

dispose of the rest of its broadcast properties—WNBF-AM-FM-TV Binghamton, N.Y.; WFBG-AM-FM-TV Altoona, Pa.; and WLYH-TV Lancaster-Lebanon, Pa. The proposed purchaser—for \$16 million—is George A. Koehler, general manager of Triangle's radio and television division. Like Capcities, he proposes to spin off the AM and FM stations.

What's more, the approval was likely to buoy hopes of the principals involved in two upcoming multistation transfers. One is the proposed \$100-million-plus merger of Corinthian Broadcasting Corp. into Dun & Bradstreet, which involves the transfer of Corinthian's five television stations and which has been pending action at the FCC for a year. The other is the announced plan for the sale of Time-Life Broadcast's 13 AM, FM and TV stations to McGraw-Hill for \$80 million, with McGraw-Hill selling off the radio stations.

The commission, in its order approving the Triangle-Capcities transactions, added a note of caution to future applicants. "Our approval is limited to the applications under consideration," the commission said. "Nothing is intended to suggest that we will give blanket approval to any and all 'spinoff' transactions."

The point was made in a passage in which the commission held that Capcities' spinoff of the Triangle radio stations did not amount to trafficking. The commission said that, in acting as a conduit for the passage of the radio stations, Capcities is not violating the rule banning the sale of properties held for less than three years. The commission also said that any profit Capcities might derive from the sale of the radio stations would be remote. The "bulk" of any cash Capcities gets from the spinoffs must be paid at once to Triangle in application to Capcities' debt. Hence Capcities has no chance to use proceeds of the spinoffs in retiring its debt to Triangle, the FCC said.

The commission also sought to make clear its continuing concern with concentration of ownership in major markets. It held that acquisitions were subject to its top-50-market policy—which requires a compelling public-interest showing in connection with the acquisition of more than two top-50-market stations—even though the number of Capcities stations in that bracket remain fixed. The commission said it was concerned with substance rather than "mere form," adding that a compelling public-interest showing is particularly important when the purpose of station acquisitions is to increase the number of top-50 homes that the buyer's stations will serve.

But the commission held that Cap-

## Just under the wire

The U.S. Treasury will receive \$269,000 as a result of last week's Capcities transfers. But the sum would have been greater—more than 10 times greater—but for the largely successful efforts of the principals involved to meet a deadline.

The deadline was June 30, 1970, after which applications for transfer and assignment became subject to the FCC's new 2% grant fee. Eight of the 12 applications involved (including all of those for television properties) were filed in time—seven, on June 30.

Considering the total paid for the nine Triangle Publications Inc. and three Capital Cities Broadcasting Corp. outlets—\$144 million (\$3 million of the \$110 million to be paid Triangle is ascribed to its program-syndication business)—the fee could have been \$2,880,000.

Commission approval of one application that missed the deadline—for the sale of WFIL(AM) Philadelphia—will alone generate \$230,000 for the government. Fees will also be paid on the sales of WFIL-FM, \$20,000; KFRE(AM) Fresno, \$17,500, and KFRE-FM, \$2,100.

cities had made the required showing. In part, this involved Capcities argument that the transactions will reduce combinations of control of media. The commission said the sales will reduce concentration of broadcast media in Philadelphia, New Haven, Fresno and Albany (where Capcities is splitting off a television station from its AM-FM affiliates) and will "clearly reduce" Triangle's concentration of control of television stations serving Pennsylvania. The commission also said that, on the national level, the audience increases Capcities will gain as a result of the transactions would be "offset by an equally substantial increase in the competition" to which its new stations are subjected.

Many of the questions about the sale addressed by the commission had been raised by Citizens Communications Center, in its own behalf and on behalf of a group of law-school students, in a petition to deny the assignment applications. The public-interest law firm withdrew the petition after Capcities, following a series of conferences with it and citizen groups in Philadelphia, New Haven and Fresno, adopted its \$1-million Minority Program Project.

Capcities will apportion the funds among its television stations in the three cities over the next three years for programming designed to reflect the views, aspirations, problems and cultures of black and Spanish-surnamed minority groups. Capcities stations, a Capcities corporate production unit, or outside

sources will produce the programming; the project is expected to generate about six hours of material per year for each station.

And, while Capcities says it will maintain full control over the programs, it has promised to engage in extensive consultations with the affected groups on the manner in which funds are spent and on the programs that are produced. It says it will give "great weight and careful consideration" to any objection raised by an advisory committee representing any of the groups.

The commission, describing the project as a "major programming commitment to convey the views of racial and ethnic minority groups to the public at large," included the Minority Program Project in its judgment that Capcities had made the required "compelling public-interest showing."

WFIL-TV Philadelphia is on ch. 6 and an ABC-TV affiliate; WNHC-TV New Haven, ch. 8, ABC-TV; KFRE-TV Fresno, ch. 30, CBS-TV; WTEN-TV Albany, ch. 10, CBS-TV; WDCD(TV) Adams, ch. 19, satellite of WTEN-TV; WSAZ-TV Huntington, ch. 3, NBC-TV.

WFIL(AM) Philadelphia is on 560 khz with 5 kw; WFIL-FM, 102.1 mhz, 27 kw, antenna height 650 feet; KFRE(AM), 940 khz, 50 kw; KFRE-FM, 93.7 mhz, 68 kw, antenna 1,950 feet; WNHC(AM), 1340 khz, 1 kw daytime, 250 w night; WNHC-FM, 99.1 mhz, 10 kw, antenna 950 feet.

Capital Cities also owns Fairchild Publications which publishes *Women's Wear Daily*, *Home Furnishings Daily*, *Daily News Record*, *Footwear News*, *Supermarket News*, *Electronic News*, *Metalworking News* and *Men's Wear Magazine*. Capital Cities also owns a book division and Pontiac Press Co., which publishes the Michigan newspapers: *Pontiac Press*, *Inter-Lake News* and *Lakeland Tribune*.

Triangle publishes *Seventeen Magazine*, *TV Guide*, *The Morning Telegraph* and *Daily Racing Form*.

## Straus group sells its Middletown, N.Y. AM-FM

The sale of WALL-AM-FM Middletown, N.Y., by the Straus Broadcasting Group, New York, to a newly formed corporation, Oroco Communications Inc., was announced last week by R. Peter Straus, president of Straus. The sales price is reported to be in the neighborhood of \$1 million ("Closed Circuit," Feb. 22).

The sale is subject to FCC approval. Oroco Communications is headed by James F. O'Grady Jr., who is president of RKO Radio Representatives Inc. Mr. O'Grady has submitted his resignation to RKO but will remain at his