SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Amendment No. 5)

Under the Securities Exchange Act of 1934

GRAY COMMUNICATIONS SYSTEMS, INC.
(Name of Issuer)

Class B Common Stock No Par Value
(Title of Class and Securities)

389198288
(CUSIP Number of Class of Securities)

James E. McKee, Gabelli Funds, Inc.,
One Corporate Center, Rye, NY 10580-1434 (914) 921-5294
(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

December 17, 1996
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule
13G to report the acquisition which is the subject of this State-
ment because of Rule 13d-1(b)(3) or (4), check the following box:

/___/

Check the following box if a fee is being paid with this State-
ment:

/___/

CUSIP No. 002535201 13D

(1) NAMES OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
Gabelli Funds, Inc. I.D. No. 13-3056041

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:
(a) /___/
(b) /___/

(3) SEC USE ONLY

(4) SOURCE OF FUNDS*
OO: Funds of investment company clients

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

(6) CITIZENSHIP OR PLACE OF ORGANIZATION
New York

: (7) SOLE VOTING POWER
: 292,000 (Item 5)

START Paragraph 6

: (8) SHARED VOTING POWER
: None (Item 5)

NUMBER OF SHARES BENEFICIALLY
OWNED BY EACH REPORTING
PERSON WITH

: (9) SOLE DISPOSITIVE
(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
292,000 (Item 5)

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11
EXCLUDES CERTAIN SHARES* / x /

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
8.34%

(14) TYPE OF REPORTING PERSON*
HC, IA, CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 002535201 13D

(1) NAMES OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
GAMCO Investors, Inc. I.D. No. 13-2951242

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:
(a) /___/
(b) /___/

(3) SEC USE ONLY

(4) SOURCE OF FUNDS*
OO: Funds of investment advisory clients

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) / x /

(7) SOLE VOTING POWER
166,200 (Item 5)

(8) SHARED VOTING POWER
None

(9) SOLE DISPOSITIVE
POWER
183,200 (Item 5)

(10) SHARED DISPOSITIVE
POWER
None

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
183,200 (Item 5)

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11
EXCLUDES CERTAIN SHARES* /___/

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
5.24%

(14) TYPE OF REPORTING PERSON*
IA, CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 002535201 13D

(1) NAMES OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
### Gabelli International Limited  I.D. No. Foreign Corporation

#### (2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

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#### (3) SEC USE ONLY

#### (4) SOURCE OF FUNDS*

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#### (5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

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#### (6) CITIZENSHIP OR PLACE OF ORGANIZATION

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<tr>
<td>British Virgin Islands</td>
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#### (7) SOLE VOTING POWER

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<td>90,000  (Item 5)</td>
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#### (8) SHARED VOTING POWER

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<td>None  (Item 5)</td>
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#### (9) SOLE DISPOSITIVE POWER

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<td>90,000  (Item 5)</td>
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#### (10) SHARED DISPOSITIVE POWER

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<td>None  (Item 5)</td>
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#### (11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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<td>90,000  (Item 5)</td>
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#### (12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES CERTAIN SHARES*

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#### (13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11

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<td>2.57%</td>
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#### (14) TYPE OF REPORTING PERSON*

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<td>CO</td>
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*SEE INSTRUCTIONS BEFORE FILLING OUT!

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<table>
<thead>
<tr>
<th>CUSIP No.</th>
<th>002535201</th>
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| (1) NAMES OF REPORTING PERSONS
| S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
| Mario J. Gabelli  I.D. No. ###-###-##### |

#### (2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

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#### (3) SEC USE ONLY

#### (4) SOURCE OF FUNDS*

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#### (5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

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#### (6) CITIZENSHIP OR PLACE OF ORGANIZATION

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<td>USA</td>
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#### (7) SOLE VOTING POWER

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<td>None  (Item 5)</td>
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#### (8) SHARED VOTING POWER

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<td>None</td>
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#### (9) SOLE DISPOSITIVE POWER

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<td>None</td>
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This Amendment No. 5 to Schedule 13D on Gray Communications Systems (the "Issuer") is being filed on behalf of the undersigned to amend the Schedule 13D, as amended (the "Schedule 13D") which was originally filed on September 26, 1996. Unless otherwise indicated, all capitalized terms used herein but not defined herein shall have the same meaning as set forth in the Schedule 13D.

