

ROLE OF PRIVATE FOUNDATIONS IN PUBLIC BROADCASTING

HEARINGS BEFORE THE SUBCOMMITTEE ON FOUNDATIONS OF THE COMMITTEE ON FINANCE UNITED STATES SENATE NINETY-THIRD CONGRESS SECOND SESSION

SEPTEMBER 9 AND 10, 1974



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ROLE OF PRIVATE FOUNDATIONS IN PUBLIC BROADCASTING

MONDAY, SEPTEMBER 9, 1974

U.S. SENATE,
SUBCOMMITTEE ON FOUNDATIONS
OF THE COMMITTEE ON FINANCE,
Washington, D.C.

The subcommittee met, pursuant to recess, at 9:40 a.m., in room 2221, Dirksen Senate Office Building, Senator Vance Hartke (chairman of the subcommittee) presiding.

Present: Senators Hartke, Curtis, Bennett, and Hansen.

Senator HARTKE. The committee will please come to order.

Today we begin 2 days of hearings into the involvement of foundations with public broadcasting. This is also the first in a series of hearings which will enable this subcommittee to examine the substance of foundation activities.

Private philanthropy has been a part of American society since colonial days, and private foundations have been one unique means of accomplishing that philanthropy. This subcommittee has held several hearings into the impact of tax laws on private foundations. We have heard many foundations suggest that our tax law impedes their work.

At the last hearing of this subcommittee in June, Commissioner Donald Alexander of the Internal Revenue Service testified that IRS had compiled very little information to enable Congress to determine just what the impact of the major changes visited upon private foundations by the Tax Reform Act of 1969 has been. I subsequently asked him and his staff to prepare a list of the information which this subcommittee would need before we made any recommendations for changes in the 1969 law.

I am pleased to be able to announce today that Commissioner Alexander has informed me that much of the information we had requested will be supplied to this subcommittee by the end of the month, and that many significant changes in the Service's accumulation of information about foundations and other exempt organizations are being made or are in the planning stage.* This close cooperation between Congress and the Internal Revenue Service will enable much better scrutiny of exempt organizations.

In the coming weeks and months, I intend to make recommendations for changes in the tax laws affecting private foundations and other exempt organizations. Those recommendations will be based upon the need for the public to be assured that the money held by foundations is used for the public benefit and the need for foundations to have enough latitude to be innovative and creative.

* See p. 145.

I have also asked Commissioner Alexander to make recommendations for changes in the law which relates to those exempt organizations seeking support from the public. The recent articles in the Washington Post and articles which have appeared in other publications have brought to light possible abuses of the tax exemption privilege on the part of organizations which are not subject to the same stringent requirements as private foundations.

Our hearing today will examine one of the most dynamic initiatives of foundations in recent years—the initiation of a public broadcasting system in this country. We have invited a group of expert witnesses who can give this subcommittee insight into the role of foundations in the evolution of public broadcasting, the role which they are playing today, and the role which they may continue to play in the future.

As a member of the Senate Subcommittee on Communications, I have been an active supporter and promoter of public broadcasting. I have seen it evolve from a mere handful of stations to several hundred; from a vehicle for educational instruction to one which also provides cultural enrichment, news, and entertainment. Now, with legislation pending before Congress which provides for the long-range financing of public broadcasting, we are on the verge of another breakthrough. When that legislation becomes law, public broadcasting will be able to expand to its full potential; at least we hope so. It will be able to reach more American homes and provide those it reaches with better service.

The fact the legislation commits the Federal Government to major expenditures for public broadcasting will not lessen the need for non-Federal funds. For every \$2.50 in non-Federal funds, the Federal Government will supply \$1 of its funds. I want to do everything I can to assure that the maximum possible amount of non-Federal funds is available so that the Federal Government can contribute the maximum amount authorized by law. And foundations, which have been so instrumental in getting public broadcasting underway, must continue to be instrumental in its future.

Do you have a statement, Senator Bennett?

Senator BENNETT. No, sir.

[The press release announcing these hearings follows:]

PRESS RELEASE

FOR IMMEDIATE RELEASE
August 21, 1974

COMMITTEE ON FINANCE
SUBCOMMITTEE ON FOUNDATIONS
UNITED STATES SENATE
2227 Dirksen Senate Office Bldg.

FINANCE SUBCOMMITTEE ON FOUNDATIONS ANNOUNCES
HEARINGS ON ROLE OF PRIVATE FOUNDATIONS IN
PUBLIC BROADCASTING

Senator Vance Hartke (D., Ind.), Chairman of the Finance Committee's Subcommittee on Foundations, today announced that the Subcommittee will hold two days of hearings next month on the role of foundations in public broadcasting.

Senator Hartke stated that the purpose of the hearings was to determine what role foundations had in the early days of public broadcasting, what role they are now playing, and what role they are likely to play in the future. The Senator noted that this inquiry was particularly appropriate since the President has recently proposed legislation to aid in the long-range financing of public broadcasting.

The hearings will take place at 9:30 a.m. on September 9 and 10 in the Finance Committee hearing room, Room 2227, Dirksen Senate Office Building.

Requests to Testify. -- Senator Hartke advised that witnesses desiring to testify during this hearing must make their request to testify to Michael Stern, Staff Director, Committee on Finance, 2227 Dirksen Senate Office Building, Washington, D.C., not later than August 29, 1974. Witnesses will be notified as soon as possible after this cutoff date as to when they are scheduled to appear. Once the witness has been advised of the date of his appearance, it will not be possible for this date to be changed. If for some reason the witness is unable to appear on the date scheduled, he may file a written statement for the record of the hearing in lieu of a personal appearance.

Consolidated Testimony.-- Senator Hartke also stated that the Subcommittee urges all witnesses who have a common position or with the same general interest to consolidate their testimony and designate a single spokesman to present their common viewpoint orally to the Subcommittee. This procedure will enable the Subcommittee to receive a wider expression of views than it might otherwise obtain. Senator Hartke urged very strongly that all witnesses exert a maximum effort, taking into account the limited advance notice, to consolidate and coordinate their statements.

Legislative Reorganization Act.-- In this respect, he observed that the Legislative Reorganization Act of 1946, as amended, requires all witnesses appearing before the Committees of Congress to file in advance written statements of their proposed testimony, and to limit their oral presentations to brief summaries of their argument.

Senator Hartke stated that in light of this statute and in view of the large number of witnesses who desire to appear before the Subcommittee in the limited time available for the hearing, all witnesses who are scheduled to testify must comply with the following rules:

- (1) A copy of the statement must be filed by the close of business on Friday, September 6.
- (2) All witnesses must include with their written statement a summary of the principal points included in the statement.
- (3) The written statements must be typed on letter-size paper (not legal size) and at least 50 copies must be submitted before the beginning of the hearing.
- (4) Witnesses are not to read their written statements to the Subcommittee, but are to confine their ten-minute oral presentations to a summary of the points included in the statement.
- (5) Not more than ten minutes will be allowed for the oral summary. Witnesses who fail to comply with these rules will forfeit their privilege to testify.

Written Statements.-- Witnesses who are not scheduled for oral presentation, and others who desire to present their views to the Subcommittee, are urged to prepare a written statement for submission and inclusion in the printed record of the hearings. These written statements should be submitted to Michael Stern, Staff Director, Committee on Finance, Room 2227, Dirksen Senate Office Building not later than September 30, 1974.

P.R. #34

Senator HARTKE. Our first witness this morning will be Mr. William Harley and Dr. Frederick Breitenfeld representing the National Association of Educational Broadcasters. Gentlemen, we are prepared to hear from you.

STATEMENT OF WILLIAM HARLEY AND FREDERICK BREITENFELD, NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS

Mr. HARLEY. Mr. Chairman, and members of the committee, my name is William Harley and I am president of the NAEB. My mission

largely is to introduce Dr. Breitenfeld, but I would like to take a moment to say something about the association.

It was founded 50 years ago as the National Society of Professionals in Public and Educational Telecommunications. Its 8,000 individual members are committed to the development and expansion of communication technology to meet educational, social, and cultural needs.

This year is the 50th anniversary of our association, and it will have its convention in Las Vegas to celebrate that birthday. At that time it will present the Distinguished Service Award to the Ford Foundation. Although this award is traditionally conferred upon an individual, NAEB concluded that this was an appropriate time to recognize an important and significant institutional contribution, that of the foundations in general and of the Ford Foundation in particular.

We feel our principal reason for acknowledging the role of a foundation in public broadcasting will interest this committee, and to make that presentation it is my pleasure to introduce Dr. Frederick Breitenfeld who is director of the Maryland Center for Public Broadcasting and a member of NAEB for several years and has served in several capacities on our board of directors and is currently the vice president of our Committee on Awards and Citations, the committee that recommended the Ford Foundation for this honor.

Dr. BREITENFELD. Thank you, Mr. Chairman.

This is a time when the possibility of long-range Federal assistance, and the scheduled withdrawal of the Ford Foundation from regular support of public broadcasting, make it important to emphasize the need for continuing participation by this country's private foundations. I submit three suggestions concerning foundations and public broadcasting.

The first role of the foundation is to participate in protecting the integrity of public broadcasting as an institution. Repeatedly, those commissions, agencies, and task forces which have made recommendations concerning the funding of public broadcasting have insisted that diversity of sources be a basic principle of any funding program. The freedom of public broadcasting depends upon its ability to derive support from any corporate, public, and private institutions. An important component of this support has been the national and local foundations.

The second and longest point about foundation support is the nature of what it has accomplished and will accomplish. Its principal support has enabled creative producers and educators to develop local, State, or national programming services that would not otherwise have been undertaken. Several stations have indicated that foundation support has enabled them to try something out, to take a chance on an interesting idea. McGeorge Bundy put this well when he described several years ago the reason for the Ford Foundation's decision to finance on an experimental basis, a national interconnection for public television stations. He said that the grant was being made in order to show what it is possible to do when national programming services are not restricted to the distribution and exchange of tape recordings.

That is one strength of foundation support: To show what it is possible to do. Thus, the foundations provide what in business would be called risk capital, giving an option to people in public broadcasting who have imaginative but untried ideas.

But foundations also provide general support for the enterprise of public broadcasting and specific grants in areas where the educational interest of the foundation and the interest and the resources of public broadcasting coincide. Thus, a foundation in Pittsburgh is contributing to the support of public affairs programming on WQED in that city; a foundation in Rochester enables WXXI to provide sign-news for the deaf viewers; a foundation in Philadelphia will make it possible to prepare a series on French impressionist art; and the Air Safety Foundation has supported the production of Aviation Weather—a program service I am pleased to say, with a twitch of provincialism, originates at the Maryland center and is carried by 170 public television stations across the country, along with a number of other programs that I will be glad to discuss at great length.

Foundation money also contributes to general support of a station; it is frequently unrestricted, and enables the station to undertake its regular programming objectives more effectively. In at least one instance a foundation recently provided the basic support necessary for a television station to initiate and operate an FM radio service.

Foundation support was fundamental to public broadcasting's past growth because the system has lacked an orderly means or overall plan for securing basic income. Its funding history was governed by one condition, and that one negative: It is noncommercial.

The realistic possibility of Federal long-range funding forecasts a stability that could only be partly achieved in the past through foundation aid. At several critical phases, only the presence of foundations, in particular the Ford Foundation, made it possible to sustain the development of today's public broadcasting system. Now it is time to examine the role that foundations can appropriately play in the future. We believe that role will continue to be essential and critical.

Public broadcasting has accomplished very difficult tasks with very limited resources; its progress has been aided by Government support but retarded by political anxiety; its technical state is at best modest and in need of substantial improvement and development; its ability to study community problems and needs in order to make decisions about program services, is just now becoming sophisticated and needs to become more widespread; its management and governing structures need to be improved and refined in order to develop and administer the policies that are needed for public broadcasting to grow and to serve; its professional personnel need opportunities to further their training and improve their skills. I am sure these conditions are undoubtedly not news to any of you.

In other words, the public broadcasting system is by no means complete. As we mark the first 50 years of this enterprise we see not only the current state of the art, but what it can become.

There is room for much greater sophistication in programming; there is a need to embrace cable technology, satellite systems, video and audio cassettes as parts of our service potential. No one I know is very comfortable with the idea that public broadcasting should merely be the noncommercial counterpart of our commercial system. It must become much more than that—a public instrumentality whose mission is to use communication technology to advance and enrich the abilities, insights, experiences, and aspirations of the American public.

The role of foundations in helping to fulfill this mission during our first 50 years is a matter of record and these hearings will help to document that record I am sure.

The third and final point is that there is every reason to conclude that foundations will need to play a vital role in the future development of public telecommunication services. It will, in fact, be important to the success of securing funds adequate to match what has been projected as the Federal contribution. But this continuing relationship will be important not only to the activity we now call public broadcasting. It will be important as well to the ability of the foundations themselves to carry out their own missions in education, the humanities and the arts, special services for the handicapped, programs in science, medicine, and community development.

Our recognition of the Ford Foundation as this year's recipient of the NAEB's Distinguished Service Award is fully justified on the basis of its significant record in public broadcasting. But it must also be seen as a call for new partnerships between foundations and public broadcasting—to help the system grow in importance, social value, and capacity for public service, and to help foundations carry out their missions more effectively. As the regular sources of support for public broadcasting become more stable, it is these partnerships that will yield the leadership for innovation and development for the future. We must dispel the myth that increased Federal funding increases the need for increasing and sturdy foundation support.

In summary these are the points we wish to emphasize:

One, foundations are important to public broadcasting because they represent a financial component that helps to meet the need for diverse sources of support.

Two, foundations have provided the funds with which to undertake new program services and to experiment with untried techniques.

Three, foundations will continue to be fundamental to the growth of public telecommunication services because they will be a source of income to match proposed Federal support and because they can facilitate a partnership which results in innovation and development.

Thank you, Mr. Chairman.

Senator HARTKE. All right. Thank you, gentlemen.

Let me ask a question which I think has concerned me since the very first time in the Commerce Committee in the hearings for the public broadcasting authorization. Is it possible with the present financial operation to really continue public broadcasting in a fashion which you have outlined in your statement? Is it possible financially?

Dr. BREITENFELD. You mean with the amount of dollars or the current sources?

Senator HARTKE. Well, the Federal Government is going to participate only to the extent that there is private participation.

Dr. BREITENFELD. Yes, sir.

Senator HARTKE. The Ford Foundation has indicated that they intend to withdraw what is a major contributing factor at the present time. With that situation developing, the factor that this big foundation is withdrawing, is there any reason to anticipate that we are going to see that vacuum filled?

Dr. BREITENFELD. Yes, sir.

Senator HARTKE. And from what source? I mean, is this one of those items which you are trying to hang from a star, or is there concrete evidence that there is going to be that participation from foundations?

Dr. BREITENFELD. I would like to comment on my understanding of the current funding. Out of the \$250 million that we now have annually going into public broadcasting, more than half comes from tax sources. This is not to say Federal money. And when you said Federal dollars are planned for public broadcasting as a match to private dollars, it is my understanding it will be a match for non-Federal dollars, which include, as in Maryland, a sturdy \$4.5 million a year of tax dollars that come from Maryland's citizens. In community stations, that is stations owned by nonpublic entities, a lot of money comes from school systems, public and private colleges, business and industries, and entities other than private foundations.

However, across the country, I have found public broadcasting remains a local phenomenon. Therefore, as the Federal dollar provides a nationwide stability, I am utterly confident that the local support through a variety of sources will continue and expand.

Senator HARTKE. Yes. All right, but will the participation by the foundations as a result of the Ford withdrawal, and with the new formula which has been put forth, will that make any difference in the contributions of other foundations? Have you had any indication whatsoever that it is going to be maybe an asset, maybe it is an asset that the Ford Foundation moves out, and maybe it is a liability. Maybe it has no effect whatsoever. But, do you have any indication, any concrete information which would be helpful to this committee at this time to indicate that the foundations intend to fill the vacuum, not fill the vacuum, or to remain in a status quo at their participation level?

Dr. BREITENFELD. Mr. Chairman, I have a lot of soft answers with which I will not burden you. I have no hard evidence. I can simply offer a good degree of solid faith.

Senator HARTKE. Solid faith?

Dr. BREITENFELD. Yes, Sir.

Senator HARTKE. You will find out very few stations will go ahead and continue on solid faith.

Dr. BREITENFELD. I have faith the foundations will continue.

Mr. HARLEY. And naturally the foundations appearing before you will be the best ones to answer this. I have already seen some indication that as the Ford Foundation has begun to diminish its amount of support for broadcasting that other foundations are beginning to move in this area. The Markle Foundation has already given a considerable amount, and in conversations with the Lilly Foundation I find that they are intending to move into the area of media support. And I think a number of other foundations, who in the kind of general understanding that the Ford Foundation has usurped that area of philanthropy, and did not move in that area at the time, will now be willing to support public broadcasting to a much greater degree.

Senator HARTKE. You see, quite frequently I find that all of the attention is devoted to public broadcasting as to whether or not they are involved in political controversy or not, and yet anyone who follows the history of public broadcasting knows very little of the total package of public broadcasting concerns itself with that type of controversy.

On the other side of the coin, I would hope that the mere fact that that does arise that we would not see a diminution of the participation of foundations simply because of the fact that there may be controversial issues which are dealt with in public broadcasting which frequently do not find any outlet in the commercial field.

Mr. HARLEY. We fervently echo your hope.

Senator HARTKE. Senator Bennett?

Senator BENNETT. No questions.

Senator HARTKE. All right. Thank you, gentlemen.

The next witness is Henry Loomis, who is the president of the Corporation for Public Broadcasting. Good morning, sir.

STATEMENT OF HENRY LOOMIS, PRESIDENT, CORPORATION FOR PUBLIC BROADCASTING

Mr. LOOMIS. Good morning, Mr. Chairman. As you know, Dr. Kilian had hoped to be able to participate in these hearings as chairman of the board of the Corporation for Public Broadcasting and also, of course, as the chairman of the Carnegie Commission which set up public broadcasting, but he could not be here, as you know. He did prepare a statement, and I would like to emphasize that he prepared it; it was not prepared by the staff. If you wish, I will read it, or I will put it in the record—whatever you wish.

Senator HARTKE. I understood that we would place it in the record for him.

Mr. LOOMIS. All right; fine. Thank you, sir.

Mr. Chairman and members of the subcommittee, I welcome this opportunity to appear at these hearings. As president of the Corporation for Public Broadcasting, I represent a field which has been substantially nurtured, supported, and sustained by foundation funds. As such, I am as concerned as you are about the general question of the contribution of foundations to the public benefit and the specific question of the effect of the Tax Reform Act of 1969 upon this contributory role.

The very creation of the corporation which I represent was first suggested by a commission set up by a private foundation. In 1967, the Carnegie Commission, under the auspices of the Carnegie Corp., recommended that a nonprofit, nongovernmental corporation be established, with the power "to receive and disburse governmental and private funds in order to extend and improve public television programming," a mandate extended by Congress to include public radio when it authorized CPB in the Public Broadcasting Act of 1967.

So, with Carnegie as catalyst and Congress as actualizer, CPB formally came into being in 1968, just a year before the Tax Reform Act whose broad implications for foundations you are considering today. CPB was given the overall objective of promoting and helping finance the development of public radio and television in the United States, with the word "public" indicating that the broadcasting system facilitated by CPB must be responsive to those needs of the American public which are not satisfied by commercial networks. This is the premise upon which public broadcasting was founded. It is a premise understood, supported, and promulgated by private foundations, especially the Ford Foundation.

For as early as 1951, the Ford Foundation helped establish a television-radio workshop to produce innovative educational television and radio programs and to make agreements with commercial broadcasters for their national distribution by networks and individual stations. In 1952, a year before the founding of the first educational television station--KUHJ in Houston, Tex.--the foundation created, with a grant of more than \$1 million, the National Educational Television and Radio Center, which later became NET. Overall, from fiscal years 1951 through 1973, the Ford Foundation contributed more than \$265 million to public television and radio projects, a sum which testifies in itself to the contribution of one foundation to the public benefit.

As a pioneer in what was in the 1950's "educational" broadcasting, the Ford Foundation strove to develop a nationwide broadcasting service, offering programs of usefulness and significance to the public. Continuing its participation through the last fiscal year, the Ford Foundation, indirectly through production-unit or station grants, supported such programs as "The Advocates," "Firing Line," "Wall Street Week," and "Bill Moyers' Journal," contributed to a study on information systems, and underwrote "tune-in" advertisements for the Public Broadcasting Service.

Through their visibility in the broadcasting field, the Ford Foundation and other pioneering foundations stimulated other sources to offer support. For example, the John and Mary R. Markle Foundation underwrote such projects--and these are not inclusive--as a planning study for a national television program on health, research on Spanish language television audiences, funding for a center for research on children's television, and support of a National Association of Educational Broadcasters office of minority affairs. And the Rockefeller Foundation contributed to such projects--again not inclusive--as experiments in television to create new centers at cooperating universities and a plan to initiate television town meetings--"Choices for '76."

As Mr. Breitenfeld, the previous witness, stated, this was risk capital, and I think his was a good description.

In the last 5 years, in what might seem to you like a rollecall, such private foundations as the Alcoa Foundation, Astor Foundation, Carnegie Corp., Concordia College Foundation, General Service Foundation, Grant Foundation, Harris Foundation, Hill Family Foundation, Historic Sites Foundation, Andrew W. Mellon Foundation, Rockefeller Brothers Fund, and Sears Roebuck Foundation have given grants to the corporation, for Federal matching purposes and to assist other public broadcasting units throughout the United States. I want to again stress that that long list was just to the corporation. Many other foundations gave to the stations directly.

All of these represent foundation activity at the national level, which tends to have greater visibility than the local. But there is also fervent foundation activity at the latter level. According to figures compiled by CPB, foundations contributed to the public broadcasting system \$25,117,465 in fiscal year 1972 and \$20,181,233 in fiscal year 1973, with many of the grants from local and regional foundations to public broadcasting units in their own communities.

For example, the San Francisco Foundation gave a grant for local television programs stressing the positive aspects of the Chinese culture and language. The Hartford Foundation for Public Giving, in

Connecticut, supported public television coverage of the 1974 session of the State's general assembly. The Sachem Fund underwrote Black Horizons, a Pittsburgh based minority affairs public television program. And the Wieboldt Foundation of Illinois funded a public television series in Chicago for Latin Americans.

I'd like to cite two examples in greater depth, those of WGBH in Boston and KCPT in Kansas City, Mo. David Ives of WGBH, Boston, will testify at these hearings about the support of the WGBH Educational Foundation by local foundations; its establishment with the primary help of a \$450,000 grant from the Lincoln and Therese Filene Foundation, its annual operating grants of \$175,000 a year from the Lowell Institute, and its equipment grants from such local organizations as The Permanent Charity, the Godfrey L. Hyans Trust, and the Spaulding-Potter Charitable Trust.

But no station representative will speak here about KCPT, Kansas City, Mo., which is typical of so many stations across the Nation. It has received \$350,000 in the last few years from member trusts of the Kansas City Association of Trusts and Foundations, a combine which has, in large part, enabled KCPT to make the transition from a school district to a community station, so that it has evolved to Community Service Broadcasting of Mid-America, Inc.

Such involvement on the part of national and local foundations, and the quantitative and qualitative growth in public broadcasting which it has spurred, has attracted new and diverse sources of income, such as State and local governments, the Federal Government, individual contributors--including corporations--and station auction participants.

Foundations provided seed grants and innovated in new and untried fields, and attracted others to help nurture the system.

The fact that they helped draw other sources is important, since a dominant source of funds would be dangerous to the system, in terms of potential or realized influence, pressure, or control. It cannot be emphasized enough that diversity of income sources means strength for public broadcasting. And I would again like to emphasize, Mr. Chairman, that the foundations net result has been not only to themselves support programs, but to match funds from others and, therefore, stimulate a much wider support of this activity and other activities.

At other times, before other congressional subcommittees, I have discussed at length the importance of diversified and insulated funding to the public broadcasting system of this Nation. For, if CPB is to fulfill its mandate, one of which is to assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities, it requires financial stability and independence.

I want to stress that the foundations which have given grants to CPB over the years have been cognizant of CPB's mandates, including the one requiring freedom from interference or control. While funds from individual foundations have been used by production units or local stations to underwrite specific programs--for example, grants from the Ford Foundation, for "The Advocates" the Sears Roebuck Foundation, "Misterogers' Neighborhood," the Mellon Foundation, a

documentary on a Russian art exhibit; and the John and Mary R. Markle Foundation "Behind the Lines"—their use has been marked by an absence of attempts, by foundations, to hamper the freedom of the units, the stations, and CPB.

My appearance here today to speak about foundations is quite timely, because CPB's relationships with foundations has entered a new stage. The Ford Foundation is greatly reducing its support of public broadcasting over the next few years. In line with this reduction, it is helping to establish a new system, called a station program cooperative, which has been created by local stations throughout the country with the strong support of CPB. This system permits the purchase of national programs by local public television stations, in line with the policies of further station independence and decentralized decisionmaking, thereby reducing the danger of dominance from one source. To increase the purchasing power of the stations during the transition period, Ford and CPB are both providing grants. At present, Ford provides \$5.5 million to the cooperative, CPB \$4.5 million, and the stations \$3.5 million, with an eventual cooperative goal of complete support from local public stations, with the funds derived from local sources and/or the corporation's community service grants.

While noting the Ford Foundation's reduction, I would be remiss if I did not mention that the Corporation views the Ford withdrawal as an opportunity for other foundations—organizations which may not have been involved in grants to broadcasting before—to enter the fields of public radio and television. According to an unwritten foundation law, foundation A may not enter a field dominated by foundation B; fortunately, the law has not been universal. Nonetheless, with the shrinking of the Ford presence, opportunity beckons to those who have shied off.

Moreover, now that a vigorous, nationwide public system has been created, with established facilities and programming services, there is a great need for innovation and experimentation within the system itself. It seems to me that an exploration of resources, in nonbroadcast as well as broadcast aspects of public radio and television, would be an appropriate undertaking for private foundations whose roles are defined in terms of public benefit. Even though nonbroadcast aspects may seem a misnomer, it refers to activities which are vital to the forward thrust of public broadcasting: the setting up of experimental centers, the development of fellowship programs, the design of audience-research projects, and the institution of training programs for women and minorities. And while broadcast aspects has a familiar ring, and has been the major area of activity for foundations to date, it represents a fertile area for exploration in the assessment of old programs and the development of new ones.

As you know, the Public Broadcasting Financing Act of 1974, S. 3825, has been approved by the Senate Commerce Committee and referred to the Appropriations Committee. I am, of course, enthusiastic about the passage of that bill. And, for the purposes of these hearings, as I channel my enthusiasm for the bill to its implications for foundation funding, I see it as a catalyst for increased support of public broadcasting by foundations, due to its provision for matching funds. For the bill now under consideration is based on a matching

provision, under which every dollar increase in non-Federal support would add 40 cents to the Federal appropriation. Hence, it would act as a stimulant to increased foundation support, some of the non-Federal dollars which establish the match.

Even in the short term, there is a matching provision: under Public Law 93-84, the 2-year authorization for CPB for fiscal years 1974 and 1975, CPB has been authorized for fiscal year 1975 a total of \$60 million, plus an additional \$5 million to match on a dollar-for-dollar basis through non-Federal contributions.

Therefore, whether in the long range or the short term, CPB is committed to the development of new funding sources, mainly due to the matching-fund concept. And it is committed to keeping such sources diverse, in order to assure the independence of the public broadcasting system.

Due to the inclusion of foundations among public broadcasting's funding sources, the Tax Reform Act of 1969 has an effect on the system. In terms of what is commonly called the payout section—that a foundation “must, by the year 1975, distribute 6 percent of the market value of invested assets or its adjusted net income, whichever is greatest, to those charitable causes related to the exempt purposes of the foundation”—public broadcasting is favorably affected. Since it receives millions of dollars from private foundations, it receives direct benefit from such a provision.

In terms of the section applying an excise tax of 4 percent on a private foundation's net investment income, the Corporation is adversely affected. For this provision effectively removes large sums of money from foundation giving, and therefore from the potential incomes of recipients such as CPB. Since the provision was designed to cover the cost of Government auditing and supervising of foundations, it would seem appropriate to study and evaluate the Government's costs of administration to determine whether a moderate downward revision might be justified.

As a representative of public radio and television, as president of the Corporation for Public Broadcasting, and as a citizen who avails himself of public broadcast offerings, I am pleased that the subcommittee is reexamining the Tax Reform Act. I thank the chairman and members of the subcommittee for giving me the opportunity to sketch private foundations' relationship with public broadcasting, with the hope that such a sketch illustrates one of the roles which foundations play in American life today.

Thank you, Mr. Chairman.

Senator HARTKE. Thank you, Mr. Loomis.

I think in regard to the 4 percent tax and the so-called minimum payout provisions, we have instructed the staff to provide for the committee members a rather detailed and comprehensive report. And I am hopeful that that will be available to us by the end of the month. And as soon as it is available, it would certainly be made available to all concerned.

I note with great deal of interest and commend those foundations which have made a participation of substantial amounts to public broadcasting. I think that is fine. There appears to me to be though an

unanswered question in your testimony. It is the same question which I addressed to the previous witness. Is there any concrete evidence that the vacuum which is going to be created as far as Ford's participation is concerned is going to be filled by other foundations, or is this merely one of those nebulous opportunities which so often is permitted to slip by?

Mr. LOOMIS. Well, I do have some concrete evidence of a change between fiscal year 1972 and 1973. We do not yet have the data for 1974, though we expect it to continue the trend. The trend has been that the total amount of foundation giving has decreased from \$25 million in 1972 to \$20 million in 1973. However, in 1972, of the \$25 million, \$22.7 was from the Ford Foundation, meaning that only \$2.5 in round figures was from non-Ford Foundation. And in 1973, of the \$20 million only \$12 million was from the Ford Foundation, which meant that the non-Ford Foundation foundations had given \$8 million. So that you have a very significant percentage increase and a significant absolute increase from the other foundations.

And while it has not completely balanced the reduction from Ford, it has gone a long way toward doing so.

Senator HARTKE. What do the preliminary reports from 1974 indicate?

Mr. LOOMIS. We do not have them yet. We just have a feeling from talking to some stations. It takes quite a while to gather all the data, because it is part of a questionnaire of a whole financing setup. So, we do not have it in just yet. We do not have it just on foundations, but it is sort of a seat of the pants feeling from talking to people that that trend will probably continue.

Senator HARTKE. Do you not think that information ought to be accumulated before we pass final judgment on the Public Broadcasting Act?

Mr. LOOMIS. Well, we are trying to accumulate it as rapidly as we can. One of the reasons for the delay this year has been the possibility of the passage of the act, which requires the Corporation to certify to the Congress the absolute amount of non-Federal money. We are going to require a more rigorous accounting method by the stations in reporting to us.

Senator HARTKE. Do they not do that now at the present time?

Mr. LOOMIS. They do it, but it does not have to be quite as rigorous because we only use it for distribution of money within the system itself. Under the new legislation it will be used for determining the amount of the Federal grant. It is particularly difficult to accurately account for in-kind support when you have a university station which is giving a building, heat, and light, and so forth to a station. To do the accurate cost accounting as to the value of that support is a time-consuming thing, which has not been done in the past in a uniform system.

Senator HARTKE. I think that you can grasp from what I have been saying that I am not as confident as you are about this type of participation. And you have here by your own statement a 20-percent decrease in foundation participation from the year 1972 to 1973, and although we can look upon that 20-percent decrease as being a shifting of the actual participation from one foundation to more, that is a rather substantial shift, and if that continues in that same fashion

with the participation of Ford declining, how can we really look forward to a viable and an effective system which is going to be supported by foundations?

Mr. LOOMIS. Well, I do not think you would want a system solely supported by foundations. The previous witness pointed out that foundation support is itself a minor part. In 1972 it was 10 percent and in 1973 it was 7.9 percent of the total, so that foundation support is itself minimal. The total income of public broadcasting went up \$20 million from 1972 to 1973. It went from \$235 to \$254, so the health of the total system, I think, is pretty good. And, also, we see that the State and local tax sources went up, increasing from 46 percent to 50 percent. Of even more importance, I think, was that subscriber and auction support, which is the real individual support, increased from \$17.6 million to \$25.4 million. There are many people, and Fred Friendly is among the foremost, who feel that a massive increase in private support, individual subscriber support is possible.

Senator HARTKE. Is it preferable?

Mr. LOOMIS. In many ways it is, yes.

Senator HARTKE. In other words, maybe in your opinion should foundations be phased out of participation in public broadcasting?

Mr. LOOMIS. I think it is dangerous to have any single source be as large a percentage as the Ford Foundation was, and I think they were very conscious of this themselves, and bent over backward to not be controlling. But, it is a very difficult thing when you are a major source as they were. I think the idea of having many foundations contributing to special programs that they are interested in is excellent, and I think the term that Mr. Breitenfeld used of risk capital is perfect. Risk capital is exactly what the foundation support is and should be. However, the support that stations get from individuals is absolutely unfettered money. It is absolutely golden in that sense. It also serves, in our conversations with the Congress and with foundations and with other supporters as the best possible measure of effectiveness of the program, that individuals feel that they get something from the program that is worth their support.

Senator HARTKE. Well, let me come back to the question. Is it your judgment then that foundations should for all practical purposes be phased entirely out of participation in public broadcasting? Is that your position?

Mr. LOOMIS. No. No. I think it is important to have as many as possible participating. I think it is right to have foundations involved.

Senator HARTKE. But do you want to keep them at 10 or 15 percent?

Mr. LOOMIS. That is about where foundations have been. Unfortunately, 15 percent is higher than they have been. But we would like to see as many foundations participating as possible.

Senator HARTKE. If you have a continued diminution of the participation dollarwise by the foundations, can public broadcasting be as effective as it is at the present time?

Mr. LOOMIS. Only if the slack is taken up by other sources of funds. I think that the main loss would be the support of the new, untried program or research or something of that nature. The risk capital would be sorely missed.

Senator HARTKE. Can public broadcasting be as independent as it is at the present time if the foundations diminish their participation?

Mr. LOOMIS. It depends on where the money is replaced from. If the money is replaced from subscribers, the answer may be yes; they can be as independent and more so. If it is replaced by Federal money or replaced by State money, I think probably the answer is no.

Senator HARTKE. Less effective?

Mr. LOOMIS. Right.

Senator HARTKE. All right now, let me get back again to the question which I asked originally, and I am having a little bit of a difficult time getting you to answer. And I can understand that you want to hedge yourself, but we are dealing here with a rather important matter, and what I would like to do is ask you very simply whether or not at this time public broadcasting can be as effective and as independent as it is at the present time if there is a reduction in foundation participation without any indication at this moment that there is a corresponding increase in nongovernmental funds?

Mr. LOOMIS. I think if the foundation support decreased without being replaced, it certainly would reduce the effectiveness of the system, primarily by inhibiting the development of new ideas and new programs and new procedures.

Senator HARTKE. What about the independence?

Mr. LOOMIS. I do not think it would inhibit the independence to any noticeable extent, because I think the system has evolved within itself a series of checks and balances that would prevent any undue influence by the Corporation through which the Federal money comes. Each State station has its own problems which vary from State to State with the amount of influence that a State legislature, or the Governor's office may try to exert on the local station. But, that is an individual thing and that varies all over the lot.

Senator HARTKE. Well, is it fair to interpret what you are saying that you look upon the foundation contribution to be specifically for specific programs rather than for general support?

Mr. LOOMIS. I think, yes; I think that is where they can provide the most unique service, and where by and large they have provided service in the past. The foundations usually have supported a station or the Corporation for a specific purpose. Not always broadcasting. It has been the training of minorities, for example. We have gotten support from foundations for that. We would have done some of it anyway. We must do it. But, I think the foundations served as a catalyst.

Senator HARTKE. We have talked about effectiveness and independence. Would you explain to the committee what you really mean by freedom and independence?

Mr. LOOMIS. Well, I think the old saying is the person who pays controls the piper, which is a danger that we have to watch, and that it is dangerous for any undertaking if its sources of funds are dominated by an individual or a single group, or a government source such as an appropriation. Your best defense against that is to have as large a diversity in your sources of funds as possible. And I think we have gone a long way toward that.

Now, in the case of public broadcasting, the Federal support is only 20 percent. It itself is not a dominant figure. We have agreed with the local licensees of both television and radio where about 50 percent of the Federal money goes directly to the station in a revenue-

sharing concept. Therefore, there is only half of that Federal money where the use is determined by the board of the Corporation, and even that determination is done in close consort and with the agreement of the associations of radio and television, so there is no arbitrary one-man or one-group rule. But, I think that the fact that there are other sources to go to, that if the Corporation does not particularly like an idea, that there are other sources to go to to get funds, strengthens the system. Or best yet, if a station has its own funds in the form of memberships, and there are some stations where that runs 30 percent of their budget, that is money which the station itself can control, and for which it is only responsible to its own board of directors in the short term. In the long term, it is responsible to its public, as it should be; because if it makes decisions which by and large the viewing public does not like, they will not continue with the contributions and the station will, therefore, have to either go out of business or change its form of programing.

Senator HARTKE. Have you any evidence that there has been such interference with the independence of public broadcasting?

Mr. LOOMIS. No; I have not. In fact, as I have mentioned in my testimony, the foundations and especially the Ford Foundation, but also all foundations, were very conscious of the potential danger and, therefore, went to great lengths so that there could not be any possibility of either actual control or the appearance of control. And the Corporation is equally conscious of this and was equally determined to work with and through the licensees so there would not be control by the Corporation or through the Corporation by an administration or the Congress, because some of the problems come from both branches of Government.

Senator HARTKE. Yes; but there are two types of control that you are dealing with, and one of them is the control of the actual program itself, and the other is the control which is demonstrated by an effective method of keeping a program from participating. Is that not true?

Mr. LOOMIS. That is correct.

Senator HARTKE. Has anything occurred in that line? In other words, I can see where you can say the Ford Foundation and these other foundations have meticulously put themselves in a position which they would not interfere with the programs which were ultimately going on the air. But, what about those programs which are refused, or those discussions which are not permitted to appear because of the fact that there may be some inhibiting force?

Mr. LOOMIS. That is the danger of a single source or dominant source, because the dominant source will have a purpose that it may be particularly interested in. The interest may be cultural affairs, it may be public affairs, it may be something else. Being human, they have to make judgments because they will have applications, as we do, for many more programs, or many more activities, than they can possibly fund. In those cases, you fund those which in your judgment, and you are fallible because it is a personal judgment, are the most necessary, and the most needed, and the most wanted by the public.

Now, if you are the only source making that judgment, then what is shown is as a result of your judgment, and that is, I think, a very dangerous position. The beauty of the present system is that there

are many different sources of judgment. This is the principal reason that we and the Ford Foundation supported the station program cooperative, because here the judgment is made by the individual stations. It is their real judgment because it is the expenditure of their funds, not a straw vote. They buy what programs they wish to buy, and if they do not like any of them and they do not buy any of them, then they have the money to either produce their own or to buy other ones.

Senator HARTKE. The money that comes from Federal sources, for example, as I thought you indicated in your testimony and your answer—
Mr. LOOMIS. Well, it is legally determined by our board of directors, and you said somebody else, another group.

Mr. LOOMIS. Well, it is legally determined by our board of directors, but they do so with the advice and after very deep consultation with PBS for television and NPR and APRS for radio. They do not do it in a vacuum. Most of our money goes directly to the stations. As I say, about 50 percent goes directly to the stations. A great amount of the remainder goes to the support of the physical interconnections of both radio and television. And then another fairly large expenditure goes for research and training and those kinds of common services. So, of the \$47.75 million that we get now, there is only about \$10 million left for program support.

Of that money, \$4.5 million is going into the Cooperative this year, and that leaves only \$5.5 million at the discretion of the Corporation for television program support. What we do with the \$5.5 million is that about half of it goes for second year funding of programs that we piloted the year before. This year there are four programs, a science program, health program and two others. We are now down to about \$3 million, which is used for the development, piloting, and research for new programs. And we do this in very close consultation with PBS, with the stations. We also have consortiums with the Ford Foundation and the Endowment for the Arts.

Incidentally, that reminds me, one factor that should have been mentioned in the previous line of thought is that the Endowment for the Arts and Humanities is increasingly entering the picture of public broadcasting. I would say this is very welcome and very healthy. Their budgets have increased substantially over the past years, and they both have sections on public media and information. For example, the new series that is going to be done for the Bicentennial on the Adams family by a New York station is largely funded by the Endowment for the Humanities with Arco, the commercial oil company. And we have no money in it at all. We knew about it, we agreed with it. We thought it was an excellent program. So, you can see, there are many new sources, including the Endowments for the Arts and Humanities, but the important thing is that they are diverse resources.

We might have made the judgment that the Adams family was not necessary. We might have, but we did not. Then the producers had the Endowment for the Humanities that they could go to and get somebody else's judgment. In that case, they went to the Humanities first, and the Endowment thought it was great, and we thought it was great, and the Humanities had the money, so that it was mutually an agreed concept. The same thing is true of many of the programs supported by the Endowment for the Arts. I think this is a new source of program funding, as well as some training and workshops and those kinds of

things, which will be a very healthy, innovative addition to public broadcasting.

Senator HARTKE. Foundations are often accused of following fads. In other words, 1 year poverty is in, the next year public broadcasting is in. Do you find that is true also in your relationship to foundations and public broadcasting?

Mr. LOOMIS. I think it is more that the individual foundations have individual sectors of the problem that they are interested in. If the individual foundation tends to be quite consistent in staying in the sector they are interested in, I think that is appropriate, and I think it would be wrong if they scattered their resources.

Senator BENNETT. May I interrupt a second?

Senator HARTKE. Yes; you certainly can.

Senator BENNETT. It has been my impression that most foundations write into their charter or their rules the area in which they can work, and they are limited to making contributions in that particular area. Maybe some of the big ones cover the waterfront, but the smaller ones limit themselves to particular areas and do not move outside.

Mr. LOOMIS. That is certainly true. And one of the activities which we are involved in, and many of the stations have been involved in, is to convince some of the foundations with a fairly narrowly construed function to include broadcast coverage, or public broadcasting needs in the subject that they are concerned with. For example, we are undertaking a major effort in radio for the blind. Now, there are many foundations and many activities of Government and nongovernment that are concerned with support of the blind in a whole variety of different ways. Well, one of our objectives is to convince some of those foundations that are heavily concentrated on the blind that they can retain their concentration on the blind and at the same time support the development of radio programs for the blind. So, it is that kind of an extension of a narrow function into broadcasting. Most of the foundations are very receptive to that argument.

Senator BENNETT. That is all I wanted to ask.

Senator HARTKE. Do you have any indication that some stations withhold the information of the contributions from foundations because they do not want to be raided by competing stations?

Mr. LOOMIS. I do not believe they are withholding it from us because there is an incentive not to. As soon as we know that they have more nontax income, they get a higher percentage of the Community Service Grant. So there is every reason for them to supply us with information about all of the income that they are getting, and we have every belief that the stations are as accurate as humanly possible on this subject.

Senator HARTKE. What about the contribution to networks, the State networks? Is it the same?

Mr. LOOMIS. The same there, yes. You mean from the tax, local tax resources?

Senator HARTKE. Senator Bennett?

Senator BENNETT. No further questions.

Senator HARTKE. Thank you, Mr. Loomis. We thank you for your testimony.

Mr. LOOMIS. Thank you, Senator.

[The prepared statement of Dr. Killian follows.]

STATEMENT OF JAMES R. KILLIAN, JR., CHAIRMAN OF THE BOARD OF DIRECTORS,
CORPORATION FOR PUBLIC BROADCASTING

SUMMARY

Currently the Chairman of the Corporation for Public Broadcasting, I was privileged to serve as Chairman of the Carnegie Commission on Educational Television. Created and funded by a private foundation, the Carnegie Corporation, the commission produced the report on public television which led to Congressional passage of the Public Broadcasting Act of 1967 and the establishment of OPB in 1968.

Private foundations' support of public broadcasting predates the commission, however, for the Ford Foundation and other foundations played a constructive role in both the origin and development of the public broadcasting system. But foundations have not been the principal source of funding; they have instead been one of a variety of sources—a combination of the federal government, states, corporations, universities, foundations, and private contributors which provides the diversified support which is a precious form of insurance for public broadcasting's freedom and independence. There is a vital need for OPB to see that such insurance continues. The structure which has been built since the Carnegie report has proved itself steadfast in action and policy in developing and protecting the system, and foundations, in all their variety and multiplicity, have given their support.

STATEMENT

As Chairman of the Corporation for Public Broadcasting, I appreciate this opportunity to discuss, along with President Henry Loomis, the role foundations have played in the development of public television. This role has been both major and benign.

When representatives of local stations proposed to President Johnson that he appoint a presidential commission to study the future financing of educational broadcasting, he supported the idea of a commission but urged, with persuasive reasons, that it be privately appointed and privately financed. Fortunately, the Carnegie Corporation was induced to sponsor and finance—with a grant of \$500,000—the proposed Carnegie Commission on Educational Television, which undertook a comprehensive study leading to the landmark report, *Public Television: A Program for Action*.

This report led to the passage by Congress in 1967 of the Public Broadcasting Act and has profoundly influenced the building of an independent national public television and radio system. Motivated by the report, Congress stipulated in the act the establishment of the key agency of the system, the Corporation for Public Broadcasting, and provided it with a modest federal appropriation, which was bolstered by an unrestricted grant of one million dollars for general purposes from the Carnegie Corporation. In addition, another grant of one million dollars of unrestricted funds was given by the Columbia Broadcasting System to aid the Corporation in getting started.

In addition to these grants, the Ford Foundation, as you will hear reported on separately today, supported local stations and program production centers with grants that over the years have reached a princely total and made it possible, along with other sources of funds, to build our unique American system.

Thus, from the very beginning of the present public broadcasting system, foundations have played an essential and constructive role. However, it should be emphasized that, as a group, they have by no means been the principal source of funds. Instead of one dominant funder, a variety of different sources—the federal government, states (mostly for instructional television), corporations, universities, and private contributors—have supported the system.

The local stations must each year campaign for contributions in their communities, and these local campaigns have drawn funds from diverse sources, including local foundations. They have also sought and obtained grants from national foundations, sometimes on a matching basis, to extend their facilities and to undertake programs of exceptional importance. Moreover, special production entities, such as the Children's Workshop, producer of such programs for children as *Sesame Street* and *The Electric Company*, have been supported by a combination of federal, foundation, corporate, and other private agencies.

Now that a bill, with bi-partisan support, is before Congress to provide federal funds for long-range financing on the basis of one federal dollar to each two and one-half dollars from all other sources, the importance of these other sources,

including foundations, is more essential than ever if the public broadcasting system is to achieve the total funding which is needed if it is to be worthy of the American people. Such diversity of income sources is unique in the world; if it can provide an adequate total of funds for the system, it will be a precious form of insurance for protecting the independence of public broadcasting from manipulation, undue influence, and political misuse.

As the system's structure has evolved, a majority of the federal funds have come to be allotted to the local stations for them to spend in accord with their community needs and their local judgments. At the same time, there has been, and is, a vital need for the Corporation for Public Broadcasting, the central legal entity of the system, CPB, which has been given private status by Congress, works in partnership with the Public Broadcasting Service and the Association of Public Radio Stations to provide leadership for the system—to be vigilant both in striving for quality programs and in protecting the entire system from undue pressures of any kind.

The structure which has been built since the Carnegie report has proved itself steadfast in action and policy in protecting the system's independence and freedom, and foundations, in all their variety and multiplicity, have given their support.

Senator HARTKE. The next witness is Mr. Ward Chamberlin, Jr., senior vice president of the Public Broadcasting Service. Mr. Chamberlin, you may proceed.

**STATEMENT OF WARD B. CHAMBERLIN, JR., SENIOR VICE
PRESIDENT, PUBLIC BROADCASTING SERVICE**

Mr. CHAMBERLIN. Mr. Chairman, and members of the subcommittee, I am very pleased at the opportunity to appear at these hearings. I am Ward Chamberlin, senior vice president of the Public Broadcasting Service, and as such have major responsibility for underwriting of national programs and for helping to raise the level of private support of local public television stations across the country. In that capacity I do, Mr. Chairman, spend considerable time talking with foundations and corporations about support of national programs, and currently am involved in the setting up of the program mentioned by the earlier witnesses which will attempt to help our stations across the country raise the level of their private fund raising, and we hope that a good deal of that support will come from local foundations.

First, let me say a word about the Public Broadcasting Service and its place and function in the public television system. PBS is a nonprofit membership corporation established in 1970. It represents the 151 public television licensees which operate 247 stations through the country, including Guam, American Samoa, Puerto Rico, and the Virgin Islands. These licensees are completely independent and autonomous.

On behalf of the licensees, PBS distributes programming, assists the stations in the acquisition of programs and in the development of financial support, assists the stations by supplying a variety of materials, and, in consultation with the Corporation for Public Broadcasting, determines the schedule in which programs are distributed on behalf of the stations.

PBS is governed by a board consisting entirely of lay representatives of public television stations who work closely with a board of public television station managers. These are boards comprised of distinguished men and women elected by the stations. Station

control, which has always been the hallmark of PBS, is today a fact and a guiding principle.

On the national level, we work in partnership with the Corporation for Public Broadcasting. On May 31 of 1973, the corporation and PBS entered into a partnership agreement that provided an understanding of the division of responsibility between each organization. The agreement assured that local stations, through PBS, would have a voice in all decisions affecting the system. The agreement recognizes and preserves the stations' right to a voice in the choice of programs which will be funded by CPB at a national level. The agreement also preserves the right of the stations to determine which programs will be distributed on the interconnection.

Today we are at another important moment in the development of public broadcasting in this country. The Public Broadcasting Financing Act of 1974 has been introduced in the Senate and hearings have been held before the Subcommittee on Communications. This bill, long in preparation and longer in assembling the necessary support from the public television industry and the Administration, would provide 5-year insulated Federal funding—an objective sought since the Carnegie Commission report in 1967. In this bill, as we previously heard, under certain ceilings, 40 cents of Federal funds are requested as an incentive to induce other sources to put up \$1. It is a matching requirement of 2.5 non-Federal dollars to \$1 of appropriated funds.

As Ralph Rogers, chairman of the PBS board of governors, has emphasized, the basic responsibility for financing public broadcasting remains with non-Federal support.

In the year ended June 30, 1973, the total income for all of public broadcasting—the stations, both operating and capital expenditures, the operation of the interconnection system, PBS, CPB and all other entities—was approximately \$255 million, and you will see in my statement the breakdown of that \$255 million.

The table indicates that foundations contributed \$20 million to PTV in 1973—7.9 percent of total income. This is substantial by any standard, but for public television it represents a vital element in our diversified funding.

Senator BENNETT. May I interrupt?

Mr. CHAMBERLIN. Certainly, sir.

Senator BENNETT. What are auctions?

Mr. CHAMBERLIN. Auctions are a particular means that many of our stations have for raising funds. What they do is to obtain contributions of merchandise of all kinds to the station, and they go on the air and in effect take bids on the telephone for that merchandise. It is kind of a game and it has been very successful with a number of our stations across the country. In the raising of this \$255 million here about \$5 million of it was raised through auctions by various stations. David Ives, who will testify later from Boston is one of the innovators of that method of fund raising.

Senator BENNETT. Kind of a television garage sale?

Mr. CHAMBERLIN. Right. Exactly.

One can best take a broad look at foundation support of public television by dividing it into three parts: (1) the Ford Foundation; (2) other national foundations; and (3) local foundations:

The Ford Foundation has been the catalyst in the development of public television in this country. This institution probably would have developed without Ford, but we would not be nearly where we are today without the \$270 million in grants from this one foundation.

In 1952, the Ford Foundation began assisting public television by grants to create new educational television programs and to help distribute them. It then made a series of multiyear matching grants to stations across the country, challenging them successfully to raise their own funds to meet the Ford grants, in increasing ratios. Ford then assisted a number of stations and a central organization in producing programs for national distribution.

In the final phase of public television support, the Ford Foundation has helped and is helping to establish a program cooperative in which stations choose and pay for programs of their own choice, thereby emphasizing the local choice and autonomy of the stations in the growing system. And it has recently approved a major grant to PBS to help the stations raise dramatically the level of their private support in increasing the membership in public television stations from 1 million to 3 million American families.

Over the next 5 years that is, or projection over the next 3 years, and 5 million in 5 years.

Through modest triumphs, successes and sometimes disappointments, Ford's steady support has been a model of how a major foundation can play a significant and, we think, beneficial role in helping to establish a new and useful American institution.

Other national foundations have joined in. One hesitates to mention names because one cannot name all of those whose help has been important. Most of these other national foundations have made grants for specific programs or program series. A few examples illustrate the diversity of such grants:

The Lilly Endowment 1973 grant of \$75,000 to WGBH Educational Foundation, Boston, for the series, "Religious America."

