

WRATHER, LOEB, BUCKLEY BUY WNEW FOR RECORD \$4 MILLION

- New York independent brings highest radio price ever
- Station value had doubled since last transfer in 1954
- Sale marks new confidence in radio's profit potential

SALE OF WNEW New York for more than \$4 million—highest price ever paid for a radio station—was announced last week.

A syndicate headed by industrialist and radio-tv station owner Jack Wrather and including investment banker John L. Loeb and WNEW president and part owner Richard D. Buckley signed to pay \$4,076,887.67 for all of the stock in the licensee corporation, subject to the customary FCC approval.

Authorities reported that they hope to have FCC's consent in time to complete the transfer before the first of 1956. They said Mr. Buckley is expected to continue as president and that no changes are planned in either the policies or personnel of the 50 kw station, recognized as one of the nation's top independents.

The \$4 million-plus transaction followed by almost a year and a half the purchase of WNEW by Mr. Buckley and associates for slightly more than \$2 million.

The selling group includes Mr. Buckley, who owns 25% of the voting stock of WNEW Broadcasting Inc. and will have a similar percentage under the new ownership; a group including board chairman Harry R. Playford, Ed C. Wright, and H. W. Holland and sons Elliott W. and William Langston Holland who own 50% of the voting shares; another group including the estate of the late Horace L. Lohnes, Washington attorney, and his daughter Roberta Lee Lohnes, who own the remaining 25% of the voting stock, and a group of 10 WNEW employees who own all of the non-voting stock.

The new ownership will consist of J. D. (Jack) Wrather Jr. with 37.5% of the stock, John L. Loeb and associates with 37.5%, and Mr. Buckley with 25%.

Mr. Wrather, youthful Texas and Los Angeles industrialist whose fortune was founded in oil, currently has widespread holdings which include, in the broadcast field, part ownership of KFMB-AM-TV San Diego, a grant for a Boston uhf television station which is slated to commence operations in 1956, and the *Lone Ranger* and all radio, tv, merchandising, comic book and comic strip rights to this property. He also has an application pending for a tv channel in Corpus Christi and formerly was part owner of KOTV (TV) Tulsa.

Mr. Loeb is senior partner of the Carl M. Loeb, Rhoades Co., New York investment bankers. Some of his banking associates are represented in the ownership of Allen B. Dumont Labs but these do not include any who are associates with him in the WNEW purchase, authorities said.

The record-setting sale was negotiated by

Allen Kander & Co., radio and tv brokers. Paul A. O'Bryan of the Washington law firm of Dow, Lohnes & Albertson represented WNEW throughout the negotiations. Monte Livingston, general counsel for Mr. Wrather, represented the Wrather and Loeb group.

WNEW, which operates on 1130 kc, has long been regarded as one of the nation's leading—and most successful—radio stations and has pioneered many program innovations including the music and news format. Mr. Buckley and his associates acquired it from William S. Cherry (WPRO Providence, R. I.) and associates for \$2.1 million in April 1954. Mr. Cherry had acquired control in 1949 from long-time owner Arde Bulova. When Mr. Buckley's group took over they also bought out Bernice Judis and Ira Herbert, for many years the operating chiefs of the New York independent. The Herberts (Miss Judis is Mrs. Herbert) owned and had options to buy less than 20%.

Officials reported last week that under Mr. Buckley's direction, the station's sales figures

for 1955 are 32% higher than for 1953. It also was reported that program realignments undertaken under Mr. Buckley had produced rating increases ranging as high as 29% to 125% for specific shows, with Nielsen figures showing total listening to WNEW up 70% during this period.

Mr. Livingston called attention to Mr. Wrather's "reversal of the usual course in radio and television today" in that he is expanding from television into radio.

President Buckley said that in the transfer he is "reaffirming" the stand he took "for radio only" when he went from the presidency of John Blair & Co., of the Blair radio and tv station representation organizations, into the ownership and presidency of WNEW.

Mr. Wrather entered tv with the purchase of KOTV for \$2 million-plus. Later, in association with Mrs. Helen Alvarez, manager and part owner of KOTV, he acquired KFMB-AM-TV for \$3 million. The Tulsa property was sold recently to J. H. Whitney & Co. for \$4 million but Mr. Wrather remains on the board of directors.

The WNEW employe group selling the WNEW non-voting stock in the current transaction consists of John Jaeger, vice president and assistant manager; Melvin J. Stack, treasurer; Mary McKenna, director of research and sales development; John V. B. Sullivan, Kermit Moss, John Beaton, Richard H. Gerkin, and John Geddes, salesmen; Alexander Trilling, who is in charge of the musical library, and Max Weiner, chief engineer.

'THE YEAR RADIO CAME BACK'

IT MAY BE that 1955 will go down as "the year radio came back." Back to life, anyway, if not back to its pre-tv billings peaks. All signs point that way—new programming, new sales techniques, and new awareness that radio has something to sell, after all.

Now, in a market dominated by seven tvs, an independent has commanded the largest radio station sales price in history. B•T had spotlighted the tremendous commercial success of WNEW in its "Radio Resurgence" issue Sept. 19 (page 168), commenting that the successful music and news formula had "paid off in millions." Another article in that same issue told how "The Going Price Is Going Up" (page 62). For further assurance of this trend, read the last five paragraphs of this box.

The independent stations are not the only ones making news. Networks, although admittedly facing an uphill climb, are digging in to the task of regaining lost ground. Elsewhere in this issue B•T reports that story: there's an interview with Executive Vice President Robert W. Sarnoff of NBC beginning on page 35, and a condensed speech by President Robert E. Kintner of ABC beginning on page 51.

B•T commends them to its readers as interesting reading.

Prices and How They've Grown

GOING price for am stations has been on the rise in recent years. Up to the beginning of this year, am station prices were modest. But beginning in January, they began to inch upward. It was in that month that WPAT Paterson, N. J., 5 kw on 930 kc, was sold by the *Passaic Daily News* to Emanuel Dannett for \$300,000.

Last summer, WHIM Providence, R. I., 1 kw day on 1110 kc, was sold by Mrs. John Kluge, Harris Thompson, Robert T. Engle and C. George Taylor to Frank Miller Jr. for \$469,000.

And this fall, WTRY Troy, N. Y., 5 kw on 980 kc, was sold by Harry C. Wilder and associates to Robert T. Engle, C. George Taylor, Kenneth M. Cooper and Mowry Long for \$500,000.

This is not to say that substantial sums were not spent in the purchase of am stations before this year. The largest for a long time was the 1954 sale of WINS New York, 50 kw on 1010 kc, by Crosley Broadcasting Co. to J. Elroy McCaw and John D. Keating for \$450,000.

Note: all are independents.