

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. ____)

Vtel Corporation
(Name of Issuer)

Common Stock
(Title of Class of Securities)

918333105
(CUSIP Number)

Check the following box if a fee / X /
is being paid with this statement

(A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") of otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

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Cusip No. 918333105 13G Page 2 of 4 Pages

1. NAME OF REPORTING PERSON
S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
OppenheimerFunds, Inc.

I.R.S. NO. 13-2527171

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP *

A / /

B / X /

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Colorado

NUMBER OF 5. SOLE VOTING POWER
SHARES 0
BENEFICIALLY -----

OWNED BY EACH REPORTING PERSON WITH

6. SHARED VOTING POWER
0

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
881,400

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
881,400

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
6.55%

12. TYPE OF REPORTING PERSON
IA

* SEE INSTRUCTIONS BEFORE FILLING OUT!

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Schedule 13G
Under the Securities Exchange Act of 1934

Check the following box if a fee is being paid with this statement / X /

- Item 1(a) Name of Issuer:
Vtel Corporation
- Item 1(b) Address of Issuer's Principal Executive Offices:
108 Wild Basin Road
Austin, TX 78746
- Item 2(a) Name of Person Filing:
OppenheimerFunds, Inc.
- Item 2(b) Address of Principal Business Office:
Two World Trade Center, Suite 3400
New York, New York 10048-0203
- Item 2(c) Citizenship:
Inapplicable
- Item 2(d) Title of Class of Securities:
Common Stock
- Item 2(e) CUSIP Number:
918333105
- Item 3(e) Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940
- Item 4(a) Amount Beneficially Owned: 881,400 shares
- Item 4(b) Percent of Class: 6.55%
- Item 4(c) (i) Sole Power to vote or to direct the vote - 0
- Item 4(c) (ii) Shared power to vote or to direct the vote - 0
- Item 4(c) (iii) Sole power to dispose or to direct the disposition of - 0
- Item 4(c) (iv) Shared power to dispose or to direct the disposition of - 881,400 shares
- Item 5 Ownership to 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 5% of the class of securities, check the following:

Item 6 Ownership of More than Five Percent on Behalf of
Another Person:
Inapplicable

Item 7 Identification and Classification of the Subsidiary
Which Acquired the Security Being Reported on By the
Parent Holding Company:
Inapplicable

Item 8 Identification and Classification of Members of the
Group:
Inapplicable

Item 9 Notice of Dissolution of Group:
Inapplicable

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 purpose 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.

Date: February 9, 1996

Signature: /s/ Merryl Hoffman

Name/Title: Merryl Hoffman, Vice President