



Henry

million merger of Combined Communications Corp. into Gannett, would give Philadelphia-based, black-owned BEN its first television station (it now owns four AM's, one FM and a minority interest in another FM) and clear the way for Gannett to acquire CCC's five VHF's (the maximum allowed by the FCC). It would also raise the total of minority-owned TV's in the U.S. and territories to four, with WHCC-TV joining WGPR-TV Detroit, a UHF, and WSVI-TV Christiansted, St. Croix, and WBNB(TV) Charlotte Amalie, St. Thomas, both Virgin Islands VHF's.

At the outset of the Gannett-CCC merger, Gannett made it known that it would welcome minority applicants for its TV because, according to Douglas McCorkindale, Gannett vice president for finance and law, the time was right for minority ownership and "Gannett wanted to do the right thing." In its search for minority buyers Gannett contacted, among others, former FCC Commissioner Benjamin Hooks, (now head of the National Association for the Advancement of Colored People). At about this same time BEN contacted Karl Eller, president of CCC, and negotiations with Gannett soon followed.

Gannett was "very helpful" in working out the financial arrangements, going so

far as supplying a list of possible financial backers, said Guy Turner, BEN's chief financial officer. The Chase Manhattan Bank leads several other institutions that are committed to assist with the \$27 million cash terms.

The distress sale policy, which was adopted by the FCC in May (BROADCASTING, May 22), allows the sale of stations designated for license revocation or renewal hearings to qualified applicants with significant minority ownership. WMJX has faced renewal problems since early this year when it was charged with broadcasting false information in connection with two contests. The \$1 million price tag is not much less than Charter might have gotten from any other buyer, considering the precarious status of its renewal, according to Washington media broker Dick Blackburn.

BEN is owned by Ragan A. Henry, president, who is also a member of the National Association of Broadcasters minority task force, and 23 others, all but seven of whom are black. BEN owns WAOK(AM) Atlanta, WCIN(AM) Cincinnati, WGIV(AM) Charlotte, N.C., and WTAN(AM)-WOKF(FM) Clearwater, Fla., and is a 25% limited partner in WOKV(FM) Hamilton, Ohio.

Gannett owns 77 newspapers in 30 states and two territories as well as the Louis Harris & Associates public opinion research firm and WBRJ(AM) Marietta and WKFI(AM) Wilmington, both Ohio.

WHCC-TV is a CBS affiliate on channel 10 with 316 kw visual, 39.8 kw aural and antenna 500 feet above average terrain. Ted Hepburn Co. acted as consultant for BEN in the negotiations.

Charter Communications is a subsidiary of the publicly traded Charter Co., which owns WDRQ(FM) Detroit, WOKY(AM) Milwaukee, KSLQ(FM) St. Louis and KCBQ(AM) San Diego, Calif. It also publishes *The Ladies Home Journal*, *Redbook*, *Sport*, *American Home*, *Womensport* and *Discount Merchandiser* magazines.

WMJX is on 96.3 mhz with 98 kw and antenna 799 feet above average terrain.

## Biggest spenders still make TV primary medium

**Despite slight gains by radio and magazines, national TV takes three-fourths of top 100 advertiser budgets**

Television was the number-one medium for the nation's top 100 national advertisers in 1977 for the 23d consecutive year, the Television Bureau of Advertising reported last week in releasing "TVBasics No. 21," its annual compendium of TV facts and figures.

Network and spot television received \$4,343,914,500 or 75.3% of the top 100's national advertising dollars. The dollar figure represented a gain of 13% from 1976 but TV's share of the total slipped 3.7 percentage points, owing largely to gains by magazines and—to some extent as a result of procedural changes—by radio.

TVB's 1976 compilation included only network figures for radio, which came to \$45,315,300 or 0.9% of the five-media total. For 1977 TVB's compilation included spot as well as network radio, with the total reaching \$249,609,700 for a 4.3% share.

Magazine spending by national advertisers in 1977 rose 24% to \$918,065,000, or 15.9% of the total as compared with 15.3% in 1976.

The top 100 national advertisers increased their network TV spending by 20% to \$2,768,327,100 (a 48% share vs. 47.4% in 1976) and boosted their spot TV outlays by 2.5% to \$1,575,587,400 (27.3% share vs. 31.6%).

They increased their outdoor spending 8.7% to \$155,997,000 (2.7% share vs. 2.9% in 1966) and their investments in newspaper supplements by 11.4% to \$104,434,400 (1.8% vs. 1.9%).

Total national outlays by the top 100 came to \$5,772,021,500, a 14% rise from 1976.

The estimates, TVB said, came from Broadcast Advertisers Reports, Leading National Advertisers, Radio Advertising Bureau and Radio Expenditures Reports.

Other "TVBasics" highlights included:

- Local advertising investments in major media reached \$13,264,000,000 in 1977, an increase of 10.9% from 1976. Local TV accounted for \$1,915,000,000, up 12%, and local radio for \$1,895,000,000, up 11%.

- The \$1.915 billion spent by advertisers in local television is more than was spent in all of television 15 years ago.

- TV's reach remains unbeaten, extending to 88% of all TV households in an average day and to 95% in an average week.

- A total of 2,426 advertisers used spot television for 10,888 brands in 1977, while 551 advertisers used network TV for 2,384 brands.

**The price to pay.** Allbritton Communications, owner of WJLA-TV Washington, will pay Chemical Bank of New York \$7,500 a month through Jan. 11 of next year to advise and assist minority group members interested in purchasing radio and television broadcast stations.

When Joe Allbritton took over the station in October 1975 it reached agreement with the D.C. Media Task Force and two other groups to help secure up to \$10 million in financing for minority ownership of broadcast stations. The arrangement with Chemical, which also gets 1/2 of 1% of purchases it arranges, was made to "assure the successful completion of the three-year financing effort," a spokesman for Allbritton said.

Thomas Cookerly, Allbritton's broadcast division president, said the \$7,500 would be "reasonable if a lot of people come in and ask for help; too expensive if they don't." He said: "We are hopeful it will be a large number of ... viable requests." Three or four have already been sent to the bank, he said. Up to now, Allbritton senior management has provided financial advice to prospective minority buyers. So far, however, no actual purchases have been completed.

Under the agreement, the bank will review proposals submitted by prospective purchasers and evaluate the price, terms and conditions of each proposed station sale; discuss feasibility of proposals; analyze the financial plan for each proposed acquisition and work with purchasers to suggest alternate strategies and financial structures, and represent them in attempting to secure financing and provide lenders and investors with documentation to support the financing plan.