

Capcities buys 9 Triangle outlets \$100-million deal forces sell-off of some properties

In one of highest-priced station purchases in broadcasting history, Capital Cities Broadcasting Corp., New York, agreed last Friday (Feb. 13) to buy cornerstone properties of Philadelphia-based Triangle Publications Inc. for reported \$100 million in cash and notes. Stations are WFIL-AM-FM-TV Philadelphia, WNHC-AM-FM-TV New Haven-Hartford, Conn., and KFRE-AM-FM-TV Fresno, Calif. Also in sale is Triangle's program-syndication division.

Before submitting transactions for FCC approval, Capital Cities will have to sell off two of five VHF-TV stations it already owns to comply with FCC's multiple-ownership limits. Acquisition of KFRE-TV Fresno would give Capital Cities its first U. Similarly it will have to dispose of two AM's and one FM. Last week, in anticipation of Triangle deal, it cancelled pending contract to purchase WRCP-AM-FM Philadelphia from Rust Craft for \$1.5 million.

Triangle is owned by Walter H. Annenberg, now U.S. ambassador to Great Britain, and family. Few months ago Mr. Annenburg sold his *Philadelphia Inquirer* and *Daily News* to Knight Newspapers for reported \$55 million. He retains ownership of *TV Guide*; *Seventeen Magazine*; *Morning Telegraph*; *Daily Racing Form*; WFBG-AM-FM-TV Altoona, and WLYH-TV Lebanon, both Pennsylvania. Presumably remaining broadcast properties will be sold to other buyers.

Capital Cities, publicly traded on New York Stock Exchange (see stock index, page 74), owns WROW-AM-FM and WTEN(TV) Albany, N. Y.; WKBW-TV Buffalo, N. Y.; WTVY(TV) Durham, N. C.; WPRO-AM-FM Providence, R. I.; WPAT-AM-FM Paterson, N.J.; WSAZ-AM-TV Huntington, W. Va.; KTRK-TV Houston; WJR-AM-FM Detroit, and KPOL-AM-FM Los Angeles. It also owns Fairchild Publications and Pontiac Press.

It was speculated that one V Capcities might consider selling is WTEN Albany. There is said to be some overlap in its signal and that of Triangle's WNHC-TV New Haven. Other V figuring in speculation is WTVY Durham, smallest TV market in Capcities' portfolio.

Boards of Capital Cities and Triangle approved transactions late Friday. Sources close to seller said deal was made suddenly. Mr. Annenberg was represented as having decided to dispose of properties he cannot personally super-

vised while serving in his post in London.

Capcities' president and chairman is Thomas S. Murphy. One prominent stockholder is Lowell Thomas, veteran commentator. Company's officers have strong Republican ties through such figures as Thomas E. Dewey, neighbor of Mr. Thomas.

WFIL-TV is on channel 6 and is affiliated with ABC-TV. WFIL(AM) operates on 560 kc with 5 kw full time; its sister WFIL-FM is on 102.1 mc using 27 kw horizontal and 25.5 kw vertical.

WNHC-TV operates on channel 8 and is also affiliated with ABC-TV. WNHC(AM) operates on 1340 kc with 1 kw days and 250 w nights. WNHC-FM is on 99.1 mc with 10 kw.

KFRE-TV is on channel 30, and is affiliated with CBS-TV. KFRE(AM) is on 940 kc with 50 kw, and is also affiliated with CBS. KFRE-FM is on 93.7 mc with 68 kw.

FCC's life line

FCC is preparing to issue new schedule of fees that would bring in enough revenue to make agency self supporting. Collections are intended to total some \$25 million a year. They are now running \$4.5 million.

That word was given California Broadcasters Association at Palm Springs meeting last Friday (Feb. 13) by FCC Chairman Dean Burch. Though he gave no details, he said proposal could be voted out as rulemaking as early as this week. Commission worked on draft at its regular meeting last Wednesday.

For first time, principle of broadcast license fees would be established, with annual payments scaled according to

'Frito Bandito' yanked

Three TV networks were notified last Friday (Feb. 13) by Foote, Cone & Belding, New York, that "Frito Bandito" campaign for Fritos corn chips will be replaced with alternate campaign because of opposition by certain leaders of Mexican-American organizations. Groups claimed commercials were derogatory and at one time, considered seeking relief from FCC under fairness doctrine (BROADCASTING, Dec. 15, 1969). FC&B letter said decision to develop new campaign had been reached several months ago.

station's rate card. Fees for station transfers would be based on sale price.

Chairman Burch, in far-ranging question-and-answer session before first midwinter meeting of CBA, also noted that proposals on one-to-a-customer station ownership and limits on network ownership to 50% of their prime-time programming would come before commission next month and could have far-reaching implications.

On controversy over subpoena of radio-TV and press material, Chairman Burch said Attorney General John Mitchell took "politic" step in backing away from issue. But over-all, he feels that subpoena question must be answered on case-by-case basis.

KNBC-TV fight over?

NBC and Voice of Los Angeles have reached agreement to end comparative proceeding in which Voice is seeking to replace NBC as licensee of Los Angeles channel 4 (KNBC-TV) ("Closed Circuit," Feb. 2).

However, implementation of agreement hinges on commission approval of NBC reimbursing Voice \$102,460—total of costs and expenses Voice says it incurred thus far in contest which has not yet reached hearing stage.

Competing applicants, in petitioning commission Friday (Feb. 13) for approval of agreement, said that Voice is seeking to withdraw because it feels that policy commission said last month it would follow in comparative cases involving renewal applicants had adversely affected its chances of success.

Statement asserted that, in comparative hearing in which renewal applicant is being challenged, commission would favor incumbent if its program service during preceding license period "has been substantially attuned to meeting the needs and interests of its area..." (BROADCASTING, Jan. 19).

Voice's reasons for wishing to withdraw are critical, since commission, in policy statement, said it would permit reimbursement like that involved in NBC-Voice agreement only in "extraordinary circumstances." Voice, composed principally of Los Angeles-area business and professional men, based its hopes for success on several commission rulings culminating in landmark WHDH-TV Boston decision in January 1968, according to petition. Voice filed its application in February 1969 (BROADCASTING, Feb. 10, 1969).

Voice was said to have believed that two most important factors in hearing would be diversity of ownership of broadcast media and integration of