tions and covenants were "not unusual," and concluded that the securities were "not in any way intended in this case to prevent TBS from making a tender offer or to defeat TBS's tender offer."

■ A by-law change ending the right of 10% of the shares to call a special meeting: Vining said the evidence showed that action was planned before Turner's bid, in response to Ivan Boesky's accumulation of over 8% of CBS stock. That episode was settled out of court but the judge offered his views on Boesky anyway: "It's plain to the court that this [Boesky] was just an ordinary case of greenmail and nothing else."

■ Several other allegations in the original TBS complaint, including the arrangement of "golden parachutes"—lucrative retirement contracts in the event of a takeover: Vining said these had not "pledged out."

■ CBS founder William Paley's specially negotiated arrangement allowing him to postpone tendering his CBS stock: Here the district court judge said Turner might prevail. "I have a great problem with this," Vining said. "As with anyone, I would sympathize with Mr. Paley if he has tax problems... While his may be the only problem of this nature, that is, being a controlling person (with 6.5% of the outstanding shares), others will have problems which are peculiar to their situation."

Adding up the various allegations, Vining concluded TBS was likely to prevail on the merits only in the objection to Paley's arrangements. In his ruling, he said the court did not find "entrenchment" to be the "sole or primary purpose of the director's resistance," and that to enjoin the repurchase just because of the Paley deal would do more damage to CBS than not enjoining it would do to TBS.

Although the judge indicated he would still review the Paley situation and possibly enjoin the CBS founder from delaying cashing in his shares until after 1988, it was not clear this would in fact be the case. To begin with, Turner by next week may have decided to officially withdraw his noncash bid for the company, and if he does so, he may also withdraw his complaint. If Turner terminated the bid, he would still have standing as a stockholder to object to the Paley arrangement, but whether the Atlanta judge would then still have jurisdiction over the matter is unknown.

As a result of last Tuesday's ruling, CBS announced two days later that its share repurchase offer had expired and that the shares offered by stockholders more than exceeded the 6,365,000 (or 21% of the total outstanding) the company will actually repurchase. As a result, approximately one of every four shares tendered will be repurchased for $40 cash and notes paying 10⅞% interest. Turner Broadcasting Systems tendered its 128,200 shares.

The provisions in the repurchase that ef fectively ended Turner's tender offer (thos limiting debt, asset sales and funds transfe also apply to the company itself, but th CBS board of directors can grant exception to most of those restraints. One limitatio the company has to live with for some time i in the terms of the $125 million in preferenc stock being issued to five institutional inves tors. One of the terms of the stock limits th total debt to 75% of the adjusted book cap italization of the company.

The debt/capital restriction would make difficult for CBS to undertake any large scale acquisition over the next year. But J Garrett Blowers, vice president of investo relations for the company, noted that al though the share repurchase will initiall raise that debt/capital percentage (to abou 66%), it will soon decline to close to 50% That improvement in the CBS balance shee will come from the company's cash flow asset restructuring that is expected to pro duce $300 million, after-tax, by the middl of 1986, and cost cutting which the compan said will reduce corporate and division overhead by $20 million in fiscal 1986.

As predicted, the company's stoc dropped last Thursday (Aug. 1) to 108 on when-distributed basis (when the tendere shares not accepted are returned to share holders).

Lear, Perenchio make $1,000-share bid for ENA

But pass at Detroit News may be only first act in many-act drama; closely held group owner says it is not for sale at any price

The next ambition for A. Jerrold Perenchio and Norman Lear turned up last week when the business partners announced a $1,000-per-share tender offer for the 453,000 shares of The Evening News Association (ENA). ENA President Peter B. Clark immediately responded by saying the Detroit-based publisher and station group owner was not for sale at any price. But at least some of the 350 shareholders and most observers saw a bidding war in the making with the $1,000-per-share tender offer serving merely as a floor price.

Lear

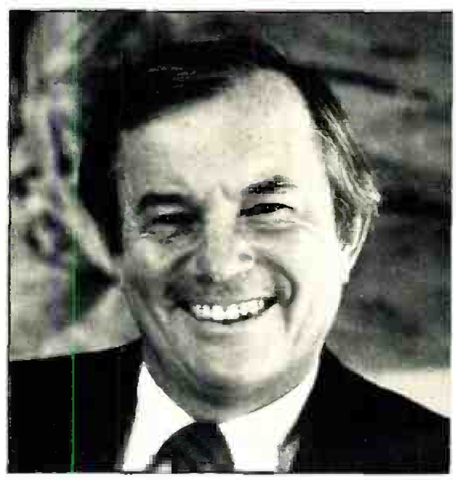
Perenchio and Lear presumably were hoping to make use of their proceeds from the sale of Embassy Communications to Coca-Cola last June. By the end of the week, several Detroit-based securities firms were reporting bids above $1,100 for the thinly traded ENA stock.

Last Monday's tender offer announcement said the two Los Angeles-based entertainment entrepreneurs had formed a Los Angeles-based corporation, L.P. Acquisition Co., in which Perenchio has a majority vote. L.P. intends to accept ENA shares through Aug. 23, a day that coincidentally marks ENA's 109th anniversary of incorporation. Withdrawal rights of shareholders would end on Aug. 16 and actual purchases would begin on Aug. 17.

The offer is contingent on approval by the FCC of former U.S. Treasury Secretary G. William Miller as trustee to hold the shares, pending FCC approval of Lear's and Perenchio's application for transfer of ENA's five TV and two radio stations. Miller will receive a minimum fee of $100,000, an amount that would increase to $250,000 once any ENA shares are tendered.

Also on Monday, the tenderers filed suit in U.S. District Court for Eastern Michigan seeking an injunction against a state takeover law that would delay the tender offer for at least five more weeks. After listening to arguments from the respective counsel, Judge Robert E. De Mascio said he would issue a written decision by Wednesday, with depositions of ENA and L.P. officials taking place on Monday and Tuesday.

The Detroit-based company's origina broadcast property, WWJ(AM) Detroit, bega broadcasting in 1920. In 1941 its FM com panion station went on the air and in 194 co-located WWJ-TV began commercia broadcasting. In 1978 ENA swapped WW TV (now WDIV[TV]) for the *Washington Post* WTOP-TV (now WDVM-TV) Washington. EN acquired KOLD-TV Tucson, Ariz., and WAL TV Mobile, Ala., in 1969, and seven yea later purchased KTVY(TV) Oklahoma City. I most recent acquisition was in 1979 when purchased KVUE-TV Austin, Tex. One perso familiar with the company said the TV st tions' operating margins are "upward 35%," and that WDVM-TV had been returnin



Perenchio