



ANNUAL  
REPORT

1957

WJIM

WJIM-TV



GROSS TELECASTING, INC.



# GROSS TELECASTING, INC.

## ANNUAL REPORT

Year ended December 31, 1957

### DIRECTORS

Harold F. Gross  
Charlotte I. Gross  
Howard K. Finch  
Raymond W. Miottel  
James H. Spencer

### OFFICERS

Harold F. Gross . . . . . *President*  
Howard K. Finch . . . . . *Vice President*  
Charlotte I. Gross . . . . . *Secretary*  
Harold F. Gross . . . . . *Treasurer*  
Erma L. Nolan . . . . . *Assistant Secretary and Assistant Treasurer*

### TRANSFER AGENTS

Manufacturers National Bank of Detroit

### REGISTRAR

The Detroit Bank and Trust Company

### COUNSEL

Dykema, Jones, Wheat, Spencer & Goodnow . . . . . Detroit, Michigan  
Fly, Shuebruk, Blume & Gaguine . . . . . New York, N. Y.  
Washington, D. C.

### AUDITORS

Arthur Young & Company . . . . . Detroit, Michigan

# HIGHLIGHTS OF 1957

## PROGRESS

Your company enjoyed very satisfactory business during the latter half of 1957 and recorded total broadcasting revenues of \$2,733,846 . . . 3% less than the previous year. Profits continued to warrant a 40c quarterly dividend rate on the common stock and the financial position remained strong with \$294,239 being transferred to retained earnings. Comparative results are shown on this page.

## SALES

Peters, Griffin, Woodward, Inc., one of the pioneer representative firms of the industry joined the WJIM Radio and Television family as our national sales representatives. Their offices in New York, Chicago, Detroit, Atlanta, Fort Worth, Hollywood and San Francisco are expected to boost our National Spot sales during '58. Welcome Colonels!

## RADIO

WJIM Radio continued its upward trend during '57. Gross time sales increased 8% over the previous year and substantial gains were made in audience acceptance of our news and "good music" programming. Client renewals for '58 are encouraging and the future for radio is optimistic.

## NEWS

Increased emphasis was given to both local and national news programs during the year. The news department under the direction of Bill Fyffe was increased to five full time reporters and photographers and a regular schedule of live news shows was inaugurated on WJIM-TV. At year-end six live news programs were originating daily from the Lansing and Flint studios and WJIM Radio had scheduled 84 NBC World News programs and 70 local news programs each week. Many of these shows now have sponsors and our news coverage and scoops rate "tops" with listeners and viewers.

1957                      1956

### Operating Highlights—Years Ended December 31, 1957 and 1956

Broadcasting Revenue.....	\$2,733,846	\$2,815,408
Net Earnings.....	674,239	741,926
Net Earnings Per Share on 400,000 Shares		
Outstanding.....	1.68	1.85
Working Capital.....	2,376,938	1,982,063
Working Capital Ratio.....	5.1 to 1	2.9 to 1
Dividends Paid Per Share:		
Common Stock.....	1.60	1.30
Class B Common Stock....	.30	.22½



# LETTER FROM THE PRESIDENT

TO THE STOCKHOLDERS OF  
GROSS TELECASTING, INC.

During the first six months of 1957 the company's gross revenues and earnings reflected the general decline in business activity . . . however we experienced a stimulating increase during the latter part of the year which enabled us to record gross sales of \$2,733,846 as compared with \$2,815,408 in 1956. Increased operating costs and expenses incurred in the establishing and promoting of our new Flint studios reduced profits for '57 to \$1.68 per share compared to \$1.85 in '56.

The new 1023' tower which we installed the latter part of 1956 gives us excellent television reception in the city of Flint and we feel the origination of news and other local programs from the Flint studios will further establish WJIM-TV in this important metropolitan market.

Dividends on the common stock were continued at the rate of 40c quarterly during the year, and at 7½c quarterly on the class B common stock. After payment of these dividends \$294,239 was added to retained earnings. At the year end current assets exceeded current liabilities by \$2,376,938.

We aggressively investigated all opportunities for the acquisition of additional properties which we believed would add increased earnings and stability to the company . . . although negotiations reached an advanced stage in two instances we were unable to consummate the transactions on terms which we believed to be desirable. The company will continue to maintain a strong liquid position in order to take advantage of any opportunities which may arise in the future.

At the request of NBC we became a basic optional station on their network January 1, 1958, and now accept orders from all three networks on an equal basis, thereby giving us greater flexibility in scheduling programs with the most public appeal.

I would like to again express my appreciation for the loyalty and support of our employees, directors, stockholders, and business associates throughout the year.