Item 2. Identity and Background
This statement is being filed by Mario J. Gabelli ("Mr. Gabelli") and various entities which he directly or indirectly controls or for which he acts as chief investment officer. These entities, except for Lynch Corporation ("Lynch"), Spinnaker Industries, Incorporated ("Spinnaker"), Western New Mexico Telephone Company ("Western New Mexico"), Entoleter, Inc. ("Entoleter"), Lynch Telecommunications Corporation ("Lynch Telecom"), Lynch Telephone Corporation ("Lynch Telephone") and Inter-Community Telephone Company ("Inter-Community") (collectively, "Lynch and its affiliates") engage in various aspects of the securities business, primarily as investment adviser to various institutional and individual clients, including registered investment companies and pension plans, as broker/dealer and as general partner of various private investment partnerships. Certain of these entities may also make investments for their own accounts.

The foregoing persons in the aggregate often own beneficially more than 5% of a class of equity securities of a particular issuer. Although several of the foregoing persons are treated as institutional investors for purposes of reporting their beneficial ownership on the short-form Schedule 13G, the holdings of those who do not qualify as institutional investors may exceed the 1% threshold presented for filing on Schedule 13D or implementation of their investment philosophy may from time to time require action which could be viewed as not completely passive. In order to avoid any question as to whether their beneficial ownership is being reported on the proper form and in order to provide greater investment flexibility and administrative uniformity, these persons have decided to file their beneficial ownership reports on the more detailed Schedule 13D form rather than on the short-form Schedule 13G and thereby to provide more expansive disclosure than may be necessary.

(a), (b) and (c) - This statement is being filed by one or more of the following persons: Gabelli Funds, Inc. ("GFI"), GAMCO Investors, Inc. ("GAMCO"), Gabelli Securities, Inc. ("GSI"), Gabelli & Company, Inc. ("Gabelli & Company"), Gabelli Performance Partnership L.P. ("GPP"), GLI, Inc. ("GLI"), Gabelli Associates Fund ("Gabelli Associates"), Gabelli Associates Limited ("GAL"), Gabelli & Company, Inc. Profit Sharing Plan (the "Plan"), Gabelli International Limited ("GIL"), Gabelli International II Limited ("GIL II"), Gabelli International Gold Fund Limited ("GIGFL"), ALCE Partners, L.P. ("ALCE"), Gabelli Multimedia Partners, L.P. ("Multimedia Partners"), Gabelli Asset Management Company International Advisory Services Ltd. ("GIASL"), Mr. Gabelli, Lynch, Spinnaker, Western New Mexico, Entoleter, Lynch Telecom, Lynch Telephone and Inter-Community. Those of the foregoing persons signing this Schedule 13D are hereafter referred to as the "Reporting Persons".

GAMCO, a majority owned subsidiary of GFI, is an investment adviser registered under the Investment Advisers Act of 1940, as amended ("Advisers Act"). GAMCO is an investment manager providing discretionary managed account services in the equity area for employee benefit plans, private investors, endowments and foundations.
Gabelli & Company, a wholly-owned subsidiary of GSI, is a broker-dealer registered under the Securities Exchange Act of 1934, as amended ("1934 Act"), which as a part of its business regularly purchases and sells securities for its own account.

GRI, a wholly-owned subsidiary of GSI, is a general partner of G&R Partners, a Delaware partnership ("G&R"), which, in turn, is the general partner of Gabelli-Rosenthal & Partners, L.P., a Delaware limited partnership ("G-R"), whose primary business purpose is to do friendly leveraged buyouts. At the present time, G-R's sole business purpose is to monitor its existing portfolio investments.

Gabelli Associates is a New York limited partnership whose primary business purpose is risk arbitrage investments. GSI and Mr. Gabelli are the general partners of Gabelli Associates.

GAL is a corporation whose primary business purpose is risk arbitrage investments. Shares of GAL's Common Stock will be offered to persons who are neither citizens nor residents of the United States and may be offered to a limited number of U.S. investors. GSI is the investment manager of GAL.

