SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 13G  
Under the Securities Exchange Act of 1934  
(Amendment No. 1)  

NAME OF ISSUER: Gray Communications Systems Inc.  
TITLVE OF CLASS OF SECURITIES: Common Stock  
CUSIP NUMBER: 389190-208  
CUSIP NO. 389190-208  

| (1) Names of Reporting Persons          | MELLON BANK CORPORATION          |
| SS or IRS Identification Nos. Of Above Person | IRS No. 25-1233834 |
| (2) Check the Appropriate Box if a Member of a Group (See Instructions) | (a) ( ) (b) ( ) |
| (3) SEC Use Only | | |
| (4) Citizenship or Place of Organization | United States |
| Number of Shares Beneficially Owned by Each Reporting Person | (5) Sole Voting Power | 8,500 |
| With | (6) Shared Voting Power | 0 |
| | (7) Sole Dispositive Power | 8,500 |
| | (8) Shared Dispositive Power | 0 |
| (9) Aggregate Amount Beneficially Owned by Each Reporting Person | 8,500 |
| (10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) | ( ) |
| (11) Percent of Class Represented by Amount in Row (9) | 0.25 |
| (12) Type of Reporting Person (See Instructions) | HC |
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  

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(Under the Securities and Exchange Act of 1934)  

Item 1(a)  Name of Issuer: Gray Communications Systems Inc.  

Item 1(b)  Address of Issuer’s Principal Executive Offices:  
126 N. Washington St., Albany, GA 31701  

Item 2(a)  Name of Person Filing: Mellon Bank Corporation and any other  
reporting person(s) identified on the  
second part of the cover page(s).  

Item 2(b)  Address of Principal Business Office, or if None, Residence:  
c/o Mellon Bank Corporation  
One Mellon Bank Center  
Pittsburgh, Pennsylvania 15258  
(for all reporting persons)  

Item 2(c)  Citizenship: United States  

Item 2(d)  Title of Class of Securities: Common Stock  

Item 2(e)  CUSIP Number: 389190-208  

Item 3  See Item 12 of cover page(s) (“Type of Reporting  
Person”) for each reporting person.  

BK = Bank as defined in Section 3(a)(6) of the Act  
IV = Investment Company registered under Section 8 of the  
Investment Company Act  
IA = Investment Adviser registered under Section 203 of the  
Investment Advisers Act of 1940  
EP = Employee Benefit Plan, Pension Fund which is subject to  
the provisions of the Employee Retirement Income  
Security Act of 1974 or Endowment Fund; see  
Section 240.13-d(1)(b)(1)(ii)(F)  
HC = Parent Holding Company, in accordance with Section  
240.13-d(1)(b)(1)(iii)(G)  

Item 4  Ownership: See Items 5 through 9 and 11 of cover page(s)  
as to each reporting person.  

The amount beneficially owned includes, where appropriate, securities  
ot not outstanding which are subject to options, warrants, rights or  
conversion privileges that are exercisable within 60 days. The filing  
of this Schedule 13G shall not be construed as an admission that  
Mellon Bank Corporation, or its direct or indirect subsidiaries,  
including Mellon Bank, N.A., are for the purposes of Section 13(d) or  
13(g) of the Act, the beneficial owners of any securities covered by  
this Schedule 13G.  

The following information applies if checked: ( ) Mellon Bank, N.A. is the  
trustee of the issuer’s employee benefit plan (the “Plan”), which is subject to  
ERISA. The securities reported include all shares held of record by Mellon  
Bank, N.A. as trustee of the Plan which have not been allocated to the  
individual accounts of employee participants in the Plan. The reporting person,  
however, disclaims beneficial ownership of all shares that have been allocated  
to the individual accounts of employee participants in the Plan for which  
directions have been received and followed.  

Item 5  Ownership of Five Percent or Less of a Class: If this  
statement is being filed to report the fact that as of the date hereof  
the reporting person has ceased to be the beneficial owner of more  
than five percent of the class of securities, check the following ( X )  

Item 6  Ownership of More than Five Percent on Behalf of Another  
Person: All of the securities are beneficially owned by Mellon Bank  
Corporation and direct or indirect subsidiaries in their various  
fiduciary capacities. As a result, another entity in every instance  
is entitled to dividends or proceeds of sale. The number of  
individual accounts holding an interest of 5% or more is ( 0 ).
Item 7  Identification and Classification of the Subsidiary Which Acquired the Security Being Reported by the Parent Holding Company:  See Exhibit I.

Item 8  Identification and Classification of Members of the Group:  N/A

Item 9  Notice of Dissolution of Group:  N/A

Item 10  Certification:  By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.
SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct. This filing is signed by Mellon Bank Corporation on behalf of all reporting entities pursuant to Rule 13d-1(f)(1) promulgated under the Securities and Exchange Act of 1934, as amended.

Date: January 20, 1998

MELLON BANK CORPORATION

By: WILLIAM L. DAWSON, JR.

William L. Dawson, Jr.
Senior Vice President,
Mellon Bank, N.A.
Attorney-In-Fact for
Mellon Bank Corporation
EXHIBIT I

The shares reported on the attached Schedule 13G are beneficially owned by the following direct or indirect subsidiaries of Mellon Bank Corporation, as marked (X):

(A) The Item 3 classification of each of the subsidiaries listed below is "Item 3(b) Bank as defined in Section 3(a)(6) of the Act."

( ) Boston Safe Deposit and Trust Company
( ) Mellon Trust of California
( ) Mellon Trust of New York
(X) Mellon Bank, N.A. (also parent holding company of the Dreyfus Corporation and Mellon Equity Associates)
( ) Mellon Bank (Delaware) National Association
( ) Mellon Bank (MD)
( ) Mellon Trust Florida
( ) Mellon, F.S.B.

(B) The Item 3 classification of each of the subsidiaries listed below is "Item 3(e) Investment Advisor registered under Section 203 of the Investment Advisers Act of 1940."

( ) Franklin Portfolio Associates Trust
( ) Laurel Capital Advisors
( ) Mellon Capital Management Corporation
( ) Mellon Equity Associates
( ) Boston Safe Advisors
( ) The Boston Company Asset Management, Inc.
( ) The Dreyfus Corporation (also parent holding company of Dreyfus Investment Advisors, Inc.)
( ) Dreyfus Investment Advisors, Inc.

(C) The Item 3 classification of each of the legal entities listed below is "Item 3(g) Parent Holdings Company, in accordance with Section 240.13d-I(b)(ii)(G)."

(X) Mellon Bank Corporation
( ) Boston Group Holdings, Inc. (parent holding company of The Boston Company, Inc.)
( ) Mellon Financial Corporation (MD)(parent holding company of Mellon Bank (MD)

NOTE: All of the legal entities listed under (A) and (B) above are direct or indirect subsidiaries of Mellon Bank Corporation. Beneficial ownership of more than five percent of the class by any one of the subsidiaries or intermediate parent holding companies listed above is reported on a joint reporting person page for that subsidiary on the attached Schedule 13G and is incorporated in the total percent of class reported on Mellon Bank Corporation's reporting person page. (Do not add the shares or percent of class reported on each joint reporting person page on the attached Schedule 13G to determine the total percent of class for Mellon Bank Corporation.)