

FCC Asked to Investigate Public-TV Sale of Non-Profit Groups' Merchandise

By MICHAEL STOLL

The federal government has been asked to investigate a fund-raising effort conducted by one of the nation's largest public-television stations.

The Coalition for Democracy in Public Television, which represents 170 Chicago-area public-interest organizations, community groups, and labor unions, has asked the Federal Communications Commission to examine and punish WTTW-TV. The coalition says the Chicago station violated government rules by running a home-shopping program last year.

Station officials vigorously deny that the program ran afoul of federal rules.

An issue is the 40 hours of programming the station devoted over two weeks to a "Holiday Gift Exchange" that sold souvenirs from four Chicago non-profit cultural institutions—the Art Institute of Chicago, the Chicago Symphony Orchestra, the Field Museum, and the Lincoln Park Zoological Society. Some of the best sellers included

African masks, afghans, and umbrellas with rain-forest designs. Like many commercial home-shopping programs, WTTW displayed the price of the items, most ranging from \$15 to \$100, and a phone number for ordering.

Before the program went on the air, the cultural organizations agreed to give the station one-third of the revenue from items sold through the shopping show.

Tom Hallett, finance director of the Chicago Symphony Orchestra, said the four organizations and WTTW together took in about \$100,000, all of which was spent on production costs. But Mr. Hallett said the show was worth the publicity.

"It was a net loss, but it's something we'd do again in a second regardless of the profit motive," he said.

WTTW officials adamantly deny that they broke FCC rules by running the shopping program. Tanja Netmark, WTTW's vice-president for corporate communications, said the Holiday Gift Exchange

was "our attempt to experiment with making pledge drives that might be more interesting or more entertaining."

She added that with all the changes in telecommunications that are expected in the years to come, the station felt that it needed to develop some new types of programming.

Said to Violate Station's Mission

Melissa Sterne, one of the organizers of the coalition that is protesting the show, said that offering items for sale violated the mission of public television and "is not in the best interests of the people of Chicago."

She added: "I don't see the role of public television as a marketing arm for non-profit organizations."

The 17-page complaint urged the FCC to fine the station, to consider the propriety of the shopping program when the station's license is reviewed for renewal, and to prohibit all public-broadcasting stations from running home-shopping programs.

The FCC declined to comment on the complaint and would not say whether an investigation was planned.

Lawyers for the coalition contend that the shopping program violated the letter, as well as the spirit, of FCC rules by raising money for other non-profit organizations. They point to a 1981 FCC ruling that states: "Fund-raising activities which significantly alter a station's normal programming, including auctions, marathons, membership drives, etc., should be carried on for the benefit of the station only, and not for other organizations."

Bruce Marcus, WTTW senior vice-president for corporate marketing and communication, maintained that the shopping program was allowable under FCC rules. He said that the shopping show focused mainly on the organizations and the work they do and devoted little attention to the products for sale.

"It would be very hard for anybody to come away from watching

this without feeling that they learned quite a bit about the organizations," he said.

What's more, he said, the shopping shows did not disrupt programming as much as the station's on-air fund-raising drives, which often take up as much as 14 hours a day of program time for several days in a row.

Mr. Marcus said the station did not plan to repeat the shopping show on public television, but it might produce the show for commercial television and cable syndication, as it has with "The McLaughlin Group" and "The Frugal Gourmet."

"Unless public-television stations are given the chance to experiment, we're walking the road to self-destruction," Mr. Marcus said. "Public television just cannot be what it was in 1968. It has to change."

WTTW, which is carried on 220 cable systems and has about five million viewers per week, has long been looking for new ways to raise money and compete with for-profit television. In 1984, it was one of the first to offer corporate donors a chance to receive on-air acknowledgments that are similar to commercial advertising. The FCC allows public stations to use corporate logos and other means of identifying contributors, but the stations are prohibited from using credits that promote products.

Members of the coalition challenge the station's contention that the shopping program was educational. Said Scott Sanders, a coalition leader and film maker: "It's beyond advertising. It's like nothing we've ever seen before on public TV."

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