

UA FINALLY GETS ITS HANDS ON ZIV

\$20 million purchase moves UA into top tv film syndication ranks

United Artists Corp. has moved into the top tv film ranks.

Last week UA acquired Ziv Television Programs Inc., formed in 1948 and now a leader in film syndication. The purchase price included installment notes and debentures totaling \$6.75 million and an assumption of a bank debt of about \$14 million.

The UA purchase had long been expected. The motion picture financing and releasing firm made its first overtures late last year (BROADCASTING, Dec. 21, 1959).

Ziv Television's control changed hands in July of last year. Two Wall Street investment firms, F. Eberstadt & Co. and Lazard Freres & Co., purchased about 80% of Ziv's stock in a deal then reportedly involving \$14 million. Frederic W. Ziv, board chairman, and John L. Sinn, president, retained some 20%.

UA had eyed the Ziv company after initial purchase by the Eberstadt and Freres companies. It had a close association through Eberstadt which had floated stock issues and served as an investment broker for UA. Acquisition was delayed for tax purposes (the investment houses holding a minimum of six months for long-term capital gains).

Purchase Details • The Ziv holdings were acquired through issue of obligations of a subsidiary, United Artists Television Investments, but did not involve issuance of UA stock or equity financing.

The obligations issued included \$1.75 million in three-year 5.6% installment notes which mature between 1963-1965 and guaranteed by United Artists Corp.

Another \$3 million of 6% debentures of the purchasing subsidiary (not guar-

anteed by parent UA) mature 1966-1970 with conversion privileges after four years into UA stock at 10% above the average market price during the six months prior to the end of the four-year period. These are exercisable only if the debentures are not called within four years.

The purchasing subsidiary also acquired \$2 million of subordinated notes



MR. SINN

MR. ZIV

They keep their old jobs

of Ziv Tv for \$2 million of three-year 5.6% installment notes of the investments subsidiary. These mature 1961-1963 and are guaranteed by UA.

The first \$1 million of the installment notes are convertible at the option of the holders into common stock of UA at any time before Dec. 31, 1961, at \$30 a share. If the option is exercised, management stockholders of UA agreed, at the request of the company, to assume fulfillment of the conversion option. The investments subsidiary also assumed the bank debt of about \$14 million.

New Name • The new wholly-owned United Artists tv film subsidiary will be known as Ziv-United Artists Television Co. Inc. Mr. Ziv and Mr. Sinn retain

their current posts and directorships. The present officers and management "will continue, as heretofore, to conduct its operations," UA announced.

United Artists in effect has merged its United Artists Television Inc. subsidiary with the new subsidiary. All personnel—with two notable exceptions—will come under the Ziv-United Artists banner. The two exceptions are Herbert L. Golden, president of UA-TV, who resigned to devote full time as vice president of the parent company, and Bruce Eells, executive vice president of UA-TV, who is expected to coordinate his activities in a liaison capacity with the new subsidiary.

The immediate effect of the integration is this:

United Artists' tv subsidiary now has a total of five filmed series on the networks: Ziv's *Men Into Space* on CBS-TV, *The Man and the Challenge* and *Bat Masterson* on NBC-TV, UA's *The Dennis O'Keefe Show* on CBS-TV and *The Troubleshooters* on NBC-TV.

In syndication, the portfolio already well stuffed by Ziv's productions will add UA's *The Tales of the Vikings* now sold in over 115 markets (UA also has been preparing *Miami Undercover* and *Hudson's Bay* to be offered to network advertisers, Ziv reportedly has *Underwater*, a new one-hour series, set as a CBS-TV show this fall).

Many Ziv Shows • Ziv's syndicated offerings are extensive. Newest product is *Time For Ginger*, a situation comedy. A sampling of its top series in syndication would include *Home Run Derby*, *Sea Hunt*, *Tombstone Territory*, *This Man Dawson* and *Lockup*. It is in the third year production of *Sea Hunt* and has such well known properties as *Bold Venture*, *Dial 999*, *Harbor Command*, *Highway Patrol*, *MacKenzie's Raiders*, *The New Adventures of Martin Kane*, *Science Fiction Theatre*, *Target* and *Cisco Kid*. A Ziv unit, Economee Tv, handles the reruns of such properties as *Highway Patrol*, *Harbor Command* and *Martin Kane*.

The UA acquisition gives that company its first studio facility in Hollywood. Aside from the "first-run" syndicated and network properties, Ziv has wide distribution in foreign markets. Ziv, it was said, had revenues estimated at \$25 million last year and reportedly spent about \$21 million in production of tv shows in 1959 compared with some \$16.5 million the year before.

United Artists finances and distrib-

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