

rulemaking that would permit daytime radio stations to go on the air before sunrise has been outstanding since November 1962. Part of the difficulty involves treaty provisions that ban pre-sunrise operation by daytimers on regional channels, which are occupied by foreign as well as U. S. stations. However, talks aimed at resolving this problem are proceeding.

Higher power for clear channel stations. The commission has indicated interest in permitting some or all of the stations operating on unduplicated clear channels to operate experimentally with more than the present 50 kw limit. The commission staff is now preparing criteria that stations would be required to meet to qualify for a higher-power authorization.

WGN Inc. buying VHF in Denver

\$3.5 million purchase of KCTO(TV) from McCaw must clear new FCC policy on ownership

The sale of KCTO(TV) Denver to WGN Inc. (*Chicago Tribune*) for \$3.5 million is scheduled to be announced this week.

The purchase of the channel 2 independent in a four-station VHF market from J. Elroy McCaw, subject to FCC approval, came after two years of negotiations. It marks the second TV expansion by WGN Inc. in the last five years. In 1960, WGN Inc. bought KDAL-AM-TV Duluth, Minn. (Superior, Wis.) for \$3.3 million.

It also marks the first challenge of the FCC's interim policy on VHF station ownership in the top 50 markets. Late in 1964 the FCC proposed a policy, which it adopted on an interim basis, prohibiting any entity already owning two VHF stations in any of the top 50 markets from acquiring a third in those markets without a hearing. The policy provides, however, for a waiver if good cause is shown for the acquisition.

WGN Inc., which owns WGN-TV in its home city of Chicago, is allied in ownership (through the McCormick-Patterson families) with independent WPIX (TV) New York, owned by the *New York Daily News*. Denver is considered the 47th city in the top-50 list.

Mr. McCaw has owned KCTO since 1955 when he bought the then three-year old KFEL-TV from the late Eugene O'Fallon for \$700,000, including \$300,000 in obligations. In that same year,

Urban-suburban issue. Because of a reversal by the U. S. Court of Appeals in a case involving its allocations policy, the commission is concerned with the adequacy of its standards for determining when an applicant for an AM station in a suburban community intends to serve that community—or the neighboring big city. An oral argument on the issue, which the commission says is of "fundamental" importance, is scheduled for Oct. 1. Parties in three comparative hearings involving AM assignments in heavily urbanized areas—Pittsburgh, Southern California and northern New Jersey—will participate. The commission hopes the argument will help it establish criteria for defining "community" that will stand up in court (BROADCASTING, July 12).

Founders' Corp. (Richard Shaheen) exercised an option to acquire 50% interest in the Denver station by paying half of the purchase price and assuming 50% of the obligations. Four years later, however, Mr. McCaw bought back this half interest for \$150,000. Until 1959, the station's call letters were KTVR(TV).

Mr. McCaw continues to own KTVW (TV) Tacoma-Seattle, 45% of KIXI-AM-FM Seattle and 50% of KELA Centralia, all Washington. He also has interests in a number of community antenna systems, including Sterling Information Services, a wired-TV service in New York which holds one of the two authorizations by the city for CATV there.

Negotiations with Mr. McCaw were carried on by Ward Quaal, president and general manager of WGN Inc. In addition to its TV station in Chicago, WGN Inc. also owns the 50-kw clear channel WGN there (on 720 kc). WGN Inc. also operates a CATV system in Houghton, Mich. WGN-TV, on channel 9, is independent; KDAL-TV on channel 3 in Duluth is affiliated with CBS-TV.

Other Denver stations are KBTW(TV) on channel 9, owned by John C. Mullins; KLZ-TV, on channel 7, owned by Time-Life Broadcast Inc.; KOA-TV, on channel 4, owned by a local group headed by William C. Grant, and educational, non-commercial KRMA-TV, on channel 6.

Rochester applicants offer merger plan

Three of the 11 applicants seeking channel 13 in Rochester, N. Y., have informed the FCC of a plan to conclude the drawn-out proceeding and provide the city with a full-time educational as well as a new commercial service.

A key element in the plan, as reported to the FCC last week, calls for Rochester Area Educational Television Association to withdraw from the channel 13 contest and to apply for a Rochester educational channel instead.

A second element is that the three parties have agreed to merge their applications into one, and to contribute \$75,000 to RAETA for the establishment of a station on the educational channel.

The three parties, Flower City TV Corp., Genesee Valley TV Co. Inc. and Community Broadcasting Inc. also said they will invite the remaining applicants to join the merged application.

Those remaining applicants that join in the merged application would bear a proportionate part of the cost of the \$75,000 contribution, as well as of other costs in prosecuting the application.

Interim Operation ■ The channel 13 applicants are presently providing Rochester with television service on WOXR (TV), an interim operation they have conducted jointly since 1962.

The only part of the plan completed thus far is the agreement of Flower, Genesee and Community to merge. But the three told the commission that talks with RAETA have resulted in "reasonable assurance" that the applicant would withdraw from the channel 13 contest in favor of seeking the educational outlet.

RAETA has been linked with Rochester Telecasters Inc. in a shared-time application, which won the approval or a hearing examiner in the initial decision in January 1964 (BROADCASTING, Feb. 3, 1964).

However, the commission last May sent the case back to hearing for a determination of whether alternative means are available for broadcasting the kind of program RAETA proposes to carry (BROADCASTING, May 17). The commission also wants a closer look at whether Rochester Telecasters Inc. on a part-time basis, could provide an effectively competitive outlet for ABC. CBS and NBC have full-time VHF affiliates in Rochester.

Additional Talks Needed ■ The three parties, noting that additional negotiations are required, said they were not yet seeking FCC approval of the agreement. But in proceeding with the