

STATION TURNOVER EVENS OFF continued

1967. This is the assumption by those who watch this area of activity in broadcasting.

Another factor making for optimism is, according to several brokers, the rise in the sale of daytime-only radio stations. For more than a year, it is pointed out, daytimers were not selling; buyers seemed loath to acquire radio stations that had to go dark at sundown. In recent months, however, more of these daytimers are being bought. The answer, according to one broker, is the increasing sophistication of buyers—coupled, he added, with the increasing willingness of bankers to finance such acquisitions.

One of the more significant surprises last year, notwithstanding the so-called soft market, was the tremendous upward leap in prices paid for radio stations. In total, the dollar volume for radio stations jumped by one-third over the \$56 million in 1965. In 1966, although there were fewer radio stations sold, the total dollar volume reached \$76.6 million. This is the peak volume in the last 13 years, and \$11 million above the previous high of \$65.5 million in 1959.

As 1967 headed toward the close of its first quarter, the sensitivity of brokers to general economic well-being was evident in their hedges on the prospects for 1967. The recent cutbacks in automobile production stirred their latent fears; the President's call for a 6% temporary "war" surtax caused them to qualify their general bullishness, and the talk in the financial press of a possible economic softening has dampened their usual optimism. None, however, has as yet directly attributed to these actions any major effect on station sales.

Perhaps one of the most interesting facets of station sales last year was dual—major group owners acquiring new outlets in top markets and the multiple ownership changes in individual cities.

During 1966, Westinghouse acquired KFWB Los Angeles, General Electric bought WSIX-AM-FM-TV in Nashville, the Steinman group purchased WTEV (TV) in the New Bedford, Mass.-Providence, R. I., area, Capital Cities purchased KPOL-AM-FM in Los Angeles.

And Avco Broadcasting bought KYA and KOIT(FM) in San Francisco, WGN Continental Broadcasting acquired KCTO (TV) (now KWGN-TV) in Denver, Storer bought WIHS-TV in Boston (now WSBK-TV), a UHF station, and also acquired KFMU(FM) in Los Angeles to go with its KGBS there, and Metro-media Inc. purchased two California stations—KEWB Oakland and, as a companion, KSFR(FM) across the bay

in San Francisco.

Los Angeles saw the most stations changing hands—four. During the year, KFWB went to WBC, KPOL-AM-FM to Capital Cities, KGLA(FM) (now KADS(FM)) to McLendon and KFMU (FM) to Storer.

The San Francisco area ranked next in total station sales, three. There KYA and KOIT(FM) went to Avco, KEWB and KSFR(FM) to Metro-media.

In Boston, two UHF television stations changed hands; WIHS-TV was purchased by Storer, and WXHR-AM-FM-TV by Kaiser Broadcasting and the *Boston Globe* jointly (now WKBG-TV for WXHR-TV, and requested WCAS for WXHR).

Two FM stations changed hands in New York market during the year; WRFM(FM) was bought by Bonneville International, and WFME(FM) in Newark, N. J., by Family Stations Inc. The same number of FM stations changed hands in Chicago: WFME(FM) to a group headed by George A. Rafel, and WDHF(FM) to advertising executive L. W. Frohlick. And in Detroit, WDTN(FM) was bought by the McLendons.

And, in 1966, John B. Walton Jr. added two more station properties to his already existing portfolio—KCUL-AM-FM Fort Worth and KERP-AM-TV El Paso.

The year also saw Kansas City Southern Industries become a group owner with the purchase of WEEK-TV Peoria and WEEQ-TV LaSalle, both Illinois, and of KWOS and KCRG-TV Jefferson City and KMOS-TV Sedalia, both Missouri.

Units Down ■ Of the 409 stations that changed ownership in 1966, 367 were radio properties, 11 were TV-radio combinations and 31 were TV-only stations.

These were all below the unit changes in 1965—22 less radio stations, four less TV-radio groups, and one less in the TV-only category.

But, although total dollar volume of \$135.7 million was slightly above the 1965 total of 135.1 million, expenditures for the purchase of radio stations were at a new high level for the 13 years BROADCASTING has been keeping records. For radio properties, a total of \$76.6 million was spent, up over 1965's total by \$20.7 million.

The big slump in dollar volume took place in the combination TV-radio group; last year only \$28.5 million was spent in this category; almost \$21 million less than the \$49.7 million spent in 1965.

Dollar volume in the TV-only group also moved up, by \$1.2 million. In 1966, \$30.6 million was spent in the TV-only class, up above 1965's total of \$29.4 million.

Multimillion Dollars ■ Top price in 1966 sales was the \$9.7 million paid by General Electric for WSIX-AM-FM-TV. And the next highest price last year was the \$9.1 million paid by Westinghouse Broadcasting for KFWB. Westinghouse actually had agreed to pay \$10,750,000 for the radio station, but the long delay in obtaining FCC approval resulted in a renegotiated sales price.

Also topping the list of multimillion dollar sales was the \$8.2 million paid by Capital Cities for KPOL-AM-FM.

Other major sales in 1966:

- \$5.9 million for KGNC-AM-FM-TV Amarillo, Tex., by Stauffer Publications.
- \$5,775,000 for WTEV(TV) by the Steinman group.
- \$4.4 million for KYA and KOIT(FM) by Avco.

- \$3.75 million for KARK-AM-FM-TV Little Rock, Ark., by John C. Mullins.
- \$3.5 million for KCTO(TV) by WGN Continental Broadcasting Co.
- \$3.15 million for KWOS, KCRG-TV and KMOS-TV, by Kansas City Southern Industries Inc.

- \$3,088,650 for WEEK-TV and WEEQ-TV by Kansas City Southern Industries Inc.

- \$2.5 million for KREX-AM-FM-TV Grand Junction, KREY-TV Montrose and KREZ-TV Durango, all Colorado, by the XYZ Television group (headed by James R. and William D. Williams, but including former principal owner Rex Howell as a minority stockholder).

- \$2,459,000 for KEWB, by Metro-media.
- \$2,295,000 for KFDA-TV Amarillo, Tex.; KFDW-TV Clovis, N. M., and KBSW(TV) Elk City, Okla. (now KFDO-TV Sayre, Okla.), by Perry Bass and his group.

- \$2,276,513 for WIHS-TV by Storer Broadcasting.
- \$1,750,000 for WXHR-AM-FM-TV by Kaiser Broadcasting and the *Boston Globe* jointly.
- \$1.5 million for KCUL-AM-FM by John B. Walton Jr.
- \$1,315,500 for WSUN-AM-TV St. Petersburg, Fla., by H. Y. Levinson.
- \$1,359,360 for KLEO Wichita, Kan., by W. Clark Swanson and others.
- \$1,026,277 for KLOK San Jose, Calif., by M. Philip and W. Thomas Davis.

- \$1 million for WMIE Miami by Louis J. Appell Jr. and his Susquehanna Broadcasting group.
- \$1,060,000 for WNAM Neenah-Menasha, Wis. by Miles Kimball Co.

The year 1966 also saw the highest price paid yet for an FM station; this was the \$850,000 paid by the Bonneville International group for WRFM (FM).

And in the next level, WFME(FM) sold for \$535,000 to Family Stations Inc., a nonprofit, California-based group of FM stations.