

New media merger in the works

Dun & Bradstreet to acquire Corinthian broadcasting-publishing interests for \$134 million

Dun & Bradstreet Inc., a broadly based data and business information-service company, and group-owner Corinthian Broadcasting Corp. decided last week to join corporate hands in a proposed \$134-million merger.

The agreement in principle to merge was announced by Hamilton B. Mitchell, president of Dun & Bradstreet, and C. Wrede Petersmeyer, president of Corinthian. Under the merger agreement Corinthian would become a wholly owned subsidiary of D&B. The boards of both companies approved the plan last Wednesday (Dec. 3). Stockholders and FCC approval must also be given.

The merger would involve the exchange of a .675 share of Dun & Bradstreet stock for each share of Corinthian. Corinthian has 3.4 million shares outstanding, 48% of which is owned by prominent publisher-financier John Hay Whitney; under the merger, Mr. Whitney would own 9% of the merged company.

The exchange of stock has a market value of about \$134 million based on the New York Stock Exchange closing Dec. 1. The merger proposal was announced after the close of trading that day, at which time D&B had closed at \$58.75, up 75 cents and Corinthian at \$25.75, down 87.5 cents.

Dun & Bradstreet is active in publishing and data service fields. Among its interests are Thomas Y. Crowell Co.,

a book publishing concern; Reuben H. Donnelley Corp., a classified telephone directory marketing service; Moody's Investors Services, a publisher of investment manuals, and Fantus Co., an industrial plant-location consultant. D&B reported a net income of \$19.2 million, or \$1.85 a share on revenues of \$258.1 million in 1968.

Corinthian Broadcasting Corp. owns and operates television stations in Houston (KHOU-TV channel 11); Tulsa (KOTV channel 6); Sacramento, Calif. (KXTV channel 10); and Indianapolis (WISH-TV channel 8) and Fort Wayne, Ind. (WANE-TV channel 15).

All these stations are CBS affiliates, as are the families of Mr. Whitney and William S. Paley, chairman of the board of CBS, by marriage. Messrs. Whitney and Paley are neighbors and wed sisters—Mr. Whitney, Barbara Cushing Mortimer in 1947; and Mr. Paley, Betsy Cushing Roosevelt in 1942.

In addition Corinthian owns Standard Reference Library Inc., which publishes and distributes the Funk & Wagnalls encyclopedia and other reference works, and Corinthian Editions, publisher and marketer of books sponsored by major corporations and institutions. In its fiscal year ended last April 30, Corinthian had a net income of \$4.2 million, or \$1.25 a share on revenues of \$25.5 million.

Mr. Petersmeyer, who will continue

as chief executive officer of the broadcasting subsidiary, said the "enormous computer sophistication" developed by Dun & Bradstreet would be used by Corinthian "to pursue its goals in all phases of research." It is also felt by Mr. Petersmeyer that the merger will aid Corinthian in developing an encyclopedia for children.

Examiner would refuse WLVA transmitter move

The FCC has recommended denial of an application by WLVA-TV (ch. 13) Lynchburg, Va., for changes in facilities, citing the adverse effect the changes could have on WRFT-TV (ch. 27) Roanoke, Va.

WLVA-TV had proposed to move its transmitter from 17.5 miles southwest of Lynchburg to a point 28 miles west of Lynchburg and 17.5 miles east of Roanoke, change its visual power and increase its antenna height.

In his initial decision, Hearing Examiner Chester F. Naumowicz Jr. said WRFT-TV, which is having financial difficulties, has applied to expand its service area and that the proposed operations of both stations would reach west of Roanoke to an area not now "well served" by ABC-TV programming. If both full-time ABC affiliates were introduced, he said, the audience would fragment and neither station would realize its full potential. The examiner concluded that there was a possibility that grant of WLVA-TV's application would impair the ability of the UHF to compete effectively, and may jeopardize the continuation of its service.

McCarthy deposition OK'd in WPIX inquiry

The FCC has granted a petition by WPIX Inc., licensee of WPIX(TV) New York, requesting permission to amend its license renewal application to reflect additional information on survey of community needs and a change in ownership of its preferred stock.

At the same time the commission denied a request for a protective order by former WPIX employe Nancy M. McCarthy, which specified she was not a party to the hearing between WPIX and competing applicant Forum Communications Inc. and charged that the proposed area of inquiry of the deposition which WPIX requested from her

One-to-customer waived for KHAR stations

In the first waiver of its interim one-to-a-customer policy for an AM-FM-TV combination, the FCC last week approved the sale of 80% of KHAR-AM-FM-TV Anchorage from Mrs. Patricia E. Harpel to Alaska Hawaii Radio for \$312,000.

Grant of the application by Sourdough Broadcasters Inc., licensee of the stations, was made subject to the condition that if acquisition of the stations was inconsistent with the rule as finally adopted, Alaska Hawaii Radio would divest itself of one or more of the stations.

The vote on the sale was 7-0. In granting the transfer of the TV station, the commission waived its three-year holding rule because of the death in January 1968 of Mrs. Harpel's husband, Willis R. Harpel, who owned

the stations.

Mrs. Harpel will retain 20% of the stations and will be secretary of Alaska Hawaii Radio. Other principals and 12% stockholders are Joseph L. Hayes, president, Charles W. Tryck, treasurer, Frank E. Nyman, George Ding Yuen Woo and Asa L. Martin. James W. Y. Wong is vice president and owns 20%.

Messrs. Hayes, Tryck and Nyman are partners in an Anchorage consultant engineering firm, an aerial mapping company and a computer service firm. Mr. Wong is a 60% partner in a Honolulu certified public accountant firm; Mr. Woo owns a Chinese restaurant in Anchorage, and Dr. Martin is an Anchorage physician.

KHAR-TV is a channel 13 independent with 27.3 kw visual; the AM is full time on 590 kc with 5 kw, and the FM is on 103.9 mc with 2.8 kw and an antenna height of 54 feet above average terrain.