

gave any consideration to not disclosing the newly discovered information.

40. By letter dated January 13, 1992, from Ms. Marshall to Mr. Wolfe, DBI submitted, in response to the January 2 Letter, a Supplemental Report (the "Second Supplemental Report") consisting of four pages of text, attached to which were Exhibit A (titled "New Hires at Stations WHOS/WDRM During 1982 - February 1989") and Exhibit B (a Statement dated January 13, 1992 signed by me (the "January 13 Response"). The January 13 Response was prepared by Arent Fox. Exhibit A, which was based on information supplied by me, (a) set forth the number of minority and non-minority hires for each of 1982, 1983, 1984, 1985, 1986, 1987 and 1988, and for January and February 1989; (b) disclosed that there had been an additional 57 people during this period who worked at the Stations from one to 60 days "as talent only and who were not employees" under the Stations' policy; and (c) listed the recruitment sources relied upon during the License Period. The text of the Second Supplemental Report consists of a summary of the January 2 Letter followed by the following two paragraphs starting on page 2:

In response to the instant request, the licensee has again reviewed the stations' records. As a result of its review of the existing records, the licensee has determined that the information previously provided to the Commission was the best information the licensee was able to provide based on available documentation of recruitment efforts. The licensee has not, prior to the instant report, provided recruitment information which goes beyond that which could be verified from contemporaneous records maintained at the stations.

However, in view of the FCC's concern in its most recent letter that the stations had a greater number of new hires during the 1992 through

41. Exhibit A of the Second Supplemental Report set forth, as noted, hiring information for each year from 1982 through 1988 and for the first two months of 1989. Exhibit A also provides the following information with respect to certain non-employee hires and recruitment:

During the period 1982 through 1988, WDRM/WHOS had a total of 57 people who worked from 1 day up to 60 days as talent only and were not employees of the stations, although a certain number of these were considered part-time employees at the time of the filing of the Annual Employment Reports. It is the policy of WHOS/WDRM that any hire does not become permanent until after 60 days.

During the term set out above, the recruitment sources relied upon were Calhoun College, Radio & Records, Huntsville Times, Decatur Daily, University of Alabama, A&M College, National Career College, local African-American leaders, Broadcasting Magazine, Manpower, Inc. and employee referrals.

The facts set forth in Exhibit A were provided by me. Exhibit A was prepared in a short period of time to meet the January 13 filing deadline (we had found the payroll records, as noted, on January 8) and required much time and effort. My focus in connection with the preparation of the Second Supplemental Report was to ensure that the facts set forth in Exhibit A were as accurate as possible. I did not receive a draft of the January 13 Response to review until approximately 3:30 p.m. on January 13. Given the shortness of time, I did not focus on the facts set forth in the textual portion of the Second Supplemental Report.

42. I realize now, after carefully reviewing footnote 3 of the Second Supplemental Report, that the fourth sentence of that footnote implies that DBI had intended to state in earlier filings that there had been approximately 20 hires during the License Period. As noted above, I had not told Ms. Marshall at this point that I had never intended to make this statement in earlier filings. When I reviewed the Second Supplemental Report before signing my attached Statement on January 13, 1992, I did not focus on this explanation. I spent most of my time between January 8 and January 13 compiling and checking over 300 pages of payroll records. I wanted to ensure that the hiring information we were filing with the FCC was accurate. When I received the first four pages of the Second Supplemental Report on January 13, 1992, I reviewed it quickly due to the press of time and did not carefully review every word.

I. The January 24 Letter and DBI's Response.

43. In late January 1992, I receive an undated letter from Mr. Wolfe (the "January 24 Letter") requesting in substance the following:

- (1) With respect to the 83 hires and the 57 "non-employees" listed in Exhibit A to the Second Supplemental Report, state whether the 57 non-employees (i) "are included in the 83 hires or whether they are in addition to the 83 hires" and (ii) explain what these individuals did at the Stations and why they were not considered employees;
- (2) Provide for all hires, regardless of the length of employment, the exact date of hire, the title, the 395-B classification, and full or part-time status of the position and the

name, race, gender and date of termination of the hiree;

- (3) Explain the status in more detail of the 4 individuals originally listed in the Form 396 as hires during the Reporting Period but subsequently listed in the Opposition as non-employees.