GAL is a corporation whose primary business purpose is risk arbitrage investments. Shares of GAL's Common Stock will be offered to persons who are neither citizens nor residents of the United States and may be offered to a limited number of U.S. investors. GSI is the investment manager of GAL.

GSI, a majority-owned subsidiary of GFI, is a Delaware corporation which as a part of its business regularly purchases and sells securities for its own account. It is the immediate parent of Gabelli & Company.


The Plan, a qualified employee profit sharing plan, covers substantially all employees of GFI and its affiliates.

GPP, a Delaware limited partnership, is a limited partnership whose primary business purpose is investing in securities. Mr. Gabelli is the general partner and chief investment officer of GPP.

GIL is a corporation whose primary business purpose is investing in a portfolio of equity securities and securities convertible into, or exchangeable for, equity securities in order to achieve its investment objective of significant long-term growth of capital. Shares of GIL's common stock are offered to persons who are neither citizens nor residents of the United States and may be offered to a limited number of U.S. investors. The investments of GIL are managed by Mr. Gabelli who is also a director and Chairman of the Board of Directors of GIL.

GIL II is a corporation whose business purpose is investing primarily in a portfolio of equity securities and securities convertible into, or exchangeable for, equity securities in order to achieve its investment objective of significant long-term growth of capital. Shares of GIL II's common stock are offered to persons who are neither citizens nor residents of the United States and may be offered to a limited number of U.S. investors. The investments of GIL II are managed by Mr. Gabelli who is also a director and Chairman of the Board of Directors of GIL II.

ALCE is a Delaware investment limited partnership that seeks long-term capital appreciation primarily through investments in public and private equity securities. GSI is a general partner of ALCE.

Multimedia Partners is a Delaware investment limited partnership whose objective is to provide long-term capital appreciation by investing primarily in public and private multimedia communications companies. GSI is a general partner of Multimedia Partners.

GIASL is a corporation whose primary business purpose is to provide advisory services to offshore funds.

Lynch, an Indiana corporation, is a diversified public company traded on the American Stock Exchange. Its subsidiaries are engaged in communications, services, and manufactured products. Spinnaker, a Delaware subsidiary of Lynch, is also a public company and its stock is traded through the NASDAQ System. Spinnaker is a diversified manufacturing firm with major subsidiaries in specialty adhesive-backed materials business. Another of Lynch's subsidiary-
ies, Western New Mexico, provides telephone services in a service area in Southwestern New Mexico. Inter-Community, which is also a subsidiary of Lynch, provides local telephone services in an area 40 miles west of Fargo, North Dakota. Lynch and Spinnaker actively pursue new business ventures and acquisitions. Lynch and its affiliates make investments in marketable securities to preserve capital and maintain liquidity for financing their business activities and acquisitions (not in the case of Western New Mexico) and are not engaged in the business of investing, reinvesting, or trading in securities. Mr. Gabelli is Chairman of Lynch and owns beneficially 23.52% of the shares of common stock of Lynch.

Mr. Gabelli is the majority stockholder and Chairman of the Board of Directors and Chief Executive Officer of GFI and the Chief Investment Officer for each of the Reporting Persons. GFI, in turn, is the majority stockholder of GAMCO. GFI is also the majority stockholder of GSI. Gabelli & Company is a wholly-owned subsidiary of GSI. GLI is a wholly-owned subsidiary of GSI.

The Reporting Persons do not admit that they constitute a group.

GFI, GAMCO, Gabelli & Company and GLI are New York corporations and GSI is a Delaware corporation, each having its principal business office at One Corporate Center, Rye, New York 10580-1434. GPP is a Delaware limited partnership having its principal business office at 8 Sound Shore Drive, Greenwich, Connecticut 06830. Gabelli Associates is a New York limited partnership having its principal business office at One Corporate Center, Rye, New York 10580-1434. GAI and GIL are corporations organized under the laws of the British Virgin Islands having their principal business office at c/o MeechiPierson (Cayman) Limited, British American Centre, Dr. Roy's Drive-Phase 3, George Town, Grand Cayman, British West Indies. GIL II is a corporation organized under the laws of the British Virgin Islands having their principal business office at c/o Coutts & Company (Cayman) Limited, West Bay Road, Grand Cayman, British West Indies. GIASL is a Bermuda corporation with its principal business office at c/o Appleby, Spurling & Kempe, Cedar House, 41 Cedar Avenue, Hamilton HM12, Bermuda. Lynch is an Indiana corporation having its principal business office at 251 Welton Street, Hamden, CT 06511.

