

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Amendment No. 1)

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)

389190208  
(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)

October 8, 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\*  
00: 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

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH  
: (7) SOLE VOTING POWER  
: 253,000 (Item 5)  
:  
: (8) SHARED VOTING POWER  
: None (Item 5)  
:  
: (9) SOLE DISPOSITIVE POWER

: 253,000 (Item 5)  
:  
:(10) SHARED DISPOSITIVE  
: POWER  
: None (Item 5)

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
253,000 (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  
7.22%

(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\*  
00: Funds of investment advisory clients

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

(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH  
: (7) SOLE VOTING POWER  
: 63,000 (Item 5)  
:  
: (8) SHARED VOTING POWER  
: None  
:  
: (9) SOLE DISPOSITIVE  
: POWER  
: 63,000 (Item 5)  
:  
: (10) SHARED DISPOSITIVE  
: POWER  
: None

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
63,000 (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  
1.80%

(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:

(a) /  /

(b) /  /

(3) SEC USE ONLY

(4) SOURCE OF FUNDS\*  
WC

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

(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
British Virgin Islands

	:	(7) SOLE VOTING POWER
	:	90,000 (Item 5)
	:	
	:	(8) SHARED VOTING POWER
	:	None (Item 5)
	:	
NUMBER OF SHARES BENEFICIALLY	:	(9) SOLE DISPOSITIVE
OWNED BY EACH REPORTING	:	POWER
PERSON WITH	:	90,000 (Item 5)
	:	
	:	(10) SHARED DISPOSITIVE
	:	POWER
	:	None (Item 5)

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
90,000 (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  
2.57%

(14) TYPE OF REPORTING PERSON\*  
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  
Mario J. Gabelli I.D. No. ###-##-####

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

(a) /  /

(b) /  /

(3) SEC USE ONLY

(4) SOURCE OF FUNDS\*  
None

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

(6) CITIZENSHIP OR PLACE OF ORGANIZATION  
USA

	:	(7) SOLE VOTING POWER
	:	None (Item 5)
	:	
	:	(8) SHARED VOTING POWER
	:	None
	:	
NUMBER OF SHARES BENEFICIALLY	:	(9) SOLE DISPOSITIVE
OWNED BY EACH REPORTING	:	POWER
PERSON WITH	:	None (Item 5)

:  
:(10) SHARED DISPOSITIVE  
: POWER  
: None

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
None (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  
0.00%

(14) TYPE OF REPORTING PERSON\*  
IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

Item 1. Security and Issuer

This Amendment No. 1 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.

GLI, 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.

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.

GFI is the ultimate parent company for a variety of companies engaged in the securities business, each of which is named above. In addition, GFI is an investment adviser registered under the Advisers Act. GFI is an investment adviser which presently provides discretionary managed account services for The Gabelli Equity Trust Inc., The Gabelli Asset Fund, The Gabelli Growth Fund, The Gabelli Convertible Securities Fund, Inc., The Gabelli Value Fund Inc., The Gabelli Small Cap Growth Fund, The Gabelli Equity Income Fund, The Gabelli ABC Fund, The Gabelli Global Telecommunications Fund, Gabelli Gold Fund, Inc., The Gabelli Global Multimedia Trust Inc., The Gabelli Global Convertible Securities Fund, Gabelli Capital Asset Fund, Gabelli International Growth Fund, Inc. and The Gabelli Global Interactive Couch Potato Fund (collectively, the "Funds"), which are registered investment companies.

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 subsidiar-

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. GAL and GIL are corporations organized under the laws of the British Virgin Islands having their principal business office at c/o MeesPierson (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 8 Sound Shore Drive, Greenwich, CT 06830. Spinnaker is a Delaware 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.

On December 13, 1991, the Virginia State Corporation Commission entered an order of settlement in final disposition of matters arising from an allegation that GAMCO had transacted business in Virginia as an investment adviser without having been registered as such under Virginia Code Section 13.1-504A or an exemption therefrom. GAMCO consented to the entry of the order without admitting or denying the allegation and without a hearing. The terms of the order provide that GAMCO would pay a fine and costs totalling fifty-five thousand dollars and would not transact business in Virginia as an investment adviser unless it was registered as such under section 13.1-504A or was exempt from registration.

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

### Item 3. Source and Amount of Funds or Other Consideration

Item 3 to Schedule 13D is amended, in pertinent part, as follows:

All Reporting Persons used an aggregate of approximately \$266,900 to purchase the additional Securities requiring this

Amendment to Schedule 13D. GAMCO and GFI used approximately \$209,000 and \$57,900, 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 the Securities for such clients.

Item 5. Interest In Securities Of The Issuer

(a) The aggregate number and percentage of Securities to which this Schedule 13D relates is 406,000 shares, representing 11.60% of the 3,500,000 shares outstanding as reported by the Issuer. The Reporting Persons beneficially own those Securities as follows:

Name	Shares of Class A Common Stock	% of Class of Common
GFI:		
As Principal	0	0.00%
As Agent	253,000	7.22%
GAMCO:		
As Principal	0	0.00%
As Agent	63,000	1.80%
GIL	90,000	2.57%
Mr. Gabelli	0	0.00%

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 253,000 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: October 7, 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

---

\* 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.

Stephen G. Bondi  
Vice President - Finance

James E. McKee  
Vice President, General  
Counsel and Secretary

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  
Assistant Secretary  
MeesPierson (Cayman) Limited  
British American Centre  
Dr. Roy's Drive- Phase 3  
Georgetown, Grand Cayman  
Cayman Islands, British West Indies

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  
Greenwich, CT 06830

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	Vice President Lazard Freres & Co. L.L.C. One Rockefeller Plaza New York, NY 10020-2327

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
Robert A. Hurwich	Assistant Secretary

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)

	DATE	SHARES PURCHASED SOLD(-)	AVERAGE PRICE(2)
COMMON STOCK-GRAY COMM SYS CLA B			
GABELLI FUNDS, INC.			
	10/08/96	3,000	19.3000
GAMCO INVESTORS, INC.			
	10/08/96	2,700	18.9537
	10/07/96	8,300	19.0151

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

(2) PRICE EXCLUDES COMMISSION.