*Sincerely,*



*President*

March 4, 1958

# GROSS TELECOM

## Balance Sheet December 31, 1957 and 1956

### ASSETS

	<u>1957</u>	<u>1956</u>
CURRENT ASSETS:		
Cash.....	\$ 750,405	\$1,376,786
Marketable securities, at cost.....	1,899,788	1,296,011
Accounts receivable, trade, less \$10,000 allowance for doubtful accounts (\$6,000 in 1956).....	273,372	301,134
Other current assets.....	35,984	35,093
Total current assets.....	<u>2,959,549</u>	<u>3,009,024</u>
EMPLOYEE NOTE RECEIVABLE, secured.....	<u>—</u>	<u>20,000</u>
PROPERTY, PLANT AND EQUIPMENT, at cost:		
Land.....	36,140	36,140
Buildings and improvements.....	612,543	605,893
Transmission and studio equipment.....	603,926	544,419
Furniture and other equipment.....	99,166	100,780
	<u>1,351,775</u>	<u>1,287,232</u>
Less accumulated depreciation and amortization.....	446,187	301,008
Total property, plant and equipment.....	<u>905,588</u>	<u>986,224</u>
	<u><u>\$3,865,137</u></u>	<u><u>\$4,015,248</u></u>

### LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable.....	\$ 66,534	\$ 127,579
Accrued expenses.....	202,518	180,545
Federal income taxes (less \$198,138 of U. S. Treasury notes).....	313,559	718,837
Total current liabilities.....	<u>582,611</u>	<u>1,026,961</u>
STOCKHOLDERS' EQUITY (Note 1):		
Common stock, \$1 par value; authorized 600,000 shares (of which 200,000 shares are reserved for conversion of Class B common stock), outstanding 200,000 shares.....	200,000	200,000
Class B common stock, \$1 par value (convertible into common stock on a share for share basis after March 31, 1958); authorized and outstanding 200,000 shares.....	200,000	200,000
Retained earnings (reduced by \$350,000 transferred to capital as a result of a recapitalization in a prior year).....	2,882,526	2,588,287
Total stockholders' equity.....	<u>3,282,526</u>	<u>2,988,287</u>
	<u><u>\$3,865,137</u></u>	<u><u>\$4,015,248</u></u>

See accompanying notes.

# ASTING, INC.

## Statement of Income and Retained Earnings Years Ended December 31, 1957 and 1956

	<u>1957</u>	<u>1956</u>
BROADCASTING AND OTHER REVENUE.....	\$2,733,846	\$2,815,408
OPERATING EXPENSES:		
Cost of operation (exclusive of those expenses shown separately)...	370,562	346,584
Salaries and wages.....	129,124	113,966
Depreciation and amortization.....	136,946	106,831
	<u>636,632</u>	<u>567,381</u>
	2,097,214	2,248,027
SELLING AND ADMINISTRATIVE EXPENSES:		
Cost of selling and administration (exclusive of those expenses shown separately).....	242,405	197,842
Commissions.....	347,110	348,244
Salaries and wages.....	154,383	159,149
Depreciation.....	11,155	12,227
	<u>755,053</u>	<u>717,462</u>
	1,342,161	1,530,565
OTHER INCOME.....	57,078	38,361
	<u>1,399,239</u>	<u>1,568,926</u>
PROVISION FOR FEDERAL INCOME TAXES.....	725,000	827,000
NET INCOME.....	674,239	741,926
RETAINED EARNINGS AT BEGINNING OF YEAR.....	2,588,287	2,081,361
	<u>3,262,526</u>	<u>2,823,287</u>
DIVIDENDS DECLARED (Note 1):		
On common stock—\$1.60 per share (\$1.00 in 1956).....	320,000	200,000
On Class B common stock—\$.30 per share (\$.17½ in 1956).....	60,000	35,000
	<u>380,000</u>	<u>235,000</u>
RETAINED EARNINGS AT END OF YEAR.....	<u>\$2,882,526</u>	<u>\$2,588,287</u>

*See accompanying notes.*

# NOTES TO FINANCIAL STATEMENTS

## NOTE 1. DIVIDENDS:

Cash dividends may be declared on the shares of common stock without dividends being declared on the shares of Class B common stock. A cash dividend may not be declared on the shares of Class B common stock unless simultaneously a dividend in the same or a greater amount is declared on the shares of common stock. Cash dividends may not be declared in excess of \$.50 per share on the Class B common stock in each of the three annual periods commencing April 1, 1955.

In comparing total dividends in 1957 with those in 1956, the difference to the extent of \$70,000 is attributable to the fact that the first quarterly dividend of 1956 was declared and recorded in December, 1955, the balance is a result of increased quarterly dividend rates made effective December, 1956.