The Robert Wood Johnson Foundation 1973 grant of \$200,000 to the Children's Television Workshop for research and pilot testing of a new national series on health. The Commonwealth Fund granted \$100,000 on this same project.

The John and Mary R. Markle Foundation 1973 grant of \$295,000 to Educational Broadcasting Corporation, New York, for the series, Behind the Lines.

The Mellon Foundation 1973 grant of \$900,000 in support of the production of a new series entitled The Adams Chronicles, depicting John Adams and his descendants.

Other examples: In earlier days the Carnegie Corp. funded the Carnegie Commission study of educational television which became the main thrust behind the Public Broadcasting Act of 1967 and the creation of the Corporation for Public Broadcasting. Kellogg Foundation grants laid the basis for establishing what is now the Public Television Library, providing a continuing program service to stations and to colleges and schools across the country.

Thus, the Ford Foundation's leadership and its major grants have not caused other large foundations to lose interest. Quite the contrary, as public television has grown and matured and offered a recognized public service, other foundations have increasingly turned

to public television programming as an effective way of carrying out their purposes. And let me add not only have they turned to public television programs, in one of our major cities at the present time the station is moving toward new facilities which are very expensive, and I note that in their beginning campaign, the foundations, and this is in New York City, have contributed very generously to that capital campaign which is now underway. There are other examples across the country of the fact that foundations I believe will play an increasing role in numbers as the Ford Foundation large grants taper off. Again, it is hard. We will be able I think, Mr. Chairman and members of the subcommittee, to give you a better picture after another year has passed and we will see whether the major effort we are now undertaking to involve new memberships from private citizens as well as new foundations at the local level have been successful. We think it will be. I see every indication that their interest in public television is growing.

Coming then to the local level at which foundation support has been critical to many stations, large and small, I have offered for the record an illustration of the amounts of money contributed by local foundations to a number of our local stations across the country where some are large and some are small, but they are critical to the station development. And you can find all kinds of examples of it.

Finally, at the local level, foundation support has been critical to many stations, large and small. For example, CPB records show the following as illustrative amounts received by stations in 1973 from local foundations:

KPBS/San Diego-----	\$12,845
Connecticut PTV-----	17,000
WMFE/Orlando-----	6,955
WTVP/Peoria-----	7,060
WFYI/Indianapolis-----	7,500
KPTS/Wichita-----	4,215
WCBB/Augusta, Maine-----	14,850
KCPT/Kansas City-----	245,000
WVIZ/Cleveland-----	136,300
WMVS/Milwaukee-----	26,500

(1) According to Walter Nielsen in his study, *The Big Foundations*, the first justification for the privileged position of foundations is that they provide essential financial support and assistance to the private non-profit sector and in so doing, they are expanding and preserving a great American tradition of volunteerism. This, it is agreed, is essential unless we are willing to surrender all responsibility for public affairs to Government.

Surely, the relationship between public television and the foundations is an example of this justification. In addition to 1 million American families who are contributing \$15 or more a year to their local stations, we have supporting our public television stations around this country at least 300,000 volunteers: they lick envelopes, move scenery, answer telephones, solicit money, serve on boards and committees, run our on-air auctions and so forth. Many of our stations simply could not maintain the quality of their service without the help of thousands of unpaid volunteers.

Although we need substantial Federal funds to make this system work and develop, we all believe that diversity of financing is necessary to maintain the system's integrity and independence.

(2) The second basic justification is more complicated and more controversial. John Gardner stated it succinctly

The modern Foundation is designed to make money go a long way in the service of creativity and constructive change.

Without debating those terms more precisely, we believe that the development of public television in the past 20 years has been a constructive development and although foundation support is not the sole cause of this development, surely we would not have made those modest and sometimes torturous strides without very substantial help at the national and at the local level.

The San Francisco foundation's \$25 million grant in 1973 to KQED/San Francisco to support remote coverage of important community events, it is a public affairs program; the Hoblitzelle Foundation's \$5,000 grant to KERA/Dallas for broadcast rights to Sir Kenneth Clark's "Pioneers of Modern Painting"; the Howard Bush Foundation's grant of \$5,000 to Connecticut public television for new equipment--these grants illustrate the diversity of foundation grants to local stations.

There are all kinds and varieties of local foundation support to the local television stations, and as the knowledge of our system and the recognition of its service is growing, I believe that source of dollars will grow also.

As we have indicated before, our data is not complete as to number, total dollars, or purposes of these many local grants, but we know that to every one of our station managers dependent on private funding, they are an essential part of the diversified funding on which these stations are being built.

For all of us in public television testifying before you, it is hard for this not to be a continuing paean to foundations. Without foundation support, we probably would not be here testifying on behalf of a youthful, growing, sometimes vibrant--I don't know why I say sometimes--always vibrant, new communications medium.

In fact, public television represents a superb example--proof of the pudding--for most of the arguments used by the proponents of foundations as a necessary and distinguishing part of American life.

It was and is a bold dream to believe that another form of television could and can move effectively among all those channels preempted so early by our commercial friends. Commercial television as an advertising medium quickly took over the home entertainment and habit patterns of the American audience. Public television is attempting to bring a new and different kind of television programming; instructional courses for schools; a new quality of programming for children; public affairs and events coverage; and drama and cultural programming at many levels. All of this requires the kind of funding provided by foundations, and we hope to continue to justify their support.

Thank you, Mr. Chairman and members of the subcommittee.

Senator HARTKE: First, Mr. Chamberlin, I would like to pay tribute to you in a different field other than public broadcasting, and that is in the International Executives Service Corps which I was instrumental in setting up.

Mr. CHAMBERLIN. I know you were, sir. Indeed, and I know you were, and I am glad to say that I was talking to Mr. Pace the other day, and that wonderful organization continues to grow.

Senator HARTKE. I think it has received far less publicity than it should for the fine work that they are doing, because of all of the other organizations I have seen who have worked in the international field and unselfishly, these people really have made a major contribution to the development of other countries. So, I congratulate you on that.

Mr. CHAMBERLIN. Thank you very much indeed, sir.

Senator HARTKE. Let me ask you, do you believe the foundations are doing all that they can and all that they should to support public broadcasting today?

Mr. CHAMBERLIN. Well, they are not doing all they can. I am sure when we look at the total amount of their grants, in relation to what they give to public broadcasting they could do more.

On the other hand, we have to justify ourselves, and we have to go before every foundation and make a very strong argument in order to compete with other interests that they have. And I think by and large that they have done wonderfully well by us, and I think we will do better because I think people understand more about public broadcasting now than they have. It is becoming an American institution, which is meaningful to many people, and we will be able to make our case better. But, I certainly have not any criticism for what they have done in the past.

Senator HARTKE. Generally speaking, do you find foundations responsive to the needs of public broadcasting?

Mr. CHAMBERLIN. Yes, I do. There is no problem in getting attention, getting to see the head of a foundation, making your case to him. They are very responsive in talking with us, and I have been in other things where it is hard, it is hard to get in the door.

Senator HARTKE. Well, let me ask you, what about local stations, are they capable of making the same type of presentation?

Mr. CHAMBERLIN. No. Some of them are and some of them are not. We have some very sophisticated ones and some that are not at all. In what we call our station independence plan one of the things that we will do in the coming years to have some workshops around the country that will put together some of our people who are skilled in foundation presentation so that the local stations who have not got a person who can devote himself to this activity will learn how to do precisely that.

Senator HARTKE. In addition to giving them this educational information, do you plan or do you provide at this time any assistance to the local stations in making their presentation?

Mr. CHAMBERLIN. Yes. Yes we do. Let me amend that. We would not give them any help unless they absolutely specifically needed it, and I cannot imagine precisely how they would on selecting a local foundation. They know much more about that than we will ever know. On the other hand, we might help them with the kind of presentation they make. At the national level we might have a presentation for a considerable sum of money for a particular program, or some special kind of research, and we will make some recommendations as to the kind of foundation that might be interested in this subject matter, as well as help them with the kind of presentation they might make.

Senator HARTKE. In your opinion, how aware is the foundation community, generally speaking, concerned with or knowledgeable about, or any feeling that they must participate in a continuing support of public broadcasting? Is the foundation community generally aware of what their need to participate is?

Mr. CHAMBERLIN. Let me say at the national meetings of foundations in the last 2 years, there are several associations of foundations, but at the two major ones, in the last 2 years, once each year there has been a major presentation on public broadcasting. I would say that there is still a good part of the foundation community that is not aware of what public television and public broadcasting may be able to do in helping them carry out their purposes. We have tapped a large percentage of the foundation community, but not all of them by a long shot. And that is particularly true at the local level with the small foundations.

Senator HARTKE. One thing that disturbs me about public broadcasting, and has since we began to get into this field about a year ago, is the general distribution of foundation grants as they affect the areas of the country. And on the basis of the information which has been supplied by the Foundation Center in New York, we did a chart, and I asked the staff to break down the foundation grants to public broadcasting by States and by regions. And we are going to put that in the hearing record at this time.

[The material referred to follows:]

FOUNDATION GRANTS TO PUBLIC BROADCASTING¹ 1970 TO 1973 (ARRANGED BY GEOGRAPHIC REGION)

New England:

Population: 11,842,000.
 Percent of U.S. population: 5.8 percent.
 States receiving grants: 3 (Connecticut, Maine, Massachusetts).
 Amount of grants: \$2,083,971.
 Percent of grants to all States: 5.17 percent.
 Percent of all grants to all States²: 10.92 percent.
 Percent of all public broadcasting stations: 0.2 percent.

Middle Atlantic:

Population: 37,100,000.
 Percent of U.S. population: 13.4 percent.
 States receiving grants: 3 (New York, New Jersey, Pennsylvania).
 Amount of grants: \$22,697,020.
 Percent of grants to all States: 56.32 percent.
 Percent of all grants to all States²: 35.60 percent.
 Percent of All public broadcasting stations: 0.1 percent.

East North-Central:

Population: 40,253,000.
 Percent of U.S. population: 18.9 percent.
 States receiving grants: 5 (Ohio, Indiana, Illinois, Michigan, Wisconsin).
 Amount of grants: \$1,154,922.
 Percent of grants to all States: 2.86 percent.
 Percent of all grants to all States²: 16.28 percent.
 Percent of all public broadcasting stations: 18.2 percent.

West North-Central:

Population: 16,320,000.
 Percent of U.S. population: 8.0 percent.
 States receiving grants: 3 (Minnesota, Missouri, Nebraska).
 Amount of grants: \$264,870.
 Percent of grants to all States: .06 percent.
 Percent of all grants to all States²: 3.65 percent.
 Percent of all public broadcasting stations: 13.4 percent.

¹ See footnotes on page 28.

South Atlantic:

Population: 30,671,000.

Percent of U.S. Population: 15.9 percent.

States Receiving Grants: 3 (District of Columbia, West Virginia, Florida).

Amount of Grants: \$8,470,125.

Percent of Grants to All States: 21.02 percent.

Percent of All Grants to All States¹: 14.88 percent.

Percent of All Public Broadcasting Stations: 10.6 percent.

East South-central:

Population: 12,804,000.

Percent of U.S. Population: 6.0 percent.

States Receiving Grants: 1 (Tennessee).

Amount of Grants: \$100,000.

Percent of Grants to All States: .25 percent

Percent of All Grants to All States¹: 2.12 percent.

Percent of All Public Broadcasting Stations: 12.6 percent.

Mountain:

Population: 8,281,000.

Percent of U.S. Population: 4.7 percent.

States Receiving Grants: 1 (Colorado).

Amount of Grants: \$472,000.

Percent of Grants to All States: 1.17 percent.

Percent of All Grants to All States¹: 2.74 percent.

Percent of All Public Broadcasting Stations: 7.0 percent.

West South-central:

Population: 19,320,000.

Percent of U.S. Population: 9.5 percent.

States Receiving Grants: 2 (Louisiana, Texas).

Amount of Grants: \$946,000.

Percent of Grants to All States: 2.35 percent.

Percent of All Grants to All States¹: 4.56 percent.

Percent of All Public Broadcasting Stations: 5.1 percent.

Pacific:

Population: 20,522,000.

Percent of U.S. population: 13.1 percent.

States Receiving Grants: 2 (Washington, California).

Amount of Grants: \$4,114,780.

Percent of Grants to All States: 10.21 percent.

Percent of All Grants to All States¹: 9.31 percent.

Percent of All Public Broadcasting States: 12.6 percent.

¹ Based on information supplied by the Foundation Center.² Refers to "A Summary of 1971-72 Grants by States and Regions for the Fifty Largest Foundations," prepared by the Foundation Center. Includes grants for all purposes, not just public broadcasting.

FOUNDATION GRANTS TO PUBLIC BROADCASTING, 1970 TO 1973

[Arranged by State total]

State	Total amount	Percent of amount for all States	Number of grants
California.....	\$4,049,786	10.05	21
Colorado.....	472,000	1.17	5
Connecticut.....	44,515	.11	3
District of Columbia.....	8,008,500	19.87	20
Florida.....	326,000	.81	4
Illinois.....	384,664	.95	10
Indiana.....	106,246	.26	3
Louisiana.....	10,000	.03	1
Massachusetts.....	1,964,456	4.87	17
Maine.....	75,000	.19	1
Michigan.....	502,112	1.25	5
Minnesota.....	167,879	.42	5
Missouri.....	85,000	.21	2
Nebraska.....	12,000	.03	1
New Jersey.....	102,765	.26	5
New York.....	21,424,030	53.15	89
Ohio.....	124,400	.31	4
Pennsylvania.....	1,171,125	2.91	16
Tennessee.....	100,000	.25	1
Texas.....	936,000	2.32	11
Washington.....	65,000	.16	2
West Virginia.....	135,625	.34	1
Wisconsin.....	37,500	.09	2
Total.....	40,306,605	100.01	229

¹ Based on information supplied by the Foundation Center.² Excess results from rounding.NUMBER OF PUBLIC RADIO¹ AND TELEVISION STATIONS IN THE UNITED STATES: 1974¹

State	Radio	Television	Total	State	Radio	Television	Total
Alabama.....	0	9	9	Nebraska.....	1	8	9
Alaska.....	3	2	5	Nevada.....	0	1	1
Arizona.....	3	2	5	New Hampshire.....	0	5	5
Arkansas.....	1	1	2	New Jersey.....	0	2	2
California.....	12	11	23	New Mexico.....	2	2	4
Colorado.....	2	2	4	New York.....	8	10	18
Connecticut.....	0	4	4	North Carolina.....	2	9	11
District of Columbia.....	2	1	3	North Dakota.....	2	1	3
Florida.....	5	9	14	Ohio.....	12	10	22
Georgia.....	1	11	12	Oklahoma.....	1	2	3
Hawaii.....	0	2	2	Oregon.....	6	1	7
Idaho.....	0		3	Pennsylvania.....	7	7	14
Illinois.....	7	4	11	Rhode Island.....	0	1	1
Indiana.....	4	7	11	South Carolina.....	1	5	6
Iowa.....	4	2	6	South Dakota.....	2	5	7
Kansas.....	3	2	5	Tennessee.....	6	4	10
Kentucky.....	6	14	20	Texas.....	5	7	12
Louisiana.....	1	1	2	Utah.....	3	3	6
Maine.....	1	2	3	Vermont.....	0	4	4
Maryland.....	2	2	4	Virginia.....	3	5	8
Massachusetts.....	4	2	6	Washington.....	4	6	10
Michigan.....	11	6	17	West Virginia.....	1	3	4
Minnesota.....	6	4	10	Wisconsin.....	3	4	7
Mississippi.....	1	7	8				
Missouri.....	8	2	10	Total.....	156	217	33

¹ Only those stations receiving grants from the Corporation for Public Broadcasting are included among public radio stations in this table.¹ Based on information supplied by the Corporation for Public Broadcasting September 1974.

Senator HARTKE. And that chart shows that areas like New England with about 6 percent of the total U.S. population and 6 percent of the total public broadcasting stations in the Nation have received a proportionate share of foundation dollars for public broadcasting.

Mr. CHAMBERLIN. A proportionate share?

Senator HARTKE. A proportionate share, yes. And in areas like the Middle Atlantic, they get far more than their share, while the Midwest, which is labeled on the chart as East-North-Central and Far-North-Central, they get far less. Now, do you not think that the foundations could do a better job of distributing their funds?

Mr. CHAMBERLIN. Well, you know, one reason for that, of course, is that in the past, the major amounts of foundation grants have gone to help build up the production facilities of public television and the major national producing stations, so that with the objective that if public television is going to be the growing force we hope it will be, we have got to have a number of places that can produce first class programs. And therefore, I would suspect that those figures come about because there have been very large production grants to the New York station, to the Washington station, and to two of our producing stations on the Pacific coast. And that does not mean that there are not plenty of other places that are able to produce fine national programs. But the ones that started out in that direction, and were built up by substantial foundation grants for national programming are in the areas that you mentioned.

Senator HARTKE. I would like for you to look at this study which will appear in the record, and we will make a copy available to you, and I would like for the record for you to submit your analysis of that study.

Mr. CHAMBERLIN. I will be pleased to do so.*

Senator HARTKE. Do you find some stations receive more attention from foundations than others, and does it vary as to whether it is a UHF or a VHF?

Mr. CHAMBERLIN. I do not know that it depends so much upon that. I think it depends upon whether the station is in an area where there are a number of foundations that are functioning and it makes an effort to interest those foundations in its particular work. I never really thought as to whether it depended on VHF or UHF stations. Obviously it is clear, of course, in most communities, a VHF station commands a larger public audience than a UHF station normally does and, therefore, it may be considered by some to be the better vehicle for foundation dollars. I never honestly thought about that.

Senator HARTKE. You take here in the Washington area, of course, all of the commercial stations are VHF and the educational stations are UHF.

Mr. CHAMBERLIN. I know; yes, I know.

Senator HARTKE. Has anyone ever done an analysis of that as to what the effect of that is?

Mr. CHAMBERLIN. No. But, Mr. Taverner is going to speak a little later, and he will have some remarks on that. We have tried in public broadcasting, and I say we because I was with the Corporation for Public Broadcasting for a while, and all of us have tried over the

*See p. 140.

years to do what we could to bring about some effort to get a VHF station in Washington and in the other major city, largest market in this country where we do not have a VHF station; namely, Los Angeles. We have not had any success.

Senator HARTKE. I want to thank you for your testimony.

Mr. CHAMBERLIN. Thank you very much, sir.

Senator HARTKE. Our next witness is Mr. Donald Taverner who is the president of the Greater Washington Educational Telecommunication Association which operates WETA-TV and WETA-FM and the National Public Center Affairs for Television.

STATEMENT OF DONALD V. TAVERNER, PRESIDENT, GREATER WASHINGTON EDUCATIONAL TELECOMMUNICATION ASSOCIATION

Mr. TAVERNER. Mr. Chairman, I am going to refrain from reading my testimony in the interest of your time.

Senator HARTKE. Let me say to you that your entire statement will appear in the record, and we appreciate that.

Mr. TAVERNER. Fine. And I will try to keep my comments succinct and brief.

I am Donald Taverner and I am the president of the Greater Washington Educational Telecommunications Association which translates itself in terms of activities into WETA television and WETA-FM radio in Washington and the National Public Affairs Center for Television, NPACT on the national scene. And this gives us tremendous problems and opportunities at the same time.

I would like to approach this matter from the viewpoint of a station. The previous statements have been national from NAEB, CPB, and PBS, and I would like to come back from the station side regarding foundations and their activities and foundation support. I have had 15 years of experience in management positions in public broadcasting from a State-supported university operated facility, a private community supported facility in Pittsburgh, and now WETA in Washington, which is also a private community supported station. In each of these instances there would not have been a television facility without foundations. Even in the State of Maine where the Maine Legislature established a network, it took a grant, a private foundation grant to determine that that legislation was even worth enacting, and there have been other grants, and in particular I think Pittsburgh speaks for itself. There is no other city like Pittsburgh with foundations and with its great complex of industrial foundations, and their support has been tremendous.

Washington locally has somewhat less foundations. In Washington they are fewer in number and smaller generally in scope and assets. But one would be very remiss indeed if one did not indicate that that did provide a tremendous and generous support for the local operation and it has been the amount of foundation grants that have put WETA off the ground, initially with a grant from the Meyer Foundation to initiate WETA on the air, put it on the air through a commercial station, through the local television channel 5, and it ended up with sufficient interest and support from the local side and other local foundations

and the Ford Foundation to be able to establish what is now the Nation's public broadcasting facility.

Through the years WETA has received from foundations, since 1961, the year of its establishment, about \$10.5 million. One must hasten to identify that \$10 million of that \$10.5 million came from the Ford Foundation. The interest there is because it is an a.c.-d.c. operation. We have a tremendous national opportunity and responsibility because we are Washington and because we are the flagship for the production and the transmission of national public affairs programming. Therefore, we have received a lot of attention that we may not have received had that not been the case.

But, in addition to the Ford Foundation, over the last 15 years I was counting, and as I was thinking of my oral testimony I counted until I quit at 21 different foundations which have supplied support to three types of operations which I have been involved in. In Washington itself we have received grants from in addition to Ford, from Eugene and Agnes E. Meyer Foundation, the Hattie Strong Foundation, the Morris and Gwendolyn Cafritz Foundation, the Arthur V. Davis Foundation, the Kiplinger Foundation, the Kreeger Foundation, the Sears and Roebuck Foundation, Memton Fund, and all of these grants have come to us generally for specific purposes.

Foundations have played an important role in local station development, not only here in Washington but elsewhere in three phases.

One, there are few stations of the nature of Washington or Pittsburgh or elsewhere that did not receive their start as a result of interest from foundations, and a grant from a foundation. So one, foundations have been instrumental in establishing stations.

Two, programming. The difference of the margin of excellence in most television stations in public programming, in public broadcasting community type stations has been the foundation. For example, we were concerned in Washington for a long time over the low level of children's fare on Saturday mornings on television where the experience was turning on the commercial stations generally speaking from 8 in the morning until 1:30, and we thought they should be terribly concerned with what they see. We wanted to do something about that, but we did not have any funds so we turned to the Cafritz Foundation which gave us a grant which enabled us to take the very best of the children's fare every Saturday morning and present it on the air for the children, not in competition with, but as an answer to what the children are receiving on commercial television. And I can name others in the area of the hard-of-hearing, and a great deal of work has been done by WETA in hard-of-hearing programs on television. This comes to us from foundation sources.

And then the third area beyond establishment of programs is operations. One of our problems in Washington is that we are a national organization based on a local base, and our local base is hardly sufficient to support sometimes this tremendous national operation which must be on call for the production of national public affairs. When the President called his economic conference, we had to be ready and be there, not just to cover news, but to cover gavel to gavel operations, and that takes a form and a facility available that the local community cannot provide. The foundations, and again, mainly Ford have been instrumental in providing us funds which would keep us available without any form of direction of how it should be used. I lament

the loss of the Ford Foundation in this regard, and I am not sure how we will handle that from here on out. And it is no understatement for one to say that without foundations there would be no public broadcasting in the beginning, and without foundations there would not be the significant programing and the margin of excellence that I mentioned.

And again I think very honestly without foundations the Federal Government, notwithstanding, that public broadcasting in the future may face a rather bleak experience. Anticipating your question, I am not quite as sanguine about the withdrawal of the Ford Foundation and the making up of the funds. That is not to say that I am a defeatist about it. I am also an optimist. I think the foundations, from my experience over the last few years, foundations are increasing in their support of public broadcasting, showing greater interest. But, when you try to make up \$275 million, it is going to take a much higher level of support from foundations to do that.

On the other hand, to be fair about it, I think that while foundations are more willing, at the same time individual membership will increase, individual memberships in Washington that have increased by three-quarters of a million dollars in the last 3 years, and I think that tells us something. That three-quarters of a million does not come from foundations, but comes from individual viewers, so that I am optimistic, but cautiously so in terms of not interest or support, but can it indeed be made up, because we do, as you know, have to make up \$2.50 for every dollar we receive in Federal support in the current bill if Congress were to pass it.

Foundations then will continue to be vital to public broadcasting. Thank you.

Senator HARTKE. In other words, you do not necessarily say that the withdrawal of Ford is going to present you all of that great an opportunity. Is that fair?

Mr. TAVERNER. I think that is fair, sir. I think the withdrawal of Ford may be a good thing from the point of view that it is about time that the dominance of one foundation is dispersed to other foundations and other sources, but I do not think that it will necessarily be a good thing in terms of available cash flow for the immediate future.

Senator HARTKE. In other words, it is your opinion then that the foundation community pretty generally speaking at this moment still is not aware of the need that is going to be required of them if you are going to have a continuation of public broadcasting in the manner which you yourself think it should be. Is that fair?

Mr. TAVERNER. I think that is correct. I think there is a growing awareness of this in my experience with foundation money and in my dealings which would indicate there is a growing awareness and a concern for an upgrading. It is the degree of the program.

Senator HARTKE. Have you noticed any noticeable change in the nature of the type of programing or whether or not a specific grant or general grant that foundations make toward public broadcasting?

Mr. TAVERNER. Yes. I think I can say that is so. Originally foundations tended to move heavily in the cultural area, unquestionably so I believe, and heavy in the children's area for which they should be commended. Public affairs sometimes was not or did not receive the attention, for obvious controversial kinds of reasons. I begin to find now as I begin to work with foundations, and also with the corporate

community a greater interest and less timidity, if you will, in the presentation of funds for public affairs, and I think that is a bit of a change from the past.

Senator HARTKE. Is that noticeable?

Mr. TAVERNER. Beginning to be noticeable. It was not noticeable 2 years ago, I might add, where I attempted to find funds to do some rather exciting things out of Washington, and hopefully in a responsible fashion, and I got nowhere. And now as I begin to talk about this, they begin to talk about yes, maybe this business of the gavel to gavel coverage of hearings, or maybe this matter of total in-depth analysis, nonjournalistic but scholarly approach is what the public really should be having. And I think that there is more of a foundation approach there than there ever has been before.

Senator HARTKE. All right. Thank you very much.

Mr. TAVERNER. Thank you very much.

Senator HARTKE. You have been very helpful. Thank you, sir.

Mr. TAVERNER. Thank you.

[The prepared statement of Mr. Taverner follows:]

SUMMARY OF TESTIMONY OF DONALD V. TAVERNER, PRESIDENT, GWETA

The Greater Washington Educational Telecommunications Association is comprised of two Divisions: WETA-TV and FM, the Public Broadcasting stations serving the Washington Metropolitan area, and NPACT, the National Public Affairs Center for Television. The importance of foundations in the development of GWETA, from its founding to the present day, would be difficult to overstate.

The funds that put WETA-TV on the air in 1961 included grants from both local and national foundations, notably the Eugene and Agnes E. Meyer Foundation and the Ford Foundation, the latter providing vitally needed video tape equipment as well.

Programming, particularly local programming, is the *raison d'être* of any broadcast operation. Over the years WETA's program service has been immeasurably strengthened by the infusion of foundation funds. Production grants from the Meyer Foundation, the Arthur Vining Davis Foundation, the Ford Foundation, the Hattie M. Strong Foundation, and the Morris and Gwendolyn Cafritz Foundation, to name but a few, have supplemented WETA's viewer support to make possible such programs as *Ebony Reflections*, *Woman: Choices and Challenges*, *Media Hora*, *Rock Gospel for the Deaf*, and innumerable topical programs which provided forums for discussion of local issues.

There are, of course times when even programming dollars become a secondary consideration—times when operating dollars are desperately needed to ensure the continued existence of a station. Basic operating grants from small local family foundations as well as major national foundations have supplemented WETA's other sources of support and enabled the station to continue serving the Metropolitan Washington audience.

The National Public Affairs Center for Television, now a division of GWETA, has been funded from the outset by grants from the Ford Foundation and the Corporation for Public Broadcasting. With the advent of the Station Program Cooperative, the CPB funds will be replaced by dollars from the stations which utilize NPACT's journalistic product. These monies, however, will fall far short of what is actually needed to maintain a viable public affairs production entity. This year the balance needed is being provided by the Ford Foundation.

It would be obvious that were it not for a very real and very generous commitment to Public Broadcasting by a relatively small number of local and national foundations, Public Television and Radio would not have matured as it has. But there is enormous potential still to be realized, and with limited funds available on the local level, and with its major national benefactor phasing out its support, Public Broadcasting will again face perilous times unless more and different foundations evidence a genuine and generous interest in the medium's future. Therefore, I would urge this Subcommittee to do all in its power to create a climate within the philanthropic community that will not only enable

but will encourage foundations to grant even more funds to the myriad causes—Public Broadcasting among them—that depend upon such support. Thank you.

STATEMENT

INTRODUCTION

I am Donald V. Taverner, President of GWETA, the Greater Washington Educational Telecommunications Association. Though a single corporate entity, GWETA fulfills two distinct functions and hence is comprised of two readily identifiable divisions. One is WETA-TV and FM, the Public Broadcasting stations serving the Greater Washington area. The other is NPACT, the National Public Affairs Center for Television. Since each of these divisions—both individually and in tandem—has relied heavily on foundation grants, I would like to describe briefly for this Subcommittee the overall impact of such support. (Detailed lists of grants from the major foundations supporting GWETA are attached as Exhibits to this testimony.)

THE LOCAL STATIONS

By virtue of their location in the nation's capital, WETA-TV and FM in effect constitute the flagship stations for their respective networks—the television station representing to Washington's unique audience the best of PBS (the Public Broadcasting Service) and the FM operation serving willingly and well as an exemplary affiliate of NPR (National Public Radio). This flagship status, coupled with the stations' innate mandate to fulfill the varied viewing and listening needs of over three million area residents, constitute an awesome responsibility; a responsibility that is taken very seriously by both the professional staff and the governing board of GWETA. But dedicated people are not enough. There must be adequate broadbased funding—a monetary mix in which foundations play a prominent role.

The importance of foundation support in the development of WETA would be difficult indeed to overstate. Even before going on the air, WETA was able to serve as an instructional production agency. A grant from the Eugene and Agnes E. Meyer Foundation in 1958 resulted in *TIME FOR SCIENCE*, a series for fifth graders which was then broadcast on WTTG for use in area classrooms. Having thus primed the local educational community, station activation became the goal, and this too was accomplished only with a relatively generous infusion of foundation dollars. Some, of course, were national funds. The Ford Foundation at that time had a program to assist, in one way or another, virtually every noncommercial station going on the air. Each was given vitally important video tape recording and playback equipment and many were given grants of operating dollars as well. WETA received \$25,000 in such initial aid. Other foundation funds helping to activate the station were from local sources—from the medium and small foundations and family funds that comprise Washington's philanthropic sector. In this category are the Meyer Foundation, the Kiplinger Foundation, the Kreeger Foundation and others.

While station activation is obviously an essential step, program production then becomes the paramount consideration. The monies to create quality programming for both in-school and home viewing have over the years come from a variety of sources. Viewer support in the form of membership contributions of \$15, \$25 or more, constitutes the backbone of the WETA program production budget. However, it is usually when there are supplementary foundation dollars available that the station can seize upon a program opportunity—that it can fill a suddenly recognized programmatic need—that it can rise above a day-in-day-out schedule to attain a measure of excellence not normally within the grasp of an all-too-limited program budget. Countless examples can be cited showing varied applications of foundation grants to the programming function. In 1972, working under a \$15,000 grant from the Strong Foundation, WETA personnel produced *MASKS OF SILENCE*, a program on our legal system designated for young audiences. The production not only reached its intended audience with an impact that only the electronic media could have mustered, but the episode went on to win a local "Emmy" award for excellence. Another program is noteworthy in that it began as a local program, but with support in the form of Ford Foundation underwriting it grew into the national, weekly, widely watched *Washington Week in Review*.

Foundation funds are often earmarked either by the grantor or the station for local programming only. Such grants from the Meyer Foundation, the

Arthur Vining Davis Foundation, the Memton Fund, to name but a few, have supplemented viewer support to make possible a host of programs designed to meet specific local needs. EBONY REFLECTIONS, for example, will soon begin a new season of weekly broadcasts providing a platform for cultural and topical features for and about the Black community of Greater Washington. Another series, WOMAN: CHOICES AND CHALLENGES, addressed in a thoughtful and extremely effective fashion the role of women in today's society. For the sizeable Spanish-speaking community in the capital area, MEDIA HORA was a weekly potpourri of news, entertainment and discussion in their native tongue. Working with Gallaudet College, WETA has dramatically demonstrated that television programs designed for the deaf or hearing-impaired can render a very real service to an often neglected minority. And, of course, the station broadcasts innumerable special programs designed to shed light on local issues ranging from highway construction to available health facilities, from housing to local elections. At WETA, as is most Public Broadcasting stations across the country, providing a truly meaningful local program service would not be possible without foundation participation.

A different approach to supporting and strengthening the program schedule is exemplified by the Morris and Gwendolyn Cafritz Foundation grant of \$30,000 which makes it possible for WETA to rerun each Saturday morning the very best of the children's programs that graced the screen the preceding week. In this fashion, the Cafritz Foundation and WETA have teamed to provide the youngsters of the Greater Washington area an enlightening and entertaining alternative to the inane and often violent fare to be found on commercial channels at that time.

But station activation and program production do not complete the many roles that foundations can and have played in the development of noncommercial broadcasting. Grants for basic operating support are often the most important of all. Small grants—\$100, \$500—from local family foundations to large grants from major national foundations combined to strengthen and at times to save WETA and many of its sister stations across the country. Perhaps no single grant better exemplifies this critical function than the Ford Foundation grant of \$820,000 to GWETA in 1971—an infusion that by wiping out accumulated debt and providing for budget stabilization for a reasonable period of time literally saved the outlet in the nation's capital.

A fourth and, for the purposes of this testimony, final application of foundation funds is the challenge grant—an enormously effective tool for helping a non-profit enterprise, be it television or otherwise, to generate additional support within its service area. The salutary effect of a challenge grant when it is properly publicized by direct mail and on the air has been documented time and time again. One can only hope that foundations will continue to make such grants where it appears that the recipient has a reasonable chance of succeeding in meeting the match.

THE PRODUCTION CENTER

NPACT—the National Public Affairs Center for Television—is the primary supplier of public affairs programming for the Public Broadcasting Service. Though perhaps best known for its gavel to gavel prime-time coverage of the Watergate Hearings—a landmark in broadcast journalism—NPACT provides a continuing and varied schedule of topical programs ranging from weekly series such as "Washington Week in Review" and "Washington Straight Talk" to comprehensive coverage of noteworthy events—e.g., press conferences, Congressional confirmation hearings, United Nations sessions, etc.

Since it was first established, NPACT has been funded almost entirely by grants from the Ford Foundation and the Corporation for Public Broadcasting. This year, with the advent of the Station Program Cooperative, the CPB funds will cease and that portion of the NPACT budget will come directly from the stations which utilize its journalistic product. However, the total dollars provided in this fashion by the stations will fall far short of what is actually needed to maintain the NPACT Division. The balance needed is being provided once again by the Ford Foundation.

I trust it has been made sufficiently clear—if not in my comments then in those of other witnesses testifying before this Subcommittee—that had it not been for a very real and very generous commitment to the noncommercial use of the broadcast medium by a relatively small number of national and local foundations, Public Television and Public Radio would not have reached adolescence, much less the relatively significant position they now maintain. There is enormous potential still to be realized. But with limited funds available on the local level and with its major national benefactor phasing out its support, Public Broadcasting faces

starvation once more unless more and different foundations evidence a genuine and generous interest in the medium's future. Therefore, I will close my remarks with a plea that will doubtless be articulated repeatedly during these two days of hearings—that this Subcommittee do everything in its power to create a climate within the philanthropic community that will not only enable but will induce foundations to grant even more funds to the myriad causes—Public Broadcasting among them—that depend upon such support.

EXHIBIT I

GRANTS TO THE GREATER WASHINGTON EDUCATIONAL TELECOMMUNICATIONS ASSOCIATION, INC.,
FROM THE FORD FOUNDATION

Date	Amount	Purpose
Sept. 16, 1959	\$25,000.00	For activities leading to activation and operation of educational television channel.
Sept. 30, 1964	516,510.00	For development of the educational television station in Washington, D.C.
Dec. 13, 1965	252,143.33	For general support for community educational television.
Aug. 22, 1966	237,110.54	
Apr. 11, 1967	130,706.19	Matching general support grants for community educational television station.
June 24, 1968	78,358.20	
Feb. 26, 1968	197,500.00	Technical equipment to provide station WETA with network color switching and interconnection capability.
Dec. 31, 1969	932.00	Production of a newspaper-of-the-air TV program during strike against District of Columbia papers.
Nov. 26, 1969	749,125.00	Additional support of the Washington "Newsroom."
Dec. 1, 1969	448,815.99	
Do	329.01	
Dec. 1, 1970	400,000.00	
Apr. 1, 1971	800,000.00	
May 10, 1971	79,605.00	10 programs of the Elizabeth Drew interview series "30 Minutes With."
Nov. 1, 1971	820,000.00	Support for studio relocation, equipment and financial stabilization.
Mar. 14, 1972	450,000.00	
Do	218,000.00	
Jan. 1, 1973	980,500.00	Support of national public affairs television programming.
June 19, 1973	1,500,000.00	
July 1973	131,000.00	

TO NPACT (NATIONAL PUBLIC AFFAIRS CENTER FOR TELEVISION) BEFORE MERGER WITH WETA

July 30, 1972	\$1,400,000.00	General support of fiscal year 1972 programming.
July 1, 1972	800,000.00	Continued support for NPACT's public affairs programming.

EXHIBIT II

GRANTS RECEIVED BY WETA-TV FROM THE EUGENE AND AGNES E. MEYER FOUNDATION

Date	Amount	Purpose
Spring 1958	\$10,000	For production of "Time For Science," an instructional series for 5th and 6th grades.
Spring 1959	20,000	For technical costs in accepting institutional broadcast time on WTTG.
Fall 1961	10,000	For printing of manual to accompany the science course.
Fall 1961	25,000	Start up funds—to assist in activation of channel 26.
June 1965	5,000	To help fund a 6-week "Summer School of the Air."
June 1970	2,500	To defray costs of filming a Menotti opera which later won an "Emmy" award for excellence.
February 1973	25,000	To enable WETA to meet matching requirements of Ford Foundation challenge grant for local programming.
February 1974	25,000	For local program production.

EXHIBIT III

GRANTS RECEIVED BY WETA FROM THE MORRIS AND GWENDOLYN CAFRITZ FOUNDATION

Date and media	Amount	Purpose
Television:		
May 1972	\$30,000	To enable station to telecast "Saturday Children's Fair," a weekly 5-hour compilation of the best available programming for young viewers.
May 1973	30,000	Renewal of support for "Saturday Children's Fair" for another 12 mo.
FM Radio:		
May 1971	5,200	Underwrite costs of broadcasting a series of "Philadelphia Orchestra" concerts.
July 1972	5,200	
April 1973	5,200	
April 1974	5,200	

Senator HARTKE. The next witness is Mr. David Ives, president of WGBH Educational Foundation in Boston.

STATEMENT OF DAVID O. IVES, PRESIDENT, WGBH EDUCATIONAL FOUNDATION, BOSTON, MASS.

Mr. Ives. Mr. Chairman, I also will not read my statement. I will simply summarize it.

Senator HARTKE. Yes; your entire statement will appear in the record as though it were read, and you can summarize your statement and that will be fine. Yes, sir.

Mr. Ives. I am David Ives, president of WGBH Educational Foundation in Boston, and we have four television licenses in Massachusetts, three television stations and one radio station.

Private foundations have helped us in almost every way you can think of over the years. They have given us money for programs, they have given us money for equipment, they have given us money to rebuild after the fire that destroyed us in 1961. And they have given us money for general unrestricted use.

WGBH was established by major support from private foundations, chiefly those set up by the Filene family, and they have played an important part in our development ever since.

I just want to make brief special mention of the Lowell Institute which gives support on everything we have accomplished and has underwritten our activities from the beginning. There is a section in my statement on the support of the Lowell family through the foundation which began 140 years or so ago and has been a major source of strength.

Ralph Lowell himself could not come to this meeting. He is 81 and he did not feel that he could come to Washington, but he has written a statement, Mr. Chairman, and I would like to ask that his letter be put in the record too. The point of his letter is that the tax of 4 percent is more than necessary to monitor the activities of private foundations.

[The letter referred to follows:]

TRUSTEE OF THE LOWELL INSTITUTE,
Boston, September 3, 1974.

Re Private Foundations,
Senator VANCE HARTKE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HARTKE: The Lowell Institute is one of the older private foundations in the United States, having been established under the will of John Lowell, Jr. in 1836. Its original purpose—to offer various courses of free public lectures to the citizens of Boston—has been faithfully carried out by the Institute's Trustees over the intervening 138 years.

In more recent years, the Institute's activities have been broadened to include an Evening School under the auspices of Massachusetts Institute of Technology, the Commission on Extension Courses in conjunction with Harvard University, and the Lowell Institute Cooperative Broadcasting Council, which operates three educational television stations and a noncommercial radio station.

A copy of the Institute's program for the 1973-1974 season is attached, together with the preliminary announcement of the Commission on Extension Courses for the school year 1974-1975.

The Institute's initial endowment of \$250,000 has grown over the years to a recent value of \$7 million. In fiscal 1974, the Institute distributed over \$230,000 in support of the above-mentioned activities and, at year end, had an income balance of approximately \$60,000 for subsequent distribution.

Unfortunately, it was also forced to distribute \$12,000 to the U.S. Government under the terms of the Tax Reform Act of 1969, thereby directly reducing the amount of support available for its stated objectives.

While there is no precise yardstick by which to measure the impact of the Institute's programs over the 138 years of its existence on the cultural and educational life of the citizens of Boston, it is believed to have been considerable. And, thanks to the mediums of radio and television, virtually every family in Massachusetts is now able to share in the original donor's beneficence. The Institute has had a proud past and faces an exciting and challenging future.

The undersigned is in complete agreement with those who hold that private foundations should render an annual account of their activities to the general public and further agrees that a modest charge to permit monitoring these accounts is in order. However, the indiscriminate levying of a punitive tax on such foundations does not appear to be in the public interest.

The story of the Lowell Institute as set forth above is presented in the hope that the Congress will see fit to encourage rather than penalize private philanthropy in our great nation.

Respectfully,

RAIPH LOWELL, *Trustee.*

Senator HARRKE: As I have indicated, our report will be available by the end of the month I would hope.

Mr. IVES: I mentioned the Ford Foundation in my statement, and this hearing is full of references to the Ford Foundation, so I do not need to add much to that. To WGBH, the Ford Foundation has helped in many, many ways.

We have had increasing help in recent years from foundations outside of our own area, not foundations that can receive our services, and that is very encouraging because there is obviously an awful lot of room in public broadcasting and television and radio for foundations to fund programs that are in the areas in which they are interested.

We have had program support recently from the Arthur Vining Davies Foundations, from the Irwin Sweeney Miller Foundation, from the Lilly Foundation, and from the Latham Foundation, and all of those are quite new to us, and I think those indicate a rising awareness of the part that public broadcasting can play in informing and enlightening the public of this country. They have been very important to us.

I think it was Henry Loomis who mentioned the importance of a growing trend in our industry, which is the combination of funding for programs for several different sources. Take our program in science called NOVA which has been on the air for 1 year now. That is funded both by private money from the Carnegie Corporation and by Federal money through the National Science Foundation and the Corporation for Public Broadcasting and by private corporation funds. The Polaroid Corporation is involved in it. That kind of multiple funding seems to us to offer a real new opportunity and to supply new forms of capital for funding that we have not been able to develop from any single source.

I have a section in my statement on support of the Rockefeller Foundation which has funded two 3-year projects for us, and is now funding a third. This is particularly interesting because these grants support general objectives and not specific programs. There are grants for the purpose of funding what we called our artists-in-television project in which artists from other media, other disciplines came to WGBH and worked with television professionals to see what the com-

bination of these talents could provide. This not only has provided particular programing for WGBH and our region, but has provided also programing which goes outside our region and it has permitted us to have some funds that I think Mr. Breitenfeld referred to as risk capital funds. With some Rockefeller money we were able to give a young fellow from Yale who came in the door with a documentary on religious groups, part way finished, enough money to put that in final form, and that became the pilot for the series called Religious America. We went around and raised money from foundations to make that series possible, a very interesting innovation in public television broadcasting and something that we could not have done if we had not had the capital on our own to go into it. I would like to think that is going to be increasing from foundations.

We have had contributions, of course, from local foundations in the scores and even hundreds, and I list a lot of them in the statement. Many of them give relatively small amounts, \$100 a year or some of them give as much as \$1,000 or \$5,000 a year. These are very small foundations, often family foundations and they are extremely useful to us.

Local foundations, of course, have also given us larger grants for many projects, such as getting established and obtaining capital equipment. Color television equipment, as you know, is tremendously expensive and it is very hard for a station like ours to generate capital money, and so grants from foundations are extremely useful in that area.

Those are the main points, Mr. Chairman, in my statement, and I will submit it for the record.

Senator HARRKE. Has the history of your support of WGBH indicated that local foundation support is as available as it is for national support?

Mr. Ives. I am not sure it is available as it is, I am not sure what that means, but there certainly has been no decline in the interest of local foundations in our activities. There has been, if anything, an increase and I think this is generally true around the country as public broadcasting becomes more visible and more effective, as more people begin to watch it more regularly, and benefit from it. Foundations are by the same token much more interested in it as a useful vehicle for their funds.

Senator HARRKE. Do you think local foundations would be willing to become as involved had it not been for the leadership of the Ford Foundation?

Mr. Ives. Oh, possibly not. But, I do not think one should indicate that the local foundations or any others are simply following the lead of the Ford Foundation. They are not just trying to imitate it. I think it is fair to say if the Ford Foundation had not been in the picture at the beginning, public television would not be nearly as strong as it is now. But, the fact that it is strong and effective, and growing in strength and effectiveness is what attracts the foundation support now, not simply because Ford does it, therefore, we want to do it. In fact, that sometimes makes the foundation want to go the other way.

Senator HARRKE. What about other stations? Are they able and are they competent in the field of soliciting funds of this type from foundations as your station is?

Mr. Ives. Well, one of the most encouraging things about public broadcasting is the competition for doing programing is getting pretty tough, and whereas Boston used to think that it did not have very many competitors in the field, we now have a lot. And there are stations all over the country who are going to foundations and other sources looking for programing funds, and we simply think that is the best sign of the vigor in our business that there is, that there are more people out there. And when you walk into the foundation door you may find a competing station coming out. That indicates that there is a lot of vigor in what we are doing.

Senator HARRKE. Do you find that there is an increase in participation by foundations dollarwise?

Mr. Ives. Yes, we do.

Senator HARRKE. Over the years?

Mr. Ives. As to our own operation, there certainly is, and new foundations are beginning to give significant money.

Senator HARRKE. Let me ask you a question I put to Mr. Loomis earlier. Do you think that the participation by the foundations should be limited to a specific percentage of the total participation?

Mr. Ives. I would not want to indicate that there should be any percentage amount on it. I was not quite sure that that is what I heard him say. But, it seems to me that the main point that he was making is one that I totally subscribe to, and that is the diversity of funding is very important to public broadcasting so that many people can get into the act. We have about 112,000 to 115,000 households in Boston contributing in the Boston area, contributing to our support. They give \$5 or \$15 or \$25, less or more in the course of a year, and that is a platform of support which gives us great stability in the community.

Senator HARRKE. Do you find hesitancy by foundations for specific grants to deal with those subjects which challenge any of the existing institutions?

Mr. Ives. I do not know as we have had enough experience so that I could say that you find that. I think that it is to some degree true that foundations, except for a few of them, are less interested in public affairs programs than they are in others. But, so are corporations much less interested in public affairs programs than others.

Senator HARRKE. Has that been on the increase or the decrease?

Mr. Ives. Increase or decrease in what?

Senator HARRKE. In participation in public affairs programs?

Mr. Ives. Well, since foundations have come into the picture, and this is just off the top of my head because I cannot talk for the whole industry, I would say the foundations have certainly shown no less interest in it, and to some extent more in public affairs and in challenging programs, because it is pretty hard to pin that kind of thing down, because it depends so much on what your definition of what a challenging program is.

Senator HARRKE. What I have specific reference to is would they be willing to participate in a program which challenged, for example, the overall dominance of their own source of income?

Mr. Ives. I do not want to put myself in the position of answering because I have not had any experience.

Senator HARTKE. As in the field of economics, or ethics, or the field of overall citizen participation, or is there a tendency to conform to a general pattern?

Mr. IVES. I just cannot speak to that kind of a generality. Some foundations are a good deal more aggressive and willing to be, to take risks than others. And I do not think it is possible to generalize. The foundation business, of course, is no monolith. They are extremely individualistic. Some of them have boards of very conservative men and women who do not want to take chances. Others want to be innovative and do. The Rockefeller foundation, for example, specifically does want to support innovation of every different kind. Other foundations you go to would say, look, we just do not want to take any chances with our money. But, that is true in every kind of a business.

Senator HARTKE. That has always been one of my concerns about the definition of innovation as far as public broadcasting is concerned, as to what is innovation, and I have always been somewhat fearful that we will have a tendency to look upon anything which offends the overall public view at the moment as being avoided.

Let me give you a specific. I found very little criticism, for example, of the Vietnam war until it became popular to criticize the Vietnam war.

Mr. IVES. In public broadcasting?

Senator HARTKE. Yes.

Mr. IVES. Oh, gosh, there certainly was.

Senator HARTKE. If you would like the details I would be glad to give them to you, chapter and verse on the criticism of the war, but it generally did not approach itself on any moral turpitude whatsoever. It was on a question of costing sometimes, and some of the atrocities which were involved, but there never was an attempt made as to whether or not there was a human repulsiveness about that war. I do not think public broadcasting ever identified with that area.

Mr. IVES. I just have to disagree with that strongly, and if you would like we can supply you with the documentation of programs on public broadcasting examining the right and the wrong of the Vietnam war going back to the very earliest days of it. Certainly in Boston we did. I know they have done it in New York and San Francisco and many other stations. I cannot pin down national programs right away, but I am sure there have been a great many of them, a great many, and I really think that is not right.

Senator HARTKE. Well, I have just a difference of opinion on that, and that is the point that I think is very appropriate. I do not think it is very much a problem at this moment. But, there are other matters which are equally as challenging at this moment. For example, on the question of the role of multinationals in the national interest. I cannot find anybody in the public broadcasting challenging that role at the moment.

Mr. IVES. Well, I am not sure we have challenged that role, but there are an awful lot of things to challenge and you cannot expect the undernourished public broadcasting to challenge all of them.

Senator HARTKE. I think most of your foundations support, the big ones at least, are from multinational corporations, so I do not think that they would want to support something which was critical of their

own source of funds. This is the problem that concerns me, and that is why I wonder about foundations when they are dedicated to the public interest, whether the public interest sometimes becomes sort of not a question that they deal with one way or the other that they deal affirmatively in ways of this sort but they just avoid it. They studiously avoid it, and if it is tax money, do they have a right to avoid it, or should they be the first to go ahead and point up the differences. I suppose you could say it is very hard for somebody to gore his own ox. This is the very heart of what I found a lot of difficulty with when I talk to foundation people, they all come and tell me the great good they are doing for the public interest. And they want to know what I want to know what I want to do about that, and how I want to destroy the great good. I never said anything about destroying. I just asked them to identify what they do in the public interest, and immediately they become very defensive, the foundations, as though there is something to hide, which immediately raises my suspicions, the very fact that they themselves are afraid to really deal with the heart of the issues.

But, if you studiously avoid certain areas, then the avoidance issue can become just as an effective means of control as dealing with an actual rejection of a type of programming. So, I ask you very specifically if foundations come to you with a proposal do you in and of itself say well, look, we want to control at least the area in which you are going to go, or we want to go ahead and make some suggestions, or does the foundation have the complete authority to deal with that as long as it does not offend anyone, and as long as it has generally so-called public acceptance?

Mr. Ives. A foundation will sometimes suggest to us that a program be done in a given area and will sometimes suggest, and I think it has happened, it is rather rare though, and we spend most of our time trying to persuade the foundation that they should do things in the area where we want to operate, and we invariably take the opportunity from the very beginning to say that once the money is granted, we have full control over the way it is spent, and we have total control over the programming if programming is what is involved. But, as to whether foundations avoid issues, and I cannot really speak to that, I have no experience with that at all, you are going to have to ask the foundations, as apparently you have already.

Senator HARRKE. Well, I am not so sure that that is the role. I think that is also the role of public broadcasting. You see, what concerns me is that you get off into this same type of generalization. In other words, that you go to look at it like as a noncommercial commercial operation, which maybe seems to be a double negative, but it is not, and that is in the public, does public broadcasting really serve?

