

# Big piece falls out of NBC-RKO deal

## 'NO SALE' OF KTVU MAY AFFECT MULTIMILLION TRANSACTIONS

The first crack in the pyramid of station sales and exchanges involving NBC and RKO General appeared last week when the owners of KTVU (TV) San Francisco called off their deal to sell the vhf independent to the network.

The decision will become formally known today (Oct. 30) when the FCC is informed that the \$7.5 million contract has been allowed to terminate. Originally the KTVU-NBC contract ran to Aug. 24, but this was extended last summer to Oct. 30.

Collapse of the San Francisco purchase also stymies RKO General's \$11.5 million contract to buy NBC's WRC-AM-FM-TV Washington, it is understood. This is because the network's sale of its Washington facilities is contingent on its purchase of the San Francisco outlet.

The San Francisco and Washington sales are part of an estimated \$40 mil-

lion transfer and exchange compact between NBC and RKO General which also includes the exchange of NBC's Philadelphia stations (WRCV-AM-TV) for RKO General's Boston facilities (WNAC-AM-FM-TV).

The termination of the NBC-KTVU sales agreement is not believed to have any effect on the basic Philadelphia-Boston transfers.

Although no comment was forthcoming from NBC with regard to the KTVU purchase termination, the network may be presumed to be still interested in acquiring a tv outlet in San Francisco or in some other city. Failing that, NBC presumably will not dispose of its Washington stations.

This is based on the belief that NBC will not settle for less than the maximum five vhf tv stations permitted under FCC regulation.

**Must Sell** ■ The network is under a federal court order to dispose of its

ownership in the Philadelphia stations. This came after it signed a consent order agreeing to a Dept. of Justice antitrust complaint questioning its methods in acquiring the Philadelphia properties. NBC bought the WRCV stations (then KYW and WPTZ [TV]) from Westinghouse in 1956. The transaction involved the trading of Westinghouse's Philadelphia stations for NBC's Cleveland stations (WTAM-AM-FM and WNBK [TV]). The network also paid Westinghouse \$3 million.

The Justice Dept. charged that the network forced Westinghouse to agree to the transaction by threatening to deprive WBC of NBC affiliations.

Westinghouse itself bought WPTZ from Philco Corp. in 1953 for \$8.5 million.

Under the terms of the FCC's duopoly regulations, which prohibit one company from owning more than one group of broadcast facilities in the same city, RKO General had contracted to sell its WGMS-AM-FM Washington to Crowell-Collier for \$1.5 million following successful approval of the WRC stations' acquisition. Both Crowell-Collier and RKO General mutually agreed to terminate this contract earlier this year.

**Stock Exchange** ■ The San Francisco transaction was based on an exchange of RCA stock for the ch. 2 outlet. The stock, at the time of the signing of the agreement was selling for \$62 per share; RCA common closed on the New York Stock Exchange last Thursday at \$51½.

KTVU is owned by a group of former RKO General executives, including Ward D. Ingram & William D. Pabst. The station is assigned to Oakland, Calif.; across the bay in San Francisco there are the ABC-owned KGO-TV, the Westinghouse-owned KPIX (TV), affiliated with CBS, and the *San Francisco Chronicle's* KRON-TV, affiliated with NBC.

Adding complexity to the manifold transfers are the objections of KRON-TV and Westinghouse to elements of the transactions: KRON-TV, the existing NBC-TV affiliate in San Francisco, has filed an antitrust suit against NBC in the matter and has filed an application for ch. 4 in Washington—the same facility now occupied by NBC's WRC-TV. Westinghouse, the NBC affiliate in Boston, has objected to the exchange of NBC and RKO General stations. Philco, immured in antitrust litigation with RCA, has filed a formal application for



### Smiling camel jockey sees family on tv

Camel driver, Bashir Ahmed, while a guest in the U. S. of Vice President Lyndon B. Johnson, was given a tv "reunion" with his family in Pakistan Oct. 21 through CBS News facilities. CBS invited Mr. Ahmed to a New York screening room to see films of his wife, children and his camel that had been taken by a CBS News stringer just 48 hours earlier at his home in Karachi. Portions of the film footage were shown on CBS-TV newscasts.

At the same time, Mr. Bashir was interviewed by CBS newsmen Kevin Delaney (l above) for showing that evening on a local newscast. Vice President Johnson has asked for a print of the filmed interview, and at the request of the American Embassy at Karachi, another print will be sent there so that his countrymen can see him on his U. S. visit. Surprised at tv's capabilities, Mr. Bashir asked through his interpreter at the interview: "Why can't I talk to my family?"