## NOTE 2. PROFIT SHARING PLAN:

The Company placed into effect in the year ended December 31, 1955, an employees' profit sharing plan which has been approved by the Treasury Department. The contributions for 1957 and 1956 amounted to \$45,646 and \$39,270 respectively.



# ACCOUNTANTS' REPORT

ARTHUR YOUNG & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS  
DETROIT, MICHIGAN

RESIDENT PARTNERS:  
SIMEON JANES  
BRENT M. SMITH

The Board of Directors and Stockholders,  
GROSS TELECASTING, INC.

We have examined the accompanying balance sheet of Gross Telecasting, Inc. at December 31, 1957 and the related statement of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements mentioned above present fairly the financial position of Gross Telecasting, Inc. at December 31, 1957, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Arthur Young & Company*

February 17, 1958

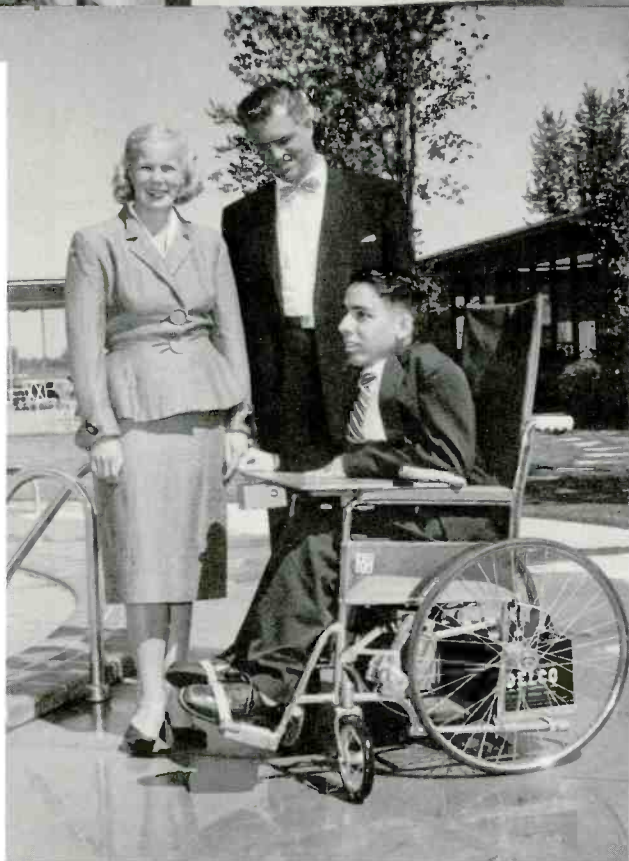


“Copper Kettle” hostess Martha Dixon honors the U.S. Marine Corps on their anniversary date as they appear with Martha on her very popular daytime TV show.

Michigan State University’s Head Basketball Coach, Forddy Anderson, (*on the right*) reviews and previews each of the Spartans games weekly on Channel 6 television. Sportscaster Howdy Finch does the play-by-play action for the WJIM audience.



The inaugural broadcast from WJIM-TV’s new Flint studio included many Flint notables, among them the famous AC Spark Plug Glee Club.



WJIM gave its support to the Muscular Dystrophy Association in many ways, including a party for the MDA patients. Among those attending were Gov. and Mrs. G. Mennen Williams. WJIM’s Prexy, Hal Gross, served as Chairman of the annual MDA Fund Drive, which was the area’s most successful to date.



WJIM DISC JOCKEYS staged a dis-  
cance to help the Marines in their Toys  
for Tots Drive. The price of admission  
was an unwanted toy, and thousands of  
needy children had their Christmas  
brightened by the results.

Peters, Griffin, Woodward, Inc. became  
the firm's National Sales Representative  
in '57. Here, at an important meeting,  
the new national sales staff gets ac-  
quainted with all the WJIM assets . . .  
big coverage, excellent programming,  
and tremendous audience APPEAL.



"L. G. IN STUDIO C". Between  
spinning discs, Lloyd Garten enters  
the local radio audience with an  
interview between the football  
captains of Eastern and Sexton High  
Schools before the City Champion-  
ship game.

OPERATION IMPACT! WJIM  
Radio and Television launched a  
vigorous driving safety campaign as  
a public service. This was one of the  
displays that reminded motorists to  
proceed cautiously. On the air, a  
saturation of programs and an-  
nouncements urged good driving  
habits. *Operation Impact* had its  
effect . . . there were no traffic fatali-  
ties in the Channel Six area during  
the campaign.





**RADIO**

**The Musical Voice of a Great Community**

**TELEVISION**

**Covering More of Michigan than any other TV Station**

LANSING • FLINT • JACKSON • SAGINAW • PONTIAC • BATTLE CREEK • KALAMAZOO • GRAND RAPIDS • MIDLAND