

NEWS

Federal Communications Commission
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Report No. 13218

BROADCAST ACTION

June 5, 1975 - B

FCC FAVORS RETENTION OF UNIFORM TIME ACT OF 1966

The Commission, in response to a request by the Department of Transportation (DOT) for an impact study of time-advancement legislation on the daytime broadcast industry, said it favored retention of the traditional "6 and 6" formula provided under the Uniform Time Act of 1966.

(The Act provides for the observance of nonadvanced time between the last Sunday of October and the last Sunday of April, and the observance of advanced time during the remaining six months of the year.)

Public Law 93-182, which became effective January 6, 1974, required that advanced time be observed throughout most of the nation on a year-round basis. This legislation, adopted as an energy-saving measure, amended the Uniform Time Act of 1966, under which most of the country previously had observed advanced time for only six months. Subsequently, Congress abandoned year-round advanced time, but at the same time mandated a one-hour advancement effective February 23, 1975, in lieu of the traditional last Sunday of April (April 27, 1975).

On April 27, the provisions of the Uniform Time Act automatically were reinstated and will remain in effect absent further action by Congress.

In requesting Commission input to its Daylight Saving Time (DST) Impact Study to be submitted to Congress, DOT said it was concerned specifically with the effect of DST on the operations of daytime AM broadcast stations and asked for an assessment of ". . . revenue changes January-April 1974 and March-April 1975, compared to the same months in previous years."

The Commission said the annual financial data filed by AM broadcast licensees was not structured in such a way that it was possible to quantify revenue losses attributable to DST or to arrive at meaningful revenue comparisons for the periods in question. It said, however, based on information obtained informally from the daytime broadcast industry and a staff analysis, it was evident that revenue losses did in fact occur but were not evenly distributed among the approximately 2,300 daytimers across the nation.

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The Commission estimated the average audience loss during the eight additional weeks of DST in 1975 (February 23 - April 27) to be 1.5 percent, or 0.23 percent on an annual basis. In the winter of 1974, when DST was in effect for 16 additional weeks, the Commission calculated the average audience loss at 2.5 percent, or 0.76 percent annually.

In translating these audience loss percentages into revenue losses, the Commission pointed out that approximately 1,800 daytimers, under emergency time-adjustment orders, were able to achieve a one-hour "back up" in sign-on times with sufficient power to escape substantial advertising cancellations and defections of time buyers to fulltime stations.

The core of the problem, then, the Commission said, was the 500-odd daytimers operating as secondary stations on clear channels. Applying the calculated audience losses to these 500 stations, the Commission estimated the DST revenue loss in 1974 to be in the order of \$750,000, or \$1,500 per station, and for 1975, a DST revenue loss of \$227,000, or \$454 per station.

While these losses were statistically insignificant as measured against total AM broadcast revenues of \$1.5 billion, the Commission again pointed out that they were not evenly distributed.

More importantly, the Commission said, it was not as much concerned with station revenue losses as with the accompanying loss of early morning AM service to the public.

Although it recognized the urgent need for fuel conservation, the Commission said that the interests of the AM broadcast industry and the listening public would best be served by retaining the "6 and 6" formula provided under the Uniform Time Act.

Action by the Commission May 28, 1975, by letter. Commissioners Wiley (Chairman), Lee, Reid, Quello and Robinson.