44. By letter dated February 7, 1992, from Ms. Marshall to Mr. Wolfe, DBI submitted Supplementary Materials (the "Third Supplemental Report") in response to the January 24 Letter. The Third Supplemental Report consisted of two pages of text, Exhibit 1 ("Explanation of 83 Hires 1982 - Feb. 1989 by Date") (two pages), Exhibit 2 ("Explanation of 57 Non-hires 1982 - Feb. 1989 by Date") (two pages) and Exhibit 3 (payroll records which document information provided in Exhibits 1 and 2) (303 pages). Exhibit 1 contained a list of the 83 employee new hires during the License Period, including the names of the hirees, their dates of hire, the titles of their positions, the FCC Form 395-B classification of their positions, the full or part-time status of their positions, the race and gender of the hirees and their dates of termination. Exhibit 2 contained a list of the 57 people who were hired during the License Period but who were not considered "employees" of the Stations, including their names, the dates of their hire, the titles of their positions, the FCC Form 395-B classification of their positions, the full or part-time status of their position, the race and gender of the individuals and their dates of termination. The Third Supplemental Report also clarifies that the 57 "non-employees"

are in addition to the 83 hires listed in Exhibit 1. The first two pages of text of the Third Supplemental Report were prepared by Arent Fox. The lists included as Exhibits 1 and 2 were prepared by me and my wife, with the assistance of the computer expertise of the Stations' national sales manager, Mark Goodwin, and reviewed by Ms. Marshall. The payroll records attached as Exhibit 3, including handwritten payroll records for the period 1982 through 1987 and computer printouts for the years 1988 through 1992, were provided by me.

45. The Third Supplemental Report provided the following explanation for the non-employee status of the 57 individuals listed in Exhibit 2:

These 57 individuals were not considered by

number of new hires in the Stations' upper level job positions as reflected in the Form 396 for the Reporting Year and as reflected in Exhibit 1 and (b) there are "slight inconsistencies" in the new hires in the License Period as reflected in the January 13 Response and in Exhibit 1. The footnote states that the inconsistencies discussed in clause (a) above "are due to the fact that the members of the Stations' staff who prepared the renewal did not prepare the data as carefully as they should." With respect to clause (b) above, it is further explained that the staff members who prepared the January 13 Response did so based on a manual count of the payroll records. Exhibit 1 represents a computer-assisted compilation of these materials, generating a more accurate list of the new hires. The members of the Stations' staff referred to in this footnote are me and my wife. Exhibits 1 and 2 were derived from the handwritten payroll sheets, the 1988 computer print-out and certain canceled checks attached hereto as Attachment 4.

47. By letter dated February 11, 1992, from Ms. Marshall to Mr. Wolfe, DBI submitted revised Exhibits 1 and 2 to the Third Supplemental Report (the "February 11 Response"). The revised Exhibits corrected certain typographical errors and provided additional explanatory information.

48. I have been dealing with the Commission since 1962 when I started work as the Stations' engineer. I have always paid meticulous attention to the Stations' operating parameters to ensure that they complied with the FCC's technical rules. Having

dealt with the FCC for 30 years, I am acutely aware of a licensee's responsibility to comply with the Commission's rules and to be accurate and complete in all submissions to the Commission. I have always been responsive to suggestions with respect to improving the Stations' service to our community. In the mid-1980's, I addressed myself to improving our public affairs programming. I am proud to say that the Stations' one-hour public affairs program aired at 8:00 AM on Sundays has a better listenership than most morning drive segments on weekdays of other stations in our market. The Stations are also actively involved in community events, in my opinion more so than any other station in the market. By serving the community in this way, the Stations have managed to combine an impeccable FCC compliance record and public interest programming with success in the marketplace. Station WDRM(FM) is the most listened to radio station in Alabama, bar none.

49. It is precisely because the Stations and the community are so important to me that I would never jeopardize DBI's license by misrepresenting or concealing facts. I retained a respected communications firm to represent DBI before the FCC to ensure that DBI did not run afoul of the rules. With respect to inquiries from the FCC, I expected my law firm to review each inquiry carefully and to tell me what information I needed to provide in response. Because I was represented by counsel, I did not feel it was necessary or appropriate to second guess their interpretation or advice with respect to such inquiries. In

short, throughout this investigative process I felt secure in the fact that my interests were being protected by counsel. I responded at all times to my counsel's inquiries and instructions promptly, fully and to the best of my ability. In responding to these queries, however, I did not as a rule refer back to previous DBI filings to make sure the responses fit together and were consistent. I expected counsel to do that. In hindsight, I probably relied too much on counsel. That is, I should have reviewed the statements prepared for my signature more carefully. I assumed that the statements reflected the facts I had provided counsel and nothing more. I realize now that I should not have

through the term, throughout the term of all of these filings from the beginning.

