



# DuMONT PAYS \$7.5 MILLION FOR WNEW

- Going price still going up for New York independent
- Sale, radio's highest, ranks third in broadcast history

NEW YORK's much-traded WNEW has hit a new high. The station, which was worth \$2.1 million to Richard Buckley and associates when they brought it in 1954 and \$4 million-plus when they sold it to Mr. Buckley, J. D. Wrather Jr. and John L. Loeb in 1955, was worth \$7.5 million to DuMont Broadcasting Corp. last week.

It not only was the highest price in the history of radio, but ranks third among all single station transactions. The top two: WDTV (TV) Pittsburgh for \$9.75 million in 1954 and WPTZ (TV) Philadelphia for \$8.5 million in 1953.\*

Two other transfers boosted last week's dealings to the \$8,208,000 level. WEAT-AM-TV West Palm Beach, Fla., was sold for \$600,000; BWOW Terre Haute, Ind., for \$108,000.

WNEW New York, which brought a then-record radio station price of \$4 million-plus some 17 months ago, was sold last week for about 90% more, another record.

In a transaction that had been in negotiation for several weeks [CLOSED CIRCUIT, Feb. 25, *et seq.*], DuMont Broadcasting Corp. acquired the singularly successful independent for approximately \$7.5 million in cash and DuMont stock.

Sellers are Richard D. Buckley, president and part owner of WNEW, who is taking DuMont stock for his 25% interest in the station and will continue as president of DuMont's new WNEW Div.; and J. D. Wrather Jr. and John L. Loeb, each of whom has 37.5% of WNEW and will be paid on a basis of 75% cash and 25% DuMont stock.

The transaction is subject to the customary FCC approval. Applications are expected to be filed with the Commission within about two weeks.

In taking his share of the purchase price in stock, Mr. Buckley will become the second largest single stockholder in DuMont Broadcasting, with approximately 10%. Paramount Pictures Corp., with 26.6%, is the largest. DuMont Broadcasting which owns WABD (TV) New York and WTTG

(TV) Washington, was "spun off" from Allen B. DuMont Labs in the fall of 1955.

Mr. Buckley also will become a vice president and director of DuMont Broadcasting. No executive changes at WNEW are contemplated.

In announcing the sale, DuMont President Bernard Goodwin and WNEW President Buckley and Board Chairman Wrather voiced confidence that the combination of WNEW and WABD would result in a much stronger broadcasting operation in New York. They said they expected WABD and WTTG to become as successful in the independent tv field as WNEW is among radio independents. The fact that all WNEW stockholders are acquiring substantial stock interests in DuMont was seen as tangible evidence of their confidence in the WNEW-WABD-WTTG combination.

WNEW, a 50 kw operation on 1130 kc, has long been acknowledged as one of the country's leading independents. Mr. Goodwin said WABD was now operating in the black and that WTTG would move out of the red very shortly.

WNEW showed an earned surplus for the

12 months ending Jan. 31 of \$352,870. Its balance sheet, submitted with a license renewal application to the FCC earlier this month, showed total assets of \$3,457,932, of which \$1,084,096 was listed as current assets. Current liabilities totaled \$588,691. Listed as debts due within one year was \$650,000 to Bankers Trust Co., \$150,000 to officers' stock purchase agreements, \$52,121 to employees' stock purchase agreements, and \$50,000 brokerage fees. Long term obligations included \$550,000 due Bankers Trust Co. \$461,750 officer trust agreement, \$387,500 stockholder loans, and \$25,000 brokerage fees.

The DuMont company, on the other hand, showed a deficit as of Dec. 29, 1956, of \$1,559,639. The company's balance sheet filed with WABD's license renewal application to the FCC listed total assets of \$6,099,384, of which \$1,045,802 was given as current assets. Current liabilities were shown as \$3,256,901, plus a Bank of New York loan, due Feb. 15, 1957, of \$500,000, and a loan from Allen B. DuMont Labs of \$384,731.

The \$7.5 million sale price—for which



**THE BIGGEST** radio station sale of all time: (l to r) Bernard Goodwin, president of DuMont Broadcasting; J. D. Wrather, WNEW board chairman, and Richard D. Buckley, WNEW president-general manager.

\* WDTV (TV) was bought by Westinghouse Broadcasting Co. from DuMont Broadcasting, and call letters subsequently were changed to KDKA-TV.

WPTZ (TV) was bought by Westinghouse from Philco. Westinghouse in turn sold the station to NBC in the station swap involving WBC's KYW and WPTZ for NBC's WTAM and WNBK (TV) Cleveland plus \$3 million. NBC changed the Philadelphia call letters to WRCV-AM-TV.