agency with billings of $24 million throughout the Far East. The addition gives Burnett a total world-wide billing of about $400 million for 1970. The agency now has 38 offices in 26 countries.

Belgrade converts to color with RCA help

Radio-Television Belgrade, Yugoslavia's largest television station, has bought about $1.5 million worth of TV color studio equipment from RCA broadcast systems, to convert to color program operations.

Joseph P. Ulasewicz, division vice president for international operations, said RCA will deliver nine color studio cameras, three color-TV film originating systems, two video-tape recorders, program switching equipment, custom-designed audio consoles and related items. Most of the equipment will be built in RCA's Camden, N.J:, plant.

Order also includes a mobile TV van for color coverage of sports, public events and other programs. Equipment will be installed in a new studio facility in Belgrade.

Group W names Price

Group W Productions, New York, announced last week the appointment of Richard Price Television Associates Ltd., London, as sales and distribution agent in Europe, Africa and Asia.

The Westinghouse Broadcasting Co. subsidiary said the appointment of Richard Price marks an expansion into world markets. Group W's *The Mike Douglas Show* is already in Australia, and both *Douglas* and *The David Frost Show* are in Canada. Group W tapes 250 90-minute color segments yearly for each of these shows. Richard Price Television Associates will also offer many of Group W's 50 specials.

D-F-S expands

Dancer-Fitzgerald-Sample, New York, announced last week that Moors et Warot, Paris, with billings of about $2.9 million, has joined DFS-Dorland International Group of advertising agencies. DDI, a European corporation jointly owned by D-F-S, Dorland Advertising Holdings Ltd., London and Dorland Germany, was formed by 10 agencies with combined billings of $237 million.

FocusOnFinance

A tax break in the Dallas spin-off

KRLD seller can delay capital-gains liability; FCC action raises question of precedent

The FCC wrote a postscript last week to the transfer of the Times Herald Printing Co.'s KRLD-TV Dallas (now KDFW-TV) to the Times Mirror Co. in May (BROADCASTING, May 18). It granted the Dallas company a tax certificate permitting it postpone payment of capital-gains taxes on a companion transaction—the $6,750,000 sale of KRLD-AM-FM.

The Times Herald sold the radio stations to KRLD Corp., owned principally by the three children of Dallas Mayor John Erik Jonsson—Philip R. and Kenneth A. Jonsson and Mrs. George V. Charlton—when the Times Herald was merged into the Times Mirror. Two major newspapers, the Times Herald's *Dallas Times Herald* and the Times Mirror's *Los Angeles Times*, are also included in the merger, which is valued at an estimated $91 million.

The Times Mirror, in negotiating the merger with the Times Herald, required the spin-off of the radio stations to avoid difficulties with the commission's then pending rule and existing policy barring the acquisition of more than one full-time station in a market. The rule became effective on May 15. (Commission approval of sale of the AM-FM combination was conditioned on KRLD Corp. disposing of one of the stations.)

The commission, in issuing the tax certificate that the Times Herald company had requested, said the assignment of the AM and FM licenses was "necessary and appropriate" for compliance with its multiple-ownership rules and policies. The certificate permits a broadcaster to postpone taxes for two years; he could avoid the taxes forever if he reinvests the money in his remaining broadcast properties.

The action raised a question as to whether Triangle Publications would be entitled to a tax certificate in connection with its plan to sell off all 15 of its broadcasting properties, in two packages, to Capital Cities Broadcasting Corp. and George A. Koehler, of Triangle, since AM-FM-TV combinations in five markets would ultimately be broken up.

Triangle has not yet indicated whether it would request a certificate. And commission officials last week said the KRLD case should not be taken as a precedent for what the commission might do if Triangle did request one.

The commission in July announced a new policy under which it would give a tax certificate whenever a licensee could demonstrate a "causal relationship" between its new one-to-a-customer policy and the sale of any party of an AM-FM-TV combination. The commission said a connection could be presumed in the sale of one part of an AM-FM-TV combination, since broadcasters do not usually break up multiple holdings within a market.

Officials indicated the policy was not aimed at a broadcaster who sells off all of his stations within a market, since commission policy does not require such an action. And they said that the Times Herald company was, in effect, forced to sell off the radio stations.

Company reports:

MCA Inc., Universal City, Calif., reported an 10.9% increase in revenues and a profit of almost $10 million for the nine-month period through Sept. 30. Write-offs taken last year during the third quarter on outdated motion pictures of $7,722,000 led to the poor nine-month profit of $423,000 last year. Third quarter profits were $3,565,000 or 43 cents per share versus a 97 cents per share loss on last year's write-offs. Sales for the three month period were up 18.5% to $88,286,000 from $74,-502,000.

For the nine months ended Sept. 30:

	1970	1969
Earned per share	$ 1.21	$ 0.05
Revenues	226,705,000	204,336,000
Income	9,907,000	423,000
Shares outstanding	8,170,996	8,053,552

Ameco Inc., Phoenix-based manufacturer and installer of CATV equipment, reported continued losses for the first quarter. Bruce Merrill, president, said