51. I was not aware of the extent of the mistake made by DBI until I read the HDO. As I said at my deposition:

... when I was designated for a hearing was when I put all of this stuff down, these letters, and said, "My God! What has happened?" I did not read that close enough, and I don't want you to think that I don't take the FCC serious. I do., I have been an engineer for 30 years, keeping meters within 2 percent, and worry about them at night if they are not, you know. So I am cognizant of the rules. I just felt safe under the umbrella of people that's smarter than me. And then when this thing comes to the end, I find out that we didn't do it right. And I read this and the other letters over and over at the designation or after August.

52. It is hard for me to explain my reaction to the fact that I was being charged with racial discrimination by the NAACP and how it affected me both physically and mentally. I have always treated Blacks just as I would Whites. When growing up, I had Black friends. I worked with Blacks. I never saw any difference between us. As the years passed, when I saw acts of prejudice, I would do what I could to make things right. I always hired station employees who could do the job, whether Black or White. In the mid-1970's I owned an engineering and manufacturing company and hired a Black as President. As the operator of a successful radio station, I make myself available to other radio people for advice, counsel and information including Blacks such as Nat Tate, Jr., Ricky Patton and Hundley Batts, who is one of the owners of an AM station in Huntsville.

Over the years, I have met regularly with Mr. Batts to consult and review market data with him so that he can better serve clients and increase his business and also advise him as to techniques and approaches to increasing sales. I know there is prejudice in my town just as there is in every town but I comport myself in a way consistent with my beliefs that all people are equal. That is why when I read the charge from the NAACP I became so upset and almost obsessed in my efforts to prove the charge wrong.

* * * * *



RECYCLED

ALL STATE LEGAL SUPPLY CO. 1-800-222-0510 ED11

ATTACHMENT 1

1986 JOB APPLICATIONS

Application For Employment

3.75 Hour

Applicants are considered for all positions without regard to race, color, religion, sex, national origin, age, marital or veteran status, or the presence of a non-job-related medical condition or handicap.

(PLEASE PRINT)

Date of Application 10-14-86

Position(s) Applied For _____

Referral Source: Advertisement Friend Relative Walk-In
 Employment Agency Other _____

Name STEPHEN SON GRANDSON ✓
LAST FIRST MIDDLE

Address 5110 CIRCLE A CIRCLE Huntsville AL 35810
NUMBER STREET CITY STATE ZIP CODE

Telephone (205) 859-9326 Social Security Number 377 154 7499
Area Code

If employed and you are under 18, can you furnish a work permit? Yes No

Have you filed an application here before? Yes No If Yes, give date _____

Have you ever been employed here before? Yes No If yes, give date _____

Are you employed now? Yes No May we contact your present employer? Yes No

Are you prevented from lawfully becoming employed in this country because of Visa or Immigration Status? Yes No
(Proof of citizenship or immigration status may be required upon employment.)

On what date would you be available for work? Immediately

Are you available to work Full Time Part-Time Shift Work Temporary

Are you on a lay-off and subject to recall? Yes No

Can you travel if a job requires it? Yes No

Have you been convicted of a felony within the last 7 years? No Yes
(Conviction will not necessarily disqualify applicant from employment.)

If Yes, please explain _____

Veteran of the U.S. Military service? Yes No If Yes, Branch _____

Indicate languages you speak, read, and/or write.

[Redacted area containing multiple horizontal lines for language information]

Employment Experience

Start with your present or last job. Include military service assignments and volunteer activities. Exclude organization names which indicate race, color, religion, sex or national origin.

1	Employer	Telephone	Dates Employed		Work Performed
	MAN POWER	(202) 259-3076	From	To	
	Address	University, DK	12-85	Present	
	Job Title	Secretary	Hourly Rate/Salary		
	Supervisor	Booth	Starting	Final	
Reason for Leaving					
2	Employer	Telephone	Dates Employed		Work Performed
	OK Wood Cellulose	(202) 437-4650	From	To	
	Address	21 Wood Rd NW	10-83	10-85	
	Job Title	Secretary	Hourly Rate/Salary		
	Supervisor	Mr. J. J. [unclear]	Starting	Final	
Reason for Leaving	CAID-CFF	3-85	6-85		
3	Employer	Telephone	Dates Employed		Work Performed
	Executive PAPER	(202) 837-2321	From	To	
	Address	Executive PAPER	7-85	12-85	
	Job Title	Secretary	Hourly Rate/Salary		
	Supervisor	A. [unclear]	Starting	Final	
Reason for Leaving	CAID-CFF				
4	Employer	Telephone	Dates Employed		Work Performed
	()	()	From	To	
	Address				
	Job Title		Hourly Rate/Salary		
	Supervisor		Starting	Final	
Reason for Leaving					

If you need additional space, please continue on a separate sheet of paper.