For information required by instruction C to Schedule 13D with respect to the executive officers and directors of the foregoing entities and other related persons (collectively, "Covered Persons"), reference is made to Schedule I annexed hereto and incorporated herein by reference.

(d) and (e) - On December 8, 1994, the SEC instituted and simultaneously accepted offers for the settlement of an administrative proceeding against Gabelli & Company and GAMCO. The order instituting the proceeding included a finding, which Gabelli & Company and GAMCO neither admitted nor denied, that they failed to implement and maintain policies and procedures reasonably designed to prevent the misuse of material, nonpublic information by not specifically addressing the special circumstances that arose from their affiliation with Lynch Corporation, a public company. To resolve this matter, Gabelli & Company and GAMCO agreed to cease and desist from violating Section 15(f) of the 1934 Act and Section 204A of the Advisers Act, respectively. They further agreed to each pay a civil penalty in the amount of $50,000, and to retain, and adopt the recommendations of, an independent consultant regarding their Section 15(f) and Section 204A policies and procedures.

(f) - Reference is made to Schedule I hereto.

Item 3. Source and Amount of Funds or Other Consideration

All Reporting Persons used an aggregate of approximately $622,861 to purchase the additional Securities requiring this Amendment to Schedule 13D. GAMCO and GFI used approximately $467,761 and $155,100 respectively, of funds that were provided through the accounts of certain of their investment advisory clients (and, in the case of some of such accounts at GAMCO, may be through borrowings from client margin accounts) in order to purchase Securities for such clients. GIL used approximately $90,000, respectively, of working capital to purchase the Securities reported by it.

Item 5. Interest In Securities Of The Issuer

Item 5 to Schedule 13D is amended, in pertinent part, as follows:
(a) The aggregate number and percentage of Securities to which this Schedule 13D relates is 565,200 shares, representing 16.15% of the 3,500,000 shares outstanding as reported in the Issuer's most recently filed Form 10-Q for the quarter ended September 30, 1996. The Reporting Persons beneficially own those Securities as follows:

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<th>Name</th>
<th>Shares of</th>
<th>% of</th>
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<td></td>
<td>Class B Common</td>
<td>Class of Common</td>
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<tr>
<th></th>
<th>Shares</th>
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<tr>
<td>GFI:</td>
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<tr>
<td>As Principal</td>
<td>0</td>
<td>0.00%</td>
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<tr>
<td>As Agent</td>
<td>292,000</td>
<td>8.34%</td>
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<tr>
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<th>Shares</th>
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<td>GAMCO:</td>
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<tr>
<td>As Principal</td>
<td>0</td>
<td>0.00%</td>
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<tr>
<td>As Agent</td>
<td>183,200</td>
<td>5.24%</td>
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<tr>
<th></th>
<th>Shares</th>
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<tr>
<td>GIL</td>
<td>90,000</td>
<td>2.57%</td>
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<tr>
<td>Mr. Gabelli</td>
<td>0</td>
<td>0.00%</td>
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Mr. Gabelli is deemed to have beneficial ownership of the Securities owned beneficially by each of the foregoing persons and GFI is deemed to have beneficial ownership of the securities owned beneficially by each of the foregoing persons other than Mr. Gabelli.

(b) Each of the Reporting Persons and Covered Persons has the sole power to vote or direct the vote and sole power to dispose or to direct the disposition of the Securities reported for it, either for its own benefit or for the benefit of its investment clients or its partners, as the case may be, except that GFI has sole dispositive and voting power with respect to the 292,000 shares of the Issuer held by the the Funds, so long as the aggregate voting interest of all joint filers does not exceed 25% of their total voting interest in the Issuer and in that event, the Proxy Voting Committee of each of the Funds shall respectively vote that Fund's shares, and except that, at any time, the Proxy Voting Committee of each such Fund may take and exercise in its sole discretion the entire voting power with respect to the shares held by such Fund under special circumstances such as regulatory considerations, and except that the power of Mr. Gabelli and GFI is indirect with respect to Securities beneficially owned directly by other Reporting Persons.

