

## Belo's record buy

Dallas-based broadcaster purchases six Corinthian TV stations from Dun & Bradstreet for \$606 million

"They went at it until 4:30 in the morning sometimes," said one principal of the negotiations afterward, but after only nine working days, on June 19, the largest trade of a broadcasting group had been struck. The A.H. Belo Corp. of Dallas had agreed to pay Dun & Bradstreet \$606 million in cash for the six TV stations of its Corinthian Broadcasting Group. Excluding the failed \$500-million merger proposed by General Electric and Cox Broadcasting in 1980, the agreement surpassed by \$236 million the previous record: the \$370-million merger of Combined Communications into Gannett in 1979.

The record price was obtained less than six weeks after D&B announced on May 9 (BROADCASTING, May 16) that it was bowing out of the broadcasting business and that its stations—KXTV(TV) Sacramento, Calif.; KOTV(TV) Tulsa, Okla.; KHOU-TV Houston; WVEC-TV Hampton-Norfolk, Va.; WANE-TV Fort Wayne, Ind., and WISH-TV Indianapolis—were on the block. In explaining the move, Dun & Bradstreet Chairman Harrington Drake said that "The long-term interests of Dun & Bradstreet will best be served by redeploying these assets into the mainstream of the business services and information industry."

Dun & Bradstreet acquired the Corinthian group from the late J.H. (Jock) Whitney, philanthropist, investor and brother-in-law of former CBS Chairman William S. Paley, in 1971 in an exchange of stock valued at \$137 million. Corinthian had originally paid \$22.75 million for five of its TV's (and an AM, which it has since spun off) in the 1950's and about \$32 million for WVEC-TV Hampton-Norfolk in 1980. A small cable system in Virginia and North Carolina was also included in the latter sale, which Corinthian will keep. All Corinthian stations, except WVEC-TV, an ABC affiliate, are CBS affiliates. All but WANE-TV are VHF's.

Belo owns *The Dallas Morning News* and seven community newspapers in the Dallas-Fort Worth area; a cable system in Clarksville, Tenn.; WTVC(TV) Chattanooga, Tenn.; KFDM-TV Beaumont, Tex.; WFAA-AM-TV and KZEW(FM) Dallas and has purchased, subject to FCC approval, KOA(AM)-KOAQ(FM) Denver for \$22 million (BROADCASTING, May 30).

James M. Moroney Jr., president and chief executive officer of Belo, said the Corinthian acquisition "is extremely attractive to Belo because it enables us to accelerate our growth objectives at least three to five years. Our game plan is very much in broadcasting and newspapers, with the broadcast-



Moroney



Huey

ing portion of it being our lead horse, so to speak."

Ward Huey, president and chief executive officer of Belo Broadcasting Corp., added that "the Corinthian group offered [us] the opportunity to get into several key markets that were our targets for some time, certainly one of which was Houston."

In 1982, Belo, a publicly traded company, had gross revenues of \$203.4 million with net income of \$23.1 million, compared to Corinthian's \$100.6 million revenue and \$47.3 million operating income. Belo revenues for the first quarter of 1983 totaled \$52.2 million, with net income of \$5.6 million, or 60 cents per share.

To conform with the FCC's multiple ownership limits, Belo will spin off three VHF stations, WTVC Chattanooga, KFDM-TV Beaumont and, according to Huey, "most probably" Corinthian's WISH-TV Indianapolis.

InterFirst Bank, Dallas, will be the lead bank in arranging the financing for Belo, which is expected to be part debt and part equity. Goldman Sachs acted as broker for the sale.

KXTV Sacramento is on channel 10 with 309 kw visual, 61.7 kw aural and antenna 1,490 feet above average terrain. KOTV is on channel 6 with 100 kw visual, 20 kw aural and antenna 1,310 feet above average terrain. KHOU-TV is on channel 11 with 316 kw visual, 47.9 kw aural and antenna 1,440 feet above average terrain. WVEC-TV is on channel 13 with 316 kw visual, 31.6 kw aural and antenna 980 feet above average terrain. WANE-TV is on channel 15 with 144 kw visual, 28.2 kw aural and antenna 830 feet above average terrain. WISH-TV is on channel 8 with 316 kw visual, 42.7 kw aural and antenna 990 feet above average terrain.

Huey agreed with some analysts' assessment that an acquisition of this size "says a lot about the future of commercial television—or at least one company's strong belief in the future of commercial television." □

## NewsBeat

**News pays for itself.** More and more radio and TV news directors are reporting their departments as money makers in recent years. The Radio-Television News Directors Association last Monday (June 20) said its survey found 83% of TV news directors and 66% of radio news directors affirmed that their news programing "was attracting enough advertising in 1982 to pay its own way." Those figures compare with findings of an RTNDA survey in 1976 when 74% of TV news directors and 61% of radio news directors reported profitable operation. Vernon A. Stone, director of school of journalism at Southern Illinois University and chairman of RTNDA research committee, said that, except for small operations, "TV stations appeared to be putting new ad dollars back into news operations which attracted them." On other hand, Stone noted that radio stations "often appeared to be pocketing ad profits brought in by news rather than feeding them back to the news operation." □

**Scholarship awards.** Award of seven \$1,000 scholarships for continuance of careers in broadcast journalism has been announced by Wayne Godsey, president of Radio-Television News Directors Foundation and general manager of WTMJ-TV Milwaukee. Winner of Abe Schechter graduate scholarship, named for former NBC news executive, is Elizabeth A. Krueger, University of Wisconsin. Undergraduate winners: Tami Jo Wienczek, Drake University, Richard Cheverton scholarship; Karen Price, University of Florida, Bruce Dennis scholarship; Robin Florzak, Boston University, Bruce Palmer scholarship; Mike Machak, New Mexico State University, James McCulla scholarship; Michael A. Shochet, Ithaca College, Ben Chatfield scholarship; Harvey L. Bennett, University of Missouri, Jim Byron Scholarship. Undergraduate scholarships are memorials to deceased past presidents of RTNDA. □

**TMI throws book at media.** Basing its contents on papers presented at international conference it sponsored in Ditchley Park, England (BROADCASTING, Nov. 2, 1981, et seq.), The Media Institute has released its latest book, "Energy Coverage—Media Panic." In it, TMI points finger at U.S. media for allegedly failing in their coverage of 1970 energy crisis, compared with treatment afforded energy crisis by European and Japanese media. Book was edited by Nelson Smith, writer and media consultant, and TMI President Leonard J. Theberge. Published by Longman Inc., it is available in hard cover for \$25. Contact: TMI publications department, 3017 M Street, N.W., Washington 20007; (202) 298-7512.