

TRANSFER WEEK

WCCO WTCN-TV, KOTV(TV) Okayed

CBS' BID to broaden its holdings and thus strengthen its competitive TV station position in certain markets received fresh impetus last week with FCC approval of the merger of the network's owned-and-operated WCCO Minneapolis-St. Paul with WTCN-TV that city.

Under the complicated plan worked out by the network last March [B•T, March 10], CBS now holds 47%—and Mid Continent Radio-Television Inc., former owner of WTCN and WTCN-TV, 53%—in a newly created licensee firm known as Midwest Radio & Television Inc.

To consummate the deal, Mid Continent put up its WTCN-TV and \$212,000, and disposed of WTCN-AM-FM by selling it to a group headed by Robert Butler, former ambassador to Australia and Cuba, for \$325,000.

FCC last week also approved the WTCN sale and other transfers involving heavy sums of money. WTCN was sold to the Butler group trading as Minnesota Television Public Service Corp., which announced its own plans for the radio operation (see separate story this page).

FCC also approved \$1,629,000 sale of KOTV (TV) Tulsa., from George E. Cameron Jr. and John B. Hill to J. D. Wrather Jr., Mrs. Mazie Wrather and Helen M. Alvarez.

Other Transfers

Other transfers included KTOK Oklahoma City, Okla., which was sold to Wendell Mayes, C. C. Woodson, Charles B. Jordan and Gene L. Cagle for \$225,000 by O. L. Taylor Co.; KERO Bakersfield, Calif., sold for \$110,000 to Albert DeYoung, M. H. Stansbury and others; KREM Spokane from Cole E. Wylie to Louis Wasmer for \$255,000, and WOPI-AM-FM Bristol, Tenn., from C. J. Harkrader to W. A. Wilson for \$80,000.

Frances S. Richards' interest in WGAR Cleveland will be reduced from 65% to 40% following FCC approval of her relinquishment of control in the station. She will receive \$556,800 with which she will pay inheritance taxes, according to the application. (For details on these and other transfer grants, see FCC ROUNDUP, page 87.)

Midwest Radio & Television Inc.—the new firm embracing the WTCN-TV and WCCO properties—comprises William J. McNally, former board chairman of Mid Continent, as board chairman; Robert Ridder as president; and F. Van Konynenburg as executive vice president and general manager. CBS' 47% interest has been placed in voting trust, with Messrs. McNally and Ridder as voting trustees.

The old WTCN-TV shortly will be renamed WCCO-TV. It will continue to operate on Channel 4, the old WTCN-TV frequency, and serve as TV affiliate not only for

CBS Television Network, but for ABC and DuMont as well. The change of management will take place on a date to be announced momentarily.

By assuming minority interest in Midwest Radio & Television Inc. and thus shedding itself of full ownership of WCCO, CBS thus avoids the need to dispose of any radio outlet to comply with FCC rules regarding confinement of a single entity's AM holdings to ownership of seven stations. CBS now owns outright six AM stations and minority, non-voting interests in three others.

Another prong of CBS's move to widen its holdings was the acquisition of 45% interest in KQV Pittsburgh, which also is a TV

station applicant—a deal already effectuated without need for FCC consent [B•T, March 10].

In the instant merger case, it was pointed out, CBS's 47% stock interest in WCCO WTCN-TV is represented by voting trust certificates—not voted by CBS but by Messrs. McNally and Ridder.

According to the present plan, WCCO radio operation will continue to be housed in the same WCCO building at 625 Second Avenue South. No change in personnel or policy is contemplated under General Manager Gene Wilkey. The new WCCO-TV will continue to function at present WTCN-TV headquarters at 50 S. 9th St.

In announcing approval of the

WTCN SALE

SALE of Mid Continent Radio-Television Inc.'s WTCN Minneapolis-St. Paul to Minnesota Television Public Service Corp. for \$325,000 was approved by the FCC last week.

Minnesota Television Public Service Corp. is headed by Robert Butler, former ambassador to Australia and Cuba. The sale effectuates a split of radio-TV operations at WTCN as part of CBS' merger of its WCCO Minneapolis-St. Paul with WTCN-TV that city, which also drew FCC approval (see story above). Purchase was completed last spring [B•T, April 21].

Mr. Butler said that he, as president, and other officers of the corporation had formulated a policy looking toward a strong aggressive public service function. The licensee will assume active management on WTCN radio in the near future, operating from Minneapolis-St. Paul studios as an ABC affiliate. Mr. Butler's group also is applicant for a TV station in the Twin Cities.

