

Last-minute clearance for Capcities

Dispersion of media ownerships, deal with minorities win approval of biggest deal as deadline rushes on

In an action uncommon for its suddenness and unanimity, the FCC last week approved the biggest and most complicated package of broadcast-station transfers in history. It granted the acquisition of nine Triangle Publications Inc. stations by Capital Cities, the simultaneous spinoffs of the six Triangle radio properties involved and the sale of two Capcities television stations and a satellite. Capcities is also buying Triangle's program-syndication business. In all, the transactions add up to \$147 million.

The applications had been submitted to the agency last June but were presented to the commissioners, in the form of a voluminous staff report, only last Tuesday (Feb. 23). Within 24 hours the seven commissioners voted their approval without dissent. The basic contract in the transaction, Triangle's sale to Capcities, was to run out today (March 1) and was not to be extended ("Closed Circuit," Feb. 22).

Commissioner Robert T. Bartley, who has a long record of opposing approvals of station sales to group owners without a hearing, concurred in this decision with a statement expressing some misgivings but saying the total effect of the transfers would be a "diversification of control of mass media" and "an improvement in the general structure of broadcasting."

Commissioner Nicholas Johnson, who customarily opposes group acquisitions, also concurred but had not completed his separate statement late last Thursday.

In its decision the commission said the transfers would result in a dispersion of broadcast ownerships—an objective to be desired. It also cited as a factor in its approval an unprecedented agreement Capcities reached with citizen groups in the three cities where it will acquire television stations. The agreement calls for the company to commit \$1 million over a three-year period to the development of programs

reflecting the views of minority groups (BROADCASTING, Jan. 11).

Capcities, already a major group as the owner of five television and 11 AM and FM stations, emerges as a greatly strengthened force. It becomes the owner of WFIL-TV Philadelphia, in the fourth-ranked market, and WNHC-TV New Haven, Conn., in the 21st, as well as KFRE-TV Fresno, Calif., in the 69th.

The television stations Capcities is selling—to comply with the commission rule barring ownership of more than five VHF stations—are in smaller markets than Philadelphia and New Haven. The

TV combinations and the syndication business. In the transactions approved by the FCC last week Capcities is acting as a conduit for the assignment of Triangle's AM and FM stations. After all the trading is complete, Capcities will wind up acquiring the Philadelphia and New Haven VHF's, the Fresno UHF and the Triangle syndication for about \$55.5 million.

Capcities is selling WTEN-TV and its satellite to Poole Broadcasting Inc. for \$19 million and WSAZ-TV to Lee Enterprises for \$18 million. It will receive a total of \$14,455,000 in the sale of the



Trading out is Walter Annenberg (l), principal owner of Triangle Publications and now ambassador to the Court



of St. James's. Trading up is Thomas S. Murphy, chairman and president of Capital Cities Broadcasting.

stations are WTEN-TV Albany, N.Y., its satellite, WDCD(TV) Adams, Mass., and WSAZ-TV Huntington, W. Va. Capcities estimates that its net weekly circulation in the top-50 markets will increase from 2,440,834 to 4,761,435 television homes.

Capcities' other broadcast holdings are WROW-AM-FM Albany, N.Y.; WKBW-AM-TV Buffalo, N.Y.; WTVD(TV) Durham, N.C.; WPRO-AM-FM Providence, R.I.; WPAT-AM-FM Paterson, N.J.; KTRK-TV Houston; WJR-AM-FM Detroit, and KPOL-AM-FM Los Angeles

Capcities is paying Triangle a total of \$110 million for the three AM-FM-

Triangle radio stations—WFIL(AM) to Lin Broadcasting Corp., \$11.5 million; WFIL(FM) to John L. Richer, the station manager, \$1 million; KFRE(AM) to Walter Lake of McGavren-Guild-PGW, \$875,000; KFRE-FM to Richard A. Ingraham and Richard A. Wagner, Californians with broadcast experience, and Mr. Wagner's father, Richard W., \$105,000; WNHC(AM) to owners of WERI-AM-FM Westerly, R.I., \$850,000, and WNHC-FM to the station manager, Robert Herpe, \$125,000.

The commission's approval of the Capcities exchanges paves the way for Triangle to move ahead in its plan to