Mr. Ives. Well, to go back, Senator, to your case about Vietnam, certainly in Boston, aside from the Boston Globe, there has been no member of the media that has done more programming in the area of examining and attacking the basis on which the Vietnam war was fought than WGBH. I can go back to 1965 when we had from Harvard a 3- or 4-hour program called "Vietnam Teach-in," which was an extraordinarily vigorous examination of that very question. And I think certainly WGBH yields to no one in that area. I am proud of our record, and I am proud of our record of balance in presenting it too.

Senator HARTKE. You have an outstanding record and I am not criticizing that. I am merely trying to get back into this area as to exactly what the role of the private foundation is and whether or not it should, as Mr. Loomis has indicated, have a maximum limitation placed on its participation.

Mr. Ives. Well, I certainly do not think it should be a limiting participation, and I do not think Henry Loomis was trying to say that either. I think the foundations have a very significant role to play in public broadcasting by providing more money for public broadcasters to do good programming with. That is the generalization to end all generalizations, but you really cannot come at it much better than that I do not think.

Senator HARTKE. All right. Thank you.

Mr. Ives. Thank you.

[The prepared statement of Mr. Ives follows:]

STATEMENT OF DAVID O. IVES, PRESIDENT, WGBH EDUCATIONAL FOUNDATION

I am David O. Ives, President of the WGBH Educational Foundation in Boston. WGBH holds four licenses to broadcast in Massachusetts. We have operated WGBH Radio, 80.7 FM Boston since 1951. We began broadcasting on WGBH-TV, Channel 2 in Boston, in 1955. We started operations on WGBX-TV, Channel 44 in Boston in 1968. And we have operated WGBY-TV, Channel 57 in Springfield since 1971.

WGBH has long been considered a leader in public broadcasting. It is often cited as a model of community-supported station. Its television programs, both for its own locality and for national distribution, have received widespread recognition for excellence. WGBH Radio, in addition to providing a diversified service to the eastern half of Massachusetts, also contributes regularly to the programming of National Public Radio. Programs originating on either Channel 2 in Boston or Channel 57 in Springfield and carried on both stations simultaneously can be seen by nearly 90 percent of the residents of our state.

Except for funds which make possible the in-school broadcasts of the so-called 21-inch classroom, WGBH receives no support from the state of Massachusetts or the City of Boston or any other local governmental source. Its funding is either in the form of unrestricted contributions by its viewers and listeners, its member institutions and its annual television auction; or in the form of grants and contracts for specific radio and television projects, such as those supported by the PBS Station Program Cooperative, the Corporation for Public Broadcasting, the Department of Health, Education and Welfare, corporate underwriters and foundations.

From its very beginnings, WGBH has benefitted enormously from grants made by private foundations. Indeed, it is fair to say that WGBH could not have been established nor could it have grown and flourished if it had not been for support for many different purposes from foundations. Grants of money for programs, for equipment, for building, and for general unrestricted use have played an indispensable part in WGBH's life. Without such foundation support, WGBH's service to its communities--local, regional and national--would have been far, far less than it has actually been.

Without such support in the future, WGBH cannot expect to maintain either the quality or the diversity of the programming it can offer.

Underlying everything WGBH has done is the support of The Lowell Institute, a private foundation established in 1838 to provide public lectures for the citizens of Boston. Under the leadership of Ralph Lowell, the so-called Lowell Institute Cooperative Broadcasting Council was formed in 1946. It is a loose association of some sixteen universities and cultural institutions in the Boston area which have supplied advice, cooperation and financial support to public television and radio in this region ever since. In the early days of the Council, programs were prepared for broadcast on commercial radio stations in Boston. By 1951, the need for a full-time educational radio station was felt and the Council formed the WGBH Educational Foundation to obtain the license and operate it. At first, almost the whole unrestricted budget of the young station came from the Council members, with roughly half of the total coming from the Lowell Institute itself. As the

WGBH budget has grown, the Council in fiscal 1974 still supplied some 8 percent of WGBH's total unrestricted funds, with the Lowell Institute itself again supplying just about half of that amount. The support of the Lowell Family, through the foundation established by John Lowell, Jr. almost 140 years ago, has been a major source of strength to this enterprise.

It is not possible, either, to overlook the grants made by the Ford Foundation to WGBH over the years. Ford's centrally-important contributions to public broadcasting are of course well-known and will make up a significant part of this record. But its help to WGBH must not go unnoticed. Through WGBH, the Ford Foundation has funded either totally or in partnership with the Corporation for Public Broadcasting, many of the programs this station has produced for national distribution, including ZOOM, THE ADVOCATES, JEAN SHEPHERD'S AMERICA, ON BEING BLACK, and FLICK-OUT. Ford made a crucial challenge grant to our community following a disastrous fire in 1961 that destroyed our studios and thus helped WGBH build the first television studio expressly designed for public broadcasting. In 1965 through 1968, Ford made matching grants to WGBH—and some 30 other community stations—which dramatically raised the subsequent support this station obtained from its local community. Similar results were obtained around the country, and the success of that project is reflected in the current proposal for long-range funding of public broadcasting through the device of federal grants that would be proportional to nonfederal grants obtained by stations from their states and communities.

Ford funds, through its subsidiary, the Fund for Adult Education, helped get WGBH on the air in the first place. Combined with even more substantial aid from three foundations established by the Filene family of Boston, the Ford grant provided the amount needed to set up our first television station in 1955.

Ford funds helped create the Eastern Educational Network, in which WGBH was a prime mover. They helped WGBH equip its first television mobile unit (installed in a Greyhound bus that had traveled 800,000 miles before station acquired it). They helped establish a precedent-setting local news program, THE REPORTERS. And other Ford grants helped the station in other ways.

In recent years, other foundations outside our own area have shown increasing interest in supporting public television programs and this is a trend which has greatly encouraged us in our continual search for adequate funding. Some examples of this sort of support include the Arthur Vining Davis Foundations grants for THE ADVOCATES and THE ASCENT OF MAN (the latter to be broadcast on PBS in the coming season); the Carnegie Corporation of New York for NOVA, the very successful WGBH series on science; The Irwin Sweeney Miller Foundation and the Lilly Endowment for RELIGIOUS AMERICA; and the Latham Foundation for WALSH'S ANIMALS. The schedules of public broadcasting stations have been greatly enriched by this programming.

Another fruitful method of using foundation grants for programming is to combine them with money from other sources, public or private. For example, Nova in its first two years, has been supported not only by a private foundation, the Carnegie Corporation; but also by the federally-supported National Science Foundation; by a private association, the American Association for the Advancement of Science; by federal funds through the Corporation for Public Broadcasting; and by a private company, the Polaroid Corporation. Other examples could be cited, but this diversity of funding sources is one of public broadcasting's most important strengths and one we hope public policy will endeavor to foster. Public broadcasting must be encouraged to seek funding from diverse sources in our society, because in this very diversity lies strength for the system and hope for insulation from the unfortunate influences that could result from dependence on any single source of income. Private foundations should be encouraged to continue and broaden their support for public broadcasting in partnership with other funding sources.

A different, but equally important kind of support has been supplied to WGBH by the Rockefeller Foundation. The first grant, for the WGBH Artist-in-Television Project, covered some three years and permitted WGBH to offer opportunities to outside artists or scholars to collaborate with in-house TV professionals in devising new ways to use television as an artistic medium. It was followed by a second three-year grant, for the WGBH Project for New Television, which built on the lessons of the first project while focusing on new work on ideas, persons or events chosen from the rich sources of American life or history. These two grants produced significant new programming in dance, in music, in history, in video art, and in other fields. It also provided the funds with which WGBH

developed pilot programs that led to vital new series on public television across the country. Neither Religious America nor the science series Nova could have been developed by WGBH without the funds granted by the Rockefeller Foundation.

A third, and current, Rockefeller-funded project, the WGBH New Television Workshop, continues in the same directions as before with the addition of a separate physical workshop having its own space and equipment to encourage experimental work free from the cost restrictions of elaborate broadcast facilities. The project is also making possible development of new program ideas by WGBH, including a series on the history of the American labor movement, one on architecture, one providing short filmed stories of the American Revolution, and one to present portraits of contemporary women.

It isn't likely that all of these initiatives will be equally successful, but in every case it is a foundation grant that is bearing the cost of the high-risk, often-speculative research and development work that is essential to the creation of new programs for the public. In this process, talented artists, humanists and specialists from many fields have received their first production experience in television, thus immeasurably enriching the ranks of persons competent to contribute new work in the medium.

Providing additional funds of this nature—funds that will permit stations in public television and radio to develop their own ideas and capacities—is an area in which private foundations should be strongly encouraged. As it is now, a foundation will usually insist on seeing a specific proposal before supplying funds for it, and this process, while understandable, often takes months to complete. I would hope that more foundations would see the wisdom of making grants to at least a few organizations for the purpose of developing new ideas. The dividends for broadcasting audiences would be very large.

Finally I want to pay tribute to the scores of local foundations which have supported WGBH in many ways over the years. Such grants, ranging in amount from as little as \$100 to as much as \$5,000, have helped WGBH again and again in its struggle to serve its multiple audiences in its own community. Most of these grants are in relatively small amounts and are given for our unrestricted operating budget—the most important funds WGBH receives.

Among the foundations making such grants are: Lassar and Fanny Agoos Charity Fund, George I. Alden Trust, Frank W. and Carl S. Abrams Memorial Fund, Blanchard Foundation, Godfrey L. Cabot Charitable Trust, Alfred E. Chase Charity Foundation, Clark Charitable Trust, Dennison Foundation, Inc., Ellison Foundation, Fidelity Foundation, Fuller Foundation, Inc., Barnett D. Gordon Family Foundation, F. L. and M. C. Gryzmish Trust, Baldwin Charitable Foundation, Adelaide Breed Bayrd Foundation, Benjamin Family Foundation, Leo L. Beranek Foundation, Adriel U. Bird Foundation, Blythwood Charitable Trust, John Chany Fund, C.L.F. Foundation, Collyer Foundation, Cove Charitable Trust, Creighton Family Foundation, Alice Willard Dorr Foundation, Duffill Charitable Foundation, Eastern Charitable Foundation, Ruth H. and Warren A. Ellsworth Foundation, Frances W. Emerson Foundation.

Alec E. and Sophie M. Feinberg Foundation, Lincoln and Therese Filene Foundation, Engleman and Volkman Foundation for Humanism, Foxboro Co. Foundation, Nehemias Gorin Foundation, Grosberg Family Charity Fund, Grossman Family Trust, Hassenreffer Family Fund, Hamel Charitable Foundation, Harris Foundation, Hinthan Foundation, Harold D. Hodgkinson Charitable Foundation, R. W. Holcombe Charitable Trust, Gilbert H. Hood Memorial Foundation, the Hopedale Foundation, Mitchell B. Kaufman Charitable Foundation, Kingsbury Fund, Leonard M. Krull Trust, LaChaise Foundation, June Rockwell Levy Foundation, George P. McNear Foundation, Hooper Foundation, Morse Shoe Foundation, Max I. and Sophie R. Mydans Foundation, Paine Charity Fund, Parker Charitable Foundation, Pietz Charitable Foundation, Pilgrim Foundation, Elwyn G. Preston Charitable Trust, A. C. Ratskesky Foundation, Raytheon Charitable Foundation, Alford and Charlotte Rudnick Foundation, Sagamore Foundation, Schrafft Charitable Trust, Louis Schwarz Family Foundation, Sonnabend Foundation, Phineas W. Sprague Memorial Fund, Seth Sprague Educational and Charitable Foundation, Stop & Shop Foundation, Tamarack Foundation, Yingo Trust II, Webster Charitable Foundation, Edwin S. Webster Foundation, Carl A. Weyerhauser Trust, Arthur A. Williams Foundation, Albert O. Wilson Foundation, Clara B. Winthrop Charitable Foundation, Sarah T. Winthrop Memorial Foundation, Woodland Foundation.

In addition to such unrestricted gifts, other local foundations have made larger grants to WGBH for other purposes. Some gave substantial amounts to help the

station recover and rebuild after a disastrous fire in 1961. Some have given to help the station acquire broadcasting equipment, such as color cameras, color videotape machines, film chains, and so forth. These include The Committee of the Permanent Charity, Inc., the Spaulding-Potter Charitable Trust, the Godfrey L. Hyams Trust, and the Lincoln and Therese Filene Foundation—which also made the key grant to get WGBH-TV on the air in 1955. In helping to put WGBY-TV, Channel 57, Springfield on the air, significant support was obtained from the Frank Stanley Beveridge Foundation, the Nan and Matilda Heydt Charitable Fund, the Eugene A. Dexter Charitable Fund and the Dow Jones Foundation.

In summary, support from private foundations has been of critical importance to WGBH since its origin in 1946. The grants have been for programming, for equipment, for development and for operating budgets. Grants have come from scores of foundations inside our coverage area as well as from many outside our region, the latter primarily to help WGBH produce programs for national distribution. WGBH's record as a community public broadcasting enterprise could not possibly have been as impressive as it is without the help of these private foundations. We hope the Congress will see the wisdom of encouraging such support as a significant way of increasing the reach and the impact of public broadcasting in this country.

Senator HARTKE. Our next witness will be the Carnegie Corp. in New York. And I understand Mr. Pifer is not going to be able to be with us, so we have Mr. Eli Evans.

**STATEMENT OF ELI EVANS, CARNEGIE CORP. OF NEW YORK,
TESTIFYING FOR ALAN PIFER, PRESIDENT OF CARNEGIE CORP.**

Mr. EVANS. Senator Hartke, Alan Pifer is ill and cannot be here today and has asked me to send his regrets to the committee. I am here to testify in his stead. I do not intend to read the statement in its entirety, but I would like to present some excerpts of it since the copies we sent down by plane on Friday did not arrive on time.

Senator HARTKE. All right. And the entire statement will appear.

Mr. EVANS. In preparing for these hearings, the Foundation Center drew up a list of all recorded foundation grants to public broadcasting for the 4-year period from 1970 through 1973. The list includes 229 different grants amounting to more than \$10 million, from 83 different foundations. The Center also provided a supplementary list of grants to educational institutions for public broadcasting purposes amounting to another \$1,472,660. Neither of these lists, I should add, includes gifts of under \$10,000 to individual stations.

We are submitting for the record, Mr. Chairman, both the Foundation Center's breakdown of its list by State, by foundation, and by grant recipient and the Corporation for Public Broadcasting report. The Center's information provides a good indication that foundation giving has had a nationwide impact on public broadcasting.

I am also submitting for the record, a list of grants to public television by Carnegie Corp. since 1961. The total amounts to more than \$7 million. It includes funding in 1961 to help purchase channel 13 as an educational station for the New York City area; funds to establish the Carnegie Commission on Educational Television in 1965; a \$1 million grant to help start up the Corporation for Public Broadcasting; \$3.8 million to the Children's Television Workshop for Sesame Street and the Electric Co.; as well as other programs.

Let me take this opportunity, Mr. Chairman, to pay tribute to the Ford Foundation for its major contribution to the building of public broadcasting. In the past 20 years, the foundation has contributed more than \$270 million to educational television, keeping the system

alive and growing as a national resource for the American people until other sources of funds could assume some of the burden. Without Ford's leadership and faith, we probably would not be here today discussing a developed educational broadcasting system.

Because of the importance of the role played by the Carnegie Commission on Educational Television in laying out a design for the future growth of public broadcasting, it seems appropriate today to review the origins of the commission and to weigh its recommendations against the record of the past 6 years and projected plans for the future.

At a meeting of the National Association of Educational Broadcasters in 1964, Ralph Lowell, chairman of the board of station WGBH in Boston, suggested the formation of a Presidential commission on the financing of educational television. Although President Lyndon Johnson gave this suggestion his private endorsement, he felt that such an inquiry could more appropriately be carried out under nongovernmental auspices.

Carnegie Corp. was approached to sponsor the study in 1965. While we agreed to do so, and further, to administer it ourselves and to appoint the chairman and commission members, we insisted from the outset that the commission be an independent body, that it function unfettered and on its own timetable, that it develop its own research agenda, and that its findings be incorporated into a set of recommendations to be addressed to the American people.

The most important decision lay in the selection of its chairman, and we were very fortunate in obtaining for this position Dr. James Killian, chairman of the corporation of the Massachusetts Institute of Technology.

The commission reported in January of 1967, inventing a new term—public television—to describe its vision of the future. It called for the establishment of a mixed public/private, noncommercial, comprehensive system of public television which would become a major new institution in American life.

Central to the Carnegie Commission plan were the principles, first, of a decentralized system built on local station autonomy, and second, of long-range financing, with a mix of moneys coming from the Federal Government, from State and local governments, from foundations, from corporations, and from private citizens who might contribute as members of their community stations.

The commission was clearly opposed to the development of an overly centralized system. It believed that the choice of what goes on the air must always be a local decision and furthermore that there must be multiple program production centers, including the local stations themselves. The heart of the system therefore would not be the Corporation for Public Broadcasting but the local stations. With the recent establishment of a cooperative marketing plan, public broadcasting seems to be moving closer to that ideal.

On the issue of long-range financing, the commission stated clearly the need for multiple-year Federal funding by Congress. This was to assure that the system would be free and independent of political pressure and able to plan long-term programming projects. As Sesame Street showed, such projects require extended research and experimentation and a commitment of funds over several years to hire staffs and studios and to audition programs for local station approval.

The commission recognized that there were several possible approaches to a long-range financing plan that would insulate Federal funds from the political pressures inherent in an annual appropriations process. I think it would surely have approved of the Public Broadcasting Financing Act which was submitted to Congress by the administration this July. That bill encompasses the major principles enunciated by the Carnegie Commission: first, it calls for a substantial amount of money on a long-range basis and second, it provides for local autonomy in programing through a pattern of financial support designed to encourage matching funds from State, local, and private sources.

I hope Congress will agree with the Carnegie Commission that the funding of public television is a unique problem deserving a unique funding approach. Insulation from political interference can occur only if the Congress will both authorize and appropriate funds over a 5-year period. If Congress is flexible in adopting a plan that protects the independence of public broadcasting, I firmly believe that this will stimulate a considerably increased flow of contributions to local stations by millions of individual viewers.

In my view, the public broadcasting system should never be wholly federally funded or perceived to be the domain of the Federal Government. Rather, it should exist entirely as a private, nonprofit sector activity and as an activity of the States, or, in some instances, of municipalities, with Federal funds being just one among several sources of financial underpinning—albeit a very important source. In the plan proposed by the legislation currently before Congress, public broadcasting will move toward this system of multiple support.

If Congress does approve this legislation and substantially increased Federal funds do thereby become available on a matching basis for the sustenance of the public television system, we then must ask, what should be the proper role of foundations?

It is my view that many foundations, particularly community foundations, family foundations and trusts which are small and locally or regionally oriented and have limited staff resources, will continue to contribute general support grants, as they have been doing, to their local public television stations. For example, in just 2 years, in New York State alone, 229 different foundations awarded grants of under \$10,000 each to local New York stations, for a total of \$335,000. I would guess these foundations regard their giving to the stations very much as they would their gifts to local colleges, voluntary hospitals, private welfare agencies, museums, and so on. They give out of a sense of civic responsibility, believing public television stations have now achieved the same degree of importance to the community as other kinds of cultural and educational institutions. This kind of giving is an appropriate role for foundations of this kind. It has become important to local television stations in recent years and it will be vital to them in the future in helping raise the matching money they will need to qualify for Federal funds.

However, for the larger, nationally oriented foundations I now see the possibility of a rather different role. With the prospect of major Federal aid these foundations should no longer be held responsible for a continuing share of the on-going, day-to-day operating costs of the public television system. Because they have comparatively large sums available and have the staff to handle major proposals, they

should use their resources to support experimental, risky new projects and really major program productions well beyond the capacity of the system to contemplate in the normal course of events.

As examples of this kind of foundation funding, I would cite the nearly \$4 million Carnegie Corp. put up to start the Children's Television Workshop and help fund its initial programs; the Ford Foundation's \$4 million pledge to the New American Television Drama Project; the Andrew W. Mellon Foundation's gifts, totaling \$1.5 million for production of a special historical series on the Adams family in connection with the Nation's Bicentennial; and the \$1.7 million which the Robert Wood Johnson Foundation is making available to finance a new program on family health.

These are large sums of money for single projects. But top quality, innovative programming usually does cost a great deal of money, and public television will never reach its full potential unless it can periodically reach out to set itself new standards of artistic and educational excellence and create new visions of an exciting future.

This is not to suggest, however, that major foundations should claim to be the sole source of ideas or funds for creative programming in public television. Most of the truly imaginative ideas for major advances in the art will probably emerge in the future, as they have in the past, from an interactive process involving the staffs of foundations, of public television stations and agencies, and, sometimes, of Government departments. The funding of the resultant projects will often turn out to be a partnership between foundations and such Federal Government agencies as the Corporation for Public Broadcasting, the National Endowments, or HEW, joined on occasion by major business corporations.

In making major funding decisions of this kind, foundations and Government agencies will often be motivated not primarily by a desire to strengthen public television, important as that is, but by the opportunity this medium presents to advance other program goals, for example, in education or in the health field. This, however, will be good for public television because it will broaden its scope and help give it depth and substance.

The new cooperative programming plan, too, will place an even greater responsibility on foundations to be places where fresh ideas can get a hearing and new ventures can find funds to get started. The Wall Street Journal recently pointed out that until more funds materialize at the local station level the marketplace plan makes particularly costly experimental national programs almost impossible to mount because the stations can presently afford to buy only those programs they feel offer "the greatest number of quality programming hours for the least money." I think it fair to say that expensive, innovative projects that have not yet had the opportunity to build an audience will probably not be launched without substantial foundation support, at least not in the foreseeable future.

Mr. Chairman, public broadcasting has come a long way since the Carnegie Commission report in 1967. It has been through a tumultuous childhood and adolescence telescoped into a few years. It is now on the threshold of a new era of maturity. I am convinced that foundations of all sorts, playing their respective and differing roles, will help to make that new era a reality, and achieve the goals stated in

the Carnegie Commission report. The commission wrote in a little quoted paragraph:

Public Television is capable of becoming the clearest expression of American diversity, and of excellence within diversity. Wisely supported, as we conclude it must be, it will respect the old and the new alike, neither lunging at the present nor worshipping the past. It will seek vitality in well-established forms and in modern experiment. Its attitude will be neither fearful nor vulgar. It will be, in short, a civilized voice in a civilized community.

Senator HARTKE. First let me congratulate you upon the information you have submitted in the summary at the end of your statement, because I think that is the first time that such a summary has ever been accumulated, and it has certainly been very helpful to us and we do appreciate that.

Let me ask you though, what can this subcommittee do to get additional information of this sort on the amount of public support by foundations for public broadcasting?

Mr. EVANS. Well, I think you will note, Mr. Chairman, that the report submitted by the Corporation for Public Broadcasting differs rather markedly from the report submitted by the Foundation Center on the numbers of grants over the last few years. For instance, the corporation reports more than \$45 million from foundations in just the 2 years, 1972 and 1973, contrasted with the Center's \$40 million for 4 years, but it has been very difficult to assess the CPB figures because these are simply an aggregate of the figures supplied by the stations which do not break them down in their reports by individual grants or the names of the donors. And it seems to me that Congress and the public are entitled to such information, and I hope it will become available in the future so we will have accurate, current information on foundation giving to the public broadcasting. We simply do not know whether the foundation reports from the Corporation for Public Broadcasting represent national foundation giving, local corporations who contribute, small family foundations, trusts, or what, and in order to analyze the nature of local giving I think that would be very useful information to have.

Senator HARTKE. I believe that is true. For example, the statement I made earlier about the fact of the availability of information for 1974 certainly should be an important item. I think it would be an important item concerning the bill which is before the Senate, because to make an analysis of what you are doing, and to do it on the basis of noninformation is certainly not a very good way to legislate, and not even a good way to run even a public broadcasting system.

Mr. EVANS. Yes, I think that it is important for the Congress to know exactly the level of private funding so that they can judge the legitimacy of the matching requirements in the proposed bill.

Senator HARTKE. I do not know if you were here when I made the earlier reference to the study which I had the staff make concerning the disproportionate allocation of foundation funds in the Nation. Do you have any comment on that?

Mr. EVANS. Yes, Mr. Chairman. I sat through the Senate Finance Committee hearings in 1969, and the same point you mentioned was made dramatically then: that there was simply a preponderance of foundations in the northeastern part of the country, with an understandable interest in the parts of the country where they are. And

I think all of us who work in national foundations are extremely sensitive to the point that we sit in New York, and not accessible to the poor who can't afford to come and see us. We worry about how people who are poor, who are black, or Chicanos who live in the Southwest can get to us, and try to reach out to find them.

One of the reasons, as you know, that we were so concerned about the difficulties that the tax act put on the creation of new foundations was that it would continue this pattern of a preponderance of foundations in the Northeast. I think several witnesses made the point to the Finance Committee that it was important that the system be opened up, that new money in the country be encouraged to establish foundations of their own so that the Nation could get foundations spread across the country so that every State would have a lively and growing private sector.

If you look at the foundation pattern there is a lack of foundations in the Midwest and the South. And I would hope in terms of increasing the numbers of foundations that your subcommittee would take the broad view and point out that foundation giving follows where the foundations are established, and urge policies that encourage new foundations all across the country.

Senator HARRKE. Do you believe foundations have affected government policy in public television?

Mr. EVANS. Well, I do not think there is any question that the Carnegie Commission report, which after all was a foundation reporting in its own name, had a big impact on governmental policy. That was the purpose of it really. We were looking at the whole history of the public television field. We were making recommendations to the American people, and I think it was altogether a proper thing for foundations to do, though the Tax Reform Act has made foundations hesitant to do so. Occasionally we make recommendations in a variety of different fields with regard to public policy for all levels of government, and I think more foundations are discovering that the provisions of the tax act allow such activity.

Senator HARRKE. Generally speaking it has been said, and I know it has been put in your statement, that you anticipate that innovation and top quality, and the high level of performance of public television will come about in the future. Is there anything though to indicate that that is happening? Is there something concrete?

Mr. EVANS. I read very carefully on this point, Mr. Fred Friendly's testimony, which he will give to you tomorrow, which I asked for a copy of yesterday. And I noted that the Ford Foundation very carefully said that they were withdrawing their institutional support of public broadcasting, but they still, Mr. Friendly said, would continue to look at individual program ideas with the same aggressiveness that they have in the past. Now, I am sure that the Ford Foundation divisions in education, the environment and in the various fields that the Ford Foundation works in will be open to proposals for programs in public television, just as other foundations are.

For example, Carnegie Corporation does not have a program area entitled "Public Broadcasting." We consider ourselves an educational foundation, and our support of the Children's Television Workshop, for example, came as a result of our interest in preschool education and its future in the country. We viewed public television as an important medium for getting educational concepts into the home. I think the

Johnson Foundation, in terms of its interest in health, will say the same thing as regards its motives in funding a new health show this fall. I think the Ford Foundation also in terms of other programmatic interests will look at public television as a medium to help further their goals.

What is going to have to happen is that the public broadcasting stations and the people in them are going to have to be much more aggressive fundraisers and much more creative programs. In the case of WGBH in Boston, we responded very positively, though we do not get a Boston signal, to take their proposal for a science series because their staff had spent a year in England with the BBC to develop a scientific group. They wanted to fill a gap in public television—one we felt should be filled. We hoped that Boston would continue in this major area of science programming; we made the grant because of an interest in education, and an interest in bringing debate on science public policy to the public, because we think it is important for Americans to know more about the world we live in.

Senator HARTKE. Let me pose a question for you. Do you think that if public broadcasting would do an in-depth program on the role of foundations which was completely objective, whether they would be willing to see such a program on public broadcasting?

Mr. EVANS. Whether the foundations would?

Senator HARTKE. Whether the foundations would find themselves in a position which they would be fearful of such a program really coming in an objective way?

Mr. EVANS. I do not think they would fear it. But I do not know how that would compete with other ideas that are pressing the foundations. For example, we are getting three times the amount of proposals today that we were 10 years ago. The pressures on foundations are just enormous, as you know, and the pressures from all groups who are now asking for a place in society—the same pressures as have been on the Congress are on foundations. And so I think that public television broadcasting requests are going to have to be solid, they are going to have to have to be well staffed and creative, they are going to have to compete with a lot of other needs in society. Public broadcasting is going to have to be much more creative in getting that money and getting a response to it.

Senator HARTKE. All right. Thank you.

Mr. EVANS. Thank you.

Senator HARTKE. We will now recess these hearings until tomorrow morning at 9:30.

[The prepared statement of Mr. Pifer follows. Hearing continues on p. 85.]

STATEMENT OF ALAN PIFER, PRESIDENT OF CARNEGIE CORPORATION

SUMMARY

I. Introduction and Submission of the Foundation Center reports on foundation giving to public broadcasting 1970-1973—by foundation, by state, and by grantee (see Appendices)

II. Origins and Recommendations of Carnegie Commission on Public Television

A. Comparison of Commission recommendations to last six years of activity by Public Broadcasting System

B. Commission recommendations on long range financing and local autonomy as applied to proposed Public Broadcasting Financing Act

1. Need to insulate public broadcasting from political interference and provide matching funds

2. Congress should both authorize and appropriate the funds for the matching formula in the proposed act
- III. New Role for Foundations**
- A. Federal funds only part of the financial underpinning for public broadcasting**
 1. Also should be state and local government funds, audience or public contributions, and community foundations, local family foundations and trusts
 - B. National Foundations as supporters of top quality, innovative new ventures and major productions
 1. New partnership between foundations and government
- IV. Appendices**
- A. Carnegie Corporation record, 1961-1974
 - B. Foundation Center reports and recorded foundation grants to public television, 1970-1973
 1. Arranged alphabetically by state, including name of foundation and recipient
 2. Arranged alphabetically by state, recipients in state, with state-by-state subtotals
 3. Arranged alphabetically by foundation, including foundations contributing more than \$250,000
 4. Grants to education institutions with a public media purpose (arranged by size of grant)
 - C. Corporation for Public Broadcasting report on foundation field giving to stations, 1973 and 1974

STATEMENT

Mr. Chairman, members of the subcommittee, ladies and gentlemen. I am pleased to be here today to testify on the role of foundations in public broadcasting.

In preparing for these hearings, The Foundation Center drew up a list of all recorded foundation grants to public broadcasting for the four-year period from 1970 through 1973. The list includes 229 different grants amounting to another more than \$40 million, from 83 different foundations. The Center also provided a supplementary list of grants to educational institutions for public broadcasting purposes amounting to another \$1,472,000. Neither of these lists, I should add, includes gifts of under \$10,000 to individual stations.

We are submitting for the record, Mr. Chairman, both The Foundation Center's breakdown of its list by state, by foundation, and by grant recipient and the Corporation for Public Broadcasting report. The Center's information provides a good indication that foundation giving has had a nation-wide impact on public broadcasting.

I am also submitting for the record, a list of grants to public television by Carnegie Corporation since 1961. The total amounts to more than \$7 million. It includes funding in 1961 to help purchase Channel 13 as an educational station for the New York City area; funds to establish the Carnegie Commission on Educational Television in 1965; a \$1 million grant to help start up the Corporation for Public Broadcasting; \$3.8 million to the Children's Television Workshop for Sesame Street and the Electric Company; as well as other programs.

Let me take this opportunity, Mr. Chairman, to pay tribute to the Ford Foundation for its major contribution to the building of public broadcasting. In the past 20 years, the Foundation has contributed more than \$270 million to educational television, keeping the system alive and growing as a national resource for the American people until other sources of funds could assume some of the burden. Without Ford's leadership and faith, we probably would not be here today discussing a developed educational broadcasting system.

Because of the importance of the role played by the Carnegie Commission on Educational Television in laying out a design for the future growth of public broadcasting, it seems appropriate today to review the origins of the Commission and to weigh its recommendations against the record of the past six years and projected plans for the future.

At a meeting of the National Association of Educational Broadcasters in 1964, Ralph Lowell, chairman of the board of station WGBH in Boston, suggested the formation of a Presidential commission on the financing of educational television. Although President Lyndon Johnson gave this suggestion his private endorsement, he felt that such an inquiry could more appropriately be carried out under non-governmental auspices.

Carnegie Corporation was approached to sponsor the study in 1965. While we agreed to do so, and further, to administer it ourselves and to appoint the chairman and commission members, we insisted from the outset that the Commission be an independent body, that it function unfettered and on its own timetable, that it develop its own research agenda, and that its findings be incorporated into a set of recommendations to be addressed to the American people.

The most important decision lay in the selection of its chairman, and we were very fortunate in obtaining for this position Dr. James Killian, chairman of the Corporation of the Massachusetts Institute of Technology.

The Commission reported in January of 1967, inventing a new term—public television—to describe its vision of the future. It called for the establishment of a mixed public/private, noncommercial, comprehensive system of public television which would become a major new institution in American life.

Central to the Carnegie Commission plan were the principles, first, of a decentralized system built on local station autonomy, and second, of long-range financing, with a mix of monies coming from the Federal government, from state and local governments, from foundations, from corporations, and from private citizens who might contribute as members of their community stations.

The Commission was clearly opposed to the development of an overly centralized system. It believed that the choice of what goes on the air must always be a local decision and furthermore that there must be multiple program production centers, including the local stations themselves. The heart of the system therefore would not be the Corporation for Public Broadcasting but the local stations. With the recent establishment of a cooperative marketing plan, public broadcasting seems to be moving closer to that ideal.

On the issue of long-range financing, the Commission stated clearly the need for multiple-year federal funding by Congress. This was to assure that the system would be free and independent of political pressure and able to plan long-term programming projects. As *Sesame Street* showed, such projects require extended research and experimentation and a commitment of funds over several years to hire staffs and studios and to audition programs for local station approval.

The Commission recognized that there were several possible approaches to a long-range financing plan that would insulate federal funds from the political pressures inherent in an annual appropriations process. I think it would surely have approved of the Public Broadcasting Financing Act which was submitted to Congress by the Administration this July. That bill encompasses the major principles enunciated by the Carnegie Commission: first, it calls for a substantial amount of money on a long-range basis and second, it provides for local autonomy in programming through a pattern of financial support designed to encourage matching funds from state, local, and private sources.

I hope Congress will agree with the Carnegie Commission that the funding of public television is a unique problem deserving a unique funding approach. Insulation from political interference can occur only if the Congress will both authorize and appropriate funds over a 5-year period. If Congress is flexible in adopting a plan that protects the independence of public broadcasting, I firmly believe that this will stimulate a considerably increased flow of contributions to local stations by millions of individual viewers.

In my view, the public-broadcasting system should never be wholly federally funded or perceived to be the domain of the Federal Government. Rather, it should exist entirely as a private, nonprofit sector activity and as an activity of the States, or, in some instances, of municipalities, with Federal funds being just one among several sources of financial underpinning—albeit a very important source. In the plan proposed by the legislation currently before Congress, public broadcasting will move toward this system of multiple support.

If Congress does approve this legislation and substantially increased Federal funds do thereby become available on a matching basis for the sustenance of the public television system, we then must ask, what should be the proper role of foundations?

It is my view that many foundations, particularly community foundations, family foundations and trusts which are small and locally or regionally oriented and have limited staff resources, will continue to contribute general support grants, as they have been doing, to their local public television stations. For example, in just 2 years, in New York State alone, 229 different foundations awarded grants of under \$10,000 each to local New York stations, for a total

of \$335,000. I would guess these foundations regard their giving to the stations very much as they would their gifts to local colleges, voluntary hospitals, private welfare agencies, museums, and so on. They give out of a sense of civic responsibility, believing public television stations have now achieved the same degree of importance to the community as other kinds of cultural and educational institutions. This kind of giving is an appropriate role for foundations of this kind. It has become important to local television stations in recent years and it will be vital to them in the future in helping raise the matching money they will need to qualify for Federal funds.

However, for the larger, nationally-oriented foundations I now see the possibility of a rather different role. With the prospect of major federal aid, these foundations should no longer be held responsible for a continuing share of the on-going, day-to-day operating costs of the public television system. Because they have comparatively large sums available and have the staff to handle major proposals, they should use their resources to support experimental, risky new projects and really major program productions well beyond the capacity of the system to contemplate in the normal course of events.

As examples of this kind of foundation funding, I would cite the nearly \$4 million Carnegie Corporation put up to start the Children's Television Workshop and help fund its initial programs; the Ford Foundation's \$4 million pledge to the New American Television Drama Project; the Andrew W. Mellon Foundation's gifts, totalling \$1.5 million for production of a special historical series on the Adams family in connection with the nation's Bicentennial; and the \$1.7 million which the Robert Wood Johnson Foundation is making available to finance a new program on family health.

These are large sums of money for single projects. But top-quality, innovative programming usually does cost a great deal of money, and public television will never reach its full potential unless it can periodically reach out to set itself new standards of artistic and educational excellence and create new visions of an exciting future.

This is not to suggest, however, that major foundations should claim to be the sole source of ideas or funds for creative programming in public television. Most of the truly imaginative ideas for major advances in the art will probably emerge in the future, as they have in the past, from an interactive process involving the staffs of foundations, of public television stations and agencies, and, sometimes, of government departments. The funding of the resultant projects will often turn out to be a partnership between foundations and such federal government agencies as the Corporation for Public Broadcasting, the

National Endowments, or HEW, joined on occasion by major business corporations.

In making major funding decisions of this kind, foundations and government agencies will often be motivated not primarily by a desire to strengthen public television, important as that is, but by the opportunity this medium presents to advance other program goals, for example, in education or in the health field. This, however, will be good for public television because it will broaden its scope and help give it depth and substance.

The new cooperative programming plan, too, will place an even greater responsibility on foundations to be places where fresh ideas can get a hearing and new ventures can find funds to get started. The *Wall Street Journal* recently pointed out that until more funds materialize at the local station level the marketplace plan makes particularly costly experimental national programs almost impossible to mount because the stations can presently afford to buy only those programs they feel offer "the greatest number of quality programming hours for the least money." I think it fair to say that expensive, innovative projects that have not yet had the opportunity to build an audience will probably not be launched without substantial foundation support, at least not in the foreseeable future.

Mr. Chairman, public broadcasting has come a long way since the Carnegie Commission report in 1967. It has been through a tumultuous childhood and adolescence telescoped into a few years. It is now on the threshold of a new era of maturity. I am convinced that foundations of all sorts, playing their respective and differing roles, will help to make that new era a reality, and achieve the goals stated in the Carnegie Commission report. The Commission wrote: "Public Television is capable of becoming the clearest expression of American diversity, and of excellence within diversity. Wisely supported, as we conclude it must be, it will respect the old and the new alike, neither lunging at the present nor worshipping the past. It will seek vitality in well-established forms and in modern experiment. Its attitude will be neither fearful nor vulgar. It will be, in short, a civilized voice in a civilized community."

Alan Pifer has been president of Carnegie Corporation of New York and of The Carnegie Foundation for the Advancement of Teaching since 1967. He is a Director of the Federal Reserve Bank of New York, an Overseer of Harvard University, a Director of The Council on Foundations and a Member of the Senior Executives Council of The Conference Board. He is also a Trustee of the University of Bridgeport and of the American Ditchley Foundation.

APPENDIX I

CARNEGIE CORP. OF NEW YORK GRANTS FOR PUBLIC TELEVISION, 1961-74

Recipient	Date	Amount	Purpose
I. Support of education television in New York City:			
A. Educational TV for the Metropolitan Area, Inc.	May 1961	\$200,000	Toward the purchase of channel 13 in New York City.
B. Educational Broadcasting Corp.	February and April 1965	90,000	Operating expenses for channel 13 in New York City
C. Educational Broadcasting Corp.	June 1974	250,000	Toward development of a joint facility for channel 13 WNET and Children's TV Workshop.
Total		540,000	
II. Carnegie Commission on Educational Television:			
A. Support	June 1965 and April 1966	495,000	To launch and support the commission
B. Dissemination	March 1967	25,500	Completion of the commission's work and distribution of the report, "Public Television: A Program for Action."
Total		520,500	
III. To establish and support the system of public broadcasting:			
A. Corporation for Public Broadcasting	June 1968	1,000,000	To help launch the corporation as a quasi-public agency with private support, announced on the day President Johnson signed the Public Broadcasting Act.
B. National Citizens' Committee for Broadcasting	May 1967 and June 1968	300,000	To join with other foundations in meeting the expenses of a citizen's group "to acquaint the American public with educational broadcasting's accomplishments and potential for the future"
C. National Friends of Public Broadcasting	November 1969 and May 1970	15,000	Exploratory meetings to consider a national volunteer organization for public broadcasting.
	October 1970	281,000	To launch a national organization to assist local stations in membership campaigns and local involvement.
	April 1973	85,000	Further support (membership in 3 yr having grown from 8 stations to over 100).
Total		1,681,000	

IV. Improving programming for Children's Television:

A. Initial study of educational programs for preschool children.....	June 1966.....	15,000	A feasibility study to design a new institution called the Children's Television Workshop.
B. National educational television.....	January 1968 and March 1969.....	1,500,000	To launch a new series, called "Sesame Street," for preschool children and start a new production center, the Children's Television Workshop.
C. Children's Television Workshop.....	March 1970.....	600,000	For the second season of "Sesame Street."
D. Children's Television Workshop.....	March 1971.....	1,000,000	To launch a new program, "The Electric Company," for 7- to 9-year-olds with reading difficulties.
E. Children's Television Workshop.....	June 1972.....	500,000	Further support and research for "The Electric Company."
F. Harvard University.....	December 1972.....	57,000	For support of a producer-in-residence at the Harvard Center for Research in Children's Television.

Total..... 3,672,000

V. Other grants to strengthen programming:

A. Eastern Educational Network.....	January 1968.....	250,000	To help strengthen a regional network extending from Washington, D.C., to Maine, with network programming funds for special events.
B. Education Development Center.....	May 1968.....	15,000	For a nationwide series for public schools on racial understanding.
C. Educational Broadcasting Corp.....	January 1969.....	2,000	Filming of the school decentralization debate in the New York State Legislature.
D. WGBH Educational Foundation.....	February 1973.....	250,000	To establish a science programming group leading to a public television series on science.
E. Education Development Center.....	June 1973.....	200,000	For a feasibility study for a program to teach mathematics and problem solving, using television and teaching materials.
F. Regional Plan Association.....	March 1973.....	15,000	Distribution to educators of a paperback book and related materials for the television project "Choices for '76."

Total..... 732,000

Grand total..... 7,145,500

FOUNDATION GRANTS TO PUBLIC BROADCASTING 1970-1973

(Arranged alphabetically by state, including name of foundation and recipient)
Number of grants: 229; total amount: \$40,300,007.

FOUNDATION CENTER DATA BANK DESCRIPTIONS

THE FOUNDATION GRANTS DATA BANK

Source: This data bank is a compilation of current issues of *The Foundation Grants Index*. The *Index* is the Center's standard listing of recently made grants which is published bimonthly in *Foundation News*.

Time Period Covered¹: The bank begins with the January 1972 issue of the *Index* and continues to the present. Virtually all of the grants contained in these issues were given in 1971, 1972, or 1973.

Scope: All fields of philanthropic activity are covered by this data bank, including Education, Health, the Humanities, Religion, Welfare, and the Physical and Social Sciences. However, the following restrictions apply: (1) Only U.S. foundations are represented, (2) no grants to individuals are recorded, and (3) there is a minimum dollar amount. In 1972 it was \$10,000; 1973 information includes grants as small as \$5,000.

Size²: As of August, 1973, the data bank contains approximately 11,000 grants totaling over \$1 billion. About 1,000 foundations are represented, most of which are larger ones in the country.

Types of Information Available: Each grant description lists foundation name and state location, the amount authorized, and recipient name and location. Usually, there is additional information provided outlining the specific purposes for which the grant was made. *Please note that the data bank does not include information on the structure, personnel, assets, guidelines, or street address of the foundations themselves; it is only a record of their recent philanthropy.*

Updating: Every two months, a new issue of *The Foundation Grants Index* is added to the data bank. An average issue includes over 1,000 grants at a value of roughly \$100 million.

REVISIONS—AUGUST 1974

— Number of foundations represented—(a) 784 in the 1972 volume (However, only 200-300 have a substantial number of grants included) (b) 235 in the 1973 volume (See attached list "Section IV—Foundations." These foundations account for a great majority of the grants in the data bank.)

THE FOUNDATION GRANTS INDEX

Range and Size: This data bank, like its published form appearing in *Foundation News*, contains grants made by domestic, nongovernmental, nonprofit foundations to recipient organizations in the United States and abroad. The first bank to be established, it is the largest and forms the core of the computerized grants system.

The bank begins with the January 1972 issue of *Foundation News* and continues to the present, which means that most of the grants currently stored were awarded in 1971 and 1972. Last year the minimum grant was \$10,000. This year grants as small as \$5,000 are being recorded. Presently more than 15,000 grants totaling over \$1 billion are in the system; almost 900 foundations are represented. Every two months about 1,200 grants are added to the file, a substantial number of which were made in 1973.

Eventually, as more and more new data are added, earlier issues of the *Index* will be phased out of the data bank, although they will be kept in inactive storage as an historical record.

Sources of Information: A substantial part of the data in *The Foundation Grants Index* comes from over 100 foundations which report their grants directly to the Center. In general, they are among the larger foundations in the country, and the information they supply is designed to conform with the structure of the automated system. Directly reported grants have the advantage of being up to date and their descriptions are fully authoritative.

The published annual report is a second major source of information. Over 200 foundations produce such reports, and the Center has a copy of virtually

¹ Time period covered: The final sentence should end ". . . 1970, 71, 72, or 73, with some 1974 information available."

² Size: As of August 1974—25,000 grants totaling almost \$2 billion.

every one on file. As they are received, their schedules of contributions are inspected for grants of \$5,000 or more. Those grants which have not already been reported directly to us are then entered into the data bank.

In its efforts to record the latest information, the Center turns to other published sources. Newsletters, press releases, newspapers, and periodicals are all inspected for notice of grants. Usually the information they afford is quite detailed. When it isn't, the Center investigates further.

FOUNDATION GRANTS INDEX—THE FOUNDATION CENTER, PUBLIC BROADCASTING

Hancock (Luke B.) Foundation, CA. \$20,000 to Bay Area Educational Television Association, San Francisco, CA. To stimulate community awareness of the corporation for public broadcasting television series "The Turned-on Crisis" 972 R.

Rockefeller Foundation, NY. \$300,000 to Bay Area Educational Television, San Francisco, CA. For national center for experiments in television to create new centers at cooperating universities.

San Francisco Foundation, CA. \$30,000 to Bay Area Educational Television Association, San Francisco, CA. For remote control coverage of important community events. 71.

San Francisco Foundation, CA. \$20,000 to Bay Area Educational Television Association, station KQED TV, San Francisco, CA. To support remote coverage of important community events, 5/3/73. Profile: Operation.

San Francisco Foundation, CA. \$49,500 to Chinese for Affirmative Action, San Francisco, CA. To support television programs stressing positive aspects of Chinese culture and language. 5/3/73. Profile: Operation/Chinese.

Markle (John and Mary R.) Foundation, NY. \$87,500 to Claremont Colleges Graduate School, urban studies center, CA. For study of Spanish language television audiences.

Markle (John and Mary R.) Foundation, NY. \$64,777 to Claremont Graduate School, human resources institute, Claremont, CA. For project to increase effectiveness and use of Spanish-language-only television in the Los Angeles area. 11/5/73. Reference: Darryl D. Enos, director, center for urban and regional studies.

Markle (John and Mary R.) Foundation, NY. \$15,000 to Committee on Children's Television, San Francisco, CA. For general support. 11/5/73. Reference: Sally Williams, executive director.

Bing Fund, Inc., CA. \$23,000 to Community Television of Southern California KCET, Los Angeles, CA.

Ford Foundation, NY. \$1,500,000 to Community Television of Southern California (KCET), Los Angeles, CA. Toward support of National Public Television Programming. 8/73.

Steele (Harry G.) Foundation, CA. \$5,094 to Community Television of Southern California, Los Angeles, CA. For noncommercial programming of community television. 9/5/73.

Ford Foundation, NY. \$200,000 to KQED, Inc., San Francisco, CA. For terminal support of "Newsroom" program covering local news in depth. 1/74. Profile: Supplemental grant.

Ford Foundation, NY. \$500,000 to Los Angeles TV channel KCET, Los Angeles, CA. For new programming. 72.

Lilly Endowment, IN. \$180,000 to Paulist Productions, Pacific Palisades, CA. For television award program to encourage and recognize writers who best communicate religious values deriving from Judeo-Christian vision of man. 3/74. Yrs. duration: 3.

Clark (Edna McConnell) Foundation, NY. \$145,000 to Rand Corporation, Santa Monica, CA. To develop a comprehensive assessment of current knowledge of social effects of television viewing, identify needs for future research, and provide ancillary information as appropriate. 9/19/73. Reference: Leland L. Johnson.

Ford Foundation, NY. \$450,000 to San Francisco TV channel KQED, San Francisco, CA. For local programming. 72.

Educational Foundation of America, CT. \$50,000 to University of California, University Extension Service, Los Angeles, CA.

The University of California at Los Angeles, the Los Angeles Community College district and Community Television of Southern California (KCET) will develop a series of 45 half hour television programs on American Government for community college and university credit. It will be a pilot project for

- efforts to make more effective use of resources by combining people, ideas and institutions. 3/6/73. Profile: Operation. Reference: Leonard Freedman, Dean, University Extension, U. of California, Los Angeles, Los Angeles, CA 90024.
- Markle (John and Mary R.) Foundation, NY. \$350,000 to University of California, Department of Continuing Education, San Francisco, CA. For project using commercial television to provide public health education. 11/14/72. Reference: Leona Butler, University of California, San Francisco.
- Sloan (Alfred P.) Foundation, NY. \$18,300 to University of California, Lawrence Hall of Science, Berkeley, CA. to support project teaching science with television. 4/23/73. Reference: August G. Manza, manager.
- Sloan (Alfred P.) Foundation, NY. \$25,000 to University of California, Berkeley, CA. To support experimental work in use of technology, especially color television, in teaching of biology to non-science majors. 6/26/73. Reference: August Manza, manager.
- Educational Foundation of America, CT. \$16,615 to Whittier College, Learning Resources Center, Whittier, CA. For video equipment to serve two purposes: The first, for mediated instruction on an individual and small group basis, the second, to train students for possible career opportunities in TV work. 6/13/73. Reference: Frederick M. Binder, president.
- Benton (William) Foundation, NY. \$100,000 to Aspen Institute for Humanistic Studies, CO. For conferences on television, cable, and other communications media: Aspen program on communications and society (3-year grant).
- Ford Foundation, NY. \$80,000 to Aspen Institute for Humanistic Studies, program on communications and society, Aspen, CO. Toward support of projects on public broadcasting, government and the media, politics and the media, press criticism, and television and social behavior. 5/73. Profile: Second year support.
- Markle (John and Mary R.) Foundation, NY. \$10,000 to Aspen Institute for Humanistic Studies, CO. For television conference.
- Markle (John and Mary R.) Foundation, NY. \$267,000 to Aspen Institute for Humanistic Studies, CO. For conferences on television, cable, and other communications media: Aspen program on communications and society (4-year grant).
- Baetstcher Foundation, CO. \$15,000 to Denver, city and county of, fire and police departments, Denver, CO. For equipment for educational closed circuit television. 71.
- Hazen (Edward W.) Foundation, CT. \$14,515 to Area Cooperative Educational Services, North Haven, CT. For development of cable television pilot assistance center in New Haven. 4/24/73. Profile: Planning students. Reference: Peter C. Young, exec. director.
- Howard Bush Foundation, CT. \$5,000 to Connecticut Educational Television Corporation, Hartford, CT. For electric character generator system. 72.
- Hartford Foundation for Public Giving, Conn. \$25,000 to Connecticut Public Television, Hartford, Conn. to support television coverage of 1974 session of the Connecticut General Assembly. 1/17/74. Limitation: limited to organizations in greater Hartford area. Reference: Christine Fitzpatrick, Community Relations, CPTV.
- Rockefeller Foundation, NY. \$15,000 to American Association for the Advancement of Science, DC for planning study of television programing designed to enhance public understanding of science.
- Ford Foundation, NY. \$1,200,000 to corporation for public broadcasting, DC for equipment to establish interim network plant for public broadcasting service in Washington.
- Ford Foundation, NY. \$45,000 to corporation for public broadcasting, DC for management information system for public television. The management analysis center will design a standardized, computerized system that can be easily adapted and installed by any station to provide the kind of long-range management planning and accounting control now lacking in most public television stations. 73.
- Rockefeller Brothers Fund, NY. \$25,000 to Corporation for Public Broadcasting, DC.
- Meyer (Eugene and Agnes E.) Foundation, DC. \$10,000 to Federal City College, DC, for community television program. 72.
- Ford Foundation, NY. \$820,000 to greater Washington Educational Television, DC for programing and support during reorganization period.