Simultaneously, Mr. Butler announced the appointment of Edward G. Smith, director of radio network at ABC's Central Div. for the past 18 months, as general manager of WTCN. Other appointments also were revealed.

Under the complicated reshuffling of broadcasting properties inherent in the CBS-WCCO-WTCN-TV case, Mr. Butler will own 65% of WTCN radio, which operates on 1280 kc with 5 kw day, 1 kw night. Mr. Butler is president of Builders Trust Co., St. Paul, and of Walter Butler Co., architectural, engineering and construction firm.

Associated with him are Alvin Gluek, a brewer; Robert Mitchell, an attorney; Quentin David, advertising man, and Carl Schuneman, department store executive. Other part owners are Harold Richter and Samuel Lipschultz. Mid Continent, which formerly owned the station, is owned 50% each by Northwest Publications and the Minnesota Tribune Co. WTCN was sold to enable Mid

Butler Names Smith As General Manager



Mr. Butler



Mr. Smith

Continent to comply with FCC's duopoly rule.

Mr. Smith has been active in radio since 1928 and was a resident of the Twin Cities for 13 years while director of radio-TV production for General Mills. He joined ABC's Central Div. early in 1951.

Mr. Butler also named Ken Light, WTCN account executive in the sales department, as sales manager. Judy Bryson, associated with the station for 16 years, becomes director of programs.

In announcing the sale, Mr. Butler said:

"Not only will we continue to bring entertainment to our listeners but also we intend to emphasize all facets of information of value to the general public; news, sports and special events, not only on a national scale, but with proper integration of those important functions at the local level."

If the application of the Butler group for a TV station is approved, WTCN radio will again be paired up with a television station, with the old WTCN-TV call letters but, of course, operating under a new corporation.

WTCN radio is expected to rent space from Mid Continent, the former licensee, at 50 S. 9th St., where station has been housed since July 1949.

sale, Mr. McNally stated:

"We believe that the new WCCO radio and WCCO television operations will be in a position to do a better service job than ever for the Twin Cities."

Aside from giving CBS a TV affiliate in the Twin Cities market, the merger brings about one of the nation's largest and more profitable combined radio-TV operations, it was explained. Mr. McNally noted that, outside of New York, Chicago and Los Angeles, there would be only about four such combined operations comparable to WCCO radio and TV—from a standpoint of facilities and volume of business carried.

Mr. Van Konynenburg, who was vice president and general manager of WTCN and WTCN-TV, stressed fine standards of service maintained by operations in the past. He will serve as overall general manager for the dual operation.

For CBS, the merger means that while the network still is behind ABC and NBC on outright ownership of TV stations—each owns five—it has picked up a TV affiliate in Minneapolis-St. Paul and entertains the prospect of obtaining an affiliate in Pittsburgh and a station in Chicago. CBS owns WCBS-TV New York and KNXT (TV) Los Angeles outright, and has a 45% share of WTOP-TV Washington in addition to the new WTCN-TV stock.

CBS Contract on WBKB

CBS has a contract to buy Balaban & Katz's WBKB (TV) Chicago for \$6 million, with the sale hinging on FCC approval of the ABC-United Paramount Theatres merger.

As one of the two principals in CBS Minneapolis merger, Mid Continent is half-owned by Northwest Publications (the Ridder newspapers) and Minnesota Tribune Co., Mid Continent also owns 40% of WEMP-AM-FM Milwaukee, a TV applicant. The Ridder interests own WDSM Superior, Wis., and control KSDN Aberdeen, S. D. and KILQ Grand Forks, N. D. Ridder controls the St. Paul *Pioneer Press* and *Dispatch*.

In addition to the \$212,000 in cash it is putting up, Mid Continent, also will transfer to Midwest Radio-TV Inc. properties with book value of \$227,461 for which it will receive 530 shares (53%) of no par value voting stock. CBS transfers properties with book value of \$114,386, plus the \$188,000 in cash, for 470 shares (or 47%) of no par value voting stock.

Mid Continent listed assets of \$1,427,207.36 as of Jan. 31, while CBS Inc. showed total current assets of \$64,331,186 as of March 31. Original cost of WCCO was placed at \$480,625.49 and that of WTCN-TV at 506,098.90.

Both WCCO and WTCN-AM

(Continued on page 34)