

Bernard C. Duffy cc: Eugene T. McQuade

October 20, 1950

ATCo.

James R. Schule

Jack Benny - TV

After our meeting with Mr. Hahn and yourself yesterday, John Murphy and I met with Julius Brauner, CBS' attorney. There are several matters of substance which still must be decided before a final draft of the Benny TV Contract can be drawn. These are as follows:

- (1) Who is to have final say as to the elements other than Benny to be included in the program. It is CBS' position that they must retain this final okay because of budget reasons. However, they are willing to add to the paragraph dealing with the elements of the program (Paragraph 2) a statement to the effect that CBS agrees, subject to budget limitations, to be guided by Benny's and Sponsor's wishes with respect to the elements of the program.
- (2) The question of how long after CBS becomes unable to furnish ATCo with network coverage substantially equal to that furnished for the first telecast year, shall they be required to furnish substantially equal coverage on a substitute time period? As you know, CBS had previously contended that they could not guarantee such coverage until the beginning of the following telecast year. CBS has not retreated from this position but they are willing to include a clause that such coverage will be furnished on a substitute time period at the earliest possible date on which CBS is able to make such time period available in the light of then existing commitments.
- (3) The question of whether or not the facilities agreements after the first two years shall call for fifty-two consecutive weeks of telecasting. Brauner said that this has always been CBS' understanding and any departure from it will have to come from higher up.
- (4) The question of color television. CBS is willing to include a clause to the effect that it will use its best efforts to cause the program to be telecast by such means as will insure the greatest possible viewing and listening audience.
- (5) A print of each program for ATCo. CBS is willing to include a clause to the effect that CBS will deliver a print of each program to the Sponsor if a television recording is made and if Benny consents to giving such recording to Sponsor.

- (6) The question of whether after the first five years of telecasting Benny's services will be available at \$15,000 per telecast if ATCo purchases the program from CBS. CBS feels that since their agreement with Benny does not provide for Benny making his services available to them at any price after the first five years, they are not in a position to make that commitment.

Brauner also gave us copies of (1) amendment to "This Is Show Business" facilities contract; (2) amendment to "This Is Show Business" talent contract; and (3) Facilities contract for the Benny TV show for the first telecast year.

J.R.S.