

erson Standard Broadcasting, said is that the FCC's duopoly regulation was broadened in 1964 to prohibit common ownership of two broadcast stations whose grade B signals overlap. The WBTW-WBTW overlap consists of 1,250 square miles, Mr. Crutchfield noted, but under a grandfather clause in the rule, Jefferson Standard Broadcasting was not required to sell off a station. The rule, however, prohibits both stations from improving their signal. Under separate ownership each will be permitted to do so, Mr. Crutchfield said.

The Charlotte-based company put WBTW on the air in 1954. The company is owned by the Jefferson Life Insurance Co. which is also the parent of WBIG Greensboro, N. C. Broker was Howard E. Stark.

KVII-TV, on channel 7 with ABC affiliation, was sold by John B. Walton Jr. to Stanley Marsh III and family. The Marshes Amarillo residents, are engaged in the oil, gas, banking and cattle business.

Mr. Walton will continue to own KVII-AM-FM Amarillo, KVKM-TV Monahans, KERP-TV El Paso and KCUL-AM-FM Fort Worth, all Texas; KAVE-TV Carlsbad and KVOD Albuquerque, both New Mexico, and KFIF Tucson, Ariz. Broker was Edwin Tornberg & Co.

The squeeze on Overmyer

Withdrawal from Dallas TV contest latest chapter in tale of tight money

D. H. Overmyer Communications Co., which once loomed as a potential major force in UHF television, has bowed out of a contest for channel 27 in Dallas. The FCC last week dismissed the Overmyer application at the applicant's request.

The action is one of the final steps in the abandonment of plans that once included the operation of a fourth network and the operation of UHF stations in seven major markets—an abandonment, papers on file at the commission relate, that stems from financial difficulties of the warehousing business that was to have supported the television enterprise.

The commission is expected to act soon on applications for transfer of 80% of each of five Overmyer-owned corporations holding CP's to U. S. Communications Corp., a new subsidiary of AVC Corp., the former American Viscose Corp. (BROADCASTING, June 19). The

permits are for KEMO-TV San Francisco, WECO-TV Pittsburgh, KJDO-TV Rosenberg (Houston), Tex.; WBMO-TV Atlanta; and WSCO-TV Newport, Ky. (Cincinnati).

One Survivor ■ Overmyer is retaining WDHO-TV (ch. 24) Toledo, Ohio, its lone operating station. It went on the air 17 months ago.

Overmyer's financial difficulties began surfacing almost a year ago, when the company was reported searching for financial help for its Overmyer Network (CLOSED CIRCUIT, Jan. 2). The need resulted in the transfer of 80% of the network—in a transaction in which no money changed hands—to a group of wealthy western businessmen (BROADCASTING, March 13). The network as renamed United, limped on to an early death in June (BROADCASTING, June 6). However, it is now attempting a revival under new management.

The proposed transfer, as outlined in the applications, involves a complicated and unusual transaction. The \$1 million announced as the purchase price for the 80% has already been paid, although the applications state that transfer of control of the companies will not occur until commission approval is given and that the money will be refunded if the transfer is not consummated. The \$1 million is said to represent the Overmyer out-of-pocket costs.

The agreement also provides for two AVC loans of \$1.5 million each to Overmyer interests; one was made on May 3, the other is to be made on closing of the transfer. Under a third element of the agreement, AVC is given an option to acquire the remaining 20% in the Overmyer companies. The price is not fixed but would be set under a complicated formula, and would not in any case exceed \$3 million. The loans secured by mortgages on the Overmyer warehouse properties, are repayable with interest in the event AVC doesn't exercise the option.

FCC lets UMC return Jacksonville U grant

Channel 47 in Jacksonville, Fla. is up for grabs as a result of FCC action last week. In an unusual action the commission acceded to UMC Broadcasting Corp.'s petition for reconsideration of a prior FCC grant awarding UMC a construction permit for the facility.

UMC received the grant in July with the reservation that the application was subject to "whatever action the commission may deem appropriate" as a result of federal indictments pending against principals of UMC's parent company (BROADCASTING, July 17). UMC is 90% owned by Universal Marion Corp., headed by financier Louis E. Wolfson. Elkin B. Gerbert is

executive vice president and treasurer of the parent corporation. Both were cited in federal court on 19 counts for illegally selling in 1962 \$3.5 million of unregistered stock in Continental Enterprises Inc., movie theater operators. Mr. Wolfson was former head of Continental; Mr. Gerbert is director and vice president of the company. Both are also cited in another indictment for allegedly conspiring to defraud stockholders in a Wolfson-controlled industrial firm, Merritt-Chapman & Scott Corp.

In August UMC petitioned the commission for reconsideration of the Jacksonville grant because of what it said were impending ownership changes to be made in UMC's co-pending applications for other UHF facilities. UMC currently has applications for channel 27 Tallahassee and channel 53 West Palm Beach, both Florida. Last week the commission granted the reconsideration petition, and returned the UMC application to the commission's processing line.

On Sept. 30 Messrs. Wolfson and Gerbert were convicted on all 19 illegal stock-sale charges.

CPB has one more Hill step

House passes conference compromise, Senate should act this week

The administration's Public Broadcasting Act of 1967 cleared its last substantial congressional hurdle last week and was poised for one last action before being cleared for the President's signature. Conferees met last Tuesday (Oct. 17) and agreed on a final reconciliation of differences between the House and Senate versions of the legislation. On Thursday (Oct. 19) the House approved the conference's amended bill.

All that remained was Senate approval, which is expected possibly by the end of this week.

No difficulty is expected for the bill, which will for the first time make federal money available for noncommercial-educational program development through a newly established Corp. for Public Broadcasting.

Next step after the President signs the measure into law will be the appointment of CPB's 14 directors and a chairman.

The conference dropped the Senate's change to limit the number of presidential appointments to nine, with those nine choosing the other six. The con-