(c) Information with respect to all transactions in the Securities which were effected during the past sixty days by each of the Reporting Persons and Covered Persons is set forth on Schedule II annexed hereto and incorporated herein by reference.
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.
Dated: December 9, 1996

MARIO J. GABELLI

By:_____________________________
James E. McKee
Attorney-in-Fact

GABELLI FUNDS, INC.

By:_____________________________
James E. McKee
General Counsel

GAMCO INVESTORS, INC.

By:_____________________________
Douglas R. Jamieson
Executive Vice President

GABELLI INTERNATIONAL LIMITED

By:_____________________________
Mario J. Gabelli, Chairman
and Investment Manager
by: James E. McKee
Attorney-in-Fact

Schedule I

Information with Respect to Executive Officers and Directors of the Undersigned

Schedule I to Schedule 13D is amended, in pertinent part, as follows:

The following sets forth as to each of the executive officers and directors of the undersigned: his name; his business address; and his present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted. Unless otherwise specified, the principal employer of each such individual is Gabelli Funds, Inc., Gabelli & Company, Inc., or GAMCO Investors, Inc., the business address of each of which is One Corporate Center, Rye, New York 10580, and each such individual identified below is a citizen of the United States.
To the knowledge of the undersigned, during the last five years, no such person has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), and no such person was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which he was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities law or finding any violation with respect to such laws except as reported in Item 2(d) of this Schedule 13D.
Gabelli Funds, Inc.

Directors:

Mario J. Gabelli*

Richard B. Black Chairman of Raster Image
Processing Systems; Chairman
ECRM; Director of Archetype
and Oak Technology; Director
of The Morgan Group, Inc.;
General Partner of KBA Part-
ners, Parker Plaza
400 Kelby Street,
Fort Lee, NJ 07029

Charles C. Baum Chairman, Director and Chief
Executive Officer of The
Morgan Group, Inc.;
Secretary & Treasurer
United Holdings
2545 Wilkens Avenue
Baltimore, MD 21223

Dr. Eamon M. Kelly President
Tulane University
218 Gibson Hall
6823 St. Charles Avenue
New Orleans, LA 70118

Marc J. Gabelli Vice President

Officers:

Mario J. Gabelli Chairman, Chief Executive
Officer and Chief Investment
Officer

Stephen G. Bondi Vice President - Finance

James E. McKee Vice President, General
Counsel and Secretary

* Mr. Gabelli is the Chairman, Chief Executive Officer and
Chief Investment Officer of Gabelli Funds, Inc. and of GAMCO
Investors, Inc.; Director/Trustee of all registered investment
companies advised by Gabelli Funds, Inc.; Chairman and Chief
Executive Officer of Lynch Corporation; Director of Spinnaker
Industries, Inc.; Director of the Morgan Group, Inc.

GAMCO Investors, Inc.

Directors:

Mario J. Gabelli
Douglas R. Jamieson
Joseph R. Rindler, Jr.
Regina M. Pitaro
F. William Scholz, II

Officers:

Mario J. Gabelli Chairman, Chief Executive
Officer and Chief Investment
Officer

Joseph R. Rindler, Jr. President and Chief Operating
Officer

Douglas R. Jamieson Executive Vice President

Stephen G. Bondi Vice President

James E. McKee Vice President, General
Counsel and Secretary

Gabelli Securities, Inc.

Directors:

Robert W. Blake  
President of W.R. Blake & Sons, Inc.  
196-20 Northern Boulevard  
Flushing, NY  11358

Douglas DeVivo  
General Partner of ALCE Partners, L.P.  
One First Street, Suite 16  
Los Altos, CA  94022

Ronald L. Gallatin  
Consultant  
Gabelli Securities, Inc.  
One Corporate Center  
Rye, NY  10580

Francine Sommer  
Chief Executive Officer of General Partner of Gabelli Multimedia Partners, L.P.  
One Corporate Center  
Rye, NY  10580

Officers:

Stephen G. Bondi  
Vice President

James E. McKee  
Secretary

Gabelli & Company, Inc.