- Ford Foundation, NY. \$1,500,000 to Greater Washington Educational Telecommunications Association, DC for support to NPACT public affairs television programs. 6/73.
- Meyer (Eugene and Agnes E.) Foundation, DC. \$10,000 to Metropolitan Washington Council of Governments, DC to study cable television for use by public officials. 71.
- Ford Foundation, NY. \$150,000 to National Association of Educational Broadcasters, DC to assist in transition from organization made up of public television stations and other institutions to a professional society composed of individuals involved in whole field of telecommunications. 10/73.
- Mellon (Andrew W.) Foundation, NY. \$100,000 to National Endowment for the Humanities, DC for use of national educational television in support of Biography II series of productions.
- Mellon (Andrew W.) Foundation, NY. \$750,000 to National Endowment for the Humanities, DC for exclusive use of Educational Broadcasting Corporation, New York, for production of television series depicting the history of our country from 1750 to 1900 as seen through the lives of John Adams and his descendants. 12/12/73.
- Ford Foundation, NY. \$1,400,000 to National Public Affairs Broadcast Center for Public Television, DC for operations.
- Ford Foundation, NY. \$1,400,000 to National Public Affairs Broadcast Center for Public Television, DC for new programming. 72.
- Ford Foundation, NY. \$380,500 to National Public Affairs Broadcast Center for Public Television, DC for programming through June 1973. Among programs are "Washington Week in Review" and "Thirty Minutes With . . .", an interview series. 73. Profile: supplemental grant.
- Ford Foundation, NY. \$5,000 to Public Broadcasting Service, DC. to provide public television stations with names and addresses of viewers who wrote NPACT (National Public Affairs Broadcast Center for Public Television) concerning the Watergate hearings. 1/74.
- Stern Fund, NY. \$53,000 to Robert F. Kennedy Memorial, Citizens Communication Ctr, DC to encourage television and radio programming more responsive to diverse needs and interests of broadcasting audience.
- Meyer (Eugene and Agnes E.) Foundation, DC. \$40,000 to Washington Community Video Center, DC for program to make television useful to neighborhoods and residents in helping solve their problems and for training young people in television skills. 10/72. Yrs. duration: 2.
- Strong (Hattie M.) Foundation, DC. \$10,000 to Weta, DC for pilot program "You and the Law."
- Davis (Arthur Vining) Foundations, FL. \$25,000 to WFTA Television Channel 26, DC for general support. 72.
- Sealfe (Sarah Mellon) Foundation, Pa. \$70,000 to Wildlife Management Institute, DC for production and distribution of television and radio spots on conservation subjects. 11/21/72. Yrs. duration: 2. Profile: fifteen States.
- Clark (Edna McConnell) Foundation, NY. \$156,000 to Community Television Foundation of South Florida (WPBT), Miami, FL for development, production and related services of an "elderly" television series on the contributions of the elderly in Miami area, and to employ voluntary services of older citizens in all phases of program activity. 9/19/73. Reference: George Dooley, president.
- Ford Foundation, NY. \$100,000 to Community Television, Inc. (WJCT), Jacksonville, FL for community involvement television programming. WJCT's programs on community themes include the nightly feedback, in which viewers comment on local issues. 4/73. Profile: terminal supplemental grant.
- Davis (Arthur Vining) Foundations, FL. \$25,000 to Florida West Coast Educational Television, Tampa, FL towards costs of moving educational station WEDU. 4/73.
- Davis (Arthur Vining) Foundations, FL. \$45,000 to WTHS-Community TV Foundation of South Florida, FL.
- Rockefeller Brothers Fund, NY. \$25,000 to Broadcast Institute of North America, Evanston, Ill. for general budgetary support of the International Broadcast Institute, created to identify and study problems associated with accelerated technological developments in all media. 11/2/72.
- Stone (W. Clement and Jessie V.) Foundation, IL. \$11,388 to Chicago Education TV Network (WTFW), Chicago, IL for local drug abuse program. 71.

- Chicago Community Trust, IL. \$13,376 to Chicago Educational TV Association, Chicago, IL.
- Field Foundation of Illinois, IL. \$50,000 to Chicago Educational Television Association, IL. to replace worn and obsolescent broadcasting equipment.
- Field Foundation of Illinois, IL. \$20,000 to Chicago Educational Television Association, Chicago, IL. toward modernization of broadcasting facilities. 73.
- Wieboldt Foundation, IL. \$20,000 to Chicago Educational Television WTTW, Chicago, IL. for local Latin-American public series.
- Woods Charitable Fund, IL. \$5,000 to Chicago Educational Television Association, Chicago, IL. Toward cost of moving the transmitter to Sears Tower. 6/11/73.
- Sloan (Alfred P.) Foundation, NY. \$19,900 to Northwestern University, Evanston, IL. to evaluate certain components of slow-scan television system and to develop instructional materials for system. 3/21/74. Reference: David Mintzer, dean.
- Bush Foundation, MN. \$170,000 to Three-Prong Television Productions, Chicago, IL. to support prime time school television project. 11/16/73. Yrs. Duration: 2. Profile: junior and senior high school students. Reference: Lynn N. Miller.
- Bush Foundation, MN. \$50,000 to Three-Prong Television Productions, Chicago, IL. for prime time school television program. 71.
- Indianapolis Foundation, IN. \$38,246 to Metropolitan Indianapolis Television Association, Indianapolis, IN. toward construction of transmission tower for station WFYI, Channel 20. 3/74.
- United States Steel Foundation, PA. \$10,000 to television Channel 50, Gary, IN.
- Irwin-Sweeney-Miller Foundation, IN. \$60,000 to Video Access Center, Columbus, IN. for operational support of center which trains people in utilization of video equipment and assists in editing and producing complete tapes. It is first such effort in the nation to provide all local programming for a cable television station and to provide training and use of equipment free of charge. 4/5/73. Profile: operation.
- Jones (Eugene and Joseph) Family Foundation, LA. \$10,000 to WYES-TV, LA.
- Ford Foundation, NY. \$8,000 to Action for Children's Television, Newton, MA. for third national symposium on children and television held at Yale University. 72.
- Markle (John and Mary R.) Foundation, NY. \$150,000 to Action for Children's Television, Newtonville, MA. for general support. 11/5/73. Yrs. duration: 2. Reference: Peggy Charren, president.
- Markle (John and Mary R.) Foundation, NY. \$10,000 to American Friends Service Committee, MA. to study effects of television on attitude formation.
- Ford Foundation, NY. \$800,000 to Boston TV Channel WGBH, Boston, MA. for new programming. 72.
- Markle (John and Mary R.) Foundation, NY. \$20,000 to Education Development Center, Newton, MA. to develop television program to teach mathematics. 5/15/73. Reference: Jerrold R. Zacharias.
- Clark (Edna McConnell) Foundation, NY. \$9,958 to Hampshire College, Amherst, MA. for a feasibility study of the Northhampton cable television franchise to be owned and operated by Hampshire and Smith colleges. 72. Profile: Completed.
- Markle (John and Mary R.) Foundation, NY. \$72,000 to Harvard University, Cambridge, MA. for a center for research in children's television.
- Filene (Lincoln and Therese) Foundation, MA. \$15,000 to WGBH, Boston, MA.
- Davis (Arthur Vining) Foundations, FL. \$75,000 to WGBH Educational Foundation, Boston, MA. To establish new TV Channel 57 in western Massachusetts, 72.
- Davis (Arthur Vining) Foundations, FL. \$100,000 to WGBH Educational Foundation, Boston, MA. For sponsorship of television program "The Advocates". 1/74. Limitation: Challenge Grant.
- Ford Foundation, NY. \$137,500 to WGBH Educational Foundation, MA. For support of "The Reporters" program.
- Ford Foundation, NY. \$202,000 to WGBH Educational Foundation, Boston, MA. To enable WGBH-TV to become the sole producer of The Advocates, a courtroom style debate of controversial issues. KCET-Los Angeles was formerly co-producer. 4/73. Profile: Supplement grant.
- Land (Edwin H.)-Helen M. Land, Inc., MA. \$10,000 to WGBH Educational Foundation, Boston, MA.

- Lilly Endowment, IN. \$75,000 to WGBH Educational Foundation, Boston, MA. For budget support for production of film series, "Religious America" for educational TV. 2/20/73. Reference: Phillip Garvin.
- Permanent Charity Fund, Committee of the, MA. \$75,000 to WGBH Educational Foundation, Boston, MA. To purchase equipment.
- Rowland Foundation, MA. \$15,000 to WGBH Educational Television, Boston, MA. 73.
- Filene (Lincoln and Thesese) Foundation, MA. \$100,000 to WGBY Channel 57, MA. For public television in western Massachusetts.
- Davis (Arthur Vining) Foundations, FL. \$75,000 to Colby-Bates-Bowdoin public television, Lewiston, ME. To support joint educational television station operated by the three colleges. 1/74.
- Chrysler Corporation Fund, MI. \$12,000 to Detroit Educational Television Foundation, Detroit, MI. 72.
- Kresge Foundation, MI. \$44,897 to Detroit Educational Television Foundation, MI. For purchase of color broadcast and production equipment.
- Kresge Foundation, MI. \$150,269 to Detroit Educational Television Foundation, MI. For building purchase.
- Kresge Foundation, MI. \$152,259 to Detroit Educational Television Foundation, Detroit, MI. Toward purchase of Storer Broadcasting Company building in Detroit. 1/73. Profile: Second of three grants totaling \$400,000.
- Kresge Foundation, MI. \$142,607 to Detroit Educational Television Foundation, Detroit, MI. Toward purchase of Storer Broadcasting Company building. 1/74. Profile: Last of three grants totaling \$400,000.
- Saint Paul Foundation, MN. \$5,000 to KTCA, Channel 2, Saint Paul, MN. 72.
- Bush Foundation, MN. \$6,206 to Twin City Area Educational Television Corporation, Saint Paul, MN. To support the program "Perspective" through June 28, 1973. 1/8/73. Profile: Operations/Minnesota Citizens. Reference: W. D. Donaldson, General Manager of Twin City Area Television Corp.
- Bush Foundation, MN. \$78,000 to Twin City Area Television Corporation, Saint Paul, MN. For placement of antennae on tall tower in Twin City area. 71.
- Minneapolis Foundation, MN. \$50,000 to University of Minnesota, School of Journalism, Minneapolis, MN. For five full scholarships for minority students interested in broadcast journalism careers. Scholarship recipients will work with WCCO radio and television to gain live experience as interns. 10/25/73, Yrs. Duration: 2. Limitation: Priority given to programs in metropolitan area of Minneapolis and St. Paul. Reference: Robert L. Jones, director.
- Bush Foundation, MN. \$28,073 to Urban Concerns Workshops, Minneapolis, MN. Toward development of educational TV series on practical politics. 1/14/74. Reference: Sally Bosanko.
- Kansas City Association of Trusts and Foundations, MO. \$35,000 to Community Service Broadcasting of Mid-America, Kansas City, MO. For public television development.
- Kansas City Association of Trusts and Foundations, MO. \$20,000 to school district of Kansas City, Kansas City, MO. For public television programing.
- Southern Education Foundation, GA. \$12,000 to Shaw University, Raleigh, NC. To assist in beginning professional training of youth and adults in production of community related radio and television programs. 72.
- Fund for the city of New York, NY. \$43,000 to center for the analysis of public issues, Princeton, NJ. To study public access to cable TV.
- Wallace-Eijabar Fund, NJ. \$20,000 to Coalition for Fair Broadcasting, NJ. To secure better television coverage of New Jersey from NYC stations.
- Markle (John and Mary R.) Foundation, NY. \$6,765 to Edúcom, Inter-university Communications Council, Princeton, NJ. For planning conference on cable television and higher education. 5/15/73. Reference: Henry Chauncey.
- Markle (John and Mary R.) Foundation, NY. \$18,000 to Inter-university Communications Council, Princeton, NJ. For conference on potential uses of cable television by universities. 11/5/73. Reference: Henry Chauncey, President.
- Wallace-Eijabar Fund, NJ. \$15,000 to New Jersey Public Broadcasting Authority, Trenton, NJ. To produce TV series on health problems in New Jersey.
- Ford Foundation, NY. \$175,000 to Bilingual Children's Television, NYC. NY. For emergency funding pending receipt of Federal grants to Bilingual, bicultural, preschool television program for Spanish-speaking children. 8/73.
- Rockefeller Brothers Fund, NY. \$30,000 to Broadcast Institute of North America,

- NYC, NY. For general support of International Broadcast Institute, created to identify and study problems associated with accelerated technological developments in all media. 10/19/73.
- Kaplan (J. M.) Fund, NY. \$6,000 to Broadcasting Foundation of America, NYC, NY. For their general program to provide an "International Hearing Aid" for American people to acquaint them with culture and ideas of international community through radio broadcasts of programs from abroad. 72.
- Carnegie Corporation of New York, NY. \$1,000,000 to children's television Workshop, NY., NY. for production of childrens' educational programs and further development of Sesame Street.
- Commonwealth Fund, NY. \$100,000 to Children's Television Workshop, NYC, NY. For research, Pilot Film Production, and preliminary promotion of the workshop's twenty-six program national television series of health issues, to be supplemented by additional activities in health education. 2/8/73. Reference: Joan Coontz, president, children's television workshop.
- Falk (Maurice) Medical Fund, PA. \$21,780 to children's television workshop, NYC, NY for animated film about black identity. 72.
- Ford Foundation, NY. \$1,000,000 to children's television workshop, NY. To initiate new childrens' educational program "The Electric Company."
- Grant Foundation, NY. \$25,000 to Children's Television Workshop, NYC, NY. Toward development of educational television programs on parenting, including information on early child development and adolescence, as part of plan for nationwide series of programs in the health field. 2/27/73. Reference: William Kobin, vice president, future works division.
- Ittleson Family Foundation, NY. \$25,000 to Children's Television Workshop, Future works division, NYC, NY. To support production of series of 26 television programs on physical and mental health for adult and teenage audience. 6/12/73. Reference: William Kobin, vice president.
- Johnson (Robert Wood) Foundation, NJ. \$200,000 to children's television workshop, NYC, NY. For research and pilot testing project for a national television program on health. 1/25/73. Reference: William Kobin, V.P.
- Johnson (Robert Wood) Foundation, NJ. \$37,500 to Children's Television Workshop, NYC, NY. For planning project for a national television program on health. 5/25/72. Reference: William Kobin, V.P.
- Johnson (Robert Wood) Foundation, NJ. \$1,500,000 to Children's Television Workshop, NYC, NY. For national television series aimed at improving the health behavior of citizens. 11/20/73. Reference: William Kobin, vice president.
- Markle (John and Mary R.) Foundation, NY \$37,500 to Children's Television Workshop, NYC, NY. For planning study for national television program on health. 72.
- Van Ameringen Foundation, NY. \$37,500 to Children's Television Workshop, Future Works Division, NYC, NY. Toward support of Phase II, including planning, pre-production, in development of 26-part series for television dealing with topics of physical and mental health, 6/14/73. Reference: William Kobin, vice president.
- Markle (John and Mary R.) Foundation, NY. \$25,000 to Committee for Economic Development, NYC, NY. To develop a policy statement on the economic and social impact of the new broadcast media. 11/14/72. Reference: Alfred Neal, Committee for Economic Development.
- Markle (John and Mary R.) Foundation, NY. \$25,000 to Committee for Economic Development, NYC, NY to help develop policy statement on economic and social impact of new broadcast media. 11/5/73. Reference: Alfred Neal, president.
- Kaplan (J. M.) Fund, NY. \$6,500 to Community Resources Institute, NYC, NY. For consumer education project to protect the nation's children from masses of advertisements on TV which are aimed at them. 72.
- Astor (Vincent) Foundation, NY. \$250,000 to Corporation for Public Broadcasting, NYC, NY. For program on drug abuse.
- Astor (Vincent) Foundation, NY. \$76,000 to Corporation for Public Broadcasting, NYC, NY. For program on law and justice. 72.
- Ford Foundation, NY. \$100,000 to Corporation for Public Broadcasting, N.Y., NY. public broadcast survey facility.
- Ford Foundation, NY. \$250,000 to Corporation for Public Broadcasting, NYC, NY. For public broadcasting service's advertising of public television national programming for first three months of 1973. 4/73. Profile: Supplemental grant.

- Ford Foundation, NY. \$15,000 to Corporation for Public Broadcasting, NYC, NY. Forward support for management information system for improved planning and accounting control for public television. 6/73. Profile: Supplemental grant.
- Ford Foundation, NY. \$700,000 to Corporation for Public Broadcasting, NYC, NY. To enable corporation to acquire additional programming requested by public television stations. 11/73.
- Ford Foundation, NY. \$100,000 to Corporation for Public Broadcasting, NYC, NY. To support public broadcasting survey facility, which conducts audience research in nine cities. 1/74. Profile: Continued support.
- Hans Community Fund, PA. \$100,000 to Corporation for Public Broadcasting, NYC, NY. To produce television series on drug addiction and abuse.
- Mellon (Andrew W.) Foundation, NY. \$50,000 to Corporation for Public Broadcasting, NYC, NY. Toward production costs of a television program on an exhibition of works of art from the Soviet Union to be presented at the National Gallery of Art this spring. 3/13/73.
- Sears-Roebuck Foundation, IL. \$50,000 to Corporation for Public Broadcasting, NYC, NY. For production of "Mister Rogers' Neighborhood" color television programs for children.
- McDonald (J. M.) Foundation, NY. \$5,000 to Council of Churches of the City of New York, NYC, NY. For radio and TV programs. 11/72.
- Astor (Vincent) Foundation, NY. \$25,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC, NY. In support of consumer action project. 12/6/73. Limitation: General limitation to programs in or of primary benefit to New York City. Reference: Joan Mack.
- Chase Manhattan Bank Foundation, NY. \$5,000 to Educational Broadcasting Corporation, NYC, NY. 72.
- Clark (Robert Sterling) Foundation, NY. \$5,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC, NY. For general support. 73. Reference: Joan Mack, Director, Development Department.
- Ford Foundation, NY. \$100,000 to Educational Broadcasting Corporation, N.Y., NY. For support of net opera.
- Ford Foundation, NY. \$2,200,000 to Educational Broadcasting Corporation, N.Y., NY. To improve technical capability to provide local and national programming.
- Ford Foundation, NY. \$4,000,000 to Educational Broadcasting Corporation, N.Y., NY. For WNET new programming. 72.
- Ford Foundation, NY. \$3,000,000 to Educational Broadcasting Corporation, NYC, NY. To support television production centers. 6/73.
- Goldman (Herman) Foundation, NY. \$15,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC, NY. Toward support for new arts reporting unit within the nightly "51st State". 8/3/73. Reference: Fred Bohlen.
- Grant Foundation, NY. \$15,000 to Educational Broadcasting Corporation, N.Y., NY. For WNDT-TV.
- Harriman (Mary W.) Trust, NY. \$5,000 to Educational Broadcasting Corporation, NYC, NY. for support to Channel 13. 72.
- Ittleson Family Foundation, NY. \$25,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC, NY. For research and development required for proposed public television series on mental health in the U.S.A. 12/11/73. Reference: Joan Mack, director of program underwriting department.
- Markle (John and Mary R.) Foundation, NY. \$295,000 to Educational Broadcasting Corporation, NY. For media review television program.
- Markle (John and Mary R.) Foundation, NY. \$250,000 to Educational Broadcasting Corporation (Channel 13), N.Y., NY. For media review program "Behind The Lines". 72.
- Mellon (Andrew W.) Foundation, NY. \$150,000 to Educational Broadcasting Corporation, NYC, NY. Toward production of its proposed series on the lives John Adams and his descendants. 3/13/73.
- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NY. For operating needs of Channel 13.
- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NYC, NY. For general support of Channel 13, the educational television station serving the New York metropolitan region. 8/3/72.
- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NYC, NY. For general support of Channel 13 serving the New York metropolitan region. 12/14/73.

- Rockefeller Foundation, NY. \$150,000 to Educational Broadcasting Corporation, N.Y., NY. To establish laboratory workshop at station WNET, Channel 13.
- Rockefeller Foundation, NY. \$400,000 to Educational Broadcasting Corporation (Station WNET), NYC, NY. To operate experimental television laboratory. 12/72.
- Van Ameringen Foundation, NY. \$61,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC, NY. For support of arts reporting unit, covering cultural affairs in NY. Region for Channel 13's "The 51st State" news program. 0/14/73. Yrs. duration: 2 Reference: John Jay Iselin, president.
- Sloan (Alfred P.) Foundation, NY. \$250,000 to Lincoln Center for the Performing Arts, NYC, NY. Toward developing use of new technologies and techniques for televising live and taped performances. 6/25/73. Reference: Andre Mirabelli, director of business affairs.
- Grant Foundation, NY. \$175,000 to Mount Sinai School of Medicine, Department of Community Medicine, NYC, NY. For establishment of psychiatric component to two-way cable television link between Mount Sinai and the Wagner Child Health Station serving the East Harlem Community. 6/21/73. Yrs. duration: 2. Reference: Carter L. Marshall, M.D., Associate Professor.
- Rockefeller Family Fund, NY. \$24,200 to N.O.W. Legal Defense and Education Fund, NYC, NY. Toward costs of media campaign which uses print ads, TV announcements, and radio spots to combat sex discrimination in employment. 2/13/73.
- Ford Foundation, NY. \$75,000 to National Association of Educational Broadcasters, NYC, NY. Toward support of new coordinating committee aimed at providing trustees of public broadcasting stations with a wide range of information on public television. Purpose is to equip trustees to take a more active role in developing station program policies, planning long-range financing, and advancing the training of station personnel. 2/73.
- Markle (John and Mary R.) Foundation, NY. \$100,000 to National Association of Educational Broadcasters, NY. for support of office of minority affairs.
- Benton (William) Foundation, NY. \$175,000 to National Citizens Committee for broadcasting, NY., NY. to expand and improve quality of public broadcasting.
- Irwin-Sweeney-Miller Foundation, IN. \$10,000 to National Educational Television, NY. for black journal series.
- New York Foundation, NY. \$25,000 to National Educational Television, NY. For news reporter in minority affairs and education.
- Carnegie Corporation of New York, NY. \$281,000 to National Friends of Public Broadcasting, N.Y., NY. to improve fund raising and stimulate creative programs.
- Carnegie Corporation of New York, NY. \$85,000 to National Friends of Public Broadcasting, NYC, NY. Toward support of National Friends of Public Broadcasting. 4/12/73. Yrs. duration: 2. Profile: Operation. Reference: Mrs. William Schuman, Chairman, National Friends of Public Broadcasting, 1345 Avenue of the Americas, New York, N.Y. 10019.
- Markle (John and Mary R.) Foundation, NY. \$20,000 to National Friends of Public Broadcasting, NYC, NY. for general support. 3/6/73. Yrs. duration: 2. Reference: Mrs. William Schuman, Chairman, National Friends of Public Broadcasting, 1345 Avenue of the Americas, NY., NY. 10019.
- Fund for the City of New York, NY. \$5,000 to New York University, alternate media center, NYC, NY. for a cable television video access center. 4/73.
- Markle (John and Mary R.) Foundation, NY. \$250,000 to New York University, NY. for alternate media center to promote cable television for local, non-professional use.
- Kresge Foundation, MI. \$220,000 to New York University School of the Arts, NY. for television communications center.
- Schumann (Florence and John) Foundation, NJ. \$15,000 to open channel, NYC, NY. for program to assist community groups in developing cable TV programming in Newark and the metropolitan area. 71. Yrs. duration: 2.
- Schumann (Florence and John) Foundation, NJ. \$25,000 to Open Channel, NYC, NY. For 1973 program activities to assist organizations in Newark to take advantage of public access facilities of cable television. 3/27/73. Profile: Renewal grant.
- Stern Fund, NY. \$15,000 to Open Channel, NY. To develop community uses of cable television.

- Noble (Edward John) Foundation, NY. \$30,000 to Open Channel, Inc., N.Y., NY.** To expand program to provide public access to cable television. 72.
- Rockefeller Family Fund, NY. \$10,200 to Open Channel, Inc., N.Y., NY.** For salary of community production director. 72.
- Markle (John and Mary R.) Foundation, NY. \$18,000 to Planning Corporation for the Arts, NY.** For community cable television origination.
- Ford Foundation, NY. \$1,000,000 to Public Broadcasting Service, N.Y., NY.** To extend public's awareness of programs available through PBS distribution system.
- Ford Foundation, NY. \$500,000 to Public Broadcasting Service, NYC, NY.** For special events programming during 1973-74 and for program advertising challenge grant to be matched by PBS. 11/73.
- Carnegie Corporation of New York, NY. \$15,000 to Regional Plan Association, NYC, NY.** For distribution to educators of a paperback book and related materials for the television project, Choices for '76, a series of five televised "Town Meetings" aimed at discussion and tabulation of opinion on numerous issues facing the Connecticut-New Jersey-New York urban region. 3/6/73. Reference: Michael McManus, executive director, Regional Plan Association, 235 East 45th Street, New York, N.Y. 10017.
- Clark (Robert Sterling) Foundation, NY. \$21,000 to Regional Plan Association, Choices for '76, NYC, NY.** To stimulate participation of Spanish-speaking community in televised town meetings. 73. Reference: Michael J. McManus, executive director.
- Ford Foundation, NY. \$90,000 to Regional Plan Association, NYC, NY.** For series of television programs called "Choices for '76," on such issues as housing, poverty, urban growth, and environment in New York-New Jersey-Connecticut region. 2/73.
- Fund for the City of New York, NY. \$11,000 to Regional Plan Association, N.Y., NY.** For "Television Town Meetings" to involve public in regional issues.
- Fund for the City of New York, NY. \$10,000 to Regional Plan Association, NYC, NY.** For follow-up "Choices for '76" project, a series of television programs on regional development issues designed to educate and solicit viewer participation in establishing planning priorities. 10/9/73. Reference: Michael J. McManus, executive director.
- Markle (John and Mary R.) Foundation, NY. \$50,000 to Regional Plan Association, NYC, NY.** Support for evaluation of "Choices for '76" television series. 3/15/73. Reference: Michael J. McManus, Regional Plan Association, 235 E. 45th St., NY, NY 10017.
- New York Foundation, NY. \$5,000 to Regional Plan Association, NYC, NY.** Toward series of television town meetings. 72.
- Rockefeller Foundation, NY. \$25,000 to Regional Plan Association, N.Y., NY.** To plan and initiate television town meetings, "Choices for '76."
- Markle (John and Mary R.) Foundation, NY. \$20,000 to Senate of the State of New York, Federal/State Liaison Office, Albany, NY.** To support conference on the appropriate role of State governments in cable television regulation. 11/5/73. Reference: Michael Ruberti, associate director.
- Schumann (Florence and John) Foundation, NJ. \$10,000 to Southern Tier Educational Television Association, Binghamton, NY.** To develop color capability for educational television station servicing Broome County area. 10/2/72.
- Astor (Vincent) Foundation, NY. \$50,000 to television channel 13, N.Y., NY.** To rent office space to house reference library and to hire librarian and research director.
- Rubinstein (Helena) Foundation, NY. \$175,000 to television channel 13, NYC, NY.** For parent education series, "How Do Your Children Grow?" 10/72.
- Field Foundation, NY. \$23,450 to United Church of Christ, NYC, NY.** For project to assist citizens groups in Jackson, Miss., to realize the potentials of radio and television broadcasting for the general public interest. 72.
- Ford Foundation, NY. \$157,000 to United Church of Christ, NYC, NY.** For campaign to discourage racial discrimination in broadcasting through education persuasion, and technical and legal assistance to local and national groups. 4/73. Profile: supplemental grant.
- Stern Fund, NY. \$10,500 to United Church of Christ Office of Communications, NY.** To produce and distribute publication on cable television.

- Fund for the City of New York, NY. \$12,500 to Video Access Center, NYC, NY. Toward efforts to create audience for public access cable TV and to develop community involvement in public access programming, including community financial support. 10/8/73. Reference: Maxi Cohen.
- Fund for the city of New York, NY. \$10,000 to Village Neighborhood Television, NYC, NY. To develop community life in Greenwich Village area through use of videotape and public access cable TV. 10/9/73. Reference: Phyllis Johnson.
- Western New York Foundation, NY. \$18,500 to WNED-TV, NY.
- Markle (John and Mary R.) Foundation, NY. \$295,000 to WNET channel 13, NY. For "Behind the Lines" program on how news is made.
- Gund (George) Foundation, OH. \$25,000 to Case Western Reserve University, Cleveland, OH. For instructional television network during 1973-74 academic year, during which 30 courses are planned in engineering, management, and mathematics with over 400 students anticipated. 3/7/73. Profile: Supplemental grant.
- Gund (George) Foundation, OH. \$42,000 to Educational Television Association of Metropolitan Cleveland, Cleveland, OH. To purchase transmitters required for activating new megahertz channels to serve secondary schools, higher education, in-plant training and medical program needs. 10/6/72.
- Jennings (Martha Holden) Foundation, OH. \$52,400 to Educational Television Association of Metropolitan Cleveland, Cleveland, OH. For televised series "Sesame Street" designed to help primary school children. 72.
- Lubrizol Foundation, Oh. \$5,000 to Educational Television Association of Metropolitan Cleveland, Cleveland, Oh. For operating support. 72.
- Heinz (Howard) Endowment, Pa. \$12,000 to Allegheny Intermediate Unit, Pittsburgh, Pa. for film series of Alistair Cooke's television program "America". 4/30/73.
- Heinz (Howard) Endowment, Pa. \$8,000 to Carnegie Library of Pittsburgh, Pittsburgh, Pa. for film series of Alistair Cooke's television program "America". 4/30/73.
- Buhl Foundation, Pa. \$97,000 to Carnegie-Mellon University and WQED educational television station, Pittsburgh, Pa. for further support of master of fine arts degree in television and film.
- Ford Foundation, NY. \$350,000 to Metropolitan Pittsburgh Educational Television, Pa. for "newsroom" program.
- Mellon (Richard King) Foundation, Pa. \$350,000 to Metropolitan Pittsburgh Public Broadcasting, Pittsburgh, Pa. to continue support of annual budget of WQED-TV newsroom program. 72 yrs. duration: 3.
- Hass Community Fund, Pa. \$25,000 to WHYY Channel 12, Philadelphia, Pa. for television programs during school strike. 2/5/73.
- Philadelphia Foundation, Pa. \$10,000 to WHYY Television Broadcasting Station, Philadelphia, Pa. for "Sesame Street" program.
- Fels (Samuel S. Fund, \$10,000 to WHYY-TV Channel 12 Philadelphia, Pa. for general support or for support of "Sesame Street" program (at discretion of station). 2/15/74. Profile: Continuing support. Reference: Karl A. Peckmann, Jr., vice-president of development.
- Fels (Samuel S.) Fund, Pa. \$26,125 to WHYY-TV, Channel 12, Philadelphia, Pa. for "Sesame Street" summer reruns and for general support of educational television. 71.
- Fels (Samuel S.) Fund, Pa. \$10,000 to WHYY-TV, Philadelphia, Channel 12, Philadelphia, Pa. for general support. 5/11/73. Profile: Continuing. Reference: Karl A. Peckmann, Jr.
- Pew Memorial Trust, Pa. \$10,000 to WHYY, Inc., Pa., for operations.
- Heinz (Howard) Endowment, Pa. \$50,000 to WQED television, Pittsburgh, Pa. toward construction of television antenna and for development of new FM stereo radio station. 4/28/72. Yrs. duration: 2.
- Sachem Fund, Ct. \$40,000 to WQED television, Pittsburgh, Pa. for production of black horizons, a minority affairs community based television program. 1/73. Yrs. duration: 2.
- Hillman Foundation, Pa. \$150,000 to WQED-Channel 13 (Metropolitan Pittsburgh educational television), Pittsburgh, Pa. for news and public affairs programs. 72.
- Pittsburgh Foundation, Pa. \$5,000 to WQED-FM Educational Radio and Television, Pittsburgh, Pa. To assist WQED to make special preparations for the opening of an FM station in January 1973. 12/13/72.
- Eric Community Foundation, Pa. \$20,000 to WQLN Channel 54, Eric, Pa. 72.

- Ford Foundation, NY. \$100,000 to Vanderbilt University, Television News Archive, Nashville, Tn. To index television broadcasts between August 1968 and January 1972, prepare microfilm and print copies of entire index for wider distribution, and purchase videocassette equipment. 8/73.
- Moody Foundation, Tx. \$10,500 to Association for Community Television, Houston, Tx. For purchase of mobile equipment to develop remote program abilities. 72.
- Moody Foundation, Tx. \$35,000 to El Paso Public Television Foundation, El Paso, Tx. To assist in securing matching funds necessary to secure a Federal grant for establishment and operation of a public television station in El Paso. 1/28/74. Limitation: Restricted to activities within Texas.
- Hoblitzelle Foundation, Tx. \$5,000 to KERA Channel 13, Dallas, Tx. For broadcast rights to Sir Kenneth Clark's "Pioneers of Modern Painting". 73.
- Zale Foundation, Tx. \$25,500 to KERA TV Channel 13, Dallas, Tx. For weekly "Town Hall" program series with citizen participation in discussion of community concerns. 9/72. Profile: Operation/all city groups. Reference: Robert Wilson, executive vice-president, KERA TV 13, Dallas, Texas 75201.
- Clark Foundation, Tx. \$17,500 to KERA-TV Channel 13, Dallas, Tx. To support children's television workshop; Sesame Street, Utility Company, and Mr. Rogers. 7/73.
- Hoblitzelle Foundation, Tx. \$50,000 to Public Television Education for North Texas, Dallas, Tx. For equipment. 72.
- Ford Foundation, NY. \$375,000 to Public Television Foundation for North Texas, Dallas, Tx. For nightly program of local news, "Newsroom". 72.
- Ford Foundation, NY. \$250,000 to Public Television Foundation for North Texas (KERA), Dallas, Tx. For terminal support of newsroom, a public affairs program featuring first-hand analytical and interpretive reports in local subjects. 4/73. Profile: Terminal Supplemental Grant.
- Haas (Paul and Mary) Foundation, Tx. \$7,500 to South Texas Educational Broadcasting Council, Corpus Christi, Tx. Toward establishment of facilities for KEDT-TV, Channel 16. 72.
- Moody Foundation, Tx. \$100,000 to South Texas Educational Broadcasting Council of Corpus Christi, Corpus Christi, Tx. For construction of radio and television station for public education programs.
- Moody Foundation, Tx. \$60,000 to South Texas Educational Broadcasting Council, Corpus Christi, Tx. Toward expenses incurred with certain capital improvements and aid in underwriting operational deficits for next fiscal year. 6/25/73. Limitation: Restricted to activities within Texas.
- Ford Foundation, NY. \$60,000 to University of Washington, Seattle, WA. To help station KCTS convert from a university to community station. KCTS is seeking to expand its coverage of local stations including city council and school board meetings and start a program on the history and heritage of the Pacific Northwest. 4/73.
- Seattle Foundation, WA. \$5,000 to University of Washington KCTS TV channel 9, Seattle, WA. For equipment to modernize facilities. 9/26/73.
- Cudahy (Patrick and Anna M.) Fund, WI. \$7,500 to River Task Force, Milwaukee college, station WMVS-TV, Milwaukee, WI. To help launch community video resources center, jointly sponsored by educational television and a community video group. The center will focus on development of videotape library and development of capability to be public access producer for the projected cable TV system. 6/8/73. Yrs. duration: 2.
- Cudahy (Patrick and Anna M.) Fund, WI. \$7,500 to River Task Force, Milwaukee, WI. To help pay for filming alternatives for the redevelopment of the Milwaukee River as it runs through downtown Milwaukee. Film to be shown on all local TV channels with a citizen feedback component. 2/9/74.
- Benedum (Claude Worthington) Foundation, PA. \$135,625 to West Virginia University, Morgantown, WV. To increase broadcast range of its television station.

FOUNDATION CENTER DATA BANK SEARCH DESCRIPTION

Subject: Public Broadcasting.

No. of Grants Listed: 220.

Date Compiled: 8/22/74.

Data Bank Searched: Foundation Grants Index.

Total No. of Grants in Data Bank: 24,900.

Period Covered by Data Bank: Index issues, January 1972-July 1974.

(Arranged alphabetically by state, recipients in state, with state-by-state subtotals)

Number of grants: 229; Total Amount: \$40,306,605.

Recipient, State and name	Amount	Number
California:		
Bay Area Educational Television Association.....	\$370,000	4
Chinese for Affirmative Action.....	49,500	1
Claremont Colleges Graduate School, Urban Studies Center.....	87,500	1
Claremont Graduate School.....	64,777	1
Committee on Children's Television.....	15,000	1
Community Television of Southern California.....	1,528,094	3
KQED, Inc.....	200,000	1
Los Angeles TV Channel, KCET.....	500,000	1
Paulist Productions.....	180,000	1
Rand Corp.....	145,000	1
San Francisco TV Channel, KQED.....	450,000	1
University of California.....	443,300	4
Whittier College.....	16,615	1
Subtotal.....	4,049,786	21
Colorado:		
Aspen Institute for Humanistic Studies.....	457,000	4
Denver, city and county of.....	15,000	1
Subtotal.....	472,000	5
Connecticut:		
Area Cooperative Educational Services.....	14,515	1
Connecticut Educational Television Corp.....	5,000	1
Connecticut Public Television.....	25,000	1
Subtotal.....	44,515	3
District of Columbia:		
American Association for the Advancement of Science.....	15,000	1
Corporation for Public Broadcasting.....	1,270,000	3
Federal City College.....	10,000	1
Greater Washington Educational Telecommunications Association.....	2,320,000	2
Metropolitan Washington Council of Governments.....	10,000	1
National Association of Educational Broadcasters.....	150,000	1
National Endowment for the Humanities.....	850,000	2
National Public Affairs Broadcast Center for Public Television.....	3,180,500	3
Public Broadcasting Service.....	5,000	1
Robert F. Kennedy Memorial, Citizens Communication Center.....	53,000	1
Washington Community Video Center.....	40,000	1
WETA.....	10,000	1
WETA Television Channel 26.....	25,000	1
Wildlife Management Institute.....	70,000	1
Subtotal.....	8,008,500	20
Florida:		
Community Television Foundation of South Florida (WPBT).....	256,000	2
Florida West Coast Educational Television.....	25,000	1
WTHS—Community TV Foundation of South Florida.....	45,000	1
Subtotal.....	326,000	4
Illinois:		
Broadcast Institute of North America.....	25,000	1
Chicago Education TV Network (WTTW).....	11,388	1
Chicago Educational Television Association.....	108,376	5
Northwestern University.....	19,900	1
Three-prong Television Productions.....	170,000	1
Do.....	50,000	1
Subtotal.....	384,664	10
Indiana:		
Metropolitan Indianapolis Television Association.....	38,246	1
Television Channel 50.....	10,000	1
Video Access Center.....	60,000	1
Subtotal.....	108,246	3
Louisiana: WYES-TV (subtotal).....		
	10,000	1

Recipient, State and name	Amount	Number
Massachusetts:		
Action for Children's Television.....	\$158,000	2
American Friends Service Committee.....	10,000	1
Boston TV Channel, WGBH.....	800,000	1
Education Development Center.....	20,000	1
Hampshire College.....	9,958	1
Harvard University.....	72,000	1
WGBH.....	15,000	1
WGBH Educational Foundation.....	764,500	7
WGBH Educational Television.....	15,000	1
WGBY Channel 57.....	100,000	1
Subtotal.....	1,964,458	17
Maine: Colby-Bates-Bowdoin Public Television (subtotal).....		
	75,000	1
Michigan: Detroit Educational Television Foundation (subtotal).....		
	502,112	5
Minnesota:		
KTCA, Channel 2.....	5,000	1
Twin City Area Educational Television Corp.....	6,206	1
Twin City Area Television Corp.....	78,600	1
University of Minnesota.....	50,000	1
Urban Concerns Workshop.....	28,073	1
Subtotal.....	167,879	5
Missouri:		
Community Service Broadcasting of Mid-America.....	65,000	1
School District of Kansas City.....	20,000	1
Subtotal.....	85,000	2
North Carolina: Shaw University (subtotal).....		
	12,000	1
New Jersey:		
Center for the Analysis of Public Issues.....	43,000	1
Coalition for Fair Broadcasting.....	20,000	1
Educom.....	6,765	1
Interuniversity Communications Council.....	18,000	1
New Jersey Public Broadcasting Authority.....	15,000	1
Subtotal.....	102,765	5
New York:		
Bilingual Children's Television.....	175,000	1
Broadcast Institute of North America.....	30,000	1
Broadcasting Foundation of America.....	6,000	1
Children's Television Workshop.....	3,984,280	11
Committee for Economic Development.....	50,000	2
Community Resources Institute.....	6,500	1
Corporation for Public Broadcasting.....	1,991,000	10
Council of Churches of the City of New York.....	5,000	1
Educational Broadcasting Corp.....	10,851,000	20
Lincoln Center for the Performing Arts.....	250,000	1
Mount Sinai School of Medicine.....	175,000	1
N.O.W. Legal Defense and Educational Fund.....	24,200	1
National Association of Educational Broadcasters.....	175,000	2
National Citizens Committee for Broadcasting.....	175,000	1
National Educational Television.....	35,000	2
National Friends of Public Broadcasting.....	386,000	3
New York University.....	255,000	2
New York University School of the Arts.....	220,000	1
Open Channel.....	55,000	3
Open Channel, Inc.....	49,200	2
Planning Corporation for the Arts.....	18,900	1
Public Broadcasting Service.....	1,500,000	2
Regional Plan Association.....	227,000	3
Senate of the State of New York.....	20,000	1
Southern Tier Educational Television Association.....	10,000	1
Television Channel 13.....	225,000	2
United Church of Christ.....	190,950	3
Video Access Center.....	12,500	2
Village Neighborhood Television.....	10,000	1
WNET TV.....	16,500	1
WNET Channel 13.....	295,000	1
Subtotal.....	21,424,030	80
Ohio:		
Case Western Reserve University.....	25,000	1
Educational Television Association of Metropolitan Cleveland.....	99,400	3
Subtotal.....	124,400	4

Recipient, State and name	Amount	Number
Pennsylvania:		
Allegheny Intermediate Unit	\$12,000	1
Carnegie Library of Pittsburgh	6,000	1
Carnegie-Mellon University and WQED Educational Television Station	97,000	1
Metropolitan Pittsburgh Public Broadcasting	700,000	2
WHYY Channel 12	25,000	1
WHYY Television Broadcasting Station	10,000	1
WHYY-TV Channel 12	10,000	1
WHYY-TV, Channel 12	26,125	1
WHYY-TV, Philadelphia	10,000	1
WHYY, Inc.	10,000	1
WQED Television	90,000	2
WQED, Channel 13 (Metropolitan Pittsburgh Educational Television)	150,000	1
WQED-FM Educational Radio and Television	5,000	1
WQLN Channel 54	20,000	1
Subtotal	1,171,125	16
Tennessee: Vanderbilt University (subtotal)	100,000	1
Texas:		
Association for Community Television	10,500	1
El Paso Public Television Foundation	35,000	1
KERA Channel 13	5,000	1
KERA-TV, Channel 13	25,500	1
KERA-TV Channel 13	17,500	1
Public Television Education for North Texas	50,000	1
Public Television Foundation for North Texas (KERA)	625,000	2
South Texas Educational Broadcasting Council	167,500	3
Subtotal	936,000	11
Washington: University of Washington KCTS-TV, Channel 9 (subtotal)	65,000	2
Wisconsin:		
Milwaukee Area Technical College	30,000	1
River Task Force	7,500	1
Subtotal	37,500	2
West Virginia: West Virginia University (subtotal)	135,625	1
Total	40,306,605	229

APPENDIX IV

MAJOR FOUNDATION GRANTS TO PUBLIC BROADCASTING 1970-1973

(Arranged alphabetically by foundation, including only foundations that contributed more than \$250,000).

Number of grants	121
Number of foundations	18
Total amount	\$36,097,491

Foundation name	Amount	Number of grants
Astor (Vincent) Foundation	\$401,000	4
Benton (William) Foundation	175,000	2
Bush Foundation	332,879	5
Carnegie Corp. of New York	1,381,000	4
Clark (Edna McConnell) Foundation	310,958	3
Davis (Arthur Vining) Foundation	345,000	6
Ford Foundation	25,565,000	40
Johnson (Robert Wood) Foundation	1,737,500	3
Kresge Foundation	710,112	5
Lilly Endowment	255,000	2
Markle (John and Mary R.) Foundation	2,457,442	24
Mellon (Andrew W.) Foundation	1,050,000	4
Mellon (Richard King) Foundation	350,000	1
Rockefeller Brothers Fund	230,000	6
Rockefeller Family Fund	43,400	2
Rockefeller Foundation	890,000	5
Sears-Roebuck Foundation	350,000	1
Sloan (Alfred P.) Foundation	313,200	4
Total	36,097,491	121

- Astor (Vincent) Foundation, NY. \$250,000 to Corporation For Public Broadcasting, NY., NY. For program on drug abuse
- Astor (Vincent) Foundation, NY. \$70,000 to Corporation For Public Broadcasting, NYC., NY. For Program on Law and Justice. 72
- Astor (Vincent) Foundation, NY. \$25,000 to Educational Broadcasting Corporation, WNET Channel 13, NYC., NY. In support of consumer action project. 12/6/73 Limitation: General limitation to programs in or of primary benefit to New York City. Reference: Joan Mack
- Astor (Vincent) Foundation, NY. \$50,000 to Television Channel 13, NY., NY. To rent office space to house reference library and to hire librarian and research director
- Benton (William) Foundation, NY. \$100,000 to Aspen Institute For Humanistic Studies, Co. For conferences on television, cable, and other communications media: Aspen program on communications and society (3-year grant)
- Benton (William) Foundation, NY. \$175,000 to National Citizens Committee For Broadcasting, NY., NY. To expand and improve quality of public broadcasting.
- Bush Foundation, MN. \$170,000 to Three Prong Television Productions, Chicago, Ill. To support prime time school television project. 11/16/73. Yrs. duration: 2. Profile: Junior and senior high school students. Reference: Lynn N. Miller
- Bush Foundation, MN. \$50,000 to Three-Prong Television Productions, Chicago, Ill. For prime time school television program. 71
- Bush Foundation, MN. \$6,200 to Twin City Area Educational Television Corporation, Saint Paul Mn. To support the program "perspective" through June 26, 1973. 1/8/73. Profile: Operation/Minnesota Citizens. Reference: W. D. Donaldson, general manager of Twin City Area Television Corp.
- Bush Foundation Mn. \$78,000 to Twin City Area Television Corporation, Saint Paul, Mn. For placement of antennae on tall tower in Twin City area. 71
- Bush Foundation, Mn. \$28,073 to Urban Concerns Workshops, Minneapolis, Mn. Toward development of educational TV-series on practical politics. 1/14/74 Reference: Sally Bosanko
- Carnegie Corporation of New York, NY. \$1,000,000 to Children's Television Workshop, NY, NY. For production of children's educational programs and further development of Sesame Street
- Carnegie Corporation of New York, NY. \$281,000 to National Friends of Public Broadcasting, NY., NY. To improve fund raising and stimulate creative programming
- Carnegie Corporation of New York, NY. \$85,000 to National Friends of Public Broadcasting, NYC, NY. Toward support of National Friends of Public Broadcasting. 4/12/73 Yrs. Duration: 2. Profile: Operation. Reference: Mrs. William Schuman, chairman, National Friends of Public Broadcasting, 1345 Avenue of the Americas, New York, NY. 10019
- Carnegie Corporation of New York, NY. \$15,000 to Regional Plan Association, NYC, NY. For distribution to educators of a paperback book and related materials for the television project, choices for '76, a series of five televised "Town Meetings" aimed at discussion and tabulation of opinion on numerous issues facing the Connecticut-New Jersey-New York urban region. 3/6/73 Reference: Michael McManus, executive director, Regional Plan Association, 235 East 45th Street, New York, NY. 10017
- Clark (Edna McConnell) Foundation, NY. \$150,000 to Community Television Foundation of South Florida (WPBT), Miami, FL. For development, production and related services of an "elderly" television series on the contributions of the elderly in Miami area, and to employ voluntary services of older citizens in all phases of program activity. 9/19/73. Reference: George Dooley, president.
- Clark (Edna McConnell) Foundation, NY. \$9,958 to Hampshire College, Amherst, MA. For a feasibility study of the Northampton cable television franchise to be owned and operated by Hampshire and Smith Colleges. 72. Profile: completed.
- Clark (Edna McConnell) Foundation, NY. \$145,000 to Rand Corporation, Santa Monica, CA. To develop a comprehensive assessment of current knowledge of social effects of television viewing, identify needs for future research, and provide ancillary information as appropriate. 9/19/73. Reference: Ieland L. Johnson.
- Davis (Arthur Vining) Foundations, FL. \$75,000 to Colby-Bates-Bowdoin Public Television, Lewiston, ME. To support joint educational television station operated by the three colleges. 1/74.

¹ For a more complete listing of Carnegie Corporation grants from 1961-1974, see Appendix I.

- Davis (Arthur Vining) Foundation, FL. \$25,000 to Florida West Coast Educational Television, Tampa, FL. Toward costs of moving educational station WEDU. 4/73.
- Davis (Arthur Vining) Foundations, FL. \$25,000 to WETA television channel 26, DC. For general support. 72.
- Davis (Arthur Vining) Foundations, FL. \$75,000 to WGBH Educational Foundation, Boston, MA. To establish new TV channel 57 in western Massachusetts. 72.
- Davis (Arthur Vining) Foundations, FL. \$100,000 to WGBH Educational Foundation, Boston, MA. For sponsorship of television program "The Advocates". 1/74. Limitation: Challenge grant.
- Davis (Arthur Vining) Foundations, FL. \$45,000 to WTHS-Community TV Foundation of South Florida, FL.
- Ford Foundation, NY. \$8,000 to Action for Children's Television, Newton, MA. For Third National Symposium on Children and Television held at Yale University. 72.
- Ford Foundation, NY. \$80,000 to Aspen Institute for Humanistic Studies, program on communications and society, Aspen, CO. Toward support of projects on public broadcasting, government and the media, politics and the media, press criticism, and television and social behavior. 5/73. Profile: Second year support.
- Ford Foundation, NY. \$175,000 to Bilingual Children's Television, NYC, NY. For emergency funding pending receipt of federal grants to bilingual, bicultural, preschool television program for Spanish-speaking children. 8/73.
- Ford Foundation, NY. \$800,000 to Boston TV Channel WGBH, Boston, MA. For new programing. 72.
- Ford Foundation, NY. \$1,000,000 to Children's Television Workshop, NY. To initiate new children's educational program "The Electric Company".
- Ford Foundation, NY. \$100,000 to Community Television, Inc. (WJCT) Jacksonville, FL. For community involvement television programing. WJCT's programs on community themes include the nightly feedback, in which viewers comment on local issues. 4/73. Profile: Terminal supplemental grant.
- Ford Foundation, NY. \$1,500,000 to community television of Southern California (KCET), Los Angeles, CA. Toward support of national public television programing. 8/73.
- Ford Foundation, NY. \$100,000 to corporation for public broadcasting, N.Y., NY. For public broadcast survey facility.
- Ford Foundation, NY. \$1,200,000 to corporation for public broadcasting, DC. For equipment to establish interim network plant for public broadcasting service in Washington.
- Ford Foundation, NY. \$45,000 to corporation for public broadcasting, DC. For management information system for public television. The management analysis center will design a standardized, computerized system that can be easily adapted and installed by any station to provide the kind of long-range management planning and accounting control now lacking in most public television stations. 73.
- Ford Foundation, NY. \$250,000 to corporation for public broadcasting, NYC, NY. For public broadcasting service's advertising of public television national programing for first three months of 1973. 4/73. Profile: Supplemental grant.
- Ford Foundation, NY. \$15,000 to corporation for public broadcasting, NYC, NY. Toward support for management information system for improved planning and accounting control for public television, 6/73. Profile: Supplemental grant.
- Ford Foundation, NY. \$700,000 to corporation for public broadcasting, NYC., NY. To enable corporation to acquire additional programing requested by public television stations. 11/73.
- Ford Foundation, NY. \$100,000 to corporation for public broadcasting, NYC, NY. To support public broadcasting survey facility, which conducts audience research in nine cities. 1/74. Profile: Continued support.
- Ford Foundation, NY. \$100,000 to educational broadcasting corporation, N.Y., NY. For support of NET opera.
- Ford Foundation, NY. \$2,200,000 to educational broadcasting corporation, N.Y., NY. To improve technical capability to provide local and national programing.
- Ford Foundation, NY. \$4,000,000 to educational broadcasting corporation, N.Y., NY. For WNET new programing. 72.
- Ford Foundation, NY. \$3,000,000 to educational broadcasting corporation, NYC, NY. To support television production centers. 6/73.
- Ford Foundation, NY. \$820,000 to greater Washington educational television, DC. For programming and support during reorganization period.

