

CHRONOLOGY

Merger Proceedings

- May 24, 1951—Plans for merger of corporations announced jointly by Edward J. Noble, ABC Chairman, and Leonard H. Goldenson, UPT President.
- May 28, 1951—ABC Board of Directors approves plan for merger.
- June 6, 1951—UPT Board of Directors approves plan for merger.
- July 27, 1951—Stockholders of both corporations at separate meetings approve plan for merger.
- Jan. 15, 1952—FCC opens hearings in Washington on plan for merger.
- Nov. 13, 1952—Examiner Leo Resnick of FCC recommends approval of merger.
- Jan. 5, 1953—FCC holds one day oral arguments in Washington between all parties concerned.
- Feb. 9, 1953—FCC approves merger of American Broadcasting - Paramount Theatres Inc.

tends to grow like an oak, not a mushroom. The future began yesterday. So keep your eyes and ears on the *New ABC*."

Mr. Kintner spelled out the aims "in general" as being "to develop new programming and new techniques for both radio and television . . . important programming development in all areas—entertainment, drama, education, news, and variety . . . [with special attention to] certain program fields where we consider ABC under-developed, namely, situation comedy, general comedy, and dramatic presentations."

Officials also forecast a gradual buildup in the number of hours programmed for the TV network. Some increases were being made before the merger. Program schedules show that about a month ago ABC-TV was programming approximately 27½ hours a week for the network. Since then it has signed, for example, an additional 90 minutes on Tuesday nights (fights, 9-10:30 p.m.).

Among agencies it was felt the TV network

in particular could make two specific moves, fairly early in the growth period, to increase its desirability to advertisers: (1) strengthen Friday-night programming around the *Ozzie & Harriet Show*, and (2) build a strong program block around the *Lone Ranger* on Thursday evenings.

While the merger approval set off plans for expansion and development in many areas, the change in ownership is not expected to affect the arrangements instituted a few months ago with Edward Petry Co., John Blair & Co., and Blair-TV for representation of the ABC-owned radio and TV stations in the spot sales field, a spokesman reported.

First Board Meeting

Little more than 24 hours after the merger approval was announced, the new AB-PT board held its first meeting—largely devoted, it was said, to "paper work" relating to the incorporation, with some changes in titles of officers.

Principal UPT additions to the roster of ABC officers are Robert H. O'Brien, who was UPT secretary-treasurer and becomes executive vice president of the broadcasting division; Mr. Weitman, new ABC vice president in charge of programming and talent; Earl J. Hudson, president of UPT's United Detroit Theatres Corp., who becomes vice president in charge of ABC's West Coast Div.; and John Mitchell, manager of WBKB (TV) Chicago under ownership of Balaban & Katz, another UPT subsidiary, who becomes manager of what was formerly ABC's WENR-TV Chicago, which has now switched its call letters to WBKB.

Mr. Mitchell, it was understood, is slated for election to a vice presidency of ABC in addition to his post as manager of WBKB.

With Mr. Hudson's installation as vice president in charge of the ABC western division, William Phillipson, who has been in charge there, will return to network headquarters in New York as an assistant to President Kintner. Ernest Lee Jahnce Jr. continues as ABC vice president and assistant to Mr. Kintner.

Four officers of ABC also are officers of the parent corporations: Mr. O'Brien is financial vice president and secretary of AB-PT; while Mr. Kintner, Mr. Weitman, and Robert H. Hinckley, vice president in charge of the Washington office of ABC, are AB-PT vice presidents

(for complete organization charts of AB-PT and ABC Div., see opposite page).

It was made clear that Edward J. Noble, board chairman of ABC as well as owner of some 57% of its stock before the merger, who also is the largest single stockholder of AB-PT (almost 10% of common, 55% of preferred) will be active in the affairs of both the new parent corporation and the broadcasting division. He is chairman of the finance committee of AB-PT.