Special Skills and Qualifications

Summarize special skills and qualifications acquired from employment or other experience

The ability to communicate and get along with all types of people.

RESUME

GWENILOLYN VELORES STEPHENSON
5110 Ortega Circle
Huntsville, Al 35810
(205) 859-5079 9326

SKILLS

Administrative

Proposal Writing

Human Service

Referral
Counseling

Management

Student Employee Supervision
Word Processing
Payroll
Accounting
Bookkeeping

Communications

Writing and Editing
Learning Systems Design

EDUCATION

Highland Park University
Bachelor of Science
Secretarial
1/76

Faulkner University
Present School
Course of Study:
Systems Designing
Computer Science

WORK EXPERIENCE

12/84 - Present WORD PROCESSING
Advanced R & D
Manpower Inc.
Huntsville, Al

8/83 - 10/85 Administrative Assistant/Secretary
Oakwood College
Huntsville, Al 35896

9/79 - 6-82 SECRETARY
Courville High School
Detroit, Michigan 48213

REFERENCES

Available Upon Request

October 14, 1986

Mr. John Smith
1815 SmithWay
Huntsville, Al. 35810

Dear Mr. Smith,

Thank you very much for your phone call. I expect your thousand dollar check to be in the mail by Tuesday, October 29. I have six availability for the thirtieth.

Thank you again for your patronage. I look forward to meeting you soon.

Sincerely,

Mark J. Goodwin

MJG/gn

Application For Employment

3000.00
1500.00

Applicants are considered for all positions without regard to race, color, religion, sex, national origin, age, marital or veteran status, or the presence of a non-job-related medical condition or handicap.

(PLEASE PRINT)

Date of Application 10/16/86

Position(s) Applied For SALES TRAFFIC ORGANIZATION ANNOUNCER

Referral Source: Advertisement Friend Relative Walk-In
 Employment Agency Other _____

Name BURTON AL EUGENE
LAST FIRST MIDDLE

Address 4303 OKWOOD AVE HUNTSVILLE AL 35810
NUMBER STREET CITY STATE ZIP CODE

Telephone (205) 536-3592 Social Security Number 320 | 42 | 1443
Area Code

535-4535 - WORK NUMBER

If employed and you are under 18, can you furnish a work permit? Yes No

Have you filed an application here before? Yes No If Yes, give date _____

Have you ever been employed here before? Yes No If yes, give date _____

Are you employed now? Yes No May we contact your present employer? Yes No

Are you prevented from lawfully becoming employed in this country because of Visa or Immigration Status? Yes No
(Proof of citizenship or immigration status may be required upon employment.)

On what date would you be available for work? Today

Are you available to work Full Time Part-Time Shift Work Temporary

Are you on a lay-off and subject to recall? Yes No

Can you travel if a job requires it? Yes No

Have you been convicted of a felony within the last 7 years? No Yes
(Conviction will not necessarily disqualify applicant from employment.)

If Yes, please explain _____

REFUGU DEED

Veteran of the U.S. Military service? Yes No If Yes, Branch Army

Indicate languages you speak, read, and/or write.

	FLUENT	GOOD	FAIR
SPEAK	SPANISH		very very FAIR
READ			
WRITE			

List professional, trade, business or civic activities and offices held. (You may exclude those which indicate race, color, religion, sex or national origin):

Announcer on a PBS station in Kansas. It is a religious broadcast entitled "What the Word Says"; Pathfinder Counselor (Master Guide); chorister for church; Bible worker in Prison ministry; Jerredine County; Chaplain at church for choir

Give name, address and telephone number of three references who are not related to you and are not previous employers.

CLINTON YOUNGMAN 2419 Tuxedo Dr, HSV, AL 859-4072
HOWARD SIAW Ph.D OAKWOOD COLLEGE 837-1630
BENJAMIN REAVES OAKWOOD COLLEGE 837-1630

Special Employment Notice to Disabled Veterans, Vietnam Era Veterans, and Individuals With Physical Or Mental Handicaps.

Government contractors are subject to 38 USC 2012 of the Vietnam Era Veterans Readjustment Act of 1974 which requires that they take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam Era, and Section 503 of the Rehabilitation Act of 1973, as amended, which requires government contractors to take affirmative action to employ and advance in employment qualified handicapped individuals.