- Ford Foundation, NY. \$1,500,000 to greater Washington educational telecommunications association, DC. For support to NPACT public affairs television programs. 6/73.
- Ford Foundation, NY. \$200,000 to KQED, Inc., San Francisco, CA. For terminal support of "newsroom" program covering local news in depth. 1/74. Profile: Supplemental grant.
- Ford Foundation, NY. \$500,000 to Los Angeles TV Channel KCET, Los Angeles, Ca. for new programming. 72.
- Ford Foundation, NY. \$350,000 to Metropolitan Pittsburgh Educational Television, Pa. for "newsroom" program.
- Ford Foundation, NY. \$75,000 to National Association of Educational Broadcasters, NYC, NY. Toward support of new coordinating committee aimed at providing trustees of public broadcasting stations with a wide range of information on public television. Purpose is to equip trustees to take a more active role in developing station program policies, planning long-range financing, and advancing the training of station personnel. 2/73.
- Ford Foundation, NY. \$150,000 to National Association of Educational Broadcasters, DC. To assist in transition from organization made up of public television stations and other institutions to a professional society composed of individuals involved in whole field of telecommunications. 10/73.
- Ford Foundation, N.Y. \$1,400,000 to National Public Affairs Broadcast Center for Public Television. DC for operations.
- Ford Foundation, N.Y. \$1,400,000 to National Public Affairs Broadcast Center for Public Television. DC for new programming. 72.
- Ford Foundation, N.Y. \$380,500 to National Public Affairs Broadcast Center for Public Television, DC. For programming through June 1973. Among programs are "Washington Week in Review" and "Thirty Minutes With . . .", an interview series. 73 profile: supplemental grant.
- Ford Foundation, NY. \$1,000,000 to Public Broadcasting Service, N.Y., NY. To extend public's awareness of programs available through PBS distribution system.
- Ford Foundation, NY. \$500,000 to Public Broadcasting Service, NYC, NY. For special events programming during 1973-74 and for program advertising challenge grant to be matched by PBS. 11/73.
- Ford Foundation, NY. \$5,000 to Public Broadcasting Service, DC. To provide public television stations with names and addresses of viewers who wrote NPACT (National Public Affairs Broadcast Center for Public Television) concerning the Watergate hearings. 1/74.
- Ford Foundation, NY. \$375,000 to Public Television Foundation for North Texas, Dallas, Tx. for nightly program of local news, "Newsroom". 72.
- Ford Foundation, NY. \$250,000 to Public Television Foundation for North Texas (Kera), Dallas, Tx. For terminal support of Newsroom, a public affairs program featuring first-hand analytical and interpretive reports in local subjects. 4/73. Profile: terminal supplemental grant.
- Ford Foundation, NY. \$90,000 to Regional Plan Association, NYC, NY. For series of television programs called "Choices for '76", on such issues as housing, poverty, urban growth, and environment in New York-New Jersey-Connecticut region. 2/73.
- Ford Foundation, NY. \$450,000 to San Francisco TV Channel KQED, San Francisco, Ca. for local programming. 72.
- Ford Foundation, NY. \$157,000 to United Church of Christ, NYC., NY. For campaign to discourage racial discrimination in broadcasting through education persuasion, and technical and legal assistance to local and national groups. 4/73. Profile: supplemental grant.
- Ford Foundation, NY. \$60,000 to University of Washington, Seattle, Wa.. To help station KCTS convert from a university to community station. KCTS is seeking to expand its coverage of local stations including city council and school board meetings and start a program on the history and heritage of the Pacific Northwest. 4/73.
- Ford Foundation, NY. \$100,000 to Vanderbilt University, Television News Archive, Nashville, Tn. To index television broadcasts between August 1968 and January 1972. Prepare microfilm and print copies of entire index for wider distribution, and purchase videocassette equipment. 8/73.
- Ford Foundation, NY. \$137,500 to WGBH Educational Foundation, Ma. For support of "The Reporters" program.

- Ford Foundation, NY. \$202,000 to WGBH Educational Foundation, Boston Ma. To enable WGBH-TV to become the sole producer of the Advocates, a courtroom style debate of controversial issues. KCET-Los Angeles was formerly co-producer, 4/73. Profile: supplemental grant.
- Johnson (Robert Wood) Foundation, NJ. \$200,000 to Children's Television Workshop, NYC., NY. For research and pilot testing project for a national television program on health. 1/25/73. Reference: William Kobin, V.P.
- Johnson (Robert Wood) Foundation, NJ. \$37,500 to Children's Television Workshop, NYC., NY. For planning project for a national television program on health. 5/25/72. Reference: William Kobin, V.P.
- Johnson (Robert Wood) Foundation, NJ. \$1,500,000 to Children's Television Workshop, NYC., NY. For National television series aimed at improving the health behavior of citizens. 11/29/73. Reference: William Kobin, vice president.
- Kresge Foundation, MI. \$14,897 to Detroit Educational Television Foundation, MI. For purchase of color broadcast and production equipment.
- Kresge Foundation, MI. \$150,280 to Detroit Educational Television Foundation, MI. For building purchase.
- Kresge Foundation, MI. \$152,259 to Detroit Educational-Television Foundation, Detroit, MI. Toward purchase of Storer Broadcasting Company Building in Detroit. 1/73. Profile: Second of three grants totaling \$400,000.
- Kresge Foundation, MI. \$142,667 to Detroit Educational Television Foundation, Detroit, MI. Toward purchase of Storer Broadcasting Company, Building 1/74. Profile: Last of three grants totaling \$400,000.
- Kresge Foundation, MI \$220,000 to New York University School of the Arts, NY. For television communications center.
- Lilly Endowment, IN. \$180,000 to Paullist Productions, Pacific Palisades, CA. For television award program to encourage and recognize writers who best communicate religious values deriving from Judeo-Christian Vision of Man. 3/74 Yrs. Durations: 3.
- Lilly Endowment, IN. \$75,000 to WGBH Educational Foundation, Boston, MA. budget support production of film series, "Religious America" for educational TV. 2/20/73. Reference: Phillip Garvin.
- Markle (John and Mary R.) Foundation, NY. \$150,000 to action for children's television, Newtonville, MA. For general support. 11/5/73. Yrs. Duration: 2. Reference: Peggy Charren, President.
- Markle (John and Mary R.) Foundation, NY. \$10,000 to American Friends Service Committee, MA. To study effects of television on attitude formation.
- Markle (John and Mary R.) Foundation, NY. \$10,000 to Aspen Institute for Humanistic Studies, CO. For television conference.
- Markle (John and Mary R.) Foundation, NY. \$267,000 To Aspen Institute for Humanistic Studies, CO. For conferences on television, cable, and other communications media: Aspen program on communications and society (4-year grant).
- Markle (John and Mary R.) Foundation, NY. \$37,500 to Children's Television Workshop, N.Y., NY. For planning study for national television program on health. 72.
- Markle (John and Mary R.) Foundation, NY. \$87,000 to Claremont College Graduate School, Urban Studies Center, CA. For study of Spanish language television audiences.
- Markle (John and Mary R.) Foundation, NY. \$61,777 to Claremont Graduate School, Human Resources Institute, Claremont, CA. For project to increase effectiveness and use of Spanish-language-only television in the Los Angeles area. 11/5/73. Reference: Darryl D. Enos, Director, center for Urban and Regional Studies.
- Markle (John and Mary R.) Foundation, NY. \$25,000 to Committee for Economic Development, NYC, NY. To develop a policy statement on the economic and social impact of the new broadcast media. 11/14/72. Reference: Alfred Neal, Committee for Economic Development.
- Markle (John and Mary R.) Foundation, NY. \$25,000 to Committee for Economic Development, NYC, NY. To help develop policy statement on economic and social impact of new broadcast media. 11/5/73. Reference: Alfred Neal, President.
- Markle (John and Mary R.) Foundation, NY. \$15,000 to Committee on Children's Television, San Francisco, CA. For general support. 11/5/73. Reference: Sally Williams, Executive Director.
- Markle (John and Mary R.) Foundation, NY. \$20,000 to Education Development Center, Newton, MA. To develop television program to teach mathematics. 5/15/73. Reference: Jerrold R. Zacharias.

- Markle (John and Mary R.) Foundation, NY. \$295,000 to Educational Broadcasting Corporation, NY. For media review television program.
- Markle (John and Mary R.) Foundation, NY. \$250,000 to Educational Broadcasting Corporation (Channel 13), N.Y., NY. For media review program "Behind the Lines". 72.
- Markle (John and Mary R.) Foundation, NY., \$6,705 to Educom, Interuniversity Communications Council, Princeton, NJ. For planning conference on cable television and higher education. 5/15/73. Reference: Henry Chauncey.
- Markle (John and Mary R.) Foundation, NY. \$72,000 to Harvard University, Cambridge, MA. For a center for research in children's television.
- Markle (John and Mary R.) Foundation, NY. \$18,000 to Inter-University Communications Council, Princeton, NJ. For conference on potential uses of cable television by universities. 11/5/73. Reference: Henry Chauncey, President.
- Markle (John and Mary R.) foundation, NY. \$100,000 to National Association of Educational Broadcasters, NY. For support of office of minority affairs.
- Markle (John and Mary R.) foundation, NY. \$20,000 to National Friends of Public Broadcasting, NYC., NY. for general support. 3/6/73. Yrs. Duration: 2. Reference: Mrs. William Schuman, chairman, National Friends of Public Broadcasting, 1345 Avenue of the Americas, NY., NY. 10019.
- Markle (John and Mary R.) foundation, NY. \$250,000 to New York University, NY. For alternate media center to promote cable television for local, non-professional use.
- Markle (John and Mary R.) foundation, NY. \$18,900 to planning corporation for the arts, NY. for community cable television origination.
- Markle (John and Mary R.) foundation, NY. \$50,000 to Regional Plan Association, NYC., NY. Support for evaluation of "choices for '76" television series. 3. 15/73. Reference: Michael J. McManus, Regional Plan Association, 235 E. 45 St., NY., NY. 10017.
- Markle (John and Mary R.) foundation, NY. \$20,000 to Senate of the State of New York, Federal/State Liaison Office, Albany, NY. To support conference on the appropriate role of State governments in cable television regulation. 11/5/73. Reference: Michael Ruberti, associate director.
- Markle (John and Mary R.) foundation, NY. \$350,000 to University of California, Department of Continuing Education, San Francisco, CA. For project using commercial television to provide public health education. 11/14/72. Reference: Leona Butler, University of California, San Francisco.
- Markle (John and Mary R.) foundation, NY. \$295,000 to WNET Channel 13, NY. For "Behind the Lines" program on how news is made.
- Mellon (Andrew W.) foundation, NY. \$50,000 to corporation for Public Broadcasting, NYC. NY. Toward production costs of a television program on an exhibition of works of art from the Soviet Union to be presented at the National Gallery of Art this spring. 3/13/73.
- Mellon (Andrew W.) foundation, NY. \$150,000 to Educational Broadcasting Corporation, NYC. NY. Toward production of its proposed series on the lives of John Adams and his descendants. 3/13/73.
- Mellon (Andrew W.) foundation, NY. \$100,000 to National Endowment for the Humanities, DC for use of national educational television in support of biography II series of productions.
- Mellon (Andrew W.) foundation, NY. \$750,000 to National Endowment for the Humanities, DC for exclusive use of educational broadcasting corporation, New York, for production of television series depicting the history of our country from 1750 to 1900 as seen through the lives of John Adams and his descendants. 12/12/73.
- Mellon (Richard King) foundation, Pa. \$350,000 to Metropolitan Pittsburgh Public Broadcasting, Pittsburgh, Pa. To continue support of annual budget of WQED-TV newsroom program. 72 yrs. duration: 3.
- Rockefeller Brothers Fund, NY. \$25,000 to Broadcast Institute of North America, Evanston, Ill. For general budgetary support of the International broadcast institute, created to identify and study problems associated with accelerated technological developments in all media. 11/2/72.
- Rockefeller Brothers Fund, NY. \$30,000 to Broadcast Institute of North America, NYC. NY. For General Support of International Broadcast Institute, created to identify and study problems associated with accelerated technological developments in all Media. 10/19/73.
- Rockefeller Brothers Fund, NY. \$25,000 to Corporation for Public Broadcasting, DC.

- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NY. For operating needs of Channel 13.**
- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NYC, NY. For general support of Channel 13. The Educational Television Station serving the New York Metropolitan Region. 8/3/72.**
- Rockefeller Brothers Fund, NY. \$50,000 to Educational Broadcasting Corporation, NYC, NY. For General Support of Channel 13 serving the New York Metropolitan Region. 12/14/73.**
- Rockefeller Family Fund, NY. \$24,200 to N.O.W. Legal Defense and Education Fund, NYC, NY. Toward costs of Media campaign which uses print ads, TV announcements, and radio spots to combat sex discrimination in employment. 2/13/73.**
- Rockefeller Family Fund, NY. \$19,200 to Open Channel, Inc., NYC., NY. For Salary of Community Production Director. 72.**
- Rockefeller Foundation, NY. \$15,000 to American Association for the Advancement of Science, DC. For planning study of television programing designed to enhance public understanding of science.**
- Rockefeller Foundation, NY. \$300,000 to Bay Area Education Television, San Francisco, CA. For National Center for Experiments in Television to create New centers at cooperating Universities.**
- Rockefeller Foundation, NY. \$150,000 to Educational Broadcasting Corporation, NYC., NY. To establish laboratory workshop at Station WNET, Channel 13.**
- Rockefeller Foundation, NY. \$400,000 to Educational Broadcasting Corporation (Station WNET), NYC, NY. To operate experimental television laboratory. 12/72.**
- Rockefeller Foundation, NY. \$25,000 to Regional Plan Association, NYC., NY. To plan and initiate television town meetings. "Choices for '76".**
- Sears-Roebuck Foundation, IL. \$350,000 to Corporation for Public Broadcasting, NYC., NY. For production of "Mister Rogers' Neighborhood" color television programs for children.**
- Sloan (Alfred P.) Foundation, NY. \$250,000 to Lincoln Center for the performing arts, NYC, NY. Toward developing use of new technologies and techniques for televising live and taped performances. 6/25/73. Reference: Andre Mirabelli, Director of Business Affairs.**
- Sloan (Alfred P.) Foundation, NY. \$19,000 to Northwestern University, Evanston, Ill. To evaluate certain components of slow-scan television system and to develop instructional materials for system. 3/21/74. Reference: David Mintzer, Dean.**
- Sloan (Alfred P.) Foundation, NY. \$18,300 to University of California, Lawrence Hall of Science, Berkeley, CA. To support project teaching science with television. 4/23/73. Reference: August G. Manza, Manager.**
- Sloan (Alfred P.) Foundation, NY. \$25,000 to University of California, Berkeley, CA. To support experimental work in use of technology, especially color television, in teaching of biology to non-science majors. 6/20/73. Reference: August Manza, Business Manager.**

FOUNDATION CENTER DATA BANK SEARCH DESCRIPTION

Subject: Public Broadcasting: Foundations granting over \$250,000; No. of Grants Listed: 121; Date Compiled: 8/22/74.
 Data Bank Searched: Foundation Grants Index.
 Total No. of Grants in Data Bank: 24,900.
 Period Covered by Data Bank: Index Issues, January 1972-July 1974.

APPENDIX V

FOUNDATION GRANTS TO EDUCATIONAL INSTITUTIONS WITH A PUBLIC MEDIA PURPOSE 1970-1973

(Arranged by size of grant)

Number of grants: 31; Total amount: \$1,472,660.

Ford Foundation, NY. \$200,000 to Chicanos Por La Causa, Phoenix, AZ. for subsidized housing, arrangement of financing for wholesale bakery and loans for other Chicano business ventures, a bilingual television program on Chicano health needs, and plans for two community health centers. 1/74. Profile: Supplemental grant/Chicanos.

- Sloan (Alfred P.) Foundation, NY. \$165,000 to University of California, Davis, CA for controlled experiment in teaching of genetics that will compare cost effectiveness of television-based instruction with conventional teaching. 4/11/73. Yrs. duration: 2. Reference: Dr. James H. Meyer, chancellor.
- Kresge Foundation, MI. \$125,000 to Case Western Reserve University, health sciences communications center, Cleveland, OH., for purchase of major capital equipment, television color cameras, and supporting equipment. 1/73.
- Lilly Endowment, IN. \$97,250 to Church Federation of Greater Indianapolis, IN., for law enforcement chaplaincy, television program production, and other projects.
- Ford Foundation, NY. \$75,000 to Population Education, Inc., DC., for filmed version of report of U.S. Commission on Population Growth and the American Future, to be shown on television. 72.
- Tinker Foundation, NY. \$75,000 to population reference bureau, Latin American Department, DC., to support publications program including monthly newsletter, series of bulletins, annual world data sheet, and bi-weekly fact sheet for distribution to Latin American radio and television stations. 72.
- Ford Foundation, NY. \$72,000 to United Church of Christ Office of Communications, N.Y., NY for programs to curb discrimination and encourage television programs serving minority groups. 72.
- Hill (Louis W. and Maud) Family Foundation, MN. \$57,000 to Saint Olaf College, Northfield, MN. to initiate variety of programs, including student tutors, programmed learning packages, television lectures, administrative interns, and work-study programs. 12/14/73. Profile: Part of independent college program, productivity phase limitation: grants historically limited to established tax-exempt organizations primarily in northwestern United States. Reference: Lloyd Svendsbye, dean.
- Carnegie Corporation of New York, NY. \$57,000 to Harvard University, School of Education, Cambridge, MA., toward support of a producer-in-residence at the center for research in children's television. The center has been jointly established by Harvard University and by the children's television workshop, to conduct research on the use of television in teaching children. 12/14/72. Profile: Children. Reference: Gerald S. Lesser, director, center for research in children's television, Harvard University School of Education, Roy E. Larsen Hall, Appian Way, Cambridge, MA. 02138.
- Ford Foundation, NY. \$50,000 to Metropolitan Fund, Detroit, MI., to help create a regional citizens organization for six-county area of southeast Michigan, and to develop televised series of citizen feedback program on regional issues. 2/73.
- Gund (George) Foundation, OH. \$50,000 to Case Western Reserve University, schools of Engineering and Management, OH., to bring courses via television directly to business firms.
- Kresge Foundation, MI. \$50,000 to University of North Dakota, Grand Forks, ND., for equipment for closed circuit television studio to be used by School of Medicine. 11/72.
- Ketterling (Charles F.) Foundation, OH. \$45,000 to Regional Plan Association, choices for '76, NYC, NY., planning, implementation, and reporting of results for the creation of a series of 20th century town meetings. This series will be aired on television and articles will be published in newspapers. The series will focus on possible solutions and/or alternatives for dealing with problems in the following fields: housing, poverty, transportation, environment, urban growth, and government. This will involve approximately 500,000 citizens. This grant fits into the foundation's citizen involvement program to facilitate a more effective community through problem identification. Problem solving. Profile: New York-New Jersey urban region. Reference: Mike McManus, choices for '76 project director. (212) 682-7837.
- Hayden (Charles) Foundation, NY. \$35,000 to Henry Street settlement, NY. For television/film studio in arts for living center.
- Ford Foundation, NY. \$34,000 to Stanford University, Stanford, CA. To prepare manual on use of instructional television for policy planners in developing countries.
- San Francisco Foundation, CA. \$30,122 to Chinatown-North Beach District Council, San Francisco, CA. For televised English classes for Chinese immigrants. 71.
- Scaffe (Sarah Mellon) Foundation, PA. \$30,000 to Wildlife Management Institute, DC. For TV and radio spot announcements.
- Sage (Russell) Foundation, NY. \$24,000 to Academy for Educational Development, NYC, NY. For study of television and social behavior under direction of Douglass Cater and Stephen Strickland. 72.

- Gund (George) Foundation, OH. \$23,363 to Cleveland State University, Cleveland, OH. For board environmental education program for greater Cleveland area, "Man and Environment." Program will be freshman-level, three course sequence offered for college credit and will utilize several instructional media, with emphasis on broadcast television. Selected high school students will be offered courses for college credit. 12/8/72.
- Fund for the city of New York, NY. \$20,000 to Regional Plan Association, NYC, NY. For "Choices for '76" program, a form of regional town meeting in which area voters will learn about regional issues through television programs and be able to express their views on issues for tabulation and further reporting by regional plan. 72. Reference: John P. Keith, president, Regional Plan Association, 235 East 45 Street, NYC 10017.
- Kaplan (J. M.) Fund, NY. \$20,000 to Regional Plan Association, Inc., NYC, NY. For their choices for '76 project of TV town meetings to determine the future of tristate region by citizen participation in decisionmaking. 72.
- Schumann (Florence and John) Foundation, NJ. \$20,000 to Regional Plan Association, NYC, NY. For community development TV town meeting project entitled "Choices for '76". 12/11/72.
- Sloan (Alfred P.) Foundation, NY. \$20,000 to Education Development Center, Newton, MA. Toward support of summer program in mathematics, encompassing the use of television and drawing upon science, technology, and the arts. 5/9/73. Reference: Edwin D. Campbell, president; Jerrold R. Zacharias.
- Gund (George) Foundation, OH. \$17,500 to Ohio American Revolution Bicentennial Advisory Commission, Columbus, OH. For services of staff member to serve as liaison among commission, educational institutions, and television stations in development of American Revolution Bicentennial School-Community Project. 3/15/74.
- Sloan (Alfred P.) Foundation, NY. \$15,000 to University of South Carolina, Columbia, SC. For study of cost effectiveness of the university's television based, part-time MBA program. 10/27/72. Reference: James F. Kane, dean, Univ. of S.C.
- Sloan (Alfred P.) Foundation, NY. \$15,000 to Colorado State University, Fort Collins, CO. For evaluation of interinstitutional television-based course in biology. 3/7/74. Reference: Max A. Binkley, vice-president for finance.
- Markle (John and Mary R.) Foundation, NY. \$12,825 to University of California, school of medicine, laboratory. For study of human interaction and conflict, San Francisco, CA. To support planning conference for experimental study in South Africa of the effect of television programming on the social behavior of children, 6/5/73. Profile: London or South Africa. Reference: Prof. Paul Ekman.
- Pitcairn-Crabbe Foundation, PA. \$12,000 to Lutheran Ministry for the Aging, Pittsburgh, PA. To produce color film for television and 16mm projection dealing with subject of the aging. 10/72.
- Commonwealth Fund, NY. \$9,000 to Medical Care Development, Inc., Blue Hill Memorial Hospital, Inc., Augusta, ME. For television-communications system aimed at improving health care in remote, rural areas of Maine. With the support of the Regional Medical Program of Maine, such a system has been installed to connect the Blue Hill Memorial Hospital with a small clinic that serves the predominantly low income inhabitants of Deer Isle, off the tip of Maine. Reference: Dr. Mann J. Chatterjee, executive director, medical care development, Dr. Richard W. Britt, administrator, Blue Hill Memorial Hospital.
- Wallace-Eljabar Fund, NJ. \$8,500 to Seton Hall University, School of Law, Newark, NJ. For summer research project being conducted in cooperation with New Jersey public interest research group to study performance of New Jersey Public Utilities Commission in the regulation of the garbage industry and cable television. 6/13/73. Reference: Michael P. Ambrosio, prof.
- Gund (George) Foundation, OH. \$7,500 to Ohio American Revolution Bicentennial Advisory Commission, Columbus, OH. For consultant to survey and evaluate potential bicentennial programs of colleges, universities, and educational television in Ohio. 10/4/73.

FOUNDATION CENTER DATA BANK SEARCH DESCRIPTION

Subject : TV Grants outside the Public Media ; No. of Grants Listed : 31 ; Date Compiled : 8/22/74.

Data Bank Search : Foundation Grants Index.

Total No. of Grants in Data Bank : 24,000.

Period Covered by Data Bank : Index issues, January 1972-July 1974.

APPENDIX VI

INCOME OF PUBLIC BROADCASTING SYSTEM BY SOURCE: FISCAL YEARS 1972 AND 1973

(Prepared by the Corporation for Public Broadcasting)

(The following information was prepared for presentation to the Senate Commerce Committee as part of the Corporation for Public Broadcasting's testimony on the Public Broadcasting Financing Act. The information was compiled from material appearing in *The Status Report of Public Broadcasting 1973*, a report prepared by CPB with the assistance of the U.S. Office of Education. This report will be published by USOE and made available to public radio and television stations in the near future.)

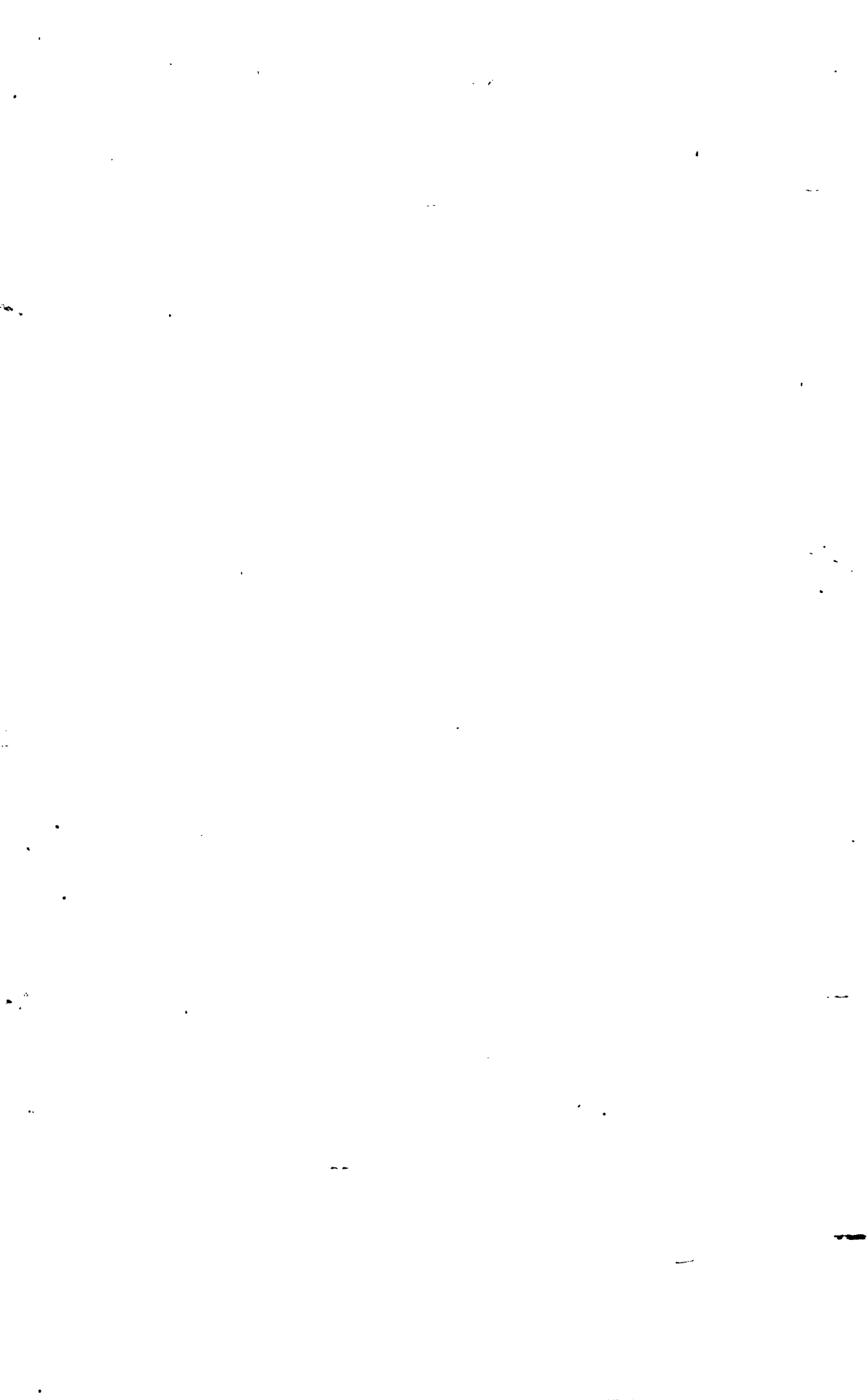
Income source	Fiscal year 1972	Fiscal year 1973
Total income.....	\$234,304,489	\$254,764,373
Percent.....	100.0	100.0
State and local taxes sources.....	107,704,545	127,275,430
Percent of total.....	46.0	50.0
State source ¹	78,314,592	95,549,762
Local sources.....	29,389,953	31,725,668
Federal Government.....	² 59,811,904	³ 55,585,000
Percent of total.....	25.5	21.8
Foundation.....	25,117,465	20,181,233
Percent of total.....	10.7	7.9
Subscribers and auction.....	17,609,865	25,434,931
Percent of total.....	7.5	10.0
All other sources.....	24,060,710	26,287,779
Percent of total.....	10.3	10.3

¹ Includes income received from State colleges and universities.

² In fiscal year 1972, \$35,000,000 was appropriated by the Congress to the Corporation for Public Broadcasting. This represents 14.9 percent of total systems income.

³ In fiscal year 1973, \$35,000,000 was also appropriated by the Congress to the Corporation for Public Broadcasting, representing under 14 percent of total systems income.

[Whereupon at 11:50 a.m., the hearing was recessed to reconvene at 9:30 a.m. on Tuesday, September 10, 1974.]



ROLE OF PRIVATE FOUNDATIONS IN PUBLIC BROADCASTING

TUESDAY, SEPTEMBER 10, 1974

U.S. SENATE,
SUBCOMMITTEE ON FOUNDATIONS OF THE
COMMITTEE ON FINANCE,
Washington, D.C.

The subcommittee met, pursuant to recess, at 9:40 a.m., in room 2228, Dirksen Senate Office Building, Senator Vance Hartke (chairman of the subcommittee) presiding.

Present: Senators Hartke and Fannin.

Senator FANNIN [presiding]. The hearing will come to order.

We have a statement by Senator Hartke that we will place in the record at this point.

[The statement referred to follows:]

OPENING STATEMENT OF SENATOR VANCE HARTKE, CHAIRMAN SUBCOMMITTEE ON FOUNDATIONS

This is the second day of hearings to examine the role of foundations in public broadcasting. Our session yesterday enabled representatives of the public broadcasting industry to discuss the importance which foundation grants have had in establishing our present public broadcasting system, and the need for increased support from foundations.

This is one area where foundations have a right to be proud. A few of the larger foundations recognized the need for and the potential of public broadcasting and invested heavily in its future. They enticed other foundations to lend their support. Public broadcasting would surely not be as advanced as it is today without the massive assistance which foundations have provided.

What concerns me is the future of public broadcasting. The Ford Foundation is phasing out its institutional participation. At the same time, Congress is about to pass the first long-range financing legislation for public broadcasting. That legislation will make non-Federal support even more important.

Frankly, I have seen no evidence which leaves me confident that more foundations will enter the public broadcasting picture to fill the gap left by the departure of the Ford Foundation and to fill the need which arises from the long-range financing legislation.

Twenty years ago, public broadcasting was new and innovative. It is even more so today. That is why it deserves the support of foundations. It is an example of the best of American traditions—a free exchange of ideas and knowledge which owes its existence to broad support from the Public and the efforts of hundreds of thousands of volunteers.

Our hearing yesterday disclosed many facts about foundation grants to public broadcasting which had never been collected before. As valuable as that information is, it remains incomplete. The greatest frustration which has faced this subcommittee has been a lack of reliable data. Congress needs complete information about foundation involvement in public broadcasting, particularly at a time when we are considering legislation which provides for long-range financing of the system. It does no good to create a matching formula for Federal funds and then set a total authorization level that is far above the ability of non-Federal funds to meet.

While I cannot speak with assurance about the amount of money which foundations will give to public broadcasting in the next 5 years, I can say with

assurance that public broadcasting is a worthy recipient of foundation philanthropy.

Our witnesses today will help this subcommittee acquire a complete perspective on foundation involvement in public broadcasting. I trust that, when these hearings are completed, both the public broadcasting and foundation communities will use the information we have received to their mutual advantage.

Senator FANNIN. The first witness this morning will be Mr. Fred Friendly of the Ford Foundation. Mr. Friendly, do you have anyone with you that you would like to have introduced?

**STATEMENT OF FRED W. FRIENDLY, ADVISER ON TELEVISION,
THE FORD FOUNDATION, ACCOMPANIED BY DAVID M. DAVIS**

Mr. FRIENDLY. Yes, I do, Mr. Davis.

Senator FANNIN. If you will just identify the gentleman, or let him identify himself, then we will get started.

Mr. FRIENDLY. All right.

Senator FANNIN. And we welcome you here this morning and appreciate your testimony.

Mr. FRIENDLY. Thank you, Senator Fannin.

My colleague, Mr. David M. Davis, and I are pleased to be here to present the Ford Foundation's views of the role of foundations in public broadcasting. We will, of course, be glad to answer any questions the subcommittee may have.

Some day soon, some person is going to pick up a phone, call his local public television station, become a member or a subscriber, and thereby become the 5 millionth supporter of public television at \$15 or \$20 per year. That may seem like a long leap from the one million members public television has now, but it is not so wild a dream when measured against the 100-percent growth in membership public television has enjoyed since the 1966 hearings.

Five million members is within the range of the Station Independence Program proposed by the Public Broadcasting Service and funded by the Ford Foundation. We will discuss that plan later.

We take great pride in the million members that public television now has, and in the fact that 5 million members is a reasonable goal for the next few years.

The foundation's interest in the educational and cultural potential of television began with "Omnibus", before a single noncommercial station had been licensed, and long before the phrase "public broadcasting" was a part of the language. That support has continued for 23 years and resulted in grants of almost \$300 million.

Our grants have gone into public television programing, the construction of facilities, the development of instructional television, interconnection to tie the stations together, and experimentation in all fields of broadcasting. The details are contained in a memorandum that, with your permission, Senator Fannin, we would like to submit for the record.

Senator FANNIN. It will be accepted for the record.

Mr. FRIENDLY. The Ford Foundation's emphasis has changed as the needs of public broadcasting have changed. In the early years, facilities were a big problem; the foundation's major thrust, though not the only one, was to increase the number of new stations.

In the middle years, we focused on developing local and national programing. Recently, we have worked on institutional arrangements

to strengthen the entire system in cooperation with the Corporation for Public Broadcasting and the Public Broadcasting Service.

One of our central concerns has been interconnection—a concern expressed in our domestic satellite proposal of 1966. Our grants for the Public Broadcasting Laboratory, PBS, and NPACT, and, of course, since 1967, our wholehearted support for implementing the Carnegie report.

Public broadcasting was thus able to provide comprehensive coverage of the momentous events of last year and, just this past Thursday, uninterrupted coverage of the President's economic summit meeting.

I think it is honest to say that public television would not now be on the threshold of large-scale Federal financing if it were not for the Ford Foundation's efforts and support. For many years, the foundation was the single largest source of support for the system.

Just 7 years ago, Ford Foundation support represented 14.4 percent of the total support for public television. Last year we represented only 4 percent, and we intend over the next 4 years to withdraw all major institutional support.

Mr. Chairman, I think it is healthy that public broadcasting is no longer so financially dependent on a single foundation, just as I think it would be unhealthy for public television to be too dependent on Federal funds that were not insulated from the day-to-day political process. The Carnegie report first emphasized the obvious need for Federal funds, and the potential dangers, in its comprehensive 1967 report.

It was clear in 1967, when the Public Broadcasting Act was passed, that annual appropriations might prove troublesome.

At the Senate hearings, your colleague, Senator Scott, said:

I am going to support whatever measures I think will tend to support the insulating process because I want this electricity that could flow through this system to shock, but I don't want those who are shocked to turn off the juice.

As we all know, annual appropriations did prove troublesome, and there were some notorious efforts to "turn off the juice."

Public television has, of course, survived the crises of recent years. It is, I submit, stronger as a result.

My point in raising this issue is that insulation of public television from undue control and influence from any source—government, foundations, corporations—has been centermost in the Ford Foundation's thinking over the years and remains a prime issue today.

Five-year funding helps to achieve insulation, as does the Station Program Cooperative, originally outlined by Hartford Gunn, president of the Public Broadcasting Service. This unique program selection process enables all of the 150 licensees to participate in choosing what national programs will be shown in their communities.

It keeps the critical ongoing program decisions where they belong, in the hands of each local public television station. It combines the advantages of decentralization with the economies of scale required for the production of quality national programs.

Although the Station Program Cooperative must still be viewed as an experiment, and there is still concern about its level of funding, it can now be regarded as a success, clearly warranting continued support from the Federal Government and private sources.

The Ford Foundation has made the Station Program Cooperative a prime element in our final series of major institutional grants to public television. That series of grants will total \$40 million over the next 4 years, almost all of it for programming.

We are making major grants to the public television stations in New York, Washington, Boston, and Los Angeles, for general production purposes. These grants are a recognition of the high cost of programming, and the need to create a critical mass of funds, people, and facilities so that the system can produce high quality programs.

A number of stations could do this, given the funds, but we had to make hard choices or spread our funds too thinly to accomplish the purpose. We concluded that a series of matching grants to the four stations mentioned above, to stabilize their production organizations was the best option.

Another aspect of our last series of grants is our support of the new American television drama project. In conjunction with the National Endowment for the Arts and the Corporation for Public Broadcasting, the foundation's trustees have authorized \$1.5 million this year and \$1 million next year to produce new American plays for public television.

Beyond filling a well recognized need in programming, we are hopeful that the project will bring new and unique concepts to this neglected aspect of broadcasting and that the process will provide a benchmark for the entire industry, commercial and noncommercial.

The final aspect of our \$40 million package is called the station independence program. (I mentioned it at the outset of my testimony.)

Public television should mean just that; the public should be the cornerstone that anchors the structure. Public television must thus continue to develop strong local constituencies.

The Ford Foundation has earmarked \$2 million over the next 3 years to encourage more stations to solicit membership by improving the techniques and methods of solicitation. We hope that projections made in 1974 will seem conservative by 1978. For example, over the past 3 years, the number of WNET's subscribers in New York, New Jersey, and Connecticut has grown from 70,000 to 192,000, a 170 percent increase; in a single recent pledge week, \$300,000 was raised.

This brings me to the toughest decision we have had to make during my 8 years with the Ford Foundation, the decision to phase down our major institutional support for public television.

As you know, foundations normally initiate projects, nurture them, and finally launch them on their own, hoping that worthwhile projects will have attracted independent sources of financial support. In the case of public broadcasting, of course, financial viability is much more than a hope.

This was not a precipitous decision. We struggled with timetables, concepts, and plans. In recent years, it has seemed increasingly apparent that the foundation could withdraw institutional support from public broadcasting when:

(1) There was reasonable assurance of adequate long-term funding, and

(2) There were institutional arrangements that could insulate the system from control or undue influence by a single source.

We think both conditions have been substantially met. The partnership agreement between CPB and PBS, the Station Program Cooperative, and the prospects of a new 5-year bill indicate the momentum.

Public television is here to stay. It has a life of its own. We are confident that the future holds bright promise and that most of the confusion and growing pains are behind us.

Our measured confidence allows us to speculate on the future. You will notice that I indicated that we would, over a 4-year period, terminate our major institutional support.

This does not mean that we will turn our backs on this enterprise. As long as the Ford Foundation has a program in communications, we will reserve a part of our budget for special projects, whether they be in the continuance of the new American Drama series, the funding of another "Sesame Street" type project, or an experimental concept in public affairs.

If I may, Mr. Chairman, Mr. Davis and I would like to leave with one suggestion for our colleagues in the foundation world generally. If there is any sense of uneasiness about the new Station Program Cooperative beyond the fact that funding levels are too low, it is a concern about resources for experimental new programming.

While it is true that the Corporation for Public Broadcasting will have a limited amount of funds available for this purpose, it cannot carry the burden alone. Private foundations can continue to have a major impact on the future development of public broadcasting by providing funds for this purpose.

Public television cannot be the creature of any one foundation or even a group of foundations. Its source of funds, like its name and energies, must be public, independent to be free of all prior restraints; interdependent so that each station may share in the obvious benefits of national programming of their choice.

To conclude, at some future date when the history of public broadcasting is written, the Ford Foundation's role will be an interesting if limited chapter: but, Mr. Chairman, when the history of the Ford Foundation is written, the grants for public television will be remembered as one of our maximum efforts.

We believe that the results are worthy of that effort. In this vital and challenging endeavor to help create a national resource, I submit, foundations have made a difference.

Senator HARTKE [presiding]. Thank you, Mr. Friendly, for a very excellent statement.

Let me ask you a question. The Ford Foundation has been in this business of public television for, oh, 20 years, is that correct?

Mr. FRIENDLY. Twenty-three years.

Senator HARTKE. How long have you been associated with it?

Mr. FRIENDLY. Eight years.

Senator HARTKE. Eight years of the 20. Back in the history of the Ford Foundation, was there any time while you were there, or to your knowledge prior to that time, any feeling that they made not necessarily a mistake, but that there were any apprehension about the role that the Ford Foundation was playing?

Mr. FRIENDLY. I think never apprehension, Senator. When an organization, such as the Ford Foundation, dispenses funds of \$200 mil-

lion and \$225 million a year, and they have a limit, there is always competition between the various divisions and among the trustees as to which priorities are the highest, whether they be the green revolution, or hunger, or urban renewal or education.

So, there is always the business of measuring. Is our enormous commitment to public broadcasting getting us any place? I would be less than honest if I did not tell you that there were times when the going was tough. It was a growing, new enterprise, and it had to compete against other needs of the country.

But, I think the commitment has been continuing and I think the trustees have believed for some time that we were getting someplace. That is what caused us to stay in and that is what causes us to believe now that we can slowly withdraw.

Senator HARTKE. Well, this was the decision that was made, you say not precipitously, to withdraw this major support, but was it a decision made as a result of any type of criticisms which were being directed at the Ford Foundation for its participation?

Mr. FRIENDLY. No, sir. I think the Ford Foundation regards the criticism as minimal and the praise generally has been—this is one of the more public things we do—and I think the foundation has always regarded it as a proud chapter.

Senator HARTKE. You have indicated also that the decision was made on the grounds that there was assurance of other financial support, and yet at the same time, in your statement, you referred to the fact that you felt that the present program was underfunded, and the question as to whether or not the public broadcasting system would be capable, through its cooperation to initiate new programs.

Now, how do those two decisions really coincide? If you really have this apprehension that new programs and experimentation cannot be done, and yet at the same time, you have made a decision based on assurances that the void that you would be leaving with your withdrawal of funds could be filled. What assurance do you have that the void will be filled so that this type of programming can be done?

Mr. FRIENDLY. Well, it is an excellent question. We are not really withdrawing.

For example, one of the most important new experiments, and one which my colleague, Mr. Davis, has worked on very hard for a long time, has been the new drama project.

Senator HARTKE. The new what?

Mr. FRIENDLY. Drama project, which over the years, a few years, as much as \$10 million will be used to introduce new American original drama. We import far more from Britain than we produce ourselves.

Commercial television and public television produce only a fraction of the 600 hours of original drama that the BBC does.

Our trustees have appropriated \$2.5 million over the next few years for this project, together with the National Endowment for the Arts and the Corporation for Public Broadcasting. We will continue to stay in that project and perhaps others.

When I talked about the shortage of funds for new programming, I meant that there were funds for that, but not enough, and I have said it in the hope that other foundations and other corporations might perhaps decide to go into that. If there was unlimited funds available to the Ford Foundation, we would stay in this forever. But, we have to compete with other demands of this country, and this is

the longest continuing commitment we have had ever to any endeavor.

Senator HARTKE. Well, you say that you are going to continue to participate in public broadcasting and this type of specialized program. I can understand that you feel that that is a continued participation.

But, that has not been the mainstay of the Ford Foundation participation in public broadcasting. It has not been in the specialized and in the field of special program.

In other words, you have been in the general overall foundation foundation. You have been a foundation foundation.

All right? Is that fair to say?

Mr. FRIENDLY. That is a good way to put it.

Senator HARTKE. Is that not true?

Mr. FRIENDLY. That is correct. But mostly in programing.

Senator HARTKE. All right, now. What you are saying in substance is that you are shifting the emphasis of the money which is being used by the Ford Foundation, but that is not necessarily related to the problem that we are dealing with here basically as to whether or not quality public broadcasting is going to be continued when the Ford Foundation withdraws its support.

Now, with that operation, what assurance do we have? You say you have not withdrawn, and I can understand that that might be from your side. But looking at it from the public broadcasting side, you have withdrawn, not only in the shift of emphasis, but a complete shift of how the whole public broadcasting arrangement is going to be continued.

Now, do you have any assurances, concrete assurances, or it is just the feeling that what somebody said, sort of a seat-of-the-pants feeling?

Mr. FRIENDLY. Well, Senator, first let me say that it is public broadcasting, it is not Ford Foundation television. When in 1966 there used to be articles in magazines saying Ford Foundation television and sometimes it was even associated with one person's last name, that could never have been, should never have been. If we are going to have a public broadcasting system, it has to be the public's.

I am convinced that in addition to the Federal funds appropriated and what the States do, and some of the States contribute a great deal, and I have said this before you came, and I would like to repeat it, that in the end of the day the American people must support it.

In 1966, when you and I and Mr. Bundy had a pleasant exchange of views on this subject, the beginning of the experiment, there were less than 100,000 people in all of the United States who were subscribers, people who sent in \$15 or \$20 a year. Today, that is over a million.

Some of the last money that we are giving to the system is a \$2 million budget, by which the public broadcasting system and Ward Chamberlin, who is going to be in charge of that, who testified yesterday and is here today, are going to use that \$2 million in a revolving fund to raise the level of people who will contribute to public broadcasting from the 1 million that it is at today, to 3 or 5 million. If 5 million people contribute \$15 or \$20 a year, and the Federal Government matches that on some kind of a basis, that is the kind of independence that you can never get from one foundation or from the Government.

That would mean that 5 million people, and maybe by the year 1982 or 1983, 10 million people, independently and individually, make a commitment to public broadcasting. No force could destroy that.

Now, at the beginning, Senator Hartke and Senator Fannin, at the beginning, seeds had to be planted. People in San Francisco and in Indianapolis and in Phoenix and Tucson could not possibly contribute to something they did not know about.

I can remember, and probably both of you can, when people would say public broadcasting, what is public broadcasting? No one asks that question any more.

We think that the kind of foundation that you want to see, which we have started, we helped to erect, can best be raised and be grown strong by millions of American people voluntarily writing in and saying I want to be a member of KCET. Then the Federal Government will have a barometer, a benchmark, to know how to measure your commitment.

I think that even if the Ford Foundation had unlimited funds, and we do not, and if we were to stay in it, that would be unhealthy. It should not be dependent upon one foundation.

I do not have to tell you, you asked me a question before, did the foundation ever think, because of criticism, that it should get out of public television, never because of criticism. But there was a time when the trustees would say, in 1967 and 1968, how long do we have to stay.

We try to plant new ideas, then move to plan other new ideas. "When, oh, Lord," one trustee said, "will we finally be able to move out of this project?"

Mr. Bundy and Mr. Davis and I would tell them some day it will be strong enough, but not yet. I think that in the 8 years that Mr. Bundy and I have been there, it was expected that we would phase out long before now. It is almost a miracle and a tribute to his leadership that we stayed in until 1976 and 1977.

And I think that strength that you want, that independence, and in England, you know, the people are required to send in their \$25. If you have an antenna on your house, you get a bill, \$25, 30, depending on whether it is color or black and white. It is the law.

We do it differently in our country, and perhaps in the end of the day, it will be better. It will be voluntary.

I talk about 5 million. The people sitting in my chair and your chair 10 years from now, I hope will be talking about 10 to 15 million people who voluntarily support public broadcasting.

Senator HARTKE. What is the role of cable television, if any, in this field of public television?

Mr. FRIENDLY. Well, if cable comes, and you are as aware as I am that about 5 million people or homes are now on the cable, but most of those are in places where line of sight, where you cannot see the transmitter, in rural areas, those are the people on the cable. There is the concept of the wired city that says that people in large communities like San Francisco, and Chicago, New York, Phoenix, Bloomington, will be on the cable because it will be an additional service and better quality.

New York has had an experiment running for 6 or 7 years. I was chairman of the committee for the city of New York to plan that. After

about 6 or 7 years, they have only about 100,000 people in a community of almost 20 million people who use cable.

I am not convinced yet that cable will come to the metropolitan areas. If it does, and I hope it does, it will be an enormous stimulus. It will mean that people, instead of having 2 or 3 channels coming in, will have as many as 30 or 40. It would mean that in many cities, including Indianapolis, where there is only a UHF transmitter, and in Washington, where there is only a UHF transmitter, when Dean Burch was Chairman of the FCC, he had difficulty getting "Sesame Street" for his children and had to have a special antenna put up, that cable would raise the common denominator and give parity and quality to public television, because in many communities there is only UHF.

In 60 percent of the public television communities, the people see their signal with a less than perfect signal. What cable would do would be to give parity and perhaps provide individual and instructional channels. But I would not count on cable doing very much for public television in the next 5 years.

The Children's Television Workshop, and I know you are going to hear from Mrs. Cooney later, has some great hopes and dreams in cable and others have, but I think that is something that is going to change as the wired city grows, if it does, over the period of the next 5 or 10 years. I do not think that cable will have an immediate impact on public television.

Senator HARTKE. Do you feel there should be a limit on the percentage of the total budget that is the foundation's contribution? I am not talking about Ford now; I am talking about foundations in general.

Mr. FRIENDLY. Well, I think it will never approach any limit that you and I might want to set. But I would think that the foundations should—no one body should—ever contribute more than a third.

But our level, and we are the largest and the last, is down now under 5 percent, not because we have done less, but because the whole thing has grown. We are talking about a \$400 million or \$500 million project.

It is inconceivable to me that the foundation world, with us in it or without, would ever contribute more than \$50 million.

Senator HARTKE. You do not feel that they represent a threat to the independence of public broadcasting?

Mr. FRIENDLY. I think we certainly do not now. In the minds of some, we may have once, and I think that is why it is so healthy that others are now contributing, and I think the Federal Government should not put in more than a third, and I think the foundations never more than a third.

I think the corporations, which occasionally underwrite programs, should never have more than a third. The big area that we see is the place where it should get its independence, and its interdependence, is from the American public.

But I think if you wanted a round figure from me, I would say never more than a third. But I think the charges of approaching that out of \$400 million or \$500 million, are academic.

Senator HARTKE. Some foundations have indicated that they are hesitant to be sponsors of public affairs programs. Does Ford Foundation sponsor any public affairs programs, or does it intend to?

Mr. FRIENDLY. The word "sponsor." I wonder if you would substitute another word for that sponsorship?

Senator HARTKE. What would you like for me to substitute?

Mr. FRIENDLY. Well, do we fund public television programs.

Senator HARTKE. All right. Do you fund, and I think it is sponsoring and we will do it that way. You know, in "Alice in Wonderland," words mean what we want them to mean anyway.

Mr. FRIENDLY. Well, I hope this is not "Alice in Wonderland."

Senator HARTKE. All right.

Mr. FRIENDLY. The Ford Foundation has supported in part, has supported NET in New York, which is now channel 13, and I suppose through the years have put as much as \$100 million over a 20-year period into public affairs programing. We have done that in cooperation with others, sometimes by ourselves.

But in the last 5 years, we have had nothing to do with the choice of that programing. We never had anything to do with what went into those programs.

There was a time when we made grants for a specific program, but in the last 5 or 6 years, we have insulated ourselves from the decision of what the programs are.

NPACT, channel 2, here in Washington, which is a national resource, providing coverage of Senate and House hearings and the Presidential conferences like the one on economics last week, and the ones that are going to be held, they make the decision of what programs they are going to do, and they make those decisions independent of us.

I did not know that they were going to do the economic meetings at the White House last Thursday until somebody on an airplane last Thursday told me it was on the air all day. So that although we do give general funds which are used for public affairs, we play no part in the decision. We stay out of the newsroom; we stay out of the control room.

Senator HARTKE. But it is your intention now to move out of this general field into the specific field, not in public affairs but otherwise into where you will have control of the type of programing?

Mr. FRIENDLY. Well, the only place where that is true is in this drama project with the National Endowment of the Arts and the Corporation for Public Broadcasting. Together, we are putting together a sum of almost \$10 million.

The public broadcasting community will decide on the producer of that program. They have decided. It is a woman from California.

The station in Los Angeles, KCET, within the framework of the Public Broadcasting Service, will do the production. I will have no more to do with it, the Ford Foundation will not know what those plays are, when they are going to be on.