Directors:

James G. Webster, III  
Chairman

Stephen G. Bondi  
See above

Donald C. Jenkins  
Director of Research

Officers:

James G. Webster, III  
Chairman

Stephen G. Bondi  
Vice President

Walter K. Walsh  
Compliance Officer

James E. McKee  
Secretary

GLI, Inc.

Directors:

Mario J. Gabelli  
See above-Gabelli Funds, Inc.

Officers:

Mario J. Gabelli  
Chairman and Chief Investment Officer

Stephen G. Bondi  
Vice President
Gabelli Associates Limited

Directors:

Mario J. Gabelli See above-Gabelli Funds, Inc.

MeesPierson (Cayman) Limited

British American Centre
Dr. Roy's Drive- Phase 3
Georgetown, Grand Cayman
Cayman Islands, British WestIndies

Officers:

Mario J. Gabelli Chief Investment Officer

Kevin Bromley Vice President, Treasurer and Assistant Secretary

Sandra Wight Secretary and Assistant Treasurer

Gabelli International Limited

Directors:

Mario J. Gabelli See above-Gabelli Funds, Inc.

MeesPierson (Cayman) Limited

British American Centre
Dr. Roy's Drive- Phase 3
Georgetown, Grand Cayman
Cayman Islands, British West Indies

Officers:

Kevin Bromley Vice President, Treasurer, and Assistant Secretary

MeesPierson (Cayman) Limited

British American Centre
Dr. Roy's Drive- Phase 3
Georgetown, Grand Cayman
Cayman Islands, British West Indies

Sandra Wight Secretary and Assistant Treasurer

Gabelli Asset Management Company

International Advisory Services Ltd.

Directors:

Marc J. Gabelli See above-Gabelli Funds, Inc.

Stephen G. Bondi See Above-Gabelli Funds, Inc.

Joseph R. Rindler, Jr. See above-GAMCO Investors, Inc.

Michael J. Burns Appleby, Spurling & Kempe
Cedar House
41 Cedar Avenue
Hamilton, HM12
Bermuda

Douglas Molyneux Appleby, Spurling & Kempe
Cedar House
41 Cedar Avenue
Hamilton, HM12
Bermuda

Lynch Corporation
8 Sound Shore Drive
Directors:

Paul J. Evanson                  President
Florida Light & Power Co.
P.O Box 14000
700 Universe Blvd.
Juno Beach, Fl 33408

Morris Berkowitz                Business Consultant
163-43 Willets Point Blvd.
Whitestone, NY 11357

Mario J. Gabelli                See above-Gabelli Funds, Inc.

Paul Woolard                    Business Consultant
116 East 68th Street
New York, NY 10021

E. Val Cerutti                  Business Consultant
Cerutti Consultants
227 McLain Street
Mount Kisco, NY 10549

Ralph R. Papitto                Chairman of the Board
AFC Cable Systems, Inc.
50 Kennedy Plaza
Suite 1250
Providence, RI 02903

Salvatore Muoio

Officers:

Mario J. Gabelli                Chairman and Chief Executive Officer

Joseph H. Epel                  Treasurer

Robert E. Dolan                 Chief Financial Officer

Carmine Ceraolo                Assistant Controller

Robert A. Hurwich               Vice President-Administration,
Secretary and General Counsel

Spinnaker Industries, Inc.
600 N. Pearl Street
Suite 2160
Dallas, TX 75201

Directors:

Joseph P. Rhein                 5003 Central Avenue
Ocean City, NJ 08226

Richard J. Boyle                The Boyle Group, Inc.
6110 Blue Circle Drive
Suite 250
Minnetonka, MN 55343

Ned N. Fleming, III             Boyle, Fleming,
George & Co., Inc.
600 N. Pearl Street
Suite 2160
Dallas, TX 75201

Mario J. Gabelli                See above-Gabelli Funds, Inc.