If you are a disabled veteran, or have a physical or mental handicap, you are invited to volunteer this information. The purpose is to provide information regarding proper placement and appropriate accommodation to enable you to perform the job to the best of your ability in a proper and safe manner. This information will be treated as confidential. Failure to provide this information will not jeopardize or adversely affect your consideration for employment.

If you wish to be identified, please sign below.

Handicapped Individual Disabled Veteran Vietnam Era Veteran

Signed Al E. Gubster

Employment Experience

Start with your present or last job. Include military service assignments and volunteer activities. Exclude organization names which indicate race, color, religion, sex or national origin.

1	Employer	Telephone	Dates Employed		Work Performed
	A-1 Pressure	(205) 857-739	From	To	
	Address	2901 Broadview HSV, AL	6/2/86	Present	
	Job Title	LABORER	Hourly Rate/Salary		
			Starting	Final	
	Supervisor	JAMES GRAVES	\$5.00		
	Reason for Leaving	Am now employed			
2	Employer	Telephone	Dates Employed		Work Performed
	AGIS INVENTORY	(205) 837-780	From	To	
	Address	4715 UNIVERSITY DR HSV, AL	5/85	Present	
	Job Title	Inventory Specialist	Hourly Rate/Salary		
			Starting	Final	
	Supervisor	CARL HUNTER OR TOMMY	\$4.00	\$5.00	
	Reason for Leaving	Am now employed			
3	Employer	Telephone	Dates Employed		Work Performed
	OAKWOOD College	(205) 837-630	From	To	
	Address	Huntsville, AL	9/85	6/86	
	Job Title	ASSISTANT MANAGER	Hourly Rate/Salary		
			Starting	Final	
	Supervisor	CAROL OAKMAN	\$400.00	\$400.00	
	Reason for Leaving	GLAUCOMA	per quarter	per quarter	
4	Employer	Telephone	Dates Employed		Work Performed
	C.S. Youngman Junior	(205) 859-402	From	To	
	Address	2419 Tweed Dr. HSV, AL	9/83	5/85	
	Job Title	ASSIST. MANAGER	Hourly Rate/Salary		
			Starting	Final	
	Supervisor	C.S. Youngman	\$4.00	\$6.00	
	Reason for Leaving	Uncomfortable hours			

If you need additional space, please continue on a separate sheet of paper.

Special Skills and Qualifications

Summarize special skills and qualifications acquired from employment or other experience

from C.S. Youngman
 personal learn sales and bidding skills, developed better people skills; also learned record keeping, advertising (am able to draw etc. etc)

EMPLOYMENT: RGIS Inventory Specialists Type of Business - Inventory
4715 University Dr. NW Salary - \$5.00/hr.
Huntsville, AL 35805 Job Title - Inventory Specialists
5/85 - Ph. (205)-837-7801 Supervisor - Tommy Hunter

DUTIES

Inventory merchandise of various clientele (part-time employ)

Oakwood College Type of Business - Apartment
Married Students Apt. Salary - \$400.00/quarter
Oakwood Rd. NW Job Title - Assistant Manager
9/85 - 6/86 Huntsville, AL 35896 Supervisor - Carnel Oakman
Ph. (205)-837-1630

DUTIES

Upkeep and maintain apartments: mow grass, paint, order needed supplies

C.J. Youngman's Janitorial Type of Business - Janitorial
2419 Tuxedo Dr. Salary - \$6.00/hr.
9/83 - 5/85 Huntsville, AL 35810 Job Title - Assistant Manager
Ph. (205)-859-4072 Supervisor - C.J. Youngman

DUTIES

Train employees, bill and collect monies from clientele, schedule jobs, record keeping, filing, bid for new jobs, manual labor on floors: mop, wax, buff, strip

Illinois Central Gulf R.R. Type of Business - Railroad
6/76 - 5/80 Champaign, IL 61820 Salary - \$10.00/hr.
Job Title - Trackman
Supervisor - Bob McFarland

DUTIES

Lay rail, spike rails, put in railroad ties, dig ditches, operate some machinery

SKILLS: Typing (56 wpm), filing, operate any and all kinds of light and heavy equipment, management skills, recordkeeping skills, delegating authority skills, carpentry, painting, counseling, people skills, artistic

HOBBIES &

INTERESTS: Music (singing/writing), playwriting, reading, sports, drama, all sports, speaking, Bible Study (receiving and giving), drawing

OTHER

ACTIVITIES: Chaplain-Mt. Calvary SDA Church: Deacon Board, Choir
AYS Choirister-Mt. Calvary SDA Church
Pathfinder Counselor/Master Guide
Bible Worker-Prison Ministry (Limestone County Prison)