There is one decision we have made, and it is that there should be more drama, but that is the extent of our decision.

Senator HARTKE. I see. Thank you.

Senator FANNIN?

Senator FANNIN. Well, thank you, Mr. Chairman. I apologize that I have to leave to go to another meeting of the Interior Committee. I appreciate very much your being here. I did not have the pleasure yesterday of listening to the testimony, but Mr. Friendly, I very much appreciate your being here this morning.

Certainly, you have a very fine record in the field of television, having been active in commercial television for quite some time. And I

understand that you were the president of the "CBS News" and executive producer of the "CBS Reports," and we certainly commend you for your report. The Ford Foundation has done a commendable service, a highly needed service, in bringing public TV to where it is today, and the public broadcasting system to where it is today.

I am just wondering, when you talk about the projection of the number of supporters, if you take that and evaluate it on the number of listeners, the audience you are going to have, what is that going to do as far as the commercial TV is concerned?

Mr. FRIENDLY. Well, if your question suggests that it could be any kind of a threat to that system—

Senator FANNIN. That is what I am wondering, because when we are talking about a million new supporters as of today, and it has quite an impact now on the audiences of the Nation, and I am just wondering what it would be with your projected 5 million supporters?

Mr. FRIENDLY. Well, I would think that the two systems are quite compatible. The audiences thus far in commercial television so outweigh those in public broadcasting, except the programs like "Sesame Street," and perhaps the hearings when they are on the air, that it is not, so far, much of a contest.

I would think that it would always be an alternate place to view. I hope the public television never gets in the rating game. I hope it will be an additive service.

But I was last night with a former president of one of the major networks, CBS. I do not think he would mind my saying that his hopes and prayers are for public broadcasting just as much as they are for commercial broadcasting, because there is a reciprocal value to programming which commercial television could never have done, such as the all-day hearings last Thursday at the White House. Public broadcasting can do that.

You remember, I am sure, that CBS, at the beginning of public broadcasting, gave \$1 million. I do not think they would have given that, nor would other stations contribute equipment, unless they believed that the two systems were compatible.

I do not think that public television will ever be a threat to commercial broadcasting. I think it is a complement.

Senator FANNIN. I agree with you as of today, but I was just looking at it from the standpoint of your projection for the future. When we are talking about public affairs and public service, how would you differentiate between public affairs and public service?

Mr. FRIENDLY. I would say that public affairs are part of public service. The Communications Act says that a television or radio station will be licensed in the public interest, convenience and necessity.

So, I would say that everything that a radio or television station, commercial or public, does, is in the public service, whether entertainment, an athletic event, or news. I would say that public affairs includes an eye on the real world.

Whether that be the nightly news as done by Mr. Cronkite or Mr. Chancellor or Mr. Smith and Mr. Reasoner, or whether it be a documentary like Mr. Murrow and I used to produce, or whether it be comprehensive coverage, public affairs is a view of the real world.

Public service is everything that you do that helps the public understand the world they live in and gives them a new cultural interpretation of the world of the arts that is so important.

Senator FANNIN. Well, I appreciate your explanation, because I know in talking to Dean Burch and others, that with the renewal of licensing there is always the question of whether a station is doing a commendable public service or an acceptable public service, and that is one of the considerations that seems to be involved in the license renewal. I do not say that it is a legal requirement, but it seems to be a consideration. Is this not true?

Mr. FRIENDLY. It is a consideration and it is a legal requirement that you must act, you are a proxy, says the Congress, and it goes way back to Senator Dill, that a station, whether it is in Phoenix or Providence, R.I., where I grew up, is a fiduciary, a proxy, which must act in the public service.

Senator FANNIN. I see. Well, I considered it more of a requirement, but you say it is an absolute legal requirement.

Then, how would you measure, if it is a legal requirement?

Mr. FRIENDLY. Well, I think when the Congress says that you will "operate in the public interest" —

Senator FANNIN. Public interest?

Mr. FRIENDLY. And necessity. Now, there have been great battles as to who is to identify what public service is, and that is a soft word.

I think it is something that haunts people who regulate and people who broadcast, and the first amendment comes in between there, because you cannot tell a television station what content to put on. But, I think it is something that honest people have to deal with. I think as long as there is a first amendment, that the Government will not want to tell the stations what to put on, but it is just that stations must remember that they are licensed in the public interest and convenience and necessity.

Senator FANNIN. Well, I think, Mr. Friendly, the public broadcasting system, the stations throughout the country, have made it almost mandatory that the commercial station do give greater regard to public service and public affairs, and I think it has been of tremendous assistance in that regard.

I am interested in the grants, Mr. Friendly. You say we are making major grants to public television stations in New York, Washington, Boston and Los Angeles.

Now, Chicago is a prime, what is really a prime contribution in pioneering and in development of television shows, and has a very different view from the east and the west coasts and the urban areas. Why was not some support given to Chicago?

Mr. FRIENDLY. Well, you are right in what you say about Chicago being a pioneer in that part of the country, and I must tell you that the public television station there is not only perhaps the most improved station in the last few years under its new president, who came from Washington, but it is doing superb work.

I said that we were making institutional grants to the major stations, but we are also making a grant to the public broadcast service and some of those funds that go to the public broadcast service are used to help other stations produce programs that the stations vote to put on the air. And, so some of that money does get to the station in Chicago and other places, if the other stations decide that is what they want to do.

Our problem is if we were to take those funds and slice them too thinly, we would give 25 stations the license to fail. It takes a large production center to do programs.

Example: Drama, in which this country has done so badly, requires a television studio of enormous proportions, with lights, cameras. There was no such facility in the United States. So, we made a very large loan and made some grants to the station in Los Angeles, by which they could buy an old Hollywood television studio. I believe Republic Studios, and that was made into a television production facility in Los Angeles. It cost millions of dollars and the people of Los Angeles put up matching money to do that with.

Now, if we tried to do that in Chicago, and if we tried to do it in Dallas, and other fine stations, if we tried to do it in San Francisco, we would spread the money so thinly that it would no longer provide economy of scale. I wish it were possible for the Ford Foundation to make grants to Chicago, and San Francisco, and larger ones to Boston and larger ones to other places.

But, if we cut that too thin, we will give all of them a license to fail.

Senator FANNIN. You feel it has been comparable as far as television is concerned, taking everything into consideration?

Mr. FRIENDLY. I wish I could say to you that we have done more for Chicago. You asked an excellent question.

But, our decision was based on consultation with people in the corporation and PBS. And I think that Chicago will emerge as a major production center, as will other places.

Baltimore is doing programs, using money that the Public Broadcasting System recirculates, recycles. The stations now decide what programs are going to be done, and if Chicago nominates programs that the other 140 stations want, some of the revenue that we have left in the system will be used to go back to Chicago.

Senator FANNIN. Fine. Well, thank you very much, Mr. Friendly. Thank you, Mr. Chairman.

Senator HARTKE. Thank you, Senator Fannin, and thank you for taking over and chairing the hearing.

I might say, Mr. Friendly, those of us who live in the heartland do not always expect to be treated in the same and the high-handed fashion as the east coast and the west coast. We are used to taking kind of the short end of the stick. If you look at the whole system of financing of television, public television, we have drawn up a chart on this and done an analysis of it, and it demonstrates that that section of the country does not receive a proportionate share of foundation money.

And, in a way, you know, this is one of the problems which ultimately is going to have to be dealt with. And that is, when you take money which, under normal circumstances, would go into the public treasury, but in turn is going to the foundations for their utilization, and not have that type of distribution of the funds which a government would make. And I think this is at the heart of a decision that ultimately somebody is going to have to get their hands on, and it is a very difficult problem in view of the fact that to that extent you are asking for a distribution made now on the basis of what may be considered merits, but might be considered geography.

Mr. FRIENDLY. Senator, could I respond to that?

Senator HARTKE. Yes, sir.

Mr. FRIENDLY. You have in your State one of the great pharmaceutical companies of this Nation, the Lilly Co.

Senator HARTKE. That is right.

Mr. FRIENDLY. You have in your State, I believe, the Harley-Davidson Co. We buy our motorcycles and our pharmaceuticals there, because they don't happen to make them in Providence, R.I., or in Duluth.

Public television stations, the 140 stations, buy their programs and I use the word "buy" with quotation marks around it, from wherever they want. If a station in Tucson, Senator Fannin's home State, wanted to buy programs from Indianapolis, or Chicago, and Chicago and Indianapolis produced them, they can do that.

It is inconceivable to me that 140 stations could all produce programs and everybody would buy those 140. Some excel. The only reason that Los Angeles emerges as one, is that there is a sort of a history of drama in Los Angeles, left over as a residual from the motion picture business.

Washington is an obvious place for there to be a production center, because you make news here, you and the other branches of the Federal Government. It would be difficult to produce public affairs from Providence, R.I., or Eugene, Oreg., where my grandfather was once mayor, as important as Eugene, Oreg., was to my ancestors, because the center of news is here.

And New York, with its communications skills, and the United Nations, is another place where programs originate from.

Now, the ones who "buy" those programs, with quotation marks again, are the stations in Indianapolis and the one in Bloomington, and the 140 others, and they say we want to buy drama from Los Angeles, and public affairs from Washington, and contemporary and cultural affairs from San Francisco, and "The Advocates" from Boston and other programs from New York.

If it ever became possible for other stations like the one in Baltimore, that does a superb program on the financial world, the stations will buy from them. But, I can tell you this, sir, that the Ford Foundation does not decide Los Angeles because we like the geography of it, or New York, because we come from there, I come from there.

The Ford Foundation was once in Michigan. It is not because we like them or they are favorites or anything like that.

Now, in the new station cooperative, 140 stations including those in the heartland from which you come and where I send my sons to college, and my daughter, most of them in the heartland, and I must think they are doing something right there, those stations in the heartland are the ones who buy those programs in a competitive market plan from those stations who do the best service. And if they do not like what New York and Washington and Boston and Los Angeles are doing, they do not buy from them.

And some programs that those stations have suggested have been rejected. That is a pretty decentralized system.

Senator HARTKE. Well, look, we are into the philosophical area, in which I have a very definite feeling, and I think it is shared by some, and maybe some people are going to come out of one of those west coast institutions called the Center for Democratic Studies, and they

are going to come up with some rather startling results under a study headed by Harvey Wheeler, which demonstrates this so-called concept. You say if the stations want to buy from Indianapolis, they can, but, that their choice is to buy from the east or west coast stations or else take practically nothing, because the production money is not there for that totality of coverage.

And this goes back to making public broadcasting more or less a public acceptance operation. You are really going to go into the question of the number of people who will watch public broadcasting vis-a-vis commercial broadcasting.

Let me say it a different way. Most people, at this moment at least, have a different level of entertainment scores, and the number of people who are going to watch the Saturday football game, compared to the people who are going to watch public television, if you are going to put it on the basis of what they like and do not like in their communities, then it takes a very strong-minded individual to go ahead and insist upon putting forth a program when he knows that the number of people who are going to be viewing that program may be extremely small.

However, you do, whether you like it or not, you do educate the public to that box, or deeducate them, depending on how you want to look at it today. But, the fact still remains that it is an extension of human life which has never been reckoned with before.

That is why I say to you, when we come back to this distribution problem, we in the heartland cannot be denied, and if you will take a look at it, I covered it yesterday, and I do not want to go into all of the details, but the fact still remains that the distribution at this moment shows a geographic distinction without regard to any of the benefits which are received.

Do you follow what my concern is?

Mr. FRIENDLY. I do, sir, and you are very eloquent about it. And when you talk about that box as being an educational tool, well, that is something that I feel with every sinew, if that is the right word, in me. I feel that public television, educational television, is designed for minorities.

Once, Senator, when I was in CBS, we did a series of documentaries with President Eisenhower right after he was President. Walter Cronkite was the reporter and I was the producer.

We did three 1-hour programs, exclusives, as we say in our business. The New York Herald Tribune ran a headline after the first broadcast that said, "Eisenhower Program Flops" or words to that effect, only 6 million people watched it.

Now, 6 million people is a great many people. If you put all of the people that were watching that program in all of the stadiums of the country, they probably would not fit into that space.

I believe the problem of commercial television is that it has to appeal to the largest possible audience all of the time. That is a circumstance beyond almost anybody's control. Commercial television will always be that way, and I do not suppose anybody is going to change that.

Public television, whether it be Sesame Street, or the "Forsyth Saga," or the President's economic symposium, or the kind of program on health or drama that we are talking about, can appeal to an audience

of only 1 million people or 2 million people. There is nothing wrong with that.

You know all of the people that go to universities in this country only total a few million, and fortunately, educational facilities, universities and schools do not have to appeal to the largest possible audience all of the time.

I hope that that little black box, which can teach, will illuminate, teach, instruct, can grow and do that, because people like you and your colleagues understand that there can be an alternate service that does not have to appeal to the largest possible audience all of the time. And I hope that as public television grows, and prospers and is nurtured by the Congress and by the public and by foundations, that it will be possible for the great resources of this country, which I agree with you are not just in New York, and Los Angeles and Washington and Boston, but are in the heartland, that those places will continue to learn how to use their facilities and that they, too, will be great resources.

The accident that for now, much of this production comes from those places that we have identified is, I hope, only the beginning and I hope public broadcasting's growth rate, not only where the viewers are, and the listeners of the radio, but where production is, continues, because I know that you are right when you say that the heartland has as much to teach to the Nation as those of us who live on the tiers which are on the Atlantic and the Pacific Oceans.

Senator HARTKE. All right, Mr. Friendly. I think that is a discussion which we will probably let some other people take up. I do think it is a problem, however, which this country ought to adjust itself to on two different trends.

The demographics of the country are changing so radically, and no one is paying any attention to that that I know of, and the geography at the present time is tending to put us into little clusters and maybe some of the psychological problems of this Nation, which at this moment are becoming more and more evident, are nothing more than a result of what we call the rat syndrome. All right.

Mr. FRIENDLY. I hope you are not identifying that with where I live or you live.

Senator HARTKE. Well, no. You know what I am talking about, I hope, about the rat syndrome. In other words, this tendency to put people up into congregations of small blocks and the net result is they have claustrophobia-type reactions to everything, and you get that in the cities and you do not get that in the countryside. There is a difference in the atmosphere and there is a different feeling, and yet at the present time, the weight is coming so heavy down the other side that unless you conform to what I call the rat syndrome—you may know of the play "Rhinoceros". Well, a rhinoceros is not something that was dreamed up in a man's mind.

Ultimately, you can succumb, and I am not thinking it is necessarily good. I do not want a horn out of the end of my nose, either.

But, this is a broader problem and I think it is a very unique problem for public television, because I think if public television means what it is supposed to mean, you are right, it should not make its decisions on the basis as to whether or not it can have a rating of

appealing to 30 million people. The problem is and should be as to whether it is a quality production in the public interest of the nature of which generally speaking is not available through commercial television.

Mr. FRIENDLY. That is right, sir.

Senator HARTKE. That is the way I look upon public television. I was the author of the original bill.

Mr. FRIENDLY. I know, sir.

Senator HARTKE. I have always felt that the program has been underfunded, because it does not permit that type of experimentation which will permit a number of failures as well as successes. And if you are going to have to have a higher standard of success in public television than you do on commercial television, well, the junk heap of commercial shows is pretty big.

Mr. FRIENDLY. That is right, sir. I will tell you, Senator, one of the best programs that I ever had anything to do with was called Argument in Indianapolis. It was done 21 years ago on a very controversial subject, having the right to hire a hall in Indiana, in Indianapolis.

My senior colleague, Mr. Murrow, said the night of that program that if they ever get the right to hire the hall, the Civil Liberties Union, I will come back to Indiana and participate in that broadcast. It took 20 years for that to move through the Indiana courts and last year, Murrow, being gone, I went back to keep that promise.

I brought with me William Buckley, whose views are not necessarily consonant with mine, and Mike Wallace, who is not necessarily consonant to Mr. Buckley's views, and we did a program in Indianapolis in the hall, the War Memorial. It was a great night, and I liked Indianapolis, and now that my job is almost finished in the Ford Foundation, and I am reaching the springtime of my senility, if you can build a good production facility in Indiana, I will come out there in the twilight of my life to work there, and you and I can do a program about the rat syndrome.

Senator HARTKE. Well, all right, but I do not want to look upon myself as in the twilight of my life just yet, and I am not sure I am willing to condemn myself to the gray and I do not think you ought to either.

I do not know if I ought to put this in the record, but I might as well put it in the record.

Mr. FRIENDLY. You have the right to take it out, sir, and I do not.

Senator HARTKE. Sure. You do. We can always extend and correct the record. But, anyway, my daughter—well, let us do it off the record.

(Off the record discussion.)

Senator HARTKE. Thank you.

Mr. FRIENDLY. Senator, thank you for letting me come. And if it is not presumptuous of me to say this, thank you for what you did and continue to do for public broadcasting. I know that you were the author of that bill, and also I want to thank you for always being willing and able to ask those questions that make those of us on this side of the table work harder at doing our job.

Senator HARTKE. Well, those are very nice words and I thank you for them. Thank you for coming, again.

[The following document was submitted by Mr. Friendly:]

THE HISTORY OF FORD FOUNDATION ACTIVITIES IN NON-COMMERCIAL BROADCASTING

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INTRODUCTION

Since 1951 the Ford Foundation and two organizations funded by the Foundation have made grants to non-commercial broadcasting totaling \$273 million. Of this amount, \$153 million has been committed since the establishment of the Corporation for Public Broadcasting (CPB) in 1967. The Foundation now expects to discontinue major grants to non-commercial television within three years since the survival of first-rate non-commercial broadcasting seems assured.

In general, the Foundation's funds have been used for the following purposes: organization and development of local non-commercial stations; establishment and development of National Educational Television (NET) as a national distribution and programming agency; support of innovative programs and program series; experiments and demonstrations in the use of television for instructional purposes; development of selected community stations as principal production centers; and strengthening of the national system in cooperation with CPB and the Public Broadcasting Service.

This report divides the activities financed by the Foundation in non-commercial broadcasting into two phases—those preceding the establishment of CPB in 1967 and those following its establishment. Before 1967 the term "educational television" or "ETV" was commonly used for non-commercial television, and will be used in the first section of this report. In 1967 the term "public television" was suggested by the Carnegie Commission report, *Public Television: A Program for Action*, as more descriptive of the evolving non-commercial system; consequently, this report uses the term "public broadcasting" to refer to the system after that watershed year.

A tabulation by year of Foundation grants for non-commercial broadcasting is attached as the Appendix.

I. ACTIVITIES TO 1967

A. ORIGIN OF FOUNDATION INTEREST

The history of the Ford Foundation's activities in educational broadcasting began in the late 1940s when radio, motion pictures, the press and television had begun to be known as the "mass media." At that time, television was the newest medium and relatively undeveloped. In 1946 there were only six regularly authorized commercial television stations and 6,500 sets in the United States. Only two years later, however, 40 stations were in operation and 600,000 receivers in use.

This also was a period of growth for the Ford Foundation. From 1936 until 1950, the Foundation had been exclusively a Michigan philanthropy, but in 1950, the Foundation became national and international in scope. In preparation for this transformation, H. Rowan Gaither, Jr., was asked by the Foundation in 1948 to organize and direct a two-year study of how the Foundation could most effectively and intelligently put its resources to work for human welfare. His charge from the Foundation was ". . . to take stock of our existing knowledge, institutions, and techniques in order to locate the areas where the problems are most important and where additional efforts toward their solution are most needed."

"The Gaither Report,"¹ as the final report of that study was called, made recommendations for Ford Foundation programs in five major areas. As part of "Program Area Four: Education in a Democratic Society," the report recommended that the Foundation consider seriously the problems presented by the mass media, especially in relation to education. The report stated:

Considerable stress has previously been placed on the high degree of public apathy prevailing in this country and on the lack in the lives of many persons of a realistic and meaningful sense of values. While the causes of these conditions are far from clear, many of the Committee's advisors believe they bear an important relation to the content of mass communications. Further the mass media play a profound role in the general education of youth and have an effect in many instances far more powerful than that of our schools themselves. . . . Cooperation with non-commercial organizations concerned with mass communication offers promise. . . . The Ford Foundation should support activities for more effective use of mass media, such as the press, the radio, and the moving picture and of community facilities for non-academic education and for better utilization of leisure time for all age groups.

The Board of Trustees of the Foundation accepted the challenge to involve the Foundation with these problems, and substantial Foundation efforts and funds were subsequently directed toward the educational possibilities of television and radio.

B. RADIO-TELEVISION WORKSHOP 1951-1956

The first major activity that the Foundation supported following the directive in "The Gaither Report" was the Radio-Television Workshop. Although conceived as an agency to improve the educational use of television and radio within the normal practices of commercial broadcasting, the experience of the Radio-TV Workshop was a significant factor in the Foundation's decision to support non-commercial educational television.

The Workshop produced several program series between 1951 and 1956, the most ambitious and well-known of which was "Omnibus." First telecast on CBS² in 1952, "Omnibus" presented programs of literary, musical, artistic, his-

¹ Report of the Study for the Ford Foundation on Policy and Program.

² For the first four broadcast seasons "Omnibus" was presented over the Columbia Broadcasting System on Sunday afternoon. For its final season it was transferred to the American Broadcasting Company network which scheduled it on Sunday evening.

torical and scientific interest each Sunday afternoon with Alistair Cooke as Master of Ceremonies. The Workshop accepted commercial sponsorship for "Omnibus" while retaining content control, and the Foundation covered production costs over and above income from sponsors. Income totaled over \$5 million during the five broadcast seasons and was supplemented with \$3 million in Ford Foundation grants.

The idea behind "Omnibus" was that quality programing could be made sufficiently attractive to compete for audience attention against other commercial television programming. Qualitatively "Omnibus" was successful; it was awarded numerous citations for excellence and developed several production techniques that became standard procedure throughout the industry. By 1956, however, the competition among the networks for larger Sunday audiences and higher advertising revenues had increased to the point that no network felt it could afford to assign a portion of its Sunday schedule to a program with limited audience appeal. With no network to distribute the programs, "Omnibus" and the Radio-Television Workshop were discontinued.

The "Omnibus" experience thus demonstrated that commercial television did not provide a dependable vehicle for high-quality cultural and informational programming on a continuing basis. In order for such programming to survive on television, an alternative avenue for presentation was required.

C. DEVELOPMENT OF EDUCATIONAL TELEVISION

1. Role of the Fund for Adult Education

In 1951 the Ford Foundation established the Fund for Adult Education to assist experimental activities and to support promising programs in voluntary education after formal schooling. The Fund was a nonprofit corporation wholly supported by the Foundation, but with an independent program philosophy, Board of Trustees, and staff. As one of its interests, the Fund began to explore methods to utilize mass media, including the establishment of education television channels for adult education.

The 1957-1959 Annual Report of the Fund for Adult Education summarized the history and concepts that guided the Fund in its program of grants to assist liberal adult education through television and radio:

In 1951 not only did educational television not exist, but also, under the regulations of the Federal Communications Commission, there was no provision for bringing it into being. No channels had been allocated for educational television. Since September 30, 1948, the further allocation of all television channels had been "frozen."

Many thoughtful persons who were attracted by the possibilities of educational television wanted safeguards against its misuse for propaganda and indoctrination. Therefore they insisted that the administration of educational television should be widely dispersed and in all cases under local authorities. The parallel here to the administration of education in the United States was deliberate. . . .

From this reasoning came the concept that since then has been translated into reality. The concept was that *locality* there should be educational television stations in many parts of the country; that each should be responsible to and supported by its community; that each should have a broadly representative governing or advisory board or both; that each should be not just an "outlet," but also a source of original programs; and that nationally there should be a center for the voluntary exchange of programs, ideas and information in order to multiply resources, set standards and stimulate constructive competition.

Early efforts to secure non-commercial channels for education were aided materially by support from the Fund for Adult Education. Fund grants totaling \$37,600 were made to the National Association of Educational Broadcasters (NAEB) to monitor commercial television and radio for educational content in order to demonstrate to the Federal Communications Commission (FCC) the inadequacy of existing commercial educational programming. The Fund was also instrumental in founding the Joint Committee on Educational Television (JCET) to give leadership to the effort to have channels allocated for non-commercial educational television. Grants totaling \$235,000 were made to JCET for this purpose.

2. Allocation of Non-Commercial Channels—1952

On April 14, 1952 the FCC set aside 242 channels (later increased to 258) for educational television, but emphasized that these would be available only until

June 2, 1953. Three national organizations—The American Council on Education, the Joint Committee on Educational Television and the National Association of Educational Broadcasters—then worked together to help stations acquire licenses and come into being.

A fourth agency was needed to work with community groups, and in November 1952, the National Citizens Committee for Educational Television (NCCET) was founded under the auspices of the American Council on Education. The purpose of NCCET was to enlist on behalf of educational television the moral and financial support of citizens and organizations in communities allocated educational channels. NCCET was financed by Fund for Adult Education grants totaling \$500,000 over a two-year life span.

3. Local Station Development

To further assist those communities where channels had been reserved to establish educational television stations, the Fund for Adult Education established the Program of Assistance in the Construction of Educational Television Stations. Between 1952 and 1961 grants totaling over \$3.5 million were made to thirty-seven community organizations for assistance in getting new educational stations on the air. The grants ranged from \$100,000 to \$150,000 and were conditional upon the communities' raising double the amounts offered. In order to qualify for aid, recipients were required to have or acquire recording equipment for the reproduction of programs, and to agree in principle to both contribute to and draw from a common pool of programs through an exchange center.

In addition to station construction, the Fund for Adult Education made grants to bolster the status of educational television at all levels of interest and operation. The JCET received grants totaling \$1 million between 1953 and 1958 to continue its efforts to encourage institutions to organize and use ETV stations. Beginning in 1953 the NAEB received Fund for Adult Education and Ford Foundation grants totaling \$500,000 to assist in the professional development of ETV. These funds were used for seminars, workshops, and technical consultation services for the newly formed ETV stations.

By the early 1960s the Fund for Adult Education was moving toward dissolution, and the Foundation assumed responsibility for the Program of Assistance in the Construction of Educational Television Stations. Under the program, the Foundation granted an additional \$500,000 to help activate or develop eighteen educational television stations and regional networks.

4. Programming Experiments

To further its overall objectives, the Fund for Adult Education also supported a number of programming experiments "to serve the liberal education of adults on a community-wide scale." The two major lines of the Fund's efforts were "the stimulation of an aid to colleges and universities for the development of programs in liberal adult education" and "the use of television to stimulate and serve organized discussion groups in a variety of subject-matter fields."

The first programming grants were for radio—grants totaling \$500,000 were made to the National Association of Educational Broadcasters for several professionally-produced radio series. Among these were: "The Jeffersonian Heritage," portraying the life and philosophy of Thomas Jefferson, and "The Ways of Mankind," a series of individual dramatic presentations in social anthropology.

Subsequently more than \$2 million in grants were made to institutions selected as "Test Centers" for experimental adult education programming in different media. These grants ranged from \$4,000 to the Sioux City Independent School District for an experiment in the use of television and newspapers to \$180,000 to Iowa State College for a citizen access type program, "The Whole Town's Talking."

The Adult Education Project in Sioux City was typical. Beginning in February 1956 and continuing for eight weeks, the Adult Education Advisory Council, the two television stations and the local newspaper cooperated in testing a television discussion program entitled "The Sioux Study." The project was intended to stimulate consideration of problems in Sioux City, using materials from the "You and Your Community" study-discussion program produced for the Fund by New York University. The project involved thirty discussion groups with about 600 participants, meeting in all sections of the city under competent leadership.

D. THE NATIONAL CENTER (NET) 1953-1963

In October 1952, when the Fund for Adult Education first offered aid for station construction and the NCCET was founded to enlist community support, the Fund for Adult Education provided \$1.3 million (with an additional \$3 million in 1954) for the establishment of the Educational Television and Radio Center³ in Ann Arbor, Michigan. The role of NET was to acquire programs from various sources, increasingly from educational stations; to supply these programs to cooperating stations and educational institutions; to give grants for the production of outstanding television and radio programs; and to provide assistance in engineering, recording, training studies, research, information, and publicity. NET's program distribution service began in 1954, and consisted of a program package of five hours a week, sent via mail to the four educational television stations then in operation.

In 1956 the Foundation assumed the continuing support of NET's activities. Three grants for general support totaling \$16 million were made between 1956 and 1963. Seven grants totaling \$1.8 million were also made to NET during this period for international tape and film exchange, a special radio series, and an analysis of potential bases of financial support for NET. In 1959 and 1961 \$4.6 million was given to NET for the purchase of videotape equipment and its installation in ETV stations.

E. INSTRUCTIONAL TELEVISION 1951-1963

1. *Role of the Fund for the Advancement of Education*

The systematic presentation of formal classroom studies via television is sometimes not included in a definition of educational television. However, most educational television stations were established with a two-fold purpose—to present adult education and informational programs during evening hours and to present formal, classroom studies during the day. For this reason, instructional television played a significant role in the development of educational television and has been included in this history.

The use of television as a tool for systematic instruction in schools and colleges was one of the principal experimental concerns of the Fund for the Advancement of Education, established by the Foundation in 1951. Like the Fund for Adult Education, this Fund was a nonprofit corporation wholly supported by the Foundation, but with an independent program philosophy, Board of Trustees, and staff.

From 1951 to 1960, the Fund made 75 grants totaling \$5.6 million for forty-eight separate instructional television projects in schools, colleges and universities. These grants focused on the development of television as a means of making superior teaching available to more students and demonstrating the effectiveness of television as a method of learning. The formal school and college courses were broadcast by educational television stations, other educational institutions, and commercial stations and networks.

In the late 1950s the support required for instructional television became too great for the resources of the Fund. Since the Fund was limited by its charter to experimental demonstrations, the Foundation began to assume continuing support for the Fund's more promising programs. This pattern continued until 1963 when an internal staff review led the Foundation to decide that classroom television had been sufficiently tested to make further large-scale support from the Foundation unnecessary.

Both directly and indirectly through the Fund, the Foundation made grants totaling \$30.1 million for experiments with television as part of formal education.

2. *Major Experiments*

Following are brief descriptions of the major experiments using television to improve and extend the quality of formal education:

(a) *National Program in the Use of Television in the Public Schools.* This program, in effect between 1957-1962, was designed to provide data on the effectiveness of, and the most appropriate arrangements for, television instruction. Grants totaling \$4.5 million were made to participating schools in sixteen states. Tests and evaluations indicated that with adequate preparation and coordination, televised instruction can equal and, in some cases, surpass conventional methods and can make new resources and superior teaching available to more students.

³ The word "National" was added in 1959. In the report, the National Educational Television and Radio Center is referred to as "NET."

(b) *Released Time of Faculty for Educational Television Programing.* One of the longest running programs to promote the use of television as an educational tool was for released time of school and university faculty. Between 1956 and 1961, grants totaling \$1.8 million were made to 43 educational institutions to enable them to release distinguished college and university teachers from their regular teaching assignments to work on educational telecasts.

(c) *"Continental Classroom."* This experiment was designed to use commercial channels to teach university-level academic subjects. The first course, broadcast in October, 1958, was a refresher course in physics, primarily designed for high-school teachers. It was taught by Professor Harvey E. White of the University of California, sponsored by the American Association of Colleges for Teacher Education and jointly financed by the Foundation, the Fund for the Advancement of Education and several business corporations. Broadcast over NBC at 6:30 a.m., "Continental Classroom" had an audience of approximately half a million regular viewers, among them 5,000 teachers who received credit for the course at 270 institutions. In the second year "Continental Classroom" presented a college chemistry course, and in the third year a course in contemporary mathematics was offered. Combined Foundation and Fund support for "Continental Classroom" was \$1.7 million for the three years of the series. This included funds for evaluation of the series' effectiveness.

(d) *Washington County, Maryland.* This experiment was the most comprehensive test of the public-school use of television, and received \$619,072 in grants from the Foundation between 1959 and 1961. Closed-circuit television was used for the daily classroom instruction of nearly all 18,000 students in Washington County (Hagerstown), Maryland. The experiment indicated that students learned classroom material presented on television as well as they would have learned the same material had it been presented by a classroom teacher.

(e) *Midwest Program on Airborne Television Instruction.* In this program, tape-recorded courses were transmitted from an aircraft circling over north-central Indiana to schools and colleges within a 200-mile radius in Illinois, Indiana, Kentucky, Michigan, Ohio, and Wisconsin—the predecessor to the communications satellite! The program was designed as a means of enriching the curriculum of small, rural schools, many of which were out of the range of educational telecasting. Foundation support for this project totaled \$10 million between 1959 and 1962.

F. GROWTH OF THE NATIONAL SYSTEM 1963-1967

By 1963, the total Ford Foundation investment in ETV was \$80.7 million—\$7.5 million by the Fund for Adult Education, \$10 million by the Fund for the Advancement of Education and \$63.2 million by the Foundation. Three broad purposes had motivated these grants: (1) improvement of commercial programs, (2) provision of general cultural and informational programs for a general ETV audience and (3) the use of television for teaching.

The 1963 internal staff review of educational television that led the Foundation to discontinue support for classroom television experimentation also concluded that there was a national need for a substantially stronger non-commercial television programming service. The report stated:

The import of this study is that in nine years, educational television has won a beach head. It has 73 stations, a central program service which operates like a network by mail, a small but loyal and important audience, and enough good programming to whet the appetites of the viewers who have seen it. This is a significant accomplishment . . . Now does it rest with this, or does it go ahead? If it goes ahead, then it must have more and better programming, and to have more and better programming, it must have more adequate financing.

On the basis of this study, the Trustees of the Foundation decided to take steps to strengthen NET as a national program service and help broaden the financial resources of the community stations.

1. Strengthening of NET

In 1959 NET had moved its headquarters from Ann Arbor, Michigan, to New York City and had strengthened the professional competence of its staff. Beginning in 1963 the Foundation increased its support to NET to \$6 million per year to help NET become a stronger national program service. Previously, NET had provided fifteen hours a week of programming to educational radio and television stations. NET now terminated its activities in educational radio and in-school television, and modified its affiliation arrangements with local stations to provide

them, at a nominal fee, only five hours of programming per week but of a substantially higher quality.

2. Strengthening of Community Stations

In 1965 the Foundation initiated a major new program, Matching Grants to Community Stations, to help local stations develop new sources of revenue. Over a four-year period, grants ranging from \$50,000 to \$500,000 were made to help the stations overcome their precarious financial condition, improve operations, retain first-rate staff and sustain quality programs. The size of each grant was based on the amount of financial aid the stations raised from individuals, corporations and others in the local community. Grants totaling \$20.5 million were made to thirty-seven stations, and were matched by a total of \$42.6 million.

3. Continuing Problems

Even at a \$6 million level of annual funding, NET could not provide the standard of production that the educational television system needed. Local stations remained in serious financial difficulty, moreover, notwithstanding the stimulus of the Foundation's matching grants.

A further barrier to full development of public television was the lack of direct coaxial cable or microwave interconnection for educational television stations. NET distributed programs through weekly mailings of tapes and films to the affiliated stations because no funds were available to pay AT&T charges for simultaneous long-distance interconnection. Without the cost savings and timeliness of live program exchange, educational television was doomed to a second-class existence.

Throughout the sixties it became increasingly apparent that neither the Foundation nor any other private source had the financial resources to provide an adequate level of support for quality non-commercial television. Educational television, consequently, began a serious search for a broader and more secure funding base and for the means to develop a fully inter-connected network.

G. THE DOMESTIC COMMUNICATIONS SATELLITE AND EDUCATIONAL TELEVISION

In August 1966 the Foundation responded to an FCC Notice of Inquiry on the question of the establishment of a domestic communications satellite system. In its submission, the Foundation set forth a plan for a model satellite system.

This model plan, which had been previously discussed and given approval within the educational television system, was based on expert analyses of legal, economic and scientific aspects of satellite operation. The plan called for a non-profit corporation to launch and operate a communications satellite. The corporation would lease lines to commercial channels and realize a profit, a portion of which would be used to subsidize the educational television system. In addition, the satellite would provide non-commercial television stations with free interconnection. The Foundation considered the domestic satellite system as a national resource since the underlying space technology was created by multi-billion-dollar government research. Ownership of the resource by a nonprofit corporation, and application of part of its benefits to non-commercial television, the Foundation concluded, would constitute sound public policy.

The FCC inquiry opened up an intense national debate about the implications of communications satellites, and the Foundation submission contributed a concern for educational broadcasting. The debate continued at the FCC for several years, and the original Foundation submission was supplemented three times. Ultimately, the Foundation model was not adopted by the FCC, but it did set the stage for further consideration of the need for educational television interconnection.

H. THE CARNEGIE REPORT AND THE PUBLIC BROADCASTING ACT

In the Foundation's first submission to the FCC it urged that no final decision be made on the satellite issue before the release of a report by the Carnegie Commission on Educational Television. The Commission had been organized in 1965 by the Carnegie Corporation to undertake a broad study of the future of non-commercial television. Its report, issued in 1967, called for "a well-financed and well-directed educational television system, substantially larger and far more pervasive and effective than that which now exists." As its central proposal the Carnegie report urged the establishment by Congress of a federally chartered nonprofit, non-governmental corporation to be known as the Corporation for Public Television. Although the Report stressed the importance of pri-

vate funding for the Corporation, it recommended that the major support should come from federal funds, possibly earned through an excise tax on television sets. It proposed that the system be diversified and that "the Corporation support at least two national production centers." It also recommended that certain key public television stations throughout the country contribute regularly to national programming.

The Carnegie report was translated into legislation in the form of the Public Broadcasting Act, approved by Congress in the fall of 1967. In response to Congressional invitation to present its views, the Foundation supported these efforts in hearings conducted in the Senate and the House of Representatives.

In December 1966, at the time of the second Foundation submission to the FCC, the Foundation announced an appropriation of \$10 million for an experiment to demonstrate what public television might achieve with adequate programming funds and nationwide interconnection. The experiment, titled the Public Broadcast Laboratory (PBL), was undertaken to prove that public television could provide superior public-affairs and cultural programming when backed by adequate funds. PBL operated as a semi-autonomous unit of NET, and began a series of two-hour broadcasts to public television stations across the country in Sunday evening prime time. For the first season of the experiment, PBL contracted with AT&T for a long-line interconnection within the existing price structure. PBL exerted a considerable impact on public television, through both the fresh talent that it attracted and the level of professionalism that became a new standard of program quality. The experiment was funded as a two-year demonstration, and concluded its activities in the spring of 1969.

II. ACTIVITIES AFTER 1967

A. CHANGING ROLE OF THE FOUNDATION

After the formation of the Corporation for Public Broadcasting (CPB) in 1967, several problems critical to the shape and support of public television were still unsolved. The new national structure had to be established, a final solution had to be found for the persistent problem of interconnection, and some local stations had to gear up to become the Regional Production Centers called for in the Carnegie report.

The Foundation's role in the field and its method of grant-making changed in accordance with these changing circumstances. While recognizing the leadership of CPB, the Foundation stated in its 1968 Annual Report that it would "continue to help sustain the public television enterprise as long as there was need for its support." To carry out this commitment, it consolidated its activities in a new Office of Public Broadcasting and, from this point on, made its grants for public-television development in cooperation with CPB.

The resources of the Foundation during this period were used for three purposes. First, grants were made to assist the development of an interconnected public television system. Second, grants were made in cooperation with CPB to regional production centers for national programming. Third, and perhaps most important, Foundation funds were used for a variety of projects to increase audience support and to carry out research on public-television viewing. These last activities were geared toward building a viewing audience that would also be a contributing audience—that is, a source of permanent, reliable funding.

B. AN INTERCONNECTED PUBLIC TELEVISION SYSTEM 1968-1973

The problem of simultaneous interconnection was not solved permanently until 1971, when CPB negotiated an agreement with AT&T for a special twenty-four hour reduced interconnection rate. This followed an interim agreement that provided interconnection for two hours nightly based on the "stand-by rate." At this rate the lines were subject to a frequently exercised pre-emption by the commercial stations and regional networks. After the twenty-four hour rate was negotiated, the Foundation made a grant of \$1.6 million to cover some of the long-line interconnection costs and for the expenses of a program delay center on the West Coast.

Under the Public Broadcasting Act CPB was not permitted to operate stations or interconnection systems. Therefore, a second organization was needed to represent the local stations in dealing with critical questions of program distribution. In 1969, consequently, the Public Broadcasting Service (PBS) was established as a membership corporation responsible for the scheduling and

delivery of programs. The Foundation granted \$1.2 million to PBS for start-up expenses.

C. NATIONAL PROGRAM GRANTS 1969-1973

The Foundation's grants for national programming rested on the principle advocated by the Carnegie Commission report that national programming required more than a single production source. In cooperation with CPB, the Foundation provided \$80 million from 1969 to 1973 for national programming at major production centers. These grants went primarily to five station-based production centers—in San Francisco, Los Angeles, New York, Washington, D.C., and Boston—and one non-station based production center, Children's Television Workshop.

The following is a brief outline, by production center, of the funding received during the period and of the major national programs produced:

1. Bay Area Educational Television Association (KQED) San Francisco

Between 1970 and 1972 KQED received three grants for national programming totaling \$1.45 million. "San Francisco Mix," a kaleidoscopic view of the arts, was the major program produced in 1970 and 1971. In 1972 KQED received a grant of \$450,000 primarily for local programming; however, an agreement was made between KQED and PBS that programs with broader appeal than the Bay area would receive national distribution.

2. Community Television of Southern California (KCET) Los Angeles

KCET received eight grants totaling \$3.7 million between 1969 and 1973 for national programming. The major productions of KCET were "The Advocates," a weekly program in which two sides of a current major issue were argued in courtroom fashion, and "Hollywood Television Theatre," a series of full-length dramas. Half of "The Advocates" series was produced in Los Angeles, and half was produced in Boston.

3. Educational Broadcasting Corporation (WNET) National Educational Television and Radio Center (NET) New York.

After the conclusion of the two-year Public Broadcast Laboratory experiment in May 1969, the Foundation continued support for interconnected Sunday night programming. NET received \$700,000 to produce "Sounds of Summer," a series of telecasts of music festivals originating in the United States and abroad. For the fall season, NET was granted \$100,000 to adopt the widely acclaimed British dramatic series, "The Forsythe Saga."

In 1970, NET received a grant of \$6.56 million to continue to produce national programming. At that time negotiations were under way to merge NET and WNDT, the New York City public television station, thus giving NET its own studios and increasing the flexibility of its production and scheduling. That year NET provided PBS with three hours of national programming per week.

In 1969 WNDT received \$475,000 for two twenty-week seasons of "Soul!" the second nationally televised weekly series produced by blacks and oriented to the black community. The first was "Black Journal," initiated by NET in 1968.

By 1971 NET and WNDT had completed their merger and the redesignated station, WNET, received \$6.5 million for general support of national programming. A sum of \$500,000 was earmarked for the continuation of "NET Opera." The remainder was used to provide PBS with 156 hours of new programming a year, an average of three hours a week, including at least fifteen hours of special-events programs.

General support for national programming continued with a grant of \$4,040,000 in 1972 and \$3 million in 1973. "Black Journal," "Great American Dream Machine," and "VD Blues" were produced by the New York-based production center, WNET. In 1972 WNET produced "An American Family," a controversial series about the Loud family that sparked widespread comment and drew many new viewers to public television.

4. Greater Washington Educational Telecommunications Association (WETA) Washington, D.C.

As the public television station in the nation's capital, WETA had a special responsibility to report on national government activities for the stations of the public television network. In 1971 WETA received \$79,317 for production of the Elizabeth Drew interview series "Thirty Minutes With. . ."

In 1972 a special National Public Affairs Broadcast Center for Public Television (NPACT) was created to handle the coverage of national public affairs.

This center received \$2.2 million to produce national public-affairs programming in 1972. "Washington Week in Review" and "A Public Affair/Election '72" were produced by NPACT.

In 1973 WETA and NPACT moved into shared studio facilities and merged their Boards of Directors. The new organization received two grants of \$1.5 million and \$980,000, each for one year of national programming. Again, "Washington Week in Review" and "Thirty Minutes With . . ." were produced, and "Washington Connection" was added.

In 1973 and 1974 NPACT had an opportunity to prove the value of a Washington-based public television facility when it presented daily and nightly coverage of the Senate Watergate hearings, and subsequently, the House Judiciary Committee hearings on impeachment.

5. *WGBH Educational Foundation, Boston*

WGBH received six grants totaling \$2.9 million between 1969 and 1973 for national program production. Most of this funding went for production of "The Advocates," in cooperation with KCET, Los Angeles; and "Evening at Pops," the televised presentation of the Boston Pops Orchestra concerts. WGBH was also the producer of "Zoom," a program for children from six to twelve years old.

6. *Children's Television Workshop (CTW), New York*

"Sesame Street" began in 1969 as a national experiment in educating pre-school children. In 1968 CTW received \$250,000 from the Foundation via NET for planning purposes, and in 1969 \$1 million for pre-production expenses. The Foundation shared the main cost of the project with the U.S. Office of Education, the Carnegie Corporation and CPB. The first twenty-six-week series was preceded by a year of research on pre-schooler's learning and television-viewing habits, together with extensive testing of program segments. "Sesame Street" was distributed via the public television system, and by 1970 CTW had emerged as a national production center for children's programming. In 1970, 1971 and 1972, the Foundation made grants totaling \$5 million directly to CTW to continue production of "Sesame Street" and for the more advanced series to teach reading skills, "The Electric Company." CTW has recently undertaken a number of projects aimed toward diversifying its base of financial support with the aid of a special Foundation grant of \$6 million.

D. DEVELOPMENT AND RESEARCH

As part of the strategy to build a stronger public television system, the Foundation provided funds to help build public-television audiences and to finance professional assistance in station planning, management and fund-raising operations. Also, a new facility was funded to conduct research about public-television audiences.

In the late sixties, hard pressed for production and day-to-day operational funds, public television was spending almost nothing to call attention to its programs. Beginning in 1970, therefore, the Foundation made a series of grants to PBS and several production centers for advertising and promotion of national television programming. One million dollars per year was granted for this purpose until 1972 when funds for advertising were incorporated into PBS budgets.

To help local public television stations increase their financial support from local viewers, the Foundation established the Station Independence Project. The first phase was a study of the potential public-television subscription audience and the most effective fund-raising strategies. Next, funds were allocated to experiment with professional fund-raising and station-promotion techniques at five stations. In addition to \$350,000 expended directly for this research and development, recoverable grants totaling \$186,000 were made to the stations to pay the "up-front" costs of direct-mail and telephone-solicitation campaigns. These campaigns resulted in a substantial increase in station membership for all of the participating stations.

Since 1969 the Foundation has also sponsored a wide variety of public-television audience-research projects, culminating in the development of the Public Broadcast Survey Research Facility headquartered at the CPB. The Facility grew out of the recommendations of a group of communications specialists and social scientists who met at the Foundation in 1970 to discuss the problem of obtaining reliable public-television audience data. Since public television is designed for

selective audiences, the gross audience-size figures provided by organizations such as Nielsen were not considered relevant. Conference participants recommended that PTV should have its own survey organization to provide more in-depth analysis of the audiences for various programs. Grants of \$100,000 each were made to CPB in 1972 and 1973 for development and operating costs of the Facility. By mid-1973 the Facility had established audience survey services in nine U.S. cities; its audience profile studies are available through the Corporation.

E. LOCAL STATION DEVELOPMENT 1968-1974

In 1968 the Foundation established the Project for New Television Programming, a two-year effort to encourage innovation in programming at the local and regional levels. In the first year fourteen stations and four regional networks received \$5 million to produce series of programs on local conditions or concerns; in the second year, fourteen stations and two regional networks received \$4.3 million. Panels of leading figures in the arts, broadcasting and journalism selected the recipients.

Among the most successful programs funded by the Project were "Newsroom," a news and public affairs presentation of KQED in San Francisco, and "Feedback," a community call-in public affairs program of WJCT in Jacksonville, Florida. On the basis of these models, the Foundation from 1971 through 1973 made grants totaling \$11.3 million for local public-affairs programming in four additional cities (while continuing to support San Francisco and Jacksonville). At the present time five "Newsroom"-type programs are continuing at local stations even though Foundation funding was phased out in 1973. Public affairs and local news programs by public television stations in Boston and Connecticut were also assisted.

In 1961 the Foundation had granted \$2 million to help in activating the first educational television station in the New York metropolitan area (WNET, Channel 13) and had continued to help WNET meet operating expenses. Because of the area's cultural and intellectual resources, the existence of such a station was of continuing importance in the growing ETV system. In 1970 NET consolidated with WNET, Channel 13 (renamed WNET), thus making the New York station stronger in both local and national programming. Grants totaling \$9.4 million have since been made to the New York station for capital equipment and to support local television programming.

F. THE CONTEMPORARY PUBLIC TELEVISION SYSTEM—1974

Public television appears to be in a healthier condition than at any time in its history. Audience size and industry income have been growing steadily, with increases of 13 per cent and 76 per cent respectively between 1970 and 1973.

To build on this base and to raise public television to a new level of independence and financial stability, the Foundation has allocated \$40 million for grants to the system over the next four years. The Foundation anticipates that with this series of grants it will end its major support of public television.

From the \$40 million allocation, grants totaling \$26.5 million were made in 1974 for four purposes: (1) the Station Program Cooperative, (2) principal production centers, (3) the Station Independence Program, and (4) the New American Television Drama Project.

1. *The Station Program Cooperative*

The Foundation granted \$6 million to CPB and PBS to help support the first year of the Station Program Cooperative (SPC). Conceived by Hartford Gumm, president of PBS, the Cooperative is an attempt to provide a method for national program selection that diffuses the decision-making power throughout the system.

The programming cooperative has two features. The first is a "market" from which the stations select programs. The first market was held in June 1974, with programs proposed by some twenty-eight producers across the country. Pilots were made earlier and distributed to the stations for test viewing. The second feature is payment by the stations for each program selected from the market. To help meet these costs, each station is entitled to a portion of combined funds provided by the Foundation and CPB, according to the size of its budget and its community. The stations must also funds from other sources-- for the first year, for every dollar raised, a station could draw \$3 from the cooperative fund, up to the amount of its allocation. In succeeding years, the relative contribution from the cooperative fund will decline.

The SPC thus provides both station independence in the choice of programming and economies of scale in sharing the costs of production. Through the matching requirement, it also encourages the stations to turn increasingly to their own communities for financial support.

2. Principal Production Centers

The Foundation granted a total of \$15.5 million to four principal production centers to insure continuity in the supply of national programs. The grants were intended primarily to enable the recipients to upgrade facilities and develop reserves for new programming, and consisted of the following: \$12.4 million to the Educational Broadcasting Corporation (WNET, New York); \$4.5 million to Community Television of Southern California (KCET, Los Angeles); \$1 million to WGBH (Boston); and \$131,000 to Greater Washington Educational Telecommunications Association (WETA, Washington, D.C.). The first three grants included matching requirements.

3. The Station Independence Program

The Foundation granted \$1,045,000 to PBS to permanently establish the Station Independence Program described on page 25. The Program will have a revolving fund to help finance membership campaigns at stations throughout the system.

4. The New American Television Drama Project

The Foundation granted \$1.5 million and has committed an additional \$1 million as its share of support for the first three years of the New American Television Drama Project. The Project was established to support the production of new American plays for public television; a panel of distinguished persons in the arts, after assessing applications from a number of stations, selected KCET, Los Angeles, as the Project's headquarters. In addition to the Foundation, the National Environment for the Arts and CPB have committed a total of \$7.5 million for the Project's initial three years.

G. CONCLUSION

In a statement accompanying the announcement of the Foundation's most recent series of grants, McGeorge Bundy, president of the Foundation, said:

In joining with the Corporation for Public Broadcasting to help launch the national programming cooperative and in helping key production centers to achieve greater financial stability by soliciting broader community support, the Foundation is expressing its confidence in the strength and maturity of public television and in the American people's support. We are hopeful that all the stations will meet the challenges implicit in these grants. With new sources of funds, public television can continue to grow—diversely and richly, insulated from centralized control—as a responsive and imaginative public resource.

