UNITED STATES GOVERNMENT

Memorandum

TO : All Commissioners, General Counsel,
and Chief, Broadcast Bureau

DATE: February 16, 1978

FROM : Commissioner James H. Quello

SUBJECT: Reconsideration of WJLA/Combined Communications

The Commission should reconsider this matter on its own motion because the facts upon which our decision was based have substantially changed. I believe we should review these changed circumstances and assess their significance in order to determine whether or not the public interest and the Commission's processes might better be served by a modification or a reversal of our earlier decision.

Specifically, I am concerned about the following points:

1) Since the financial viability of the Washington Star was a key factor and is now, presumably, no longer a consideration in making our public interest finding, is there any other factor which would justify a waiver of our cross ownership and station limitation rules?

2) Does the fact that Mr. Albritton intends to remain as publisher of the Star constitute "control" of the Star insofar as our rules are concerned or is actual ownership indispensable to our definitions?

3) To what extent, if any, should we be concerned with the time frame in which we granted the waiver, then shortly after, the sale of the Star was announced? Did Mr. Albritton have an obligation to inform the Commission of the ongoing, but incompleted, negotiations with Time, Inc.?

4) If the Commission fails to act today, which I understand is the deadline for reconsideration on our own motion, what courses of action remain open to us in the event of additional "surprises" with regard to the Perpetual/Combined broadcast transaction? Should Mr. Albritton retain a financial interest in the Star, for example, after the WJLA-Combined Communications transfer has been made, could we (or should we) prevent such an interest under our current rules? What options are available?

James H. Quello

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