The board of AB-PT consists of 13 members who formerly sat on the board of UPT, and from ABC's board. They are:

From UPT—H. N. Balaban, A. H. Blank and Robert B. Wilby, heads of UPT theatre operating subsidiaries; John A. Coleman, member of New York Stock Exchange firm of Adler, Coleman & Co.; Charles T. Fisher Jr., president of National Bank of Detroit; E. Chester Gersten, president, Public National Bank & Trust Co. of New York; Mr. Goldenson; Walter W. Gross, UPT vice president and general counsel; Robert L. Huffines Jr., director, Burlington Mills Corp.; William T. Kilborn, president, Flannery Mfg. Co., Pittsburgh; Walter P. Marshall, president, Western Union Telegraph Co.; Mr. O'Brien, and Herbert Schwartz, president, City Stores Inc.

From ABC—Messrs. Noble, Kitner, and

THE NEW LINE-UP

At right is organizational chart showing executives of new AB-PT and ABC Division. Connecting lines between pictures show chains of command.

Hinckley; Earl E. Anderson, and Owen D. Young, honorary chairman of the board of General Electric Co.

At the first AB-PT board meeting, held Wednesday, titles of three AB-PT officers were changed: Mr. O'Brien from secretary-treasurer to financial vice president and secretary; Simon B. Siegal, from comptroller to treasurer, and James L. Brown, from assistant treasurer to comptroller and assistant treasurer.

Though ABC will be operated as a division, authorities said, it is not contemplated that a comparable UPT division will be established. Rather, the AB-PT organization will handle UPT activities, including theatre ownership and operation and theatre TV development.

Separate Headquarters

Separate headquarters also will be continued for AB-PT and ABC, with the latter slated to complete the move of its executive offices from the RCA Bldg. to its own quarters at 7 W. 66th St., New York, by about April 1. AB-PT's offices are at the Paramount Bldg., 1501 Broadway, New York.

FCC's announcement of approval of the merger was delayed until after the stock market closing on Monday. ABC common stock, which had closed at 11½ that day, jumped quickly Tuesday morning. Trading was suspended to show the change in name. During Tuesday a total of 31,700 shares of the new AB-PT stock were traded, compared to 4,900 of ABC common the day before, and reached a high of 15¾ before closing at 14¾, its low for the day. On Wednesday, dealings slackened off—7,200 shares were traded—and the stock dropped a quarter of a point to 14¾.

Capsule of the Multi-Pronged Paramount Case

HERE'S what the FCC did last week in its eventful decision regarding the year-and-a-half-old Paramount case:

(1) Approved the merger of ABC with United Paramount Theatres Inc. by a vote of five to two. Comr. Hennock vigorously dissented. Comr. Edward M. Webster recommended that the merger approval be held up pending further study of the qualifications of UPT to hold broadcast licenses.

(2) Approved the sale of WBKB (TV) Chicago from UPT to CBS for \$6 million. Again Comrs. Hennock and Webster dissented. Also approved the move of WBKB from Ch. 4 to Ch. 2, and dismissed Zenith Radio Corp. application for Ch. 2. To this Chairman Paul A. Walker and Comrs. Hennock and Webster dissented.

(3) Held that Paramount Pictures

Corp. controls Allen B. DuMont Labs. Comrs. Rosel H. Hyde and George E. Sterling dissented to this.

(4) Approved the transfers of control of KTLA (TV) Los Angeles from old Paramount Pictures Inc. to new Paramount Pictures Corp., and of WBKB (TV) Chicago from old Paramount Pictures Inc. to new UPT, and of negative control of WSMB-AM-FM New Orleans from old Paramount Pictures Inc. to UPT. Comr. Webster strenuously opposed these, as did Comr. Hennock. Comr. Eugene H. Merrill opposed transfer of KTLA.

(5) Renewed the licenses of WBKB, WSMB-AM-FM and WABD (TV) New York.

(6) Issued licenses to cover construction permits to KTLA, WTTG (TV) Washington and WDTV (TV) Pittsburgh.