APPENDIX—FORD FOUNDATION GRANTS AND EXPENDITURES FOR EDUCATIONAL BROADCASTING: FISCAL YEARS
1951-74

Fiscal year	Grants and expenditures for television and radio projects		
	TV and radio	Television ¹	Radio ²
Total.....	\$273, 376, 630	\$272, 094, 003	\$1, 282, 627
1951.....	1, 439, 091	946, 291	492, 800
1952.....	2, 646, 106	2, 646, 106	0
1953.....	4, 490, 021	4, 339, 116	150, 905
1954.....	4, 776, 068	4, 776, 068	0
1955.....	3, 139, 195	3, 139, 195	0
1956.....	9, 979, 675	9, 979, 675	0
1957.....	4, 749, 720	4, 674, 970	74, 750
1958.....	3, 965, 932	3, 765, 932	200, 000
1959.....	11, 126, 112	11, 113, 512	12, 600
1960.....	7, 708, 701	7, 707, 201	1, 500
1961.....	8, 140, 359	8, 125, 359	15, 000
1962.....	19, 580, 006	19, 580, 006	0
1963.....	7, 423, 652	7, 423, 652	0
1964.....	7, 560, 522	7, 560, 522	0
1965.....	7, 171, 903	7, 171, 903	0
1966.....	16, 288, 700	16, 288, 700	0
1967.....	23, 000, 544	22, 962, 544	38, 000
1968.....	10, 998, 411	10, 961, 911	36, 500
1969.....	25, 301, 843	25, 116, 271	185, 572
1970.....	17, 098, 172	17, 023, 172	75, 000
1971.....	18, 155, 198	18, 155, 198	0
1972.....	19, 103, 000	19, 103, 000	0
1973.....	10, 683, 699	10, 683, 699	0
1974 (through Aug. 30, 1974).....	28, 850, 000	28, 850, 000	0

¹ Includes those grants awarded to television-radio projects. Some of these grants were awarded to commercial television, particularly in the early 1950's and television projects in other countries.

² Includes only those grants in which radio was the principal activity, but does not include those grants designated for television-radio.

Senator HARTKE. Now, Congressman Heinz has been waiting very patiently and the difference in the House side is that I know that you can get through in about 5 minutes and we take an unlimited time over here. It is good to see you, John.

Congressman John Heinz III, of Pennsylvania.

**STATEMENT OF HON. H. JOHN HEINZ III, A REPRESENTATIVE IN
CONGRESS—FROM THE 18TH CONGRESSIONAL DISTRICT OF THE
STATE OF PENNSYLVANIA**

Mr. HEINZ. Mr. Chairman, I am honored to appear before you and your committee to represent the statement of Fred Rogers on foundations in relation to public television.

Representing Fred Rogers today is indeed an honor. Not only is he a good friend, a personal friend of mine, but he is also the kind of expert we need to listen to, one whose involvement with public television gives him a valid insight based on solid working experience. Although my kids think of him as the famous neighbor, the television Mr. Rogers, that is only part of the story.

He is a producer, writer, composer, director and the principal talent of "Mr. Rogers Neighborhood Program." He demonstrates an unparalleled dedication, in my personal view, in furthering the healthy development of children everywhere.

I think this dedication demands our tremendous respect, and I welcome this opportunity to bring you his views.

I will now read from the views that he has submitted to you, Senator.

[Mr. Heinz reading.]

DEAR SENATOR HARTKE, if I were not taping programs for telecasts, I would certainly be with you. Your inquiry is an important one.

In 1953, I left NBC-New York to help launch the new community public television station here in Pittsburgh. We began our work in a formal, chemical experiment building, which Pittsburgh Plate Glass Company had given for the purpose, solely because their Vice President and General Counsel, Leland Hazzard, believed in educational television. This same Leland Hazzard and his friend, Joseph D. Hughes, sold the educational television idea to several Pittsburgh foundations, so we had not only a building, but money to buy television equipment and pay a small staff.

It is safe to say that without foundations, our public station in Pittsburgh would not have made it on the air, nor would we have stayed on the air. I wonder if that is not the same in many cities?

In 1964, when I was producing a network program for children in the East, funds ran out through the eastern educational network, and "Mr. Rogers Neighborhood" was about to end. The Sears, Roebuck Foundation, through NET, agreed to save this program for children, and ever since that foundation has underwritten our series. In fact, for the past three years, I have sat on that foundation's Board of Directors and have witnessed the superb qualities which the members of that Board bring to its deliberations.

In all my years of association with that foundation, first as someone from the outside giving reports about television projects, and later as a Board member, I have never had anyone suggest that our program served the interest of the parent organization in any way. We were never encouraged to wear our Sears clothes or use Sears appliances. Never was there any inkling that such was a pre-requisite of our being funded and the Sears, Roebuck Foundation wanted to bring to the children of this country an expression of care they felt was inherent in our television work for young children. Without it, I am convinced that there would have been less diversity than there is today for children, even in public television, and diversity is what foundations can help foster.

Many government agencies seem to breathe the same air. There is always something extremely healthy about foundations being located all over this country with all of the differences of opinion that our land boasts. You must have thousands of examples of how small, yet extremely important things get done through foundations that just would not happen without them.

I know of a small foundation with a very dedicated Board of Directors which supported a play program for children which come with their mothers to visit their fathers in prison. These children, who used to have nothing but a row of vending machines to play with during their four-hour visit, now have a special play place with appropriate toys, books and games, and trained adult supervisors as part of the visiting room. It is making a difference in many people's lives.

This same Pennsylvania foundation supports a college in South Dakota, which honors American Indian students in uniquely respectful ways.

A small foundation puts up the seed money which insured our television programs securing a governmental grant from the Bureau of Education for the Handicapped. Foundations are essential for seed money and nurturing money.

How important the genius of individual people can be in a democracy when implemented by private foundations, and then made available to the public, is obvious. Whatever you can do to encourage foundations' healthy growth will in many ways, many little and big ways, help our great country.

Please let me know if I can be of any further help, and I wish you well in your important deliberations.

Yours very truly,

FRED M. ROGERS.

Mr. Chairman, that concludes the statement of Mr. Rogers. I do not know that I am competent to answer any of your questions, particularly some of your tough ones.

SENATOR HARTKE. No. Thank you, Congressman Heinz. I do think that it is very important for us to recognize that his statement, where he says many of the Government agencies tend to breathe the same air, I think this is the point that I was making before, is this tendency

to force conformity, and if there is anything that this program does not force, it does recognize the importance of the individual and I suppose in the words of Mr. Rogers himself, which he uses quite frequently, "I like you because you are you."

Mr. HEINZ. I am glad to see the chairman and I both watch the program occasionally. May I also thank you personally, Mr. Chairman, for the opportunity to appear before your committee on behalf of Mr. Rogers. The work you are engaged in is extremely important and I welcome the opportunity to bring you these views for your consideration.

Thank you, Mr. Chairman.

Senator HARTKE. It educates all of us children, you know. Thank you, Congressman.

Next, is Mrs. Joan Cooney, president of the Children's Television Workshop. Good morning to you.

STATEMENT OF MRS. JOAN GANZ COONEY, PRESIDENT, CHILDREN'S TELEVISION WORKSHOP, NEW YORK CITY

Mrs. COONEY. Good morning, Senator.

Senator HARTKE. Good to see you.

Mrs. COONEY. It is nice to see you.

If it is all right with you, Mr. Chairman, I would like to read a summary statement. We have filed a longer one for the record.

Senator HARTKE. The entire statement will appear in the record, and you can summarize the portions you wish.

Mrs. COONEY. My colleague, David Britt, and I are here to report to you on the experience of the Children's Television Workshop with respect to the role of foundations in public television. Our relationships with foundations have included:

Development of the fundamental workshop concept of the marriage of commercial television techniques and continuing research for educational purposes;

Creation of Sesame Street, the educational program for preschoolers;

Creation of the Electric Company, a second series for older children;

Creation of our forthcoming series for adults on health, Feeling Good; and

Development of prospective series on American history and we hope yet on the problem of aging.

Foundation support has been a critical factor at each step in the growth of the Workshop as a major center for innovation and experimentation in the educational uses of television for mass audiences, and for our particular target audiences, the economically disadvantaged. The results are impressive.

For example, an estimated 9 million children watched Sesame Street last year, including a large number of children from poverty homes who are the special target of the program. I would like to interject that for our kind of production the numbers game is very important. I think I would underscore everything Mr. Friendly said in hoping nighttime public television does not get into the numbers game, but when we are trying to educate masses of youngsters via television at a high price, I think that unless we can show that the programs are

cost-effective, that we ought to try something else, so that I do except Sesame Street and other types of educational programs from not showing they are reading numbers. I think we have to reach a sizable number of our stated target audience.

To insure extensive viewing in low-income neighborhoods, we have taken, from the outset, special pains to develop community-based projects involving mothers and older brothers and sisters watching the show with their youngest family members, and sharing the after-show activities. Special audience surveys conducted in inner-city neighborhoods have demonstrated the dramatic success of these efforts and of the program in reaching these children.

I said earlier that the role of the foundations has been of unique importance to the Workshop. The subcommittee may find it useful to explore three basic elements of that uniqueness.

First is the foundations' commitment to support innovation and experimentation and even the willingness to risk failure in a worthwhile and constructive endeavor.

Second is the foundation's interest in the development and independence of new institutions which can make a contribution to our society.

Third is the financial importance of foundation support, particularly the Ford Foundation, for public television, which continues on despite their falling down, including a critical role as catalysts for other funding.

Perhaps most important has been the willingness of foundations to support innovation and experimentation.

In the glow of the enormous success of Sesame Street and the Electric Company, it may appear to have been an easy decision for foundations to offer support. But when Carnegie Corp. provided the initial few thousand dollars to research the Sesame Street concept, the potentiality of such a program's success could only be imagined.

We were interested in searching out a new concept for a new audience for educational programming—the preschool child and, in particular, the economically disadvantaged preschool child. The problems of disadvantaged children entering school are real and documented.

But could we reach a mass audience of preschoolers? And could we teach, through television, basic cognitive skills they need to navigate in the learning process?

Support and leadership from Carnegie, later joined by Ford Foundation and the U.S. Office of Education, in this early period made it possible for us to develop and test the concept.

The joint participation of foundations and the Federal Government gave us the freedom to undertake preliminary experimentation, changing our methods and techniques to meet the problems we found—not to satisfy anybody's preconceived approaches and views. Moreover, this joint support provided us with the time for careful development of the concept without pressure for premature results.

After initial research and development, as well as successful broadcast seasons, we sought and obtained continued substantial funding from the U.S. Office of Education, support which has continued as foundation funding for our educational TV programs has phased out.

Also, basic to our continued existence over the years has been domestic licensing fees from public broadcasting.

But, I believe the initial commitment to innovation and experimentation by the foundations—the willingness to risk an expensive failure—was of profound importance to the successful development of Sesame Street for preschoolers and later the Electric Company to teach reading to gradeschool children.

The foundations, the Ford Foundation in particular, played a second major role: encouragement and support for the growth of the Workshop as an independent experimental production center.

Over 6 years ago, I began to assemble people to work on the Sesame Street project. With the success of Sesame Street and then the Electric Company, the foundations encouraged us to look at other problems beyond early childhood and reading in which quality experimental television might make a constructive contribution. They also, along with others, encouraged us to search for ways to build creative independence and financial self-support.

Finally, a third major role of the foundations with respect to the Workshop is financial.

National television programing such as ours must compete for viewers with commercial television. Because our shows have been successful in building audience, they are cost-effective: both Sesame Street and the Electric Company cost less than a penny per viewing child per episode of original programing.

But the absolute dollar costs are large, nearly \$11 million to pay for the 260 episodes that represent this season's production of both shows, and over \$6 million for the new weekly health series.

I have emphasized the unique and important role which foundations have played—and I hope will continue to pay for the Workshop. Let me also note an area of concern.

Foundations rightly focus on innovation and development in supporting public television. They bear a large share of the risks of failure of new projects.

One measure of success of a project is, and should be, its ability to attract additional financial support. But funding sources must face the fact that, for public television projects, the universe of funding possibilities is quite limited.

Both Government and foundations should focus carefully on the service being rendered by a project, and how the service fits with their own mission. One objective of funding is success, and the fact is it costs money to maintain programing which is attracting audience and achieving its goals.

A word about the future of foundations, public broadcasting, and the Workshop.

The Congress is now considering legislation for long term funding of public television. I hope the Congress will pass such legislation, with fully adequate levels of financial support.

That legislation keys Government support to matching funds raised elsewhere. And so foundation support will continue to be crucial for the support of the basic broadcast and distribution of public television programing. Needed, too, will be continuing interest and funding from foundations for independent programing experimentation and production.

Mr. Chairman, the Workshop and its programs are the product of a creative institution and—no less important—the result of a creative

partnership of foundations, Government, public broadcasting, and corporate funding. The partnership may have blurred traditional or theoretical institutional roles, but it has passed the pragmatic American test: it works.

I hope this report has been useful to you and the subcommittee. I would be pleased to respond to your questions.

Senator HARTKE. Thank you, Mrs. Cooney.

Let me ask you, why do you think commercial television was unable to take and develop a program like Sesame Street and the Electric Company?

Mrs. COONEY. Well, I think it is a habit of mind, more than economics, but that habit of mind is very ingrained, and the idea of putting up the initial kind of funding that we required, which was \$7 million for 1½ years of testing, development, research, and production, is just unthinkable throughout the networks. They get an idea in the summer and they get it on the air by fall, and they throw it out by January, if it is not attracting huge audiences.

Commercial television now would be happy to have this proven success, but the habit of the mind, and the way they account to their stockholders or whatever it is—it is just unthinkable.

Senator HARTKE. In other words, you think they never will be able to change that habit?

Mrs. COONEY. Well, they have not so far. Never is a long time.

With a new leader at one of the networks, they might say that we are going to put aside x amount for experimentation—but it has not happened yet.

Senator HARTKE. What has been the reaction, generally speaking, by foundations? Have they been pretty much receptive, or are they hard to sell?

Mrs. COONEY. Well, we have been fortunate from the beginning. CTW's chairman, Lloyd Morrisett, who is now the president of the Markle Foundation—who I believe is going to testify here—has an absolute genius for coming up with ideas whose time has come, and also the leadership of the Carnegie Corp. behind the Sesame Street concept from the beginning made it infinitely easier than if I, as an individual, had been trying to sell it—so it was not a hard sell.

Once we had proven we could produce the goods, obviously as we would come up with new ideas, they were easier to sell. Our biggest problem is sustaining, not producing the initial funds or raising the funds. New money for new projects is there. New money or sustaining money for old projects is harder to come by.

Senator HARTKE. Do you have any examples of any interference or attempted interference by any of the foundations?

Mrs. COONEY. Never.

Senator HARTKE. Never?

Mrs. COONEY. Nor, might I add, from the U.S. Government.

Senator HARTKE. That was going to be the next question.

On the question of sustaining interest, have you ever given any consideration to having maybe some kind of a public broadcasting task force among the foundation community that would move into this field to not alone deal with the question of origination and innovation and the beginning of these programs, but also to develop some kind of a sustaining operation?

Mrs. COONEY. Well, in a sense, I think public broadcasting is evolving that way. The Corporation for Public Broadcasting, as you know, will have a million a year to seed new projects, and they will be willing to try them for 2 years, once they make the decision, and then those projects will be offered to the station cooperative and the stations can either sustain the projects or decide to let them go.

On highly expensive ones, without raising the levels of the amount in the cooperative, it is going to be tough. I do not know. I think Fred Friendly has alluded today a couple of times to one of the answers, and that is increased public support of the stations themselves which must buy the programming—voluntary public support.

Senator HARTKE. I am going to tread on some ground which politicians are not supposed to tread on.

In your statement, and I hope that I can emphasize one word,

One measure of success of a project is, and should be, its ability to attract additional financial support. One objective of funding is success, and the fact is it costs money to maintain programming which is attracting audience and achieving its goal.

So, if I reversed your presentation, you would say one objective of funding is success and one measure of success is its ability to attract additional financial support. I suppose, as you said, the numbers are important. And here is where I find myself on difficult ground.

To be critical of a program which attracts success and yet to be fearful that the future programming of public broadcasting will be based on numbers is a direct contradiction of the ultimate aim of public broadcasting.

Mrs. COONEY. Yes. And I think I know what you are getting at. And I think you are correct for the usual public broadcasting programs.

The Children's Television Workshop is a unique institution within public broadcasting. It obviously has always had programs with very specific educational goals and it always has felt that it should not be in the business of presenting those goals to its targeted audience without reaching sizable numbers of that audience.

So I think my comments should not be generalized to the rest of public broadcasting, but I think our feet at the workshop must be held to that fire. Our programs are very expensive, and we do, at the outset, have goals, both in reaching numbers of children and educating them and the same with adults for the new health series.

And I think if we do not meet our stated goals that we ought to move on to another project. I do not think that is true with the rest of public broadcasting. I think that is true only for programs with educational goals.

Senator HARTKE. Well, I am not sure I am going to agree with you and I am not sure that I want to disagree with you. But the fact remains, this has always been at the heart of this, concluding you are going to fund these programs if you have the proper numbers.

You see, you would not have the tremendous drive to get the numbers if you had the proper funding.

Mrs. COONEY. That is true.

Senator HARTKE. What I am saying in substance is you get caught, you say that pragmatic American test. I just think sometimes we pragmat too much.

Mrs. COONEY. I agree with you. If we had the best of all possible worlds, and Sesame Street was reaching 2 or 3 million youngsters,

would it not be worth it if it was helping those 2 or 3 million youngsters?

Senator HARTKE. And that again depends on what you mean by helping. If you are forcing them into some democratic conformity, rather than individuality, you do have a real problem.

Mrs. COONEY. I think I was trying to make the point that if our audience was a half or third of what it was, and these children were learning, then theoretically that should be enough and we should not have to prove that we are reaching 10 million children. I absolutely agree with you.

But, I am afraid that there is not enough money in public television to make that case. It is just not going to happen.

Senator HARTKE. Well, then, would you join with me in criticizing those who are content to underfund the program? You know, this is the old story, we cannot afford it. You can afford to mistreat children but you cannot afford to treat them right. That is what the country is saying. This is what bothers me about the whole concept. You just cannot afford to do what you know is right, and the answer ought to be you cannot afford not to do it.

Mrs. COONEY. I could not agree with you more, and I think broadcasting mistreats the American public, because it has not provided a wide range of programing service. The hope is in public broadcasting.

It is underfunded. I do not know where the lack of will is, if you take a look at the following fact that the American child, before he goes to school, spends 27 to 50 hours, up to 50 hours before the TV set.

Now, would you leave your child with an unknown, highly questionable babysitter for 50 hours a week? The answer is of course you would not, but despite the success of our Sesame Street, despite the success of our Electric Company, it is extremely hard to focus the public's interest on what our TV is doing to the children, and whether we ought to now take advantage of the opportunity that we are being presented in this country of having that box in the living room and the little children there watching it.

I wish we had a channel that was devoted all day long in this country to children, with entertainment and educational programing.

But, we will say we cannot afford it. We cannot afford to serve our national treasure and nurture it. I do not know why that is so, but it is.

Senator HARTKE. Well, let me congratulate you upon your work. I think you are doing a fine job, and thank you for your testimony.

Mrs. COONEY. Thank you, Senator.

[The prepared statement of Mrs. Cooney follows:]

STATEMENT OF JOAN GANZ COONEY, PRESIDENT, CHILDREN'S TELEVISION WORKSHOP, NEW YORK CITY, PRODUCERS OF SESAME STREET AND THE ELECTRIC COMPANY

Mr. Chairman and members of the subcommittee, I am here to report to you on the experience of the Children's Television Workshop with respect to the role of foundations in public television. Our relationships with foundations have included:

development of the fundamental Workshop concept of the marriage of commercial television techniques and continuing research for educational purposes;

creation of Sesame Street, the educational program series for preschoolers; creation of The Electric Company, a second series for older children; creation of our forthcoming series for adults on health, "Feeling Good;" and

development of prospective series on American history and another on the problems of aging

Foundation support has been a critical factor at each step in the growth of the Workshop as a major center for innovation and experimentation in the educational uses of television for mass audiences, and for our particular target audiences, the disadvantaged.

Let me be very clear that other institutions, notably the U.S. Office of Education, the Corporation for Public Broadcasting, the member stations of the Public Broadcasting Service, and several corporations also provide major support, in aggregate financial terms larger than that of the foundations. But it does not underestimate the importance of these institutions to acknowledge the unique role played by foundations in creation of the Workshop and its various programs.

An estimated nine million children watched Sesame Street last year, including a large number of children from poverty homes who are the special target of the program. To ensure extensive viewing in low-income neighborhoods, we have taken, from the outset, special pains to develop community-based projects involving mothers and older brothers and sisters in watching the show with their youngest family members, and sharing the after-show activities. Special audience surveys conducted in inner-city neighborhoods have demonstrated the dramatic success of these efforts and of the program in reaching these children.

If you have had a chance to watch Sesame Street with a child, as thousands of adults evidently do, you have already formed a personal judgment of its ability to entertain and at the same time educate. Scientific evaluations of the program's educational impact have been recorded in nationwide samples taken over several years. Research has documented that children who watch with some frequency show significantly better gains in developing basic cognitive skills taught by the program than those who do not watch. Children do learn from Sesame Street. Equally important is the fact that they watch because they want to, not because they have to. And in so doing, they discover that learning can be a joyous experience—a critical factor for eventual success in formal classroom surroundings later on.

We launched our reading series, The Electric Company, three years ago at the encouragement of the same combination of foundation and Government sources which helped us start Sesame Street. Its goal is to alleviate the continuing problem of teaching basic reading skills to primary school children. The partnership of foundations, Government and the Workshop succeeded again in introducing a major educational innovation. The then U.S. Commissioner of Education, Dr. Sidney Marland, commented that, "Perhaps no other innovation in the history of education has made its presence felt among so many people in so short a time."

In its first season, The Electric Company reached an estimated four million children and was seen in about 40% of all the schools in the country that had TV sets. Since then, the estimated audience has grown to more than six million youngsters. The program is seen in two-thirds of all primary schools equipped with TV sets and a substantial number of children see the program at home.

I said earlier that the role of the foundations has been of unique importance to the Workshop. The Subcommittee may find it useful to explore three basic elements of that uniqueness.

First is the foundations' commitment to support innovation and experimentation and even the willingness to risk failure in a worthwhile and constructive endeavor. *Second* is the foundations' interest in the development and independence of new institutions which can make a contribution to our society. *Third* is the financial importance of foundation support, particularly The Ford Foundation, for public television, including a critical role as catalysts for other funding.

Perhaps most important has been the willingness of foundations to support innovation and experimentation.

In the glow of the enormous success of Sesame Street and The Electric Company, it may appear to have been an easy decision for foundations to offer support. But when Carnegie Corporation provided the initial few thousand dollars to research the Sesame Street concept, the potentiality of such a program's success could only be imagined. We were interested in searching out a new concept for a new audience for educational programming—the preschool child and in particular, the economically disadvantaged preschool child. The problems of

disadvantaged children entering school are real and documented. But could we reach a mass audience of preschoolers? And could we teach, through television, basic cognitive skills they need to navigate the learning process?

Support and leadership from Carnegie, later joined by Ford Foundation and the U.S. Office of Education, in this early period made it possible for us to develop and test the concept. The joint participation of foundations and the Federal government gave us the freedom to undertake preliminary experimentation, changing our methods and techniques to meet the problems we found—not to satisfy anybody's preconceived approaches and views. Moreover, this joint support provided us with the time for careful development of the concept without pressure for premature results.

After initial research and development, as well as successful broadcast seasons, we sought and obtained continued substantial funding from the U.S. Office of Education, support which has continued as foundation funding for our educational TV programs has phased out. Also basic to our continued existence over the years has been domestic licensing fees from public broadcasting. But I believe the initial commitment to innovation and experimentation by the foundations—the willingness to risk an expensive failure—was of profound importance to the successful development of Sesame Street.

As the idea grew for the Electric Company, the Workshop had a track record—even though a short one—of success in educational programming for children. But the objective of The Electric Company—to help teach basic reading skills of children of elementary school age who are having difficulty learning to read—was as innovative as that of Sesame Street, and success was at least as tough to achieve. Once again, foundation support in partnership with the Office of Education for initial research and development—and the time to do it right—was forthcoming, and basic to success.

Today the interest and willingness of foundations to support innovation has made possible development of our first series for adults, "Feeling Good", which is intended to help adults understand and take action to maintain and improve their own and their families' health. Altogether seven foundations so far are participating in this project, along with two corporations.

The foundations, the Ford Foundation in particular, played a second major role: encouragement and support for the growth of the Workshop as an independent experimental production center. Six years ago, I began to assemble people to work on the Sesame Street project. With the success of Sesame Street and then The Electric Company, the foundations encouraged us to look at other problems beyond early childhood and reading in which quality experimental television might make a constructive contribution. They, along with others, encouraged us to search for ways to build creative independence and financial self-support.

When foundation operating support for Sesame Street and The Electric Company phased out (consistent with most foundations' policies to avoid long-term operating support relations), the Ford Foundation worked with us to chart a long-term course toward a substantial measure of self-support, the key to maintaining creative independence. And they have provided us a substantial grant with the hope the funds can be used to develop long-term financial resources for the Workshop—a kind of endowment.

Finally, a third major role of the foundations with respect to the Workshop is financial. National television programming such as ours must compete for viewers with commercial television. Because our shows have been successful in building audience, they are cost-effective; both Sesame Street and The Electric Company cost less than a penny per viewing child per episode of original programming. But the absolute dollar costs are large, nearly \$11 million to pay for the 250 episodes that represent this season's production of both shows. A variety of sources are necessary to provide funds. Foundations along with Corporations, corporations and public broadcasting itself provide a diversity of funding sources which helps ensure a diversified range of programming for public television.

Let me note too the role that foundations play as catalysts for obtaining other funds. It is a role that they may not seek, but which is real and important. Corporations and government agencies know that foundations are committed to the public interest, and that they have an independent competence to evaluate the quality of proposals and people. Foundation involvement in a project, just by its presence, helps attract interest and funds from other sources.

I have emphasized the unique and important role which foundations have played—and I hope will continue to play for the Workshop. Let me also note an area of concern. Foundations rightly focus on innovation and development in supporting public television. They bear a large share of the risks of failure of new projects.

As projects succeed, foundations typically want to phase out of continuing operating support, thereby making their funds available for development of new projects. In the case of Sesame Street and The Electric Company, continued government funding and the ability of public broadcasting to buy television rights have helped fill in the gap as foundation funding came to an end. But for other projects, success may bring an ironic financial dilemma.

Government agencies and foundations may be reluctant to take up support for projects which they did not initiate, or for which others have been willing to pay initially. Foundations or government agencies may phase out too quickly for the grant recipient to avoid becoming caught in long-term dependence relationship and an increasingly weaker situation.

One measure of success of a project is and should be its ability to attract additional financial support. But funding sources must face the fact that for public television projects, the universe of funding possibilities is quite limited. Both government and foundations should focus carefully on the service being rendered by a project, and how the service fits with their own mission. One objective of funding is success, and the fact is it costs money to maintain programming which is attracting audience and achieving its goals.

A word about the future of foundations, public broadcasting and the Workshop. The Congress is now considering legislation for long-term funding of public television. I hope the Congress will pass such legislation, with fully adequate levels of financial support. That legislation keys government support to matching funds raised elsewhere. And so foundation support will continue to be crucial for the support of the basic broadcast and distribution of public television programming. Needed too will be continuing interest and funding from foundations for independent programming experimentation and production.

Mr. Chairman, the Workshop and its programs are the product of a creative institution—and no less important—the result of a creative partnership of foundations, government, public broadcasting and corporate funding. That partnership may have blurred traditional or theoretical institutional roles, but it has passed the pragmatic American test—it works.

I hope this report has been useful to you and the Subcommittee. I would be pleased to respond to your questions.

Thank you.

Senator HARTKE. The next witness is Mr. Lloyd Morrisett, the president of the John and Mary R. Markle Foundation, New York City.

STATEMENT OF LLOYD N. MORRISSETT, PRESIDENT, JOHN AND MARY R. MARKLE FOUNDATION, NEW YORK CITY

Mr. MORRISSETT. Good morning, sir.

Senator HARTKE. Good morning. You may proceed.

Mr. MORRISSETT. Senator Hartke and members of the Subcommittee on Foundations: My name is Lloyd N. Morrisett and I am president of the John and Mary R. Markle Foundation of New York City.

Senator HARTKE. May I take a moment to interrupt and say that I have just seen a distinguished old friend of mine, who has walked in, Harry Golden. Delighted to see you today, Harry. I hope you have a chance to visit with me. Good to see you.

Mr. MORRISSETT. The objective of the program of the Markle Foundation is to strengthen the educational effects of mass communications. We make grants of approximately \$2 million per year in areas of mass communications ranging from children's television, to print journalism, to research on the media.

Given the objectives of our program, we are, of course, very much interested in the future of public television, and in the essential role

it can play in the American system of mass communication by helping to diversify the range of viewing options for the public.

The serious financial difficulties which have plagued public television have prevented it from fulfilling its promise. Experts estimate that annual funding of at least \$400 million would be required to operate a fully effective system.

Unfortunately, the present total income of the entire public television system is only approximately half that amount. I believe that a strengthened public television system is very much in the national interest and that as a result it is imperative that public television find further funding.

There are three general ways in which foundations can be helpful to public television and the Markle Foundation has to some extent been active in all three.

The first is by providing direct support for television programming.

The second way in which foundations can be helpful to public television is by providing assistance in fund raising.

And the third way in which foundations can be helpful is to assist in improving the internal operations of the public television system, by research, studies or financing special projects within the system.

The Markle Foundation financed one program in public television, "Behind the Lines" on channel 13, which was an examination of media performance. It has also provided some support to the Friends of Public Television in their efforts to find further funding for public television through public contributions.

Finally, we have provided some support to the Office of Minority Affairs of the National Association of Educational Broadcasters in an effort to improve the professionalism of minorities as they attempt to find their way up the occupational ladder of public television.

By all odds, the most critical form of support for public television is funding for program production. This is also by far the most expensive part of public television.

Elsewhere, I have estimated that for an appealing hour-long program that will be educational and entertaining, command an audience and do its job, a sum of money of approximately \$100,000 per hour is necessary. With funds of this size being needed for program production, we have felt at the Markle Foundation that this is not an area in which we can make great contributions.

I would like, however, to pay a strong tribute today to the Ford Foundation and the Carnegie Corp., of New York, and more recently the National Endowment for the Humanities, as well as other foundations which have helped provide critical programming support at a time of shortage of funds.

Many local foundations have assisted their local public television stations in similar ways, helping to maintain the quality we presently have in this national system.

Foundations, however, cannot possibly bridge the gap of approximately \$200 million, that many people believe to be necessary for a ~~fully~~ funded, full service public broadcasting system. The Public Broadcasting Act of 1969 recognized the national interest in public broadcasting, and I believe that this interest should be carried out by a fully funded, Federal system, with foundations adding their support

to provide creative, experimental, and innovative activities of a type that are not normally funded in a typical operating project.

It is my belief that in this way foundation support can be most effective in helping to provide the high quality public broadcasting service that many people believe is necessary, if the system of communications we call television in the United States is to realize its potential. The public television financing bill currently under consideration by Congress is a step in this direction.

I firmly hope it will be passed quickly. It will help lift some of the burden of underfinancing from public television, and also enable foundation funds to be used even more effectively than they have been in the past.

I would like to stress that if a fully funded Federal system came into being, I do not believe that foundations should withdraw their support from public broadcasting. There will still be a need for foundation activities in this area, even with a fully funded system.

With regard to the role of the Markle Foundation, our primary activity at present in public broadcasting is to try and help find ways to identify sizable special interest audiences that can be served by public television, but are too small to warrant normal commercial service. I believe that if these audiences can be identified, and here I am thinking of audiences in the range of 5 to 10 million viewers, that public television can serve many more people effectively than it does at present, and that this service can be turned into public support in the form of further contributions, and also further congressional support for increased funding.

This is one role I think the Markle Foundation can at least help explore. We are doing so as vigorously as we can. It may be some time before the results of this exploration are fully known. We hope that in the future, we may find other ways to assist public television as, for example, in evaluating new ideas that may have a strong impact on the future welfare of this system.

Here I think of such things as cable television in that it may have a major impact on public television in the future, and other new technological and social innovations.

In conclusion, I would like to affirm that the Markle Foundation hopes to continue working with public television in ways which are appropriate to a foundation of our size, and we hope other foundations will similarly engage themselves in public broadcasting.

I appreciate the opportunity to appear before this subcommittee and will be very pleased to answer questions.

Senator HARTKE. Thank you, Mr. Morrisett, for a fine statement.

Let me ask you, when did the Markle Foundation first go into its support of public broadcasting?

Mr. MORRISSETT. The Markle Foundation, up until 1969, had been in the general field of medical education. At that time, our program was shifted almost completely into mass communication and we initiated our help to public television with some support of the Children's Television Workshop, with which I have been closely associated since its beginning.

Senator HARTKE. What prompted this sharp shift?

Mr. MORRISSETT. Well, it was due to two things. The program that had been operated by the foundation had had a long history, it had

achieved many of its initial aims and the trustees of the foundation were ready to consider new roads for the foundation.

Second, the administration of the foundation retired, and I was hired and given a mandate to help find that new road. And considering the possibilities for a foundation of our size and our location and the personnel we had, it seemed to be to me that mass communications was an area that could benefit from foundation support and was not additive to government action in the same way foundation support in certain other areas are.

Senator HARTKE. Was the 1969 Tax Act on Foundations in any way a contributing factor?

Mr. MORRISSETT. No, it was not.

Senator HARTKE. Do you think that foundations are really adequately aware of the need for foundation support for public broadcasting, generally speaking?

Mr. MORRISSETT. The larger, general purpose foundations that are professionally staffed I think have a generally adequate knowledge of the need in public broadcasting, although many of them have programs which make it inappropriate to support public broadcasting. For example, those that are in health or other areas that are completely separate.

I think a very large number of medium and smaller size foundations with, say, assets under \$5 million, may well not be aware of this. They are frequently managed in parochial ways, with interests that do not span the full concern of public activities as the larger foundations do.

Senator HARTKE. Do you see then a role of cooperation from foundations maybe joining together?

For instance, you have indicated in many ways you could not underwrite the total expense of the program, saying it costs \$100,000 an hour for any one program. Do you think that they ought to combine their resources in order to make a better participation?

Mr. MORRISSETT. Since the Tax Reform Act of 1969, I think there has been a noticeable increase in the willingness of foundations to cooperate with each other in support. It is, however, very difficult, particularly when you get to the smaller foundations which I was mentioning, to carry out the education and get the cooperative spirit, and the general level of knowledge that is necessary to gain such support.

In projects with which I have personally been associated, where there has been a good deal of foundation support among the larger foundations as, for example, support of Sesame Street in the beginning, the job of encouraging that support and getting the level of education necessary, and getting the conviction among the foundations that that was a mutual and worthwhile thing to do, took about 18 months. And I think that is not an unreasonable span of time, if you think of general cooperative projects.

The tradition is not there.

Senator HARTKE. Do you feel that the amount of Federal participation is sufficient, insufficient, or about right?

Mr. MORRISSETT. In public broadcasting?

Senator HARTKE. Yes.

Mr. MORRISSETT. I feel it is insufficient.

Senator HARTKE. Insufficient?

Mr. MORRISSETT. Insufficient.

Senator HARTKE. Do you feel if a greater participation was made it would tend to dominate, and maybe have a tendency to interfere with the overall operation of public broadcasting?

Mr. MORRISSETT. That claim has been made, but I personally do not believe that it has been made in a way to be fully convincing. I can imagine two courses of action for increased public support. One would provide—in a manner of some models we have elsewhere, for example, the BBC—a fully insulated system where the Federal support did not dominate the system in any essential way.

An alternative model, which would also be realistic to consider. Within our system of television, I think we have to remember that public television exists within the commercial framework in the United States, and that a system where Federal support was not insulated, but where the system was responsible to the Federal Government, would be very different than the one we now have. But, it could add diversity to our present system, and I have not seen anybody attempt to make the case of how that would actually look, so I do not think we fully yet have evaluated that alternative.

Senator HARTKE. All right. Thank you for your testimony.

Mr. MORRISSETT. Thank you very much, Senator.

[The prepared statement of Mr. Morrisett follows:]

TESTIMONY OF LLOYD N. MORRISSETT, PRESIDENT, JOHN AND MARY R. MARKLE FOUNDATION, NEW YORK CITY

Senator Hartke and Members of the Subcommittee on Foundations: My name is Lloyd N. Morrisett and I am President of The John and Mary R. Markle Foundation of New York City. The objective of the program of The Markle Foundation is to strengthen the educational effects of mass communications. We make grants of approximately two million dollars per year in areas of mass communications ranging from children's television, to print journalism, to research on the media.

Given the objectives of our program, we are, of course, very much interested in the future of public television. We believe that public television can perform an essential role in the American system of mass communications by diversifying the range of viewing options available to the American public.

The serious financial difficulties which have plagued public television have prevented it from fulfilling its promise. Experts estimate that annual funding of at least four hundred million dollars would be required to operate a fully effective system.¹ Unfortunately the present total income of the entire public television system is only approximately half that amount. I very much believe that a strengthened public television system is very much in the national interest and that as a result it is imperative that public television find further funding.

There are three general ways in which foundations can be helpful to public television and the Markle Foundation has to some extent been active in all three. The first is by providing direct support for television programming. The second way in which foundations can be helpful to public television is by providing assistance in fund raising. And the third way in which foundations can be helpful is to assist in improving the internal operations of the public television system. The Markle Foundation helped in this direction by its support for the Office of Minority Affairs of the National Association of Educational Broadcasters over a 3-year period.

Of these three forms of support, funding for program production is probably the least appropriate for a foundation of the size of the Markle Foundation. Adequate program production requires vast sums of money. Elsewhere I have estimated that the average program cost for an effective and appealing program will be on the order of \$100,000 per hour.² Given the size of our resources, we feel

¹ Schramm, Wilbur and Nelson, Lyle. "The Financing of Public Television," Aspen Program on Communications and Society, 1972, pp. 30-34.

² Morrisett, Lloyd N., "B for Public Television," The John and Mary R. Markle Foundation, Annual Report 1972/1973, p. 18.

that in most cases funding for production is inappropriate because we could not make a significant contribution to the national need for programming funds. That need is great, however, and I would like to pay tribute to the Ford Foundation, the Carnegie Corporation of New York, and more recently the National Endowments for the Arts and Humanities, as well as other foundations whose substantial support of programming has been critical in maintaining the high quality of public television. I would also like to pay tribute to the many local foundations that have been of great assistance in making locally-oriented public television possible and in maintaining staffs and facilities.

Nevertheless foundations however large they may be do not have the resources needed to fill the gap between the present income of the public television system and the income needed to assure a full service system. The Public Broadcasting Act of 1969 recognized the national importance of public television and the federal interest in it. It is my view that federal funding of public television should be sufficient to provide a full service system and maintain a threshold of high quality programming. Foundations' support will be most effective when it can be added to a fully funded system in a way to provide creative, innovative and experimental projects that require levels of support or arrangements beyond those required by normal programming service. At the moment this is an academic argument because federal support is not near the necessary level for full funding and available foundation contributions must help meet basic needs for program production given the unavailability of other funding sources. It is to be hoped that the Public Television Financing Bill currently under consideration by Congress will be passed quickly. This Bill will help to lift the burden of continuing programming support from foundations to some extent and leave them free to do what they do best—invest their programming dollars in special or experimental programs outside the regular public television fare. I would like to stress that I do not think full government funding should lead foundations to cease participation in public television.

With regard to the role of the Markle Foundation, we believe we can be most effective by helping public television to raise more funding and by assisting in its internal operations. Both of these goals are inherent in our major effort in the public television field at the present time. We are attempting to find a systematic way by which public television programmers can identify special interest audiences which might be served by television. The aim of this exercise is to find audiences for public television which are smaller in size than the mass audiences for which commercial television vies but which are larger than the audiences of approximately one or two percent of the viewing public which most public television programming attracts. If such audiences can be identified, the public television system will be able to render a greater service to a larger number of people without compromising its position as a source of television alternatives. We also believe that if public television services are improved, support from the general public both in the form of direct donations and support for increased government funding will be forthcoming. To find a way of identifying special interest audiences we are now consulting with experts on economics, broadcasting and consumer behavior and we hope that positive results in the form of grant-making will come out of these discussions. We also hope that in the future we will be able to help public television evaluate other issues which may be important for its development, such as, for example, the ways in which public television may be affected by cable television.

In conclusion I would like to affirm that the Markle Foundation hopes to continue working with public television in ways which are appropriate to a foundation of our size and we hope other foundations will similarly engage themselves with public broadcasting.

Senator HARTKE. Our next witness is Mr. Herbert Schmertz, the vice president for public affairs of the Mobil Oil Corp.

Good morning, Mr. Schmertz. You may proceed.

STATEMENT OF HERBERT SCHMERTZ, VICE PRESIDENT FOR PUBLIC AFFAIRS, MOBIL OIL CORP.

Mr. SCHMERTZ. Good morning, Senator.

My name is Herbert Schmertz. I am Mobil Oil Corp.'s vice president for public affairs, and in that capacity I have overall responsi-

bility for my company's activities in the field of public broadcasting.

I would first like to thank the committee, on behalf of Mobil and myself, for this opportunity to appear before you. I hope I can make a contribution to your deliberations by describing Mobil's ventures into public broadcasting and explaining the reasons for them.

First, a brief rundown of what we have done and what we plan to do.

We began our involvement with public broadcasting in the fall of 1970 with a major step—a commitment of more than \$1 million to underwrite "Masterpiece Theatre," a 39-week series of original dramas, and also to pay for the distribution of 5 million copies of "Sesame Street Magazine" to disadvantaged preschool children. By this action, we were trying to do something for public television's two major audiences—those unable to find the sustained caliber of entertainment they want on commercial television, and the young children for whom "Sesame Street" was a magnificent breakthrough in educational programming.

Our first series on "Masterpiece Theatre," all 1-hour shows originally produced by the British Broadcasting Corp., began in January 1971, with "The First Churchills," a 12-part series about the first Duke and Duchess of Marlborough. We followed this with dramas based on the works of Balzac, Dostoevsky, Henry James, and Thackeray. All of these dramas were televised nationwide over the Public Broadcasting Service's network of 200 stations.

By any standard, this first year was a success. The dramas achieved the highest rating ever on noncommercial television for a continuing dramatic series, and in some areas matched or exceeded the ratings of programs broadcast over commercial stations in the same time slot. "The First Churchills" leading lady, Susan Hampshire, received an "Emmy" for being the best actress in a dramatic series.

Encouraged by this success, we granted a further \$1,200,000 to continue Masterpiece Theatre for 2 more years, through June 1973.

During this period, we again ventured into British history with "The Six Wives of Henry VIII" and "Elizabeth R," a six-part series about Britain's first Queen Elizabeth. We continued to show plays based on the works of the world's great novelists.

We also, incidentally, sponsored "The Search for the Nile," an outstanding documentary-drama, over NBC television during this period. Our shows continued to garner awards for excellence in acting and production.

We also continued to support children's television on public broadcasting, this time with a \$250,000 grant for "The Electric Company" which, as you know, helps teach basic reading skills 7-to-10-year-olds.

By 1973, of course, "Masterpiece Theatre" had become a Sunday night imperative for thousands of viewers across the country, as the mail pouring into our office proved—and continues to prove—to us. We continued to support "Masterpiece Theatre" through the 1973-74 season with a further grant of \$1.5 million, this time introducing the popular "Upstairs, Downstairs," a series on British life at the turn of the century.

In the 1974-75 season, due to begin in October, we plan, with a grant of \$1.6 million, to continue "Masterpiece Theatre" and to branch out into some new ventures. These will include "The Way It Was," recounting historic events in American sports, "The Ascent of Man," a series based on Jacob Bronowski's book relating the advance of civilization to scientific and technological achievements, and "Classic

Theatre," which will present televised versions of great plays, such as "Macbeth."

Why should a corporation, whose major business is petroleum, be so engaged in cultural and educational broadcasting? I think there are several answers.

First, I think we would be naive to deny that there is a link between the popular acclaim for "Masterpiece Theatre" and our other public service efforts, on the one side, and the profitable operation of our business on the other. As a commercial company, we are concerned not only with day-to-day moneymaking but with the climate of opinion in which we can continue to operate successfully.

Our cultural broadcasting, like our institutional advertising programs in the New York Times and other newspapers, is designed to help us gain the understanding and support of important segments of the public. Certainly, in these days when understanding of oil companies is not exactly a glut on the market, this is a reason we cannot overlook.

But there are other reasons. Primarily, we support public broadcasting because we recognize the duty of a corporation to contribute to the enrichment of the society in which it lives. We recognize that great music is as vital to society as good gasoline, great theater as important as adequate stocks of heating oil.

We also recognize that we cannot—and in a society committed to pluralism of choice we should not—rely on government and a few major philanthropic foundations to fulfill our cultural needs.

Given this obligation, there can surely be no better field for industry support of the arts than television. Almost since television began, critics have bemoaned the fact that one of man's greatest inventions—and one with tremendous potential for the uplifting of mankind—can often do no better than display a mindless wasteland of quiz shows, soap operas, and third-rate movies.

Perhaps Mobil can be permitted a little self-congratulation for bringing the urbanity of an Alistair Cooke or the acting skills of Jean Marsh, star of "Upstairs, Downstairs," to the home screen in such circumstances.

Indeed, I think we can make a further claim. By supporting good TV drama on public broadcasting with wide audience appeal, I believe we have forced the commercial networks to reassess their own programming standards to provide superior entertainment. In at least one case, commercial stations have paid us the compliment of rerunning dramas already shown on Masterpiece Theatre.

Clearly, then, Mobil believes that public television has a vital role to play in our national life. Indeed, our interest in it goes far beyond the programs we support, since we believe it constitutes an indispensable marketplace for ideas for which there has so far been no substitute.

Mobil's experience with the networks in recent months has certainly underscored this point. During last winter's "energy crisis," I think it is fair to say that the networks devoted hours of broadcasting time to the subject without giving the ordinary viewer an adequate explanation of what was happening.

The culprit, in this case, was the structural limitation of TV network news. Typically, a television news program has to handle 10-12 stories in the space of half an hour, and for that reason alone was unable to cover the energy crisis adequately.

Again, the networks apparently employ no energy experts to advise on the content of news stories. Finally, television news is at least to some extent entertainment, and broadcast journalists are forced to worry about their ratings in competition with other network journalists.

Against this background, TV news failed in its coverage of such recent energy stories as the tanker rumor, the Jackson and Church hearings, the 1973 oil profits reports, why we are so dependent on foreign oil, and the role of Congress. These stories, so important in creating and directing public opinion about energy, in our opinion were inaccurately and inadequately reported.

A medium which stresses topical entertainment and emotion in its news and public affairs programming cannot simultaneously provide in-depth coverage of such complicated and controversial national issues.

Our conclusion is that network news has overdramatized and oversimplified the energy story. The structure of broadcast news is inhibiting rather than promoting full and robust debate on public issues such as energy.

In this situation, as you know, Mobil has tried to give the public the facts, as it sees them, through television advertising. But, we have discovered that the networks are not only determined to be the arbiter of what we can and cannot say, but that they are going to exercise their power in an extremely arbitrary way.

Specifically, we were told that network policy is not to sell for the discussion of controversial issues of public importance. One radio station—WTOP here in Washington—said the energy crisis was a controversial issue and therefore they could not accept commercials dealing with the subject.

When it became clear to us that the networks might be worried that they would have to provide free time under the law for a rebuttal of Mobil's views, we offered to pay for any rebuttal time the networks were required to provide, as well as for our own message, with the networks having the total control over whether a rebuttal is required under the fairness doctrine and the persons or groups doing the rebuttal.

This offer, so far as I know, was unprecedented in the annals of commercial television. But the networks have continued to insist as a general principle that energy issues can best be covered in the news programs, and that journalists should decide what should appear.

We feel that the issue here is one of even greater importance than national energy policy, crucial though it may be. What is at stake here is the principle that debate on national issues be allowed to proceed unshackled by artificial constraints, a principle embodied in the first amendment to the Constitution of the United States.

In this connection, I think you will be interested to know that we are now making final arrangements for broadcasting "National Town Meeting," a Mobil-sponsored series in which members of the public, not just news people, have a chance to ask public officials questions on the vital issues of the day. The broadcasts will be produced by WNET/New York and will be seen over public broadcasting channels across the Nation, the home in the small city, the college towns and campuses throughout the whole country, beginning on September 29.

Indeed, Senator, the sixth show will emanate from Springfield, Ill.

I think I have shown why Mobil supports public broadcasting, and why we are proud of the contribution we are making to it. We hope it

will attract wider support from the broadest possible range of sources, in the interest of us all.

Thank you very much.

Senator HARTKE. Thank you, Mr. Schmertz. I gather you are not too happy with commercial television?

Mr. SCHMERTZ. We have had our differences, Senator.

Senator HARTKE. Do you feel that public broadcasting fills that vacuum that you refer to?

Mr. SCHMERTZ. I feel that public broadcasting has contributed to fill a large part of the vacuum, yes.

Senator HARTKE. Part of it?

Mr. SCHMERTZ. Yes.

Senator HARTKE. Do you think they should be contributing more?

Mr. SCHMERTZ. Yes, I do.

Senator HARTKE. And at the same time, you feel that there should be a change of attitude by the commercial stations?

Mr. SCHMERTZ. My feeling, Senator, is that we would like to see the spectrum of access and a spectrum of views of opinions very substantially increased. Right now, the opportunity for access to television, whether it be commercial or public, is really very severely limited.

And we think that in a democracy such as this, full and robust debate on the issues with all groups that have a position having an opportunity to speak out really is in the national interest. We have had long conversations with representatives of the Sierra Club, the media access project here in town, and various black groups and they feel as short-changed as we do as far as access.

Senator HARTKE. Have you taken this up with the FCC?

Mr. SCHMERTZ. We initially have taken this up directly with the networks and have been turned down. We have a meeting this afternoon with our lawyers, Arnold and Porter, whom we have retained for this, and with media access group, and we are considering some sort of petition to the FCC.

Senator HARTKE. How representative do you think that Mobil is of other major corporations of America with regard to public broadcasting and with regard to the situation on commercial broadcasting?

Mr. SCHMERTZ. It is hard to evaluate one's own position, but I would guess that we are not typical.

Senator HARTKE. You are not typical?

Mr. SCHMERTZ. I would guess that is so.

Senator HARTKE. You have been rather candid in your expression of your opinions, but there are some people who argue that public broadcasting should not be supported by profitmaking corporations. And they also have objected that the credit lines that are given at the end of a program are a form of commercialization of public television.

Do you have any comment upon that?

Mr. SCHMERTZ. Well, I think if we are talking truly about public television that all segments and institutions in society should have an opportunity to participate and should not be foreclosed. And I think the business community is one of the institutions of our society and should, therefore, not be foreclosed.

I think labor and labor unions should involve themselves in support of shows, and I think the general public and the Government and foundations and any other institutions that we might have.

Insofar as the credit line is concerned, I do not think it is a commercialization to have a simple credit line at the end.

Senator HARTKE. Do you think it would be better if the funds of a profitmaking corporation were put into a general fund, such as the Public Broadcasting Corporation, and then permit those funds to be utilized in a fashion which they would decide without regard to a specific program?

Mr. SCHMERTZ. From a pragmatic standpoint, Senator, I think it would probably generate less funds from corporations by using that approach, and I think it would be true of foundations also. I think, for example, that the National Endowment for the Humanities would be less likely to put money into a fund than having their organization identified at the end of the show also.

Senator HARTKE. Do you have any measurement stick that Mobil uses to determine the benefits you receive from participation in public broadcasting?

Mr. SCHMERTZ. No. We have never really tried to do a scientific measurement, and we have never been all that concerned about the numbers of viewers. Indeed, this coming season we are going to do five shows on commercial television, at least two of which the networks have told us are not going to be big audience shows, and which initially were turned down by the networks and then subsequently accepted, so that large audience per se is not necessarily a big factor to us.

Senator HARTKE. Have you had any contact with foundations in regard to their participation and your participation and any joint operations in regard to public broadcasting?

Mr. SCHMERTZ. Yes. Yes, we have. Last season, we had a joint underwriting with the National Endowment of the Humanities for the 10-episode presentation of our "War and Peace." This season we are jointly underwriting with the Arthur Vining Davis Foundation "The Ascent of Man." That is on an equal sharing basis. We are also jointly underwriting, with the National Endowment for the Humanities, the Classic Theatre plays.

Our experience with both organizations has been quite favorable, and we think that it is a very nice demonstration of joint undertaking with foundations.

Also, in "The Electric Company," we were joint underwriters with the Carnegie Foundation and the Ford Foundation.

Senator HARTKE. If I understand what you are saying, if there is going to be this participation, for example, by the Government, by foundations, and by individuals, that a corporation should be recognized as an individual, and be part of that contributing body?

Mr. SCHMERTZ. Yes. I think the business community is one of the institutions of our society and ought to feel that it has an obligation in this area.

Senator HARTKE. Thank you very much, Mr. Schmertz. You have been very helpful, and we appreciate your testimony here.

That concludes our hearings, and we will stand adjourned, subject to the call of the Chair.

