

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

OFFICE OF COMMISSIONER
JAMES H. QUELLO

March 14, 1983

To Participants in the Oral Presentation and Other Interested Parties:

Re: Possible Compromise in the Matter of Proposed
Amendment of the Syndication and Financial
Interest Rules (BC Docket No. 82-345).

It has been reported in the trade press that some Commissioners are interested in examining the potential for compromise in this matter. I would like to urge all participants and interested parties to provide comments on the general principle of a compromise and to submit for the record specific suggestions for implementing a practical compromise plan.

Such a proposal might, for example, allow networks to initially negotiate for a significant percentage of the financial interest in a program with annual graduated increases proportional to audience fractionalization or diminution. Should network shares experience further declines, networks might then negotiate for full syndication rights.

The objective of this proposal would be to eventually enable full competition when the video marketplace becomes competitively open and free of structural, audience, or financial domination by the networks.

You are invited to provide oral or written comments for the record.

James H. Quello

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