

## Minority-led group eyes Viacom stations

Deal for four of five TVs would be worth about \$400 million

By Julie A. Zier and  
Steve McClellan

**V**iacom is considering an offer to sell four of its five TV stations to a partnership composed of a minority, a broadcaster and a buyout fund.

According to sources familiar with the deal, the buyers are an unnamed Hispanic figure; Santa Barbara, Calif.-based Bob N. Smith of Smith Broadcasting; and Jupiter Partners Inc., the second-largest buyout fund behind Kohlberg Kravis Roberts & Co. One source says a letter of intent estimated at slightly less than \$400 million was signed last week.

Because the licensee is a minority, Viacom will be able to defer capital gains on the sale. The stations involved are WVIT(TV) New Britain, Conn.; KMOV(TV) St. Louis, and WHEC-TV Rochester and WNYT(TV) Albany, both New York.

### VIACOM

#### STATIONS IN PLAY

**WVIT(TV) New Britain, Conn.**

**KMOV(TV) St. Louis, Mo.**

**WHEC-TV Rochester, N.Y.**

**WNYT(TV) Albany, N.Y.**

*"Those stations are traditional network affiliates and really don't fit with the Paramount stations or the rollout of the United/Paramount Network."*

Viacom's KSLA-TV Shreveport, La., is being carved out of the deal to be sold to a different buyer, sources say. The leading candidate is rumored to

be Bert Ellis of Ellis Communications, Atlanta. Ellis's stated goal is to acquire stations in the mid-South and mid-Atlantic.

Viacom spokesman Carl Folta confirms that the company is negotiating for the sale of its TV group, but he would not comment further. Smith and Ellis could not be reached, and Jupiter Partners did not return telephone calls.

Company observers say it's no surprise that Viacom is selling its station group. "Those stations are traditional network affiliates and really don't fit with the Paramount stations or the rollout of the United/Paramount Network," one analyst says. Viacom and Paramount merged in February.

It also has been widely assumed that Viacom will sell off nonessential assets to reduce its debt load, which climbed to more than \$10 billion with the Paramount acquisition. The company continues to talk with Tele-Communications Inc. about the sale of its cable system division.

Speculation also has surfaced that the company wants to pare debt as it explores a possible bid for CBS. Company executives refused comment on reports that the company has conferred with Chris Craft about a possible joint bid for the network.

Viacom Paramount also is said to be negotiating for the acquisition of WSBK(TV) Boston, owned by New World Communications. The purchase would lock up an affiliate of the new network in the sixth-largest TV market, where Tribune bought a station last year in the name of the Warner Bros. network. Viacom Paramount recently bought Combined Broadcasting's stations in Philadelphia and Miami for \$120 million, securing affiliates in two more valuable markets.

Smith Broadcasting owns WETM-TV Elmira and WKTU(TV) Utica, both New York; KEYT(TV) Santa Barbara; KWCH-TV Wichita, Kan.; and WWCP(TV) Johnstown and WATM(TV) Altoona, both Pennsylvania. Media Venture Partners is the broker. ■

### Full court press on kids TV

Children's TV advocates will lobby the FCC in full force this week.

It's all part of a major campaign to insure that the commission enacts tougher kids TV rules. Jeff Chester, executive director of the Center for Media Education, told BROADCASTING & CABLE last week.

"The broadcasters are flooding the FCC with all this disinformation; now the commission is going to hear from us," he said. Chester is bringing a delegation of more than a dozen children's TV activists representing, among others, the National PTA, National Education Association and American Academy of Pediatrics, to meet with FCC Chairman Reed Hundt on Wednesday and with Commissioner Andrew Barrett on Tuesday. Meetings with commissioners Rachelle Chong, Susan Ness and Jim Quello also are expected to take place.

CME and others have asked the agency to adopt guidelines that would require TV stations to air seven hours per week of 30-minute educational programs.

Hundt has told broadcasters that the agency will consider a notice of proposed rulemaking (NPRM) on children's TV early next year. Chester predicted that an NPRM might emerge as early as Jan. 12.

The FCC's Mass Media Bureau is working on the issue, but it's unclear what the rulemaking will include. In 1993 the commission asked for comments on how it might clarify the rules it adopted in implementing the Children's Television Act of 1990. Under the act, TV stations are required to air educational and informational programming as a condition of license renewal. However, the FCC rules give broadcasters wide latitude in determining what is educational programming and how much is enough.

"This [will] be an electronic litmus test for the Clinton FCC," said Chester. "Are they for kids, or are they for just insuring broadcaster profits?" —KM