

and pay the money for the channel with the World Series and the Super Bowl?"

Is the idea of a second revenue stream dead, period? Privately, top cable operators think so (and certainly hope so). Many saw a hint of desperation in the letter sent to top operators from Senator Daniel Inouye (D-Hawaii) asking why they were refusing to pay cash and threatening an antitrust probe by the Justice Department as a last-ditch effort to force operators into paying.

Even network and broadcast executives who have completed deals with operators privately concede that a straight-cash deal is not a reality.

"It would be a very tough thing to accomplish," according to one network executive.

"It's tough negotiating with a monopoly. Especially monopolies who talk," adds one broadcaster.

Several cash deals have been done, but those have all been with very small systems who don't have the muscle that top operators have or the channel capacity to consider other options besides cash. ■

Fox pulls switch in Philly; ABRY sells TV

Network buys WGBS-TV, will yank affiliation of Paramount's WTXF-TV; ABRY sells WNUV-TV Baltimore

By Geoffrey Foisie

Fox last week bought WGBS-TV Philadelphia from Combined Broadcasting and immediately gave notice it would pull the Fox network affiliation from Paramount's crosstown WTXF-TV.

The price was undisclosed. But industry sources estimate the station is going for \$50 million-\$70 million. The station has a running-rate cash flow of roughly \$4 million, said one source.

Meanwhile, down Interstate 95, ABRY Communications, which bought WNUV-TV Baltimore in 1989 for \$20 million, said it would sell the station to Eddie Edwards, owner of WPTT-TV Pittsburgh. The deal also in-

cludes ABRY's option to acquire WVTM-TV Milwaukee, which is owned by Gaylord and managed under a time brokerage agreement by ABRY's co-located station, WCGV-TV.

ABRY had purchased the eight-year option for \$5 million. ABRY managing director Andrew Banks said that Edwards has already begun talking to Gaylord about acquiring WVTM.

The final price for the Baltimore and Milwaukee stations is subject to both appraisal and timing, said Banks, but is certain to top \$100 million. Although Edwards is black, ABRY is not seeking a minority tax certificate.

Paramount Communications, which beat out Fox to purchase WKBD-TV Detroit last month, was clearly stung by Fox's planned Philadelphia switch.

"Apparently Fox's loyalty only recognizes the partnership nature of a network affiliate's relationship when it is convenient to Fox's own economic interest," it said.

WTXF recently gave up broadcast rights to the Philadelphia Phillies baseball team to accommodate Fox's expanding prime time schedule.

In addition to losing the network's prime time schedule, WTXF will lose the afternoon two-hour children's block. The loss of the Fox affiliation could devalue the station by as much as \$100 million, according to market sources.

The affiliation switch will likely take place in April of next year, 60 days after the station sale is expected to take place.

Seller Combined Broadcasting is currently controlled by creditors, roughly half of whom are the major studios. Combined was in the process late last week of making deals on its two other stations, WBFS-TV Miami and WGBO-TV Chicago.

Chris-Craft was rumored to be the leading contender to buy WGBO, which would give the group an outlet in all three top markets. Chris-Craft was also said to possibly be interested in WBFS. ■



Letterman's 'really big shew'

Will Dave stand his ground and bring his popular top-10 lists and stupid pet tricks to CBS? One week will tell the story, when Letterman's *Late Show* premieres at 11:35 p.m., Aug. 30. One thing is certain: his first show will feature actor/comedian Bill Murray and singer/songwriter Billy Joel. NBC President Bob Wright has issued veiled threats about a possible copyright infringement suit if Letterman persists, contending the pet tricks and lists remain the "intellectual property" of NBC. Letterman watchers believe he'll force the issue. "He likes tweaking NBC," said one media executive. "Maybe he'll do a top-11 list, where somehow number 11 doesn't get mentioned." Pictured is the refurbished Ed Sullivan Theater in New York, where the new Letterman show will originate.