Robert E. Dolan                 See above Lynch Corporation

Anthonie C. van Ekris           Chairman and Chief
Executive Officer
Balmac International, Inc.
61 Broadway
Suite 1900
New York, NY  10006

Officers:

James W. Toman        Controller
Ned N. Fleming, III    President
Richard J. Boyle       Chairman and
                        Chief Executive Officer
Robert A. Hurwich      Secretary
Mark A. Matteson       Vice President, Corporate
                        Development

Entoleter, Inc.
251 Welton Street
Hamden, CT  06517

Directors:

Ned N. Fleming, III    See above-Spinnaker
Mark A. Matteson       See above-Spinnaker
James W. Toman         See above-Spinnaker
Robert P. Wentzel      See above Entoleter
James Fleming          230 Saugatuck Avenue, Unit 8
                        Westport, CT  06880

Officers:

James W. Toman        Chief Financial Officer
                        and Secretary
Robert P. Wentzel     President
Anthony R. Massaro    Vice President-Manufacturing
Western New Mexico Telephone Company
314 Yankee Street
Silver City, NM  88062

Directors:

Jack C. Keen  Chairman
Jack W. Keen  President
Dr. Brian E. Gordon  Vice President
Mary Beth Baxter  Secretary & Treasurer
Robert E. Dolan  See above-Lynch Corporation
Robert A. Hurwich  See above-Lynch Corporation
Carmine Ceraolo  See above-Lynch Corporation

Officers:

Jack C. Keen  Chairman of the Board
Jack W. Keen  President
Jack L. Bentley  Executive Vice President
Dr. Brian E. Gordon  Vice President
Charles M. Baxter  Sr. Vice President-Operations
Mary Beth Baxter  Secretary & Treasurer
Robert A. Hurwich  Assistant Treasurer

Inter-Community Telephone Company
P.O. Box A
Nome, ND  58062

Directors:

Mary J. Carroll  See above-Lynch Corporation
Carmine P. Ceraolo  See above-Lynch Corporation
Robert E. Dolan  See above-Lynch Corporation
Joseph H. Epel  See above-Lynch Corporation
Robert A. Hurwich  See above-Lynch Corporation
Leone A. Nilsen  President
Roger J. Nilsen  P.O. Box 146
                Hannaford, ND 58448
Duane A. Plecity  Secretary
Harry B. Snyder  P.O. Box 131
                Buffalo, ND  58011
Robert Snyder  200 Broadway South
               Buffalo, ND  58011

Officers:

Leone A. Nilsen  President
Robert Snyder  Vice President
Duane A. Plecity  Secretary
Harry B. Snyder  Treasurer
Joseph H. Epel  Assistant Treasurer
Lynch Telecommunications Corporation
8 Sound Shore Drive
Greenwich, CT 06830

Directors:

Richard A. Kiesling
2801 International Lane
Suite 207
Madison, WI 53740

Jack C. Keen
See above-Western New Mexico Telephone Company

Robert A. Snyder
See above-Inter-Community Telephone Company

Officers:

Robert A. Hurwich Secretary
Mary Beth Baxter Treasurer and Assistant Secretary
Robert E. Dolan Controller

Lynch Telephone Corporation
8 Sound Shore Drive
Greenwich, CT 06830

Directors:

Robert E. Dolan Controller
Jack C. Keen Chairman

Officers:

Jack C. Keen Chairman
Jack W. Keen President
Robert A. Hurwich Secretary
Mary Beth Baxter Treasurer and Assistant Secretary
Robert E. Dolan Controller
### SCHEDULE II

**INFORMATION WITH RESPECT TO**

**TRANSACTIONS EFFECTED DURING THE PAST SIXTY DAYS OR**

**SINCE THE MOST RECENT FILING ON SCHEDULE 13D (1)**

<table>
<thead>
<tr>
<th>DATE</th>
<th>SHARES PURCHASED</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SOLD(-)</td>
<td>PRICE(2)</td>
</tr>
</tbody>
</table>

**COMMON STOCK-GRAY COMM SYS CLA B**

- **GABELLI FUNDS, INC.**
  - **THE GABELLI SMALL CAP GROWTH FUND**
    - 12/16/96  10,000  15.5100

- **GAMCO INVESTORS, INC.**
  - 12/17/96  8,500  15.2279
  - 12/16/96  21,000  15.3607
  - 12/12/96  1,000  15.7500

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(1) UNLESS OTHERWISE INDICATED, ALL TRANSACTIONS WERE EFFECTED ON THE NY STOCK EXCHANGE.

(2) PRICE EXCLUDES COMMISSION.