that if WBC and the network could not come
to terms, NBC would acquire another station in
the Philadelphia area on which it would put
NBC programs, leaving WPTZ to affiliate with
ABC.

The "swap" contract, signed May 16, 1955,
approved by the FCC in December and con-
sumed in January 1956, involved trading of
WBC's WPTZ (TV) and KYW Philadelphia for
NBC's WNBK (TV) and WTM Cleveland, with
WBC getting $3 million difference—based
on an estimate $600,000 annual differential in
earning power between the two properties for
five years.

Mr. McGannon had his statements after be-
ing questioned on his suggestion that a net-
work's functions in operating a programming
service to stations and as an entity engaged in
acquisition or upgrading of owned stations be
separated. Mr. McGannon had no general or
specific idea on how this should be done, but
thought it should be considered.

The WBC president said he did not believe
NBC affiliation with other WBC properties was
a factor in the swap negotiations. Although
WBC bought KDKA-TV Pittsburgh during the
NBC-WBC negotiations, he said, KDKA-TV
does not even have an option time agreement
with NBC, although it "ultimately" intends to
become a full NBC affiliate, when Pittsburgh
has additional vhf outlets. As for WBC's
WBZ-TV Boston, the NBC affiliation there was
continued as a matter of course, without en-
tering into the negotiations, he said.

Mr. McGannon said that although his firm
likes the Cleveland market and thinks its new
stations there are having success, Philadelphia,
on the other hand, was WBC's top market. He
said WBC had assigned a valuation of almost
$5 million on WPTZ's NBC affiliation in pur-
chasing the station in the summer of 1953 for
$8.5 million. At that time the NBC affiliation
had six months to run and NBC indicated it
would renew and did renew Jan. 1, 1954. NBC-
WBC negotiations for the swap began in Sep-
tember 1954, nine months after renewal of the
affiliation, Mr. McGannon said.

The WBC executive told Sen. John O. Pastore
(D-R, 1), presiding, that he feels networks
should be allowed to own stations—subject to
the limitations he suggested—because owned
station revenues help support the financial risks
of operating a network, that being a licensee
of stations helps a network in understanding
the problems of all stations and because there
are no "compelling" reasons why a network
should not own stations.

Mr. McGannon said that WRCV-TV and
WRCA-TV New York have coverage overlap in
their grade B contours, but not in grade A con-
tours, the latter prohibited by FCC regulations.

Questioned by Sen. John W. Bricker on
whether networks should be licensed, Mr. Mc-
Gannon said network regulation would set up
standards of programming and thus, censor-
ship; that under regulation networks would be
uncertain of their future and this would affect
their ability to attract capital; that "fundamen-
tally," a network is a program service and no
suggestion has been made that other program
sources be regulated; that government super-
vision would destroy their creative functions.

John W. Steen, WBC attorney accompanying
Mr. McGannon, was asked by Sen. Bricker
whether he felt an amendment of the Commu-
nications Act, providing for government reg-
ulation of networks, would be sustained by the
courts. Mr. Steen said he thought there was no
question the courts would sustain such an
amendment.

Seven Station Sales
Get Approval by FCC

Triangle gets WNHC-AM-FM-TV
for $5.4 million, Cowles WHTN-
AM-TV for $635,000. Others
bring total to $7 million-plus.

SEVEN major station ownership changes were
approved by the FCC last week—with the total
bill amounting to over $7 million. Among the
seven were the $5.4 million sale of WNHC-
AM-FM-TV New Haven, Conn., from Aldo
DeDominicis and Patrick Goode and associates
to Triangle Publications Inc., and the $635,000
sale of WHTN-AM-FM-TV Huntington, W. Va.,
from Sol J. Hyman and family to Cowles
Broadcasting Co. Other sales approved in-
volved KGIL San Fernando, Calif., WCM-
AM-FM Ashland, Ky., KLYN Amarillo, Tex.,
WKBS Mineola, N. Y., and WAAB Worcester,
Mass.

Acquisition of the WNHC properties marks
Triangle's fourth purchase in the last year and
places it in the top bracket of station owner-
ship. Triangle already owns Philadelphia In-
quiry-WILF-AM-FM-TV Philadelphia, WBNF-
AM-TV Binghamton, N. Y., WFKW-AM-TV
Altoona, Pa., WLBV-TV Lebanon, Pa. (sub-
ject of protest hearings), and 50% of WHGB
Harrisburg, Pa.

In this purchase, Triangle (Walter H. Annen-
berg and family) is acquiring the pre-freeze ch.
8 New Haven outlet, affiliated with ABC and
supplementary CBS-TV. The am station oper-
ates on 1340 kc with 250 w, and is affiliated with
ABC.

WNHC is currently leading the protest against
FCC approval of the sale of uhf stations
WGHV-AM-Fargo to CBS and of
WKNB-AM-TV New Britain to NBC.

With the purchase of WHTN-AM-FM-TV, Cowles
Broadcasting Co. raised its broadcasting
interests to five tv and four radio proper-
ties. Cowles stations are KRNT Des Moines
and KTVT (TV) Sioux City, both Iowa; WNW
WAXY Yankton, S. D.; 60% of KRNT-TV Des Moines;
47% of WCCO-AM-TV Minneapolis-St. Paul
(through Minneapolis Star & Tribune Co.); 80%
of KTVH-TV Hutchinson-Wichita, Kan.
(through Minneapolis Star & Tribune Co.). In
addition, Cowles properties have also come Min-
nepolis Register and Tribune, Look magazine and
Minneapolis Star and Tribune.

Ch. 13 WHTN-TV began operation in Oc-
tober 1955 and is affiliated with ABC-TV.
WHTN, on 800 kc with 1 kw daytime, went on
the air in 1947 and is an MBS affiliate.

Sale of KGIL San Fernando, Calif., by Will-
iam Dolph, Herbert Pettry, Howard Gray and
associates for $475,000 cash is to Texas evan-
gelist Dr. Pierce Brooks. Dr. Brooks, from Dal-
las, owns several insurance companies. He has
used radio in his ministry.

Independent KGIL went on the air in 1947.
It operates on 1260 kc with 1 kw.

WCM-AM-AMF-AShland, Ky., passes from
Gilmore Nunn and Charles Sawyer to George
H. Clinton for $165,000. Mr. Sawyer, 70% owner
of station, is former Secretary of Com-
merce in President Truman's cabinet. Mr.
Clinton is general manager of WBLK-AM-TV
Clarksburg and WPAR-AM-FM Parkersburg,
both W. Va., serves as NARTB Third District
director, and owns 40% of WTMA Charleston,
S. C., AM-TV.

CBS-affiliated WCMF operates on 1340 kc,
with 250 w.

KLYN Amarillo, Tex., was sold by R. G.
Hughes to Kenyon Brown for $20,000 in notes
and a five-year lease on land and buildings at

Broadcasting  Telecasting