, that a number of serious questions are posed regarding possible anti-competitive effects of the combined entrance of IBM and Comsat as well as the relationships among IBM, Comsat and AT&T,

which might overcome this presumption. Consistent with our statement of the weight to be accorded antitrust considerations, we feel that the public interest requires that these issues be explored further by the Commission."

OTP noted that while the FCC had "comprehensive proposals" before it when considering the earlier domsat applications, this was not the case as far as the restructuring plan is concerned.

"CML, Comsat and IBM have not yet filed information comparable in nature or extent to these service proposals," the letter stated. "The petitioners' statements in their reply comments regarding markets to be served and services to be provided are rather general. Therefore, we believe that the Commission, without resorting to evidentiary hearings, should request that specific information be furnished expeditiously by CML, Comsat, and IBM directed at the competitive issues presented by the proposed restructuring of CML. On the basis of such information, the Commission will be better able to determine whether these issues overcome the presumption in favor of entry.

"In conclusion," Mr. Eger said, "we believe that the same procedural and substantive standards should be applied here as were followed in connection with the earlier proposals, but that the resolution of the questions raised by this particular proposal requires the development of further data. Finally, we believe that these questions should be resolved at the earliest possible time." -End-

HOUSE CLEARS THREE ROUTINE BILLS, INCLUDING TWO-YEAR REFUND PERIOD

Three routine bills backed by the Federal Communications Commission, and previously passed by the Senate, were cleared for President Ford's signature Nov. 19 when the House adopted them without amendment by voice vote under suspension of the rules.

The bills are S. 1227, providing for a two-year period of limitation in proceedings against common carriers for recovery of charges, instead of the present one-year limit; S. 1479, to designate the Secretary of Defense as the person to receive official notice of ocean cable applications; and S. 2457, to permit the FCC to grant safety and special radio and experimental radio services licenses directly to aliens, foreign corporations, and domestic corporations with alien officers, directors, or stockholders. The two-year limitation grants the same period to carriers to seek to recover their lawful charges. -End-

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AN EXTENSION OF TIME TO DEC. 10 TO REPLY to statements on its proposal for a prompt certification plan for data terminal and ancillary telephone equipment was granted the Computer & Business Equipment Manufacturers Association last week by the Federal Communications Commission's Common Carrier Bureau. -End-

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

DEPUTY DIRECTOR

December 27, 1974

Honorable Richard E. Wiley
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Dick:

As you know, the proposed reallocation of the band 223-225 MHz for a new Class E Citizens Radio Service has been under reconsideration within the Executive Branch primarily in view of potential interference to established Government radio services in the same and adjacent portions of the radio spectrum.

Based on a recent engineering analysis and a spectrum planning review, we believe that the potential interference problem is manageable and not therefore an obstacle to establishment of the proposed service. We have concluded however that certain conditions should be applied to ensure compatibility between the Citizens Radio Service and Federal Government operations in the vicinity of 225 MHz. (See Enclosure 1).

We also reviewed the rationale in support of this new proposed radio service, and have reaffirmed our earlier view that there is a definite need for a disciplined radio service responsive to the needs and interests of the private citizen which establishment of the Class E service would satisfy. For example, using the two megahertz of spectrum offered, eighty FM radio channels could be made available to meet many of the currently unfilled communications needs of a nation on the move.

Estimates of the industrial activity contribution of such a service suggest a market size approaching half a billion dollars per year ... an additional matter to be considered carefully in light of the current economic situation.

As noted in our March 29, 1972 letter, this office continues to support the mission and objectives of the Amateur Radio Service and we have, therefore once again, carefully considered the Amateurs' objections to Class E. In this particular instance, however, we feel that a larger public need for radio justifies the foregoing reallocation. The fact remains that amateurs could continue to use the band involved, provided they complied with the rules applicable to the new radio service.

In view of the delay already inherent in this proceeding, it is urged that every consideration be given to expeditious action on this matter by the Commission.

Sincerely,

John Eger
Acting Director

Enclosure