[Whereupon, at 11:36 a.m., the hearing was adjourned, subject to the call of the Chair.]

Appendix A

Communications Received by the Committee

TESTIMONY OF HOWARD KLEIN, DIRECTOR FOR THE ARTS FOR THE ROCKEFELLER FOUNDATION

It is an honor to be asked to submit testimony to this Subcommittee on the subject of the role of private foundations in public broadcasting.

America is fortunate in having a growing network of some 250 public television stations throughout the country. These independent, non-profit broadcasting centers have already proved their value as public servants through their practice of rendering extensive coverage of events of national concern such as congressional hearings, United Nations debates, and a wide variety of public affairs programs and forums; through educational, cultural and artistic programming which has significantly raised the intellectual level of this pervasive medium. Thus public television offers quality programming that importantly complements the offerings of the commercial stations.

Public television often addresses narrower audiences than its commercial counterpart, but because it is non-profit it receives support from a much broader base. The four-part support structure of public television is exemplary of the American phenomenon of volunteerism and pluralism. Funds from the general public, the private foundations, the corporations and governmental funding agencies flow together to sustain the life of non-commercial television. Indeed, the importance to the lives of Americans of the comprehensive, free flow of information on all aspects of life provided by public television is daily and nightly demonstrated on the home screen and in schools.

A price is attached to all service and public television is no exception. On the one hand has been the generous support of the past which has enabled this network of public-service stations to grow. But many professionals have questioned whether that growth has not been severely limited by the amount of financial support that has been going to public television. Many professionals claim that individual stations could perform at higher levels if they had funds for more or better production equipment, for program planning and for talent costs in producing programs. Increased support from any source would perhaps yield the added funds to erase those limitations. But there is a danger in suggesting that any one source outreach the other, for with the predominance of any single funding source there might follow an alignment of programming concepts, styles or content with that source, which would call into question the freedom of producers to program for the public.

In the four-way support for television, two of the sources tend to impose fewer restrictions than the others. Public donations from subscription drivers and the like provide money which is wholly unrestricted and, therefore, can be used for programming in those areas which may find the least support from other sources. Foundation support is in some cases tied to specific programming objectives, but foundations also give general support not tied to programming objectives. Corporate support, by contrast, tends to be for specific programs and reflects in many cases the objective of a corporation to improve its public image by underwriting programming of a prestigious cultural character. Governmental agencies limit the use of their funds to the extent required by public policy.

The Rockefeller Foundation is in full agreement with Chairman Hartke's May 1974 statement before this subcommittee: "that foundations should be the cutting edge of innovation and experimentation, that they should be probing the resources of America so that we can raise the quality of life for all Americans . . . Foundations themselves must undergo a critical period of self-examination. They must determine just how well they are responding to the needs of our society."

During the past 18 months the Foundation's officers and trustees, under the leadership of the Foundation's president, John H. Knowles, M.D., conducted an extensive review of all its program activities and objectives, including the program area of the Arts, the Humanities and Contemporary Values, which has been the focus for the Foundation's support of public television.

In the field of public television, the Foundation's contribution has been enhanced by the selectivity of its objectives. The Rockefeller Foundation, with total annual outlays of approximately \$45-million could not play as dramatic a role as the Ford Foundation, even if The Rockefeller Foundations had placed all of its

Income at the service of this one field. But it has sought an area amenable to the concentration of limited funds and that area is in the artistic uses of public television. The rationale is simple: television is a medium of communication natural to artistic expression, but which, because of the vast expenses of programming, effectively limits artists access to its studios.

Since the Foundation's funds for this area were not sufficient to underwrite program series, such as a "Sesame Street", the decision was made to concentrate on pre-production aspects of television work. It was discovered in 1967 that there existed at that time no facility where experimentation could be carried on. Programming demands made it virtually impossible for producers to try out ideas which were, because experimental, risky in terms of finding future funding. To test the idea that research and development facilities might produce important results if established in conjunction with major public television stations, a series of grants was made from 1967 to the present which have succeeded in demonstrating the need for such facilities and the benefits of opening up television production to artists in the fields of music, dance, film, painting and literature.

The Rockefeller Foundation's total grants in this field from 1962 to the present have been \$3,734,664. Of that total, experimental research and development received more than two-thirds, or \$2,936,145. The first grant in this field was to the Educational Broadcasting Corporation of New York (Channel 13) as an outright grant of \$200,000 toward the costs of program development. In 1965, a grant of \$500,000 continued this development. In 1966 the Foundation supported the station's efforts to create an in-residence dramatic company to rehearse and perform Shakespearean theater repertory with a grant of \$172,000. This resulted in 5 hours of programming of the plays *A Winter's Tale*, *Macbeth* and *Twelfth Night*. The innovative aspect of this grant was the stipulation that, in recognition of the importance of the creative process and the artistic product, the programming would trace the development of the play from first script reading to finished performance. It is interesting to note that in the public and critical reactions to this series, the rehearsal programs were found to be of more interest and benefit than the finished plays.

In an attempt to pursue the workshop concept, the Foundation in 1967 granted \$275,000 to the WGBH Educational Foundation of Boston to underwrite an experimental workshop on program concepts and production techniques for cultural programming. To diversify its approach a West Coast equivalent was sought and in the same year a grant of \$150,000 was made to the Bay Area Educational Television Association (KQED) of San Francisco for an experimental workshop of similar kind. These two workshops were the first major efforts to bring non-television artists into television studios to conceive and produce programming. The stipulation here was that union requirements governing the handling of equipment be relaxed so that artists could experiment with the hardware. Although it was indeed hoped that some broadcast material might be developed in the workshops, the emphasis was on pure experimentation away from the pressures of production. This policy was as necessary at the time as it was unusual, as results have subsequently indicated. For example, some techniques of electronic feedback and new concepts of imagery were developed that soon added fresh possibilities to television imagery—a pioneering example being "Helmsringla!", an experiment in video space by playwright Paul Foster working at KQED with members of the LaMama acting troupe under the direction of Tom O'Horgan, music by Richard Felciano. This was widely shown and has been recognized as a major innovation in programming techniques. Similar achievements were to come from WGBH and, later, from WNET. The work in Boston and San Francisco was supported by additional grants of \$300,000 in 1970 to WGBH and of another \$300,000 in 1971 to the San Francisco workshops which were organized with support from the Corporation for Public Broadcasting into the National Center for Experiments in Television. The 1971 grant to the NCET was aimed at spreading the concepts and techniques of the new television art to preprofessional students at major American colleges and universities. As a result of this grant, experimental work is now being done by the NCET in affiliation with 20 colleges and universities.

Recognizing the concentration of artists in the New York area and the fact that WNET/Channel 13 at that time reached some 25% of the total U.S. audience for public television, the Foundation cooperated with the station in establishing the WNET-TV Laboratory—the first such major laboratory with its own facility. A total of \$890,000 has been made available to the WNET-TV Lab since the first grant in 1971 and these sums plus additional support from the National

Endowment for the Arts and the New York State Council on the Arts have made it possible for scores of important artists to work at the Lab, creating remarkable examples of video art, some of which have found their way into programming. One on-the-air result of the Lab was the series, "Video Visionaries," which produced eight hours of straight programming. Thirteen half-hour segments are being aired on Wednesdays by Public Broadcasting System at 10:30 P.M. and three hour segments will be aired also. These same segments are being aired by WNET of New York on Thursdays at 10 P.M. Reviews have been favorable.

In the area of the arts, the results of the concentration on experimentation have been rewarding. As artists turned their intuitions to the questions of television programming, they saw the need to lower the cost of broadcast time and therefore many individuals independently worked on conceiving, designing and building hardware that could achieve maximal visual effects at lesser costs than could be done with traditional optical printers. The Paik-Abe Electronic Synthesizer, developed by Nam June Paik and Shura Abe working at WGBH with the Foundation's support, and the synthesizer developed by artist Stephen Beck at the NCET in San Francisco to mention only two of the new synthesizers, can cut the costs of broadcast image-making by 90 percent and at the same time achieve a higher quality image in-color. A public television station utilizing such a synthesizer to generate images for any substantial period of the day could realize significant savings over a year. The potential importance of programming created by such synthesizers is indicated by the nomination for television Emmy Awards of three works produced under Foundation grants, and the awarding of Emmy's to two of these, both created under NCET sponsorship.

As the work of artists in television gains greater industry and public acceptance, The Rockefeller Foundation hopes that support from other sources for this kind of work will increase. For its part, The Rockefeller Foundation will consider continuing its support in the development of research facilities at selected stations and at university campuses. The Foundation's selective support has contributed to the leadership position which American artists have in the field of television. This has been confirmed by the comments of visiting professionals from foreign countries to the WNET-TV Lab, and the experience of Americans traveling abroad. Mr. Douglas Davis, the art critic for Newsweek Magazine, recently wrote:

"As you know, I have lectured and exhibited extensively in Europe. . . . In country after country. I am asked—in amazement—how we manage to achieve what we have, in experimental television. The question comes from incredulous students and television producers alike. I explain that funding comes from private foundations and state- and federally-supported agencies following in their wake. My audience shakes its collective head. There is no equivalent in Europe for this outside-of-television funding. The control, there, is monolithic, and the results for the most part show it."

Present interest in television at The Rockefeller Foundation has to do with continued work for artists and experimenting with the uses of public television in such fields as telemedicine and the use of portable television equipment in rural areas of developing nations for the purpose of education in the areas of family planning, health, nutrition and economic development. The Rockefeller Foundation hopes that the importance of innovative and challenging programming by the nation's 250 public television stations will receive the growing recognition needed to insure the broad-based funding that will enable them to produce the widest diversity of programming.

The great Spanish playwright, Federico Garcia Lorca, said in 1935: "The theatre is one of the most expressive and useful instruments for building up a country it is the barometer of its greatness or decline. An intelligent theatre, well oriented in all its branches from tragedy to vaudeville, can change the sensibility of a people within a few years; a disintegrated theatre, with clumsy hooves instead of wings, can cheapen and lull into sleep an entire nation."

In our times, we need only change the word "theatre" to "television."

ACKNOWLEDGMENTS

I would like to thank the following people for their interest and help in preparing this statement:

Ms. Joan Cooney, President, Children's Television Workshop.

Mr. James Day.

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Mr. Eli Evans, Carnegie Foundation.
 Mr. Hartford Gunn, President, Public Broadcasting Service.
 Mr. John Jay Iselin, President, WNET/13.
 Mr. David O. Ives, President, WGBH.
 Mr. Paul Kaufman, Director, National Center for Experiments in Television.
 Mr. James R. Killian, Corporation Development Committee, Massachusetts Institute of Technology.
 Mr. David Othmer, WNET/13.
 Mr. Nam June Paik.
 Mrs. William Schuman, Chairman of the Board, National Friends of Public Broadcasting.
 Mr. Frank Stanton, Chairman, Panel on International Information, Education and Cultural Relations.
 Mr. Bill Moyers, Educational Broadcasting Corporation.

THE SPENCER FOUNDATION,
 Chicago, Ill., August 8, 1974.

HON. VANCE HARTKE,
 Chairman of the Senate Finance Committee's Subcommittee on Foundations

DEAR MR. CHAIRMAN: Pursuant to the invitation in the press release issued on July 1, 1974, the Spencer Foundation hereby submits its written comments on section 4940 of the Internal Revenue Code.

The Spencer Foundation (the Foundation) was incorporated in 1962 as an Illinois not-for-profit corporation on behalf of Lyle M. Spencer, the founder of Science Research Associates, Inc., now a subsidiary of International Business Machines Corporation. Mr. Spencer died in 1968 and left the residue of his estate to the Foundation. The market value of the Foundation's endowment on June 30, 1974 was approximately \$64,000,000. The Foundation is a section 501(c)(3) organization that is classified as a private non-operating foundation.

The charter of the Foundation states that it is organized for "educational, charitable and scientific purposes . . . with special emphasis to be placed on research in the behavioral sciences." Until 1970 the Foundation limited its activities to making distributions to other exempt organizations. Since 1970 the Foundation has continued its program of distributions to other exempt organizations, and it has instituted a program of "Research Grants" designed to support disciplined studies or projects by individual scholars or teams of scholars in the social sciences. In a ruling letter dated May 11, 1973, the Internal Revenue Service approved the Foundation's system of standards, procedures, and follow-up for making individual grants that meet the requirements of section 4945(g) of the Code and section 53.4945-4 of the Foundation Excise Tax Regulations.

The Spencer Foundation has a very substantial interest in having the section 4940 excise tax either repealed or reduced. The amount of excise tax paid by the Foundation significantly reduces the funds available to the Foundation for distribution to other exempt organizations and for funding of its own Research Grants. The Foundation's excise tax burden has grown in proportion to the Foundation's receipt of assets from Mr. Spencer's estate.

	Excise tax	Grants paid
Foundation's tax year (ended Mar. 31):		
1971	\$9,543	\$230,024
1972	45,441	1,083,670
1973	253,825	2,013,595
1974	114,641	2,520,908

The table shows that the excise tax paid by the Foundation diverts a significant portion of the Foundation's resources that could otherwise be used to make grants to carry out the Foundation's charitable purposes. It should be noted that a substantial portion of the Foundation's net investment income is expended in making grants to charitable organizations that are not private foundations. Since the excise tax applies to all of the Foundation's net investment income, in effect section 4940 imposes the excise tax on organizations that Congress intended to exempt from the excise tax. The effect is the same as if the Foundation distributed to the exempt organization that net grant plus an amount equal to the Foundation's excise tax attributable to the net grant and then the exempt organization paid the excise tax attributable to the net grant.

The section 4940 excise tax was originally designed as a "user fee" to pay the government's administration costs in providing appropriate assurances that private foundations would promptly and properly use their funds for charitable purposes. However, the excise tax has produced far more revenue than is required for "policing" of private foundations. In the 1973 fiscal year the excise tax raised more than \$76,000,000, while the Internal Revenue Service only expended about \$21,000,000 in administering the tax laws applicable to all exempt organizations. The estimates for the 1974 fiscal year were \$80,000,000 and \$23,000,000, respectively. Since it is not possible to gauge what tax rate will provide exactly enough revenue for the "policing" of private foundations, section 4940 is really an ineffective means of imposing a "user fee" on private foundations. A more exact and fairer way to implement this "user fee" concept would be an annual separate billing to each private foundation for the government's costs in "policing" that particular private foundation. The government would be assured of recovering its administration costs under this system, while each private foundation would pay only its actual share of the government's costs in "policing" private foundations. The section 4940 excise tax should be repealed, and if Congress still intends to impose a "user fee" on private foundations, such a fee should be directly billed to each private foundation annually by the Internal Revenue Service under special legislative authority from Congress.

Instead of advocating repeal of the section 4940 excise tax, the Administration has proposed a reduction in the section 4940 rate of tax from 4% to 2%. It would appear that even a 1% tax rate would raise more than enough revenue to pay for the "policing" of private foundations, since the 4% rate has raised almost four times as much revenue as is needed to pay the government's costs in administering the tax laws applicable to all exempt organizations, including all of the exempt organizations that are not private foundations.

The Foundation believes that section 4940 should be repealed, but if it is decided not to repeal section 4940, then section 4940's rate of tax should at least be reduced to 1% or 2%. Congress only intended to make private foundations pay their own administrative costs when section 4940 was enacted, and no public policy is served by making one set of taxpayers pay the government's costs of administering laws applicable to other taxpayers.

Very truly yours,

FRANK L. BIXBY,
*Vice Chairman of the
Board of Directors.*

HORACE P. ROWLEY, III,
New York, N.Y., October 1, 1974.

Re: Financing public broadcasting.

COMMITTEE ON FINANCE,
*U.S. Senate,
Washington, D.C.*

DEAR MR. STERN: This letter is my personal statement about foundation financing of public broadcasting. I regret that I do not have enough time to fully develop my views.

The general problem is clear. It is how to reduce the degree of control which private sources have over public broadcasting. The principal private sources are private foundations such as the Ford Foundation, and private corporations. Public broadcasting means the Corporation for Public Broadcasting, the Public Broadcasting Service, the seven national production centers and the noncommercial licensees.

Private sources, especially Ford, have too much control over the public broadcasting schedule. This unconfined, unstructured and unreviewed control causes bad effects on the public affairs part of the schedule. For example, Ford can decide what issues are discussed and what views on those issues are discussed. In 1971 it granted \$1.2 million to WNET/13 to develop *The 51st State*. This was advertised as a "news" program. But it resulted in a forum for leftist views only. It began as an open-ended program. Later it was changed to a one hour then a half hour nightly program. This season it is planned as a one hour weekly program.

Foundations use public broadcasting as an instrument for advancing their private goals. In its *1973 Annual Report*, Ford said:

With representatives from other parts of the Foundation, the Office of Public Broadcasting during the past year explored the impact and uses of telecommunications *and their relation to Foundations interests*. The group examined the possibility of building on the Foundation's experience in public broadcasting by providing assistance in fields of journalism and communications, p. 30 (Emphasis added).

The Foundation's interests are political. Its officers are not elected officials. Its officers did not earn the money which it allocates. Obviously, it must have a policy for choosing between grant applicants. Invariably, that policy is based on the private political views of its officers.

I propose the following solutions.

1. Congress ought to require all private sources to finance a *category* of programs instead of a specific program. This will shift the power to make programming decisions from the sources to the broadcasters. But it will also permit some identification between a specific program and a source. At the end of a broadcast, the broadcaster could name the sources which financed the program.

2. Congress ought to require CPB and PBS to certify at the end of every public affairs program that it meets the statutory standard of "strict adherence to objectivity and balance". 47 USC 396(g)(1)(A). CPB refuses to enforce this law.

3. Congress ought to expressly state that the Administrative Procedures Act applies to CPB. I believe that the APA does apply to CPB. CPB disagrees. The APA gives to the public the power to participate in rule making and adjudicating. One area which is ripe for rule making is CPB's relations with foundations.

4. Congress ought to order a detailed report about the impact of foundations on public broadcasting. The general problem is clear. The particular problems are not clear. Congress needs detailed information in order to make a good decision. Most information now available comes from the foundations or the broadcasters who are not in a position to alienate their grantors. The staff of this Subcommittee or GAO could gather this information.

Sincerely,

HORACE P. ROWLEY, III.

PUBLIC BROADCASTING SERVICE,
Washington, D.C., November 15, 1974.

HON. VANCE HARTKE,
Chairman, Subcommittee on Foundations,
U.S. Senate, Washington, D.C.

DEAR SENATOR HARTKE: During my testimony at the hearing before your Subcommittee in September you asked me to comment on the geographic pattern of foundation giving to public television as indicated in a list of such funds covering the years 1970 to 1973.¹

The list I am referring to shows a heavy percentage of such grants were made to public broadcasting institutions in the Middle Atlantic, the South Atlantic and the Pacific regions. Certain other regions received a small number of grants—small in relation to the population in their areas. Let me make these comments.

Most of these grants were made to public broadcasting stations for the production of programs for national distribution. During this period there were in public broadcasting six stations which were the main producers of national programs: WGBH, Boston; WNET, New York; WETA, Washington, D.C.; WTTW, Chicago; KQED, San Francisco; and KCET, Los Angeles.

It is not surprising, therefore, that a large percentage of grants were made to stations in these areas.

In this connection let me point out that under the leadership of the Public Broadcasting Service and the Corporation for Public Broadcasting, many more public television stations are now producing for national distribution. In fiscal 1974 more than 50 stations produced programs broadcast over the Public Broadcasting Service, although in terms of numbers of programs the six stations listed above continued to lead the way.

¹ P. 30 of this volume.

A scatter diagram of the locations of the foundation headquarters would be as uneven as the list we are considering. It should be no surprise that the overwhelming amount of dollars comes in so-called Middle Atlantic States which just happens to include New York where so many foundation headquarters are. The same could be said of the South Atlantic where again it includes the District of Columbia, and the Pacific which includes California. Those are areas where foundations are.

It would be safe to say also that those are areas where public broadcasting foundations solicitations are heavy also. Again it is a reflection of the confluence of foundation headquarters, large population centers, and large public broadcasting production and grant seeking centers.

I would also note that the list covers only large foundations. It does not include the hundreds of small foundations which contribute thousands of dollars to a great many PTV stations throughout the country.

The requirements of producing first class television programs seem to insure that there will continue to be a relatively small, though growing, number of stations which will do the bulk of public television's national productions. These stations will receive a disproportionate share of foundation grants. At PBS we are helping all of our stations to seek foundation support for their activities and I am confident that the figures for fiscal 1975 will show a wider distribution pattern, although on a geographic basis for reasons cited above the Northeast and California will continue to predominate.

Sincerely,

WARD B. CHAMBERLIN,
Senior Vice President.

Appendix B

Information Supplied to Senator Hartke by the Center for Responsive Technology, Re: Developing Evolution Methods To Assess and Improve Public Benefit of Foundation Programs

UNITED STATES SENATE,
Washington, D.C., September 26, 1974.

Mr. KERRY BYRD,
Center for Responsive Technology,
McLean, Va.

DEAR MR. BYRD: I understand that the Center for Responsive Technology has recently completed a survey of National Urban Policy and its relation to non-governmental agencies, and that this survey included an evaluation of urban social programs and identified private foundation support for them.

As Chairman of the Senate Subcommittee on Foundations, it would be of interest to the Subcommittee to have the Center's views on the processes of evaluation which might apply to programs which receive foundation support.

As you may know, the Subcommittee has been concerned that the public be assured that it is receiving a benefit which is commensurate with the tax exemption accorded private foundations. Toward that end, we are considering means by which the public might be further assured that funds which would, in part, go to the Federal Treasury but which are permitted to go to and be used by private foundations, do in fact go to a useful public purpose and are used in a manner which accords the requirements of the law.

This is a most difficult problem, and we would welcome the views of the Center.
Sincerely,

VANCE HARTKE,
Chairman, Subcommittee on Foundations.

CENTER FOR RESPONSIVE TECHNOLOGY,
October 7, 1974.

HON. VANCE HARTKE,
U.S. Senate, Russell Office Building, Washington, D.C.

DEAR SENATOR HARTKE: Pursuant to your letter of September 26, we have enclosed a statement of the Center's recommendations for developing evaluation methods to assess and improve the public benefit of foundation programs. We feel that the constructive approach to evaluation suggested will aid foundations in program management, as well as demonstrate the public usefulness of foundation-sponsored programs.

While the enclosed statement does not address the mechanisms for implementing evaluation, the Center believes that the foundations should be involved as much as possible. Thus, the evaluation process which evolves should be an integral part of the planning and management process of the foundations themselves.

The Center appreciates this opportunity to comment on an area in which it shares the Congress' concern and interest. We look forward to the establishment of visible means to assess the public benefit of programs supported by tax-exemption.

Sincerely yours,

KERRY BYRD,
Executive Director.

Enclosure.

EVALUATION OF FOUNDATION PROGRAMS

Our nation faces a time of increasingly limited public economic resources accompanied by increasing demands for public services. A major source of innovative programs for the public benefit and consumer of economic resources is the large body of private foundations. At this time, it is appropriate for the Congress to assess the role of foundations as users of monies withheld from the tax base and the extent of public benefit realized from their programs.

The Center for Responsive Technology, also a nonprofit and tax-exempt organization, suggests that the evaluation methods of management technology

be adapted for this assessment. The full application of evaluation techniques to foundation programs should benefit the foundations themselves by improving their program management capability, as well as serving the general public interest by determining and enhancing program effectiveness.

CURRENT EVALUATING STATUS

The Center for Responsive Technology has recently conducted a survey of over 100 private sector organizations impacting national urban policy. Among the many findings of the Center's survey, it was noted that:

There was considerable foundation support for the programs and projects of these organizations, most of which also enjoy tax-exempt status;

Evaluation of their programs by the organizations themselves was rare and usually of a rudimentary nature;

Evaluation of their programs by other agents, such as foundations and federal executive branch agencies, was done to select projects and their executors, and centered upon general reputation and apparent success;

Congressional recognition of the organizations' impact—a major part of the survey—was generally sparse and unspecific as to their programs.

Thus, it appears that programs supported by private foundations, at least in areas related to urban policy, are largely unevaluated, either by their executors or by their proponents . . . and not at all by the Congress or its agents.

Evaluation as a process has developed recently, but powerfully, as a component of management technology. Nevertheless, the bulk of the federal experience with evaluation has been large-scale, after-the-fact assessment of major social programs. The methodology of evaluation is considerably more sophisticated than this all-too-common model permits, however. If evaluation is initiated early in a program and general goals and specific objectives thereby established, the evaluation process can contribute greatly to program development, rather than only test the program's effectiveness on an *ad hoc* basis.

THE SITUATION OF FOUNDATIONS

Section 501(c) (3) of the Internal Revenue Code of 1954 grants tax exemption to foundations and others to the extent that they "operate exclusively for charitable educational, scientific, and literary purposes." Although the Internal Revenue Service monitors compliance with this and other tax-exemption requirements, it does so from a viewpoint too narrow and legalistic to serve the purposes of general national interest at this time. The Congress seeks to determine fully the public benefit emanating from foundation-sponsored programs and to assess the role of foundations as keepers of the public trust and disbursers of moneys which would be remanded to the general fund in the absence of the foundations' tax-exempt status.

The programs conducted with foundation support touch upon all aspects of national life and affairs. The interests of foundations generally parallel and expand upon those of agencies of all levels and branches of government. In taking the role of fostering innovation in programs in the public interest, foundations assume, no doubt valuably, a further public trust in that their activities extend and supplement governmental efforts.

There can be no doubt that foundations support and promulgate a great variety and number of worthwhile programs in the public interest. It is to the benefit of the foundations themselves, as well as to the general public, that the public good resulting from their efforts be demonstrated at this time.

FOUNDATION EVALUATION APPROACH

Evaluation properly applied to guide, not just to test, programs can be a highly effective public service tool. Such a formative approach to evaluation is preferable to the more traditional summative after-the-fact approach and is recommended by the Center for Responsive Technology for the purpose at hand. Whether the evaluation mechanism derived by Congress is a separate study or entity or a required portion of foundation programs themselves, it should be broadly applicable to all types of programs likely to receive foundation support. Accordingly, the evaluation methods employed must be at the same time flexible and designed specifically to address foundation practices.

There are several aspects of the foundation management process which would tend to facilitate evaluation. Foundations typically evaluate proposed programs and projects and prospective grantees prior to awarding grants, then maintain

a non-interference role during program execution. This role has been possible because grantees often have developed the program themselves and therefore, coupled with the usual foundation practice of annually renewed support, are highly motivated to ensure program success. Such a program support process has resulted in considerable success without close monitoring or public visibility and lends itself to constructive, formative evaluation and increased public awareness. That foundation-sponsored programs are typically smaller and more selective than federal programs makes them all the more measurable and amenable to evaluation.

METHODOLOGY DEVELOPMENT

For evaluation to be an advocate of programs, not their adversary, an effective methodology must be developed or adapted for the particular purposes discussed here. The selection and application of evaluation methods is thus critical to successful assessment of foundation programs.

Although full-scale program evaluation, which the Center believes to be eminently applicable to foundation usage, is only recently developed, there is a significant evaluation technology available. However, special care must be taken in the selection of methods for evaluating foundation programs for several reasons, to wit:

Foundation programs are often speculative, seeking to expand on capabilities of dealing with the human condition and thereby not conducive to obvious and immediate results;

The method of program implementation typically involved separate executors and a variety of funding and control mechanisms;

The impact of foundation-generated projects often is felt through massive human behavior in its predominantly social programs and is therefore difficult to measure.

Taken together, these and other factors require a subtle and varied evaluation process, the major features of which are outlined in the following paragraphs.

Evaluation is essentially a series of questions whose answers are addressed by a basic quantitative methodology, complex in structure, but readily applicable by experienced practitioners. This methodology systematically structures the intended and actual performance and effects of a given program or process. The techniques, now often familiar to those at the policy level, encompass cost-benefit analyses, quantification and the theory of measurement, indicator development, and statistical analysis and interpretation.

The questions which evaluation seeks to answer fall into clusters spanning program conceptualization through implementation and impact assessment. Some of these ordered question clusters are:

1. What is the intent of the program in terms of objectives, target population, and field of endeavor? Are the objectives realistic and the projects undertaken by the program appropriate to its intent?

2. Are the program's goals and areas of activity consonant with human needs and current national priorities? Does the program complement or duplicate governmental efforts?

3. Is the program plan adequate in terms of comprehensiveness, technical and administrative feasibility, project and phase sequencing, funding mechanisms, and grantees and other executors? Is the plan implementable as such or does it require further development? Are objectives clearly defined and facilitative of assessing the extent to which they are met?

4. How has program execution to date been accomplished, especially regarding efficiency and cost-effectiveness? How does existing program activity relate to the overall plan and projected potential actions?

5. What has been the impact on intended beneficiaries and public and private institutions? Do the realizable benefits outweigh such negative effects as resource consumption and social costs?

6. Is the program consistent in conduct and effect with governmental and other private sector efforts? How could it be better integrated?

To adequately assess the efficiency and effectiveness of private foundation programs, the Center for Responsive Technology proposes an evaluative process incorporating the following features:

1. A basic evaluative approach in which evaluation is an integral part of program planning, rather than an after-the-fact interactive exercise, should be taken. Thus, the evaluation model should be formative (continuously developmental of the program), rather than summative (assessing completed actions).

2. The evaluation scheme must take into account both the planning and monitoring functions of the foundations and the program implementation activities of their grantees. This requires multi-level assessment of the several actors, including program beneficiaries.

3. The criteria which are central to any evaluation effort must address both impact in terms of benefit to the human condition and efficiency as measured by time and resource consumption vs. program output.

4. Sampling methods should stress functional bases and flexibility, rather than the strict representativeness exemplified by public opinion polls and strict scientific interest.

5. Statistical procedures should result in concise presentations comprehensible to congressional and federal executive branch policy formulators, as well as to program promulgators and executors.

6. Integral to a comprehensive evaluation of foundation programs is, in the Center's view, a detailed and specific set of goals and objectives regarding program impact. This formulary of potential results must be assessed against direct and derived indicators of program effectiveness in an intense and continuous fashion.

The development and implementation of such an interactive evaluation process will not only aid the foundations in program planning and structuring, but will also provide for much greater accountability as to the public value of their efforts. Just as even those federal programs most heavily evaluated are regrettably seldom subjected to criteria of public value higher than those intended by the program itself, perhaps foundation actions should be even more able to answer to the general public benefit as chartered. The Center for Responsive Technology strongly believes that a well-designed system for evaluating private foundation programs will result in improved accountability and service in the public interest.

Appendix C

Correspondence Received From the Department of the Treasury

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, D.C., October 2, 1974.

Mr. HOWARD MARLOWE,
*Legislative Assistant, Subcommittee on Private Foundations, Senate Finance
Committee, Washington, D.C.*

DEAR HOWARD: Enclosed with this letter is the supplemental information we discussed during our meeting on September 6. A couple of clarifying comments about it are in order. First, the \$17.3 billion figure in question 5(c)(3) is directly comparable to the \$26 billion figure referred to at the bottom of page 9 of our original response. The earlier figure was from a February, 1974, run and tabulated all 1972 CY and most 1973 FY returns. Furthermore, because both sets of figures were derived from Part III, Item 13 of the Form 990-PF, they will necessarily reflect asset valuations based on the accounting method regularly used by the particular foundation in keeping its books and records. It is possible, therefore, that a foundation with a variety of assets will record for some a book value figure and for others current market value, combining them into the Item 13 total.

A further qualifier to the \$17.3 billion figure is that it represents asset values from the latest return filed by every private foundation and processed into the Exempt Organizations Master File. Because this current tabulation was made on the September processing run, it very likely includes all of the 1973 calendar year filers plus some of the early FY 1974 filers. We can infer from this time lag that the most recent return of any given foundation in EOMF may not necessarily reflect the severe decline in the securities market which has persisted to the present day. A dramatic illustration of this point is the enclosed clipping from the Washington Post earlier this week in which the Ford Foundation announced that its assets declined from \$3 billion to \$2 billion in market value during the past year. Assuming the "year" referred to is the foundation's fiscal year, none of that decline is reflected in the figure we are providing today.

I thought it might be helpful to you to summarize briefly some of the long and short range plans we are projecting as we reorganize the regulation of exempt organizations under the new Assistant Commissioner. Of most immediate significance to you is the study we have underway to determine the most effective way to formalize and institutionalize our regulation of private foundations. We are giving serious consideration to a program of applying computer audit techniques on an annual basis to those private foundations representing the greatest potential for error or abuse. The relatively small number involved in this latter group combined with automatic data processing techniques may permit us to carry out a program which we simply could not apply to the entire exempt organization universe. As a complement to that study, our first taxpayer Compliance Measurement Program in the exempt organization field started last month. That program entails an audit and analysis of 10,500 exempt organization returns, divided equally between private foundations, other 501(c)(3) organizations and 501(c)(4) entities. In addition, 500 group returns will be examined. This program will be completed in January, 1976, and should permit us to make more sophisticated and informed selections of returns for audit.

Upon completion of the commitment made several years ago to audit every private foundation return at least once by December 31, 1974 (a schedule we will meet), we are planning to devote a major effort to public charities and the areas of abuse in them which have such a discouraging effect on the public's confidence in charitable giving. The Service operates under some troublesome limitations because of the imperfect statutory scheme of remedies applicable to all exempt organizations other than private foundations. The past five years have demonstrated, by and large, the sharp, self-regulating stimulus which

effective legislation such as Chapter 42 can have. One of our principal goals is to document the need for thoughtful and precise reform of the regulatory scheme for all exempt organizations.

Perhaps the most important planning we have undertaken is to increase coordination of our efforts with those of the states. The addition of Charles Rumph to our staff gives us a state enforcement perspective which we have not had before. We are devoting considerable time to clarifying in the different areas of exempt organization regulation the precise limits—practical as well as theoretical—of each agency's jurisdiction and responsibility given the present statutory framework. For example, there are sharp differences in the interests of the states and the IRS as to 501(c)(3) organizations where the beneficiaries are an indefinite class of the public, and in all other categories of exempt organizations where the beneficiaries generally are a limited and definable class. The Exempt Organization Master File is indispensable in this planning, since it should permit us to provide specific information quickly to some or all states on particular problem areas.

I enjoyed our visit and hope we can do it again soon. I am particularly glad that you had a chance to meet Charlie Rumph. Please feel free to call on him or any of our staff if we can be of assistance.

With kind regards,
Sincerely,

DONALD C. ALEXANDER.

Enclosures.

SUPPLEMENTAL RESPONSE TO LETTER OF MARCH 22, 1974

For quick reference, we have retained your original numbers:

4(b) How many section 501(c)(3) organizations came into existence after 1969?

Individual rulings.....	57, 855
Group rulings.....	37, 322
Total	*95, 177

*This figure represents only the presently active entities which came into existence after January 1, 1970. The number of entities which were issued rulings after January 1, 1970, but are presently inactive or defunct is insubstantial and would not materially change the total.

5(e)(3) What is the asset value of operating foundations and non-operating foundations?

The following figures represent data from the latest return filed by all private foundations:

Operating foundations.....	\$1, 418, 226, 673
Non-operating foundations.....	15, 897, 861, 208
Total	17, 316, 087, 881

5(e)(4) What is the asset value of foundations formed after the 1969 Tax Act?

This represents data from the latest return filed by these organizations: \$977,070,005.

5(f) What figures do the Service have on foundation terminations, including a breakdown based upon operating and non-operating foundations and the assets of each?

As a result of the Tax Reform Act of 1969, many organizations discontinued operations before they were classified as private foundations. Thus, it is difficult to determine just how many private foundations have terminated. However, the following figures represent organizations that have been classified private foundations and subsequently terminated their exemption.

	Terminations	Assets
Operating foundations.....	43	\$1, 502, 768
Nonoperating foundations.....	4, 892	83, 419, 552

INFLATION ENDANGERS FORD FUND

New York, Sept. 22 (AP)—The Ford Foundation, the nation's wealthiest private philanthropic agency, may have to reduce annual grants by as much as 50 per cent because of inflation and a depressed security market, a spokesman said today.

Foundation President McGeorge Bundy said the agency would have to be dissolved by distributing its assets if a reduction in grants were not implemented. Seven years ago, Ford's trustees rejected a proposal of dissolution.

The foundation's assets have dropped from \$3 billion to \$2 billion in market value during the past year, a spokesman said.

A proposal to reduce the \$202 million annual budget is expected to be submitted to trustees at their quarterly meeting here this week.

If approved, the cuts would not take effect for at least a year, and all current commitments would be honored, the spokesman said.

He said domestic programs dealing with poverty, minorities, and the quality of urban life and international programs dealing with family planning, population growth, and the easing of food shortages would continue to receive priority consideration for assistance on a reduced scale if grants were cut.

He said the foundation's professional staff—primarily lawyers, accountants, and specialists in population and education—and public broadcasting programs might be the most severely affected by grant reductions.

Ford and other foundations have run into inflation-caused financial difficulties because the activities they finance usually involve wage and salary payments, the spokesman said. He said most of the foundation's investments are in stocks, real estate, bonds, and cash equivalents.

A final decision on budget cuts or dissolution is not expected at the trustees' meeting this week, the spokesman said. He said final action may not be taken until next spring.

Appendix D

Background Material on Foundation Involvement in Public Broadcasting

PREPARED FOR THE USE OF THE SUBCOMMITTEE ON FOUNDATIONS OF THE SENATE
COMMITTEE ON FINANCE, SEPTEMBER 6, 1974

THE ORIGINS OF PUBLIC BROADCASTING

Public broadcasting had its start in 1919 when the Secretary of Commerce licensed radio station 9XM (later changed to WHA) at the University of Wisconsin in Madison. By 1925, non-commercial broadcasting was being carried on by 171 educational organizations in the United States.

Public broadcasting moved into the FM area in 1938 with one station, but it took more than ten years before the number of public radio stations on the FM band exceeded fifty. By 1972, there were 571 such stations.

It was in 1952 that the Ford Foundation created the National Educational Television and Radio Center (which later became NET) with a grant of over one million dollars. In the twenty year period following that time, the Ford Foundation awarded more than \$200 million in grants to the public broadcasting industry. In May of 1953, the first educational television station went on the air in Houston (KUHT). Eight years later, there were some 54 such stations (VHF and UHF) on the air.

It was at that time, in 1961, that legislation was introduced to establish a program of Federal subsidies (matching grants) for the construction of educational TV broadcasting facilities. A year later, Congress passed the Educational Broadcasting Facilities Act.

This legislation authorized the Secretary of H.E.W. to provide over a five year period \$32 million in financial assistance through matching grants for the establishment and expansion of non-commercial educational broadcasting facilities. In 1967, the legislation was expanded to cover public radio stations.

Since 1963, the Federal government has provided more than \$77.6 million in funds to acquire broadcasting apparatus. During the same period of time, the number of public TV stations increased from 76 to 239 (of which 140 got started with Federal grants). In addition, there are now 600 public radio stations (40 of which got their start with Federal funds).

Since 1961, the number of hours of public broadcasting by television has increased sixfold. In 1971, public TV was capable of reaching more than 70 percent of the people in the United States. In short, public TV expanded dramatically between 1961 and 1971 with some 51 million Americans tuning in to public television programs in 1971. Despite this expansion, public television remained on a shaky financial foundation.

In 1967, Congress enacted the Public Broadcasting Act which created the Corporation for Public Broadcasting. CPB was to assist in the establishment and maintenance of an interconnection service among the local stations, the production of national programming, and to help increase support to local stations.

In 1970, CPB joined with representatives of local stations to create the Public Broadcasting Service to help effectuate its responsibility to provide an interconnection service among local stations.

Following is a breakdown of the 233 public television stations in operation at the end of 1972:

State and Municipal stations.....	78 (also 6 radio)
University stations.....	71 (also 94 radio)
Community stations.....	63 (also 20 radio)
School stations.....	21 (also 12 radio)

Using 1970 as a comparison, there were only 28 percent as many non-commercial stations (TV) as commercial stations, the non-commercial stations op-

erated with 6.2 percent as much money. Another significant comparison: between 1968 and 1971, the cost of living rose 25 percent and public TV expenditures rose about 35 percent on a per station basis. So there was really not much money for expansion.

The tables below indicate sources for the support of public broadcasting.

TABLE 1.—SOURCES OF INCOME FOR TELEVISION OPERATIONS OF PUBLIC TELEVISION LICENSEES

Fiscal year	Total income	Percent of total income by source						
		Federal Government	Public broadcasting agencies	Institutions of higher education	Local school boards and local governments	State school boards and State governments	Foundations	All other sources combined
1970.....	\$99,956,372	4.6	8.2	9.3	20.8	27.6	8.5	21.0
1971.....	140,816,318	6.3	10.5	6.8	14.2	33.0	11.3	17.9
1972.....	157,914,742	9.0	10.5	12.3	13.1	23.7	11.6	19.8

TABLE 2.—INCOME OF PUBLIC BROADCASTING SYSTEM¹ BY SOURCE, FISCAL YEARS 1972 AND 1973

Income source	Fiscal year 1972		Fiscal year 1973	
	Amount	Percent	Amount	Percent
Total.....	\$234,304,489	100.0	\$254,764,373	100.0
State and local tax sources.....	107,704,545	46.0	127,275,430	50.0
State source ²	78,314,592		95,549,762	
Local sources.....	29,389,953		31,725,668	
Federal Government.....	59,811,904	25.5	55,585,000	21.8
Foundation.....	25,117,465	10.7	20,181,233	7.9
Subscribers and auction.....	17,609,865	7.5	25,434,931	10.0
All other sources.....	24,060,710	10.3	26,287,779	10.3

¹ Includes both radio and television.

² Includes income received from State colleges and universities.

The largest source of support comes from state governments and their agencies, with the second largest source schools and local governments. In all, about two-thirds of public broadcasting's money comes from tax sources (although only a small part of this is Federal funds).

The recent Schramm-Nelson study of public television financing came to the following important conclusions:

"1. The political predicament of public broadcasting is inextricably tied up with its economic plight. Despite growth both the system and the local stations are in a greater bind than ever before. Revenues have not kept pace with increased costs and expanded obligations.

"2. Compared to non-commercial stations in other leading countries, public television in America exists on a pittance, receiving less than one-fourth as much per capita as Britain's BBC-TV, and just over one-fourth Japan's NHK.

"3. Any effort to increase the amount and quality of local programming is purely academic at the present level of funding. To parcel out all the federal revenues among the stations would purchase only a few minutes weekly of low-cost programs.

"4. An adequate schedule of local, regional and national programs would cost over two and a half times as much as the system's existing budget.

"5. Unless an overall plan is developed . . . the situation is likely to grow worse."

The 1973 Task Force of the Long-Range Financing of Public Broadcasting estimated a 5-year projected expenditure level (beginning with fiscal year 1975) of \$3,420,383,000.

The administration recently proposed legislation which authorizes \$435 million over the next five year period. The Senate Commerce Committee raised the total authorization level to \$612 million. Because of the Federal match of \$1 for every \$2.50 of non-Federal funds, the amount of non-Federal funds which would

have to be raised to achieve the maximum Federal funding would be around \$1,530,000,000. If this level of non-Federal funds was reached, then both Federal and non-Federal funds would total \$2,142,000,000.

FOUNDATION INVOLVEMENT IN PUBLIC BROADCASTING

Following are the major grants received by the Corporation for Public Broadcasting from foundations for fiscal years beginning with fiscal year 1969:

TABLE 3—GRANTS BY INDIVIDUAL FOUNDATIONS FOR FISCAL YEARS 1969-1974 TO THE CORPORATION FOR PUBLIC BROADCASTING

FISCAL YEAR 1969 GRANT	
Foundation:	
Ford Foundation.....	\$802, 500
Carnegie Corporation.....	1, 000, 000
Total for fiscal year 1969.....	1, 802, 500
FISCAL YEAR 1970 GRANTS	
Ford Foundation.....	\$972, 500
Carnegie Corporation.....	15, 000
Sears Roebuck Foundation.....	90, 000
Total for fiscal year 1970.....	1, 077, 500
FISCAL YEAR 1971	
Ford Foundation.....	\$3, 439, 910
Sears Roebuck Foundation.....	100, 000
General Service Foundation.....	75, 000
Grant Foundation.....	25, 000
Lillian P. Schener Fund.....	5, 000
4 Other Miscellaneous Family Foundations.....	650
Total for fiscal year 1971.....	3, 645, 560
FISCAL YEAR 1972	
Ford Foundation.....	\$2, 310, 879
Sears Roebuck Foundation.....	250, 000
General Service Foundation.....	75, 000
Vincent Astor Foundation.....	328, 000
Haas Community Fund.....	100, 000
Historic Sites Foundation.....	10, 000
Rockefeller Foundation.....	100, 000
Rockefeller Brothers Fund.....	25, 000
Harris Foundation.....	150, 000
McFeely Rogers Foundation.....	15, 000
Scheide Fund.....	12, 000
Total for fiscal year 1972.....	3, 373, 879
FISCAL YEAR 1973	
Ford Foundation.....	\$891, 559
Sears Roebuck Foundation.....	560, 000
Concordia College Foundation.....	7, 500
LaSalle-Adams Fund.....	1, 000
Alcoa Foundation.....	70, 000
Lewis W. and Maud Hill Family Foundation.....	13, 640
Andrew W. Mellon Foundation.....	50, 000
Trusts of Sarah Maud W. Silvertsen.....	42, 000
Total for fiscal year 1973.....	1, 635, 199

FISCAL YEAR 1974

Ford Foundation.....	\$825,000
Sears Roebuck Foundation.....	350,000
Lewis W. and Maud Hill Family Foundation.....	6,640
LaSalle Adams Fund.....	1,000
Trust of Sarah M. Sivertsen.....	15,000
Total for fiscal year 1974.....	1,197,640

The following is a partial listing of foundation support received by individual stations in fiscal year 1973:

TABLE 4.—FOUNDATION MONEYS RECEIVED BY INDIVIDUAL STATIONS, FISCAL YEAR 1973

Station	National foundations †	Other †	Total
Alabama Network.....	0	0	0
KYUK—Bethel.....	0	0	0
KUAC-TV—Fairbanks.....	0	0	0
KUAT—Tucson.....	0	0	0
KETS—Little Rock.....	0	0	0
KOCE—Huntington Beach.....	0	0	0
KEET—Eureka.....	0	0	0
KCET—Los Angeles.....	1,103,942	86,253	1,190,195
KLCS—Los Angeles.....	0	0	0
KIXE—Redding.....	0	0	0
KVIE—Sacramento.....	0	200	200
KPBS—San Diego.....	0	12,845	12,845
KQED—San Francisco.....	1,146,160	0	1,146,160
KTEH—San Jose.....	0	0	0
KCSM—San Mateo.....	0	0	0
KRMA—Denver.....	0	0	0
KTSC—Pueblo.....	0	0	0
Connecticut Network.....	37,500	17,000	54,500
WETA—Washington, D.C.....	1,780,500	0	1,780,500
WUFT—Gainesville.....	0	0	0
WJCT—Jacksonville.....	150,000	5,300	155,300
WTHS—Miami (ITV).....	0	0	0
WMFE—Orlando.....	0	6,955	6,955
WSRE—Pensacola.....	0	0	0
WFSU—Tallahassee.....	0	0	0
WEDU—Tampa.....	0	25,000	25,000
WUSF—Tampa.....	0	0	0
WETV—Atlanta.....	0	0	0
Georgia Network.....	0	0	0
Hawaii Network.....	0	5,000	5,000
KUID—Moscow.....	0	0	0
KAID-TV—Boise State College.....	560	0	560
KBGL—Pocatello.....	0	0	0
Southern Illinois University.....	0	0	0
WTTW—Chicago.....	0	0	0
WTVP—Peoria.....	0	7,060	7,060
WILL—Urbana.....	0	0	0
WTIU—Bloomington.....	0	0	0
WNIN—Evansville.....	135	0	135
WFYI—Indianapolis.....	0	7,500	7,500
WCAE—St. John.....	15,000	2,000	17,000
WVUT—Vincennes.....	0	0	0
IOWA.....	0	15,449	15,449
KTWU—Topeka.....	0	0	0
KPTS—Wichita.....	0	4,215	4,215
Kentucky ETV Authority.....	0	0	0
WKPC—Louisville.....	0	0	0
WLFB—Baton Rouge.....	0	0	0
WYES—New Orleans.....	2,700	49,000	51,700
WCBB—Augusta.....	0	14,850	14,850
WMEB—Orono.....	0	0	0
Maryland Network.....	0	0	0
WGBH—Boston.....	1,453,167	475,307	1,928,474
WGBY—Springfield.....	100,000	90,000	190,000
WTVS—Detroit.....	0	54,100	54,100
WKAR-TV—East Lansing.....	893	0	893
WGYC—Allandale.....	0	0	0
WNPB—Marquette.....	0	0	0
WCMU—Mt. Pleasant.....	0	0	0
WUCM—University Center.....	0	0	0
KWCM—Appieton.....	0	0	0
KAUT—Austin, Minn.....	0	0	0
WDSF—Duluth.....	0	0	0
KTCA—St. Paul/Minneapolis.....	0	476,676	476,676
Mississippi Network.....	0	0	0

TABLE 4.—FOUNDATION MONEYS RECEIVED BY INDIVIDUAL STATIONS, FISCAL YEAR 1973—Continued

Station	National foundations ¹	Other ¹	Total
KCPT—Kansas City.....	0	243,000	243,000
KETC—St. Louis.....	12,000	170,000	182,000
Nebraska ETV Commission.....	0	0	0
KUON—Lincoln.....	0	950	950
KLVX—Las Vegas.....	0	0	0
New Hampshire Network.....	0	3,968	3,968
New Jersey Network.....	0	0	0
KNME—Albuquerque.....	0	50	50
KRWG—Las Cruces.....	0	0	0
WSKG—Binghamton.....	0	0	0
WNYE—New York.....	0	0	0
WNED—Buffalo.....	0	25,100	25,100
WLIW—Garden City.....	0	5,000	5,000
WNET—New York.....	6,956,920	141,290	7,098,210
WXXI—Rochester.....	0	0	0
WMHT—Schenectady.....	0	638	638
WCNY—Syracuse.....	0	0	0
WNPE—Watertown.....	0	12,500	12,500
North Carolina Network.....	0	0	0
WTVI—Charlotte.....	0	0	0
KFME—Fargo.....	0	36,087	36,087
WNEO—Alliance.....	0	0	0
WOET—Dayton.....	0	0	0
WOUR-TV—Athens, Ohio.....	0	0	0
WRGU—Bowling Green.....	0	159,984	159,984
WCET—Cincinnati.....	0	117,056	117,056
WVIZ—Cleveland.....	0	136,300	136,300
WOSU—Columbus.....	0	0	0
WGSF—Newark.....	0	200	200
WGTE—Toledo.....	0	0	0
KETA—Oklahoma City.....	0	0	0
KOKH—Oklahoma.....	0	0	0
Portland-Corvallis.....	0	0	0
WLVT—Allentown.....	0	0	0
WQLN—Frie.....	0	35,850	35,850
WTF—Hershey.....	0	50,000	50,000
WHYY/WUHY—Philadelphia.....	0	202,586	202,586
WVIA—Scranton.....	0	0	0
WSBE—Providence.....	0	0	0
South Carolina Network.....	0	0	0
KESD—Brookings.....	0	0	0
South Dakota Network.....	0	0	0
KUSD—Vermillion.....	2,294	2,444	4,738
WTCT—Chattanooga.....	0	0	0
WSJK—Knoxville.....	0	0	0
WDCN—Nashville.....	0	0	0
KAMU—College Station.....	0	0	0
KEDT-TV—Corpus Christie.....	0	105,000	105,000
KERA—Dallas.....	529,977	157,191	687,168
KUHT—Houston.....	0	0	0
KTXT—Lubbock.....	0	0	0
KBYU—Provo.....	0	0	0
KUED—Salt Lake City.....	0	0	0
Vermont Network.....	0	0	0
WVPT—Harrisonburg.....	0	0	0
WHRO—Norfolk.....	0	0	0
WCVE—Richmond.....	0	2,925	2,925
WBRA—Roanoke.....	0	0	0
KPEC—Lakewood Center.....	0	0	0
KWSU—Pullman.....	0	0	0
KCTS—Seattle.....	60,000	50,500	110,500
KSPS—Spokane.....	0	0	0
KTPS—Tacoma.....	0	0	0
KYVE—Yakima.....	0	0	0
WSWP—Grandview, W. Va.....	0	0	0
WMUL—Huntington.....	0	0	0
WVVU—Morgantown.....	0	84,508	84,508
WPNE—Green Bay.....	0	0	0
WHA—Madison.....	0	0	0
WMVS—Milwaukee.....	0	26,500	26,500

¹“National Foundations” denotes those foundations whose grants are not restricted geographically while “Other” denotes those foundations restricted geographically.