

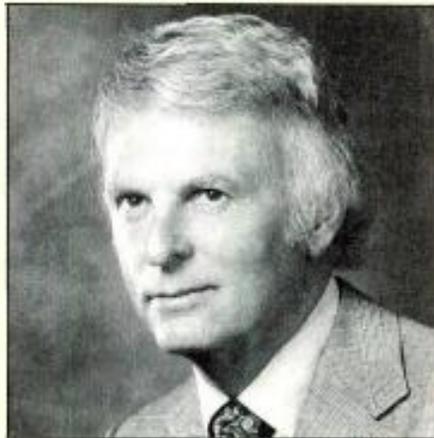
ary, and shortly after, James Gianopoulos replaced long-time international distribution president Bill Saunders. Both Meidel and Gianopoulos worked at Paramount with Salhany.

Heading network production since 1980, Katleman is known for his aggressive sales pitches and cool head during license negotiations.

However, one cash-licensing deal, *Anything but Love*, which reportedly left Twentieth with above-average production deficits, proved to be a losing battle for Katleman: Salhany killed the ABC sitcom last January in spite of his efforts to keep the series afloat, and industry watchers interpreted the move as limiting Katleman's authority.

Katleman leaves behind six series: NBC's *L.A. Law* and Fox's *The Simpsons*, *In Living Color*, *Stand by Your Man*, *True Colors* and *Drexell's Class*. Twentieth just received 1992-93 series orders for *Picket Fences*, an hour drama for CBS, and *Rhythm and Blues*, a half-hour sitcom for NBC.

General manager of Tribune Broadcasting Co.-owned independent KTLA since 1981, Bell served the previous six years in the same post at WLVI-TV



Harris Katleman

Cambridge, Mass., where Salhany was under his wing as program director. Bell is widely credited with building KTLA's top-rated sign-on to sign-off showing among L.A. independents. Some top Fox TV executives, however, were curious about Bell's ability to run a network production division.

"Obviously, Lucie felt that my background in programing, program acquisition and administration on the broadcast side was very similar to what she and other division heads had brought to the table," Bell said. "Lucie came from the syndication side of the business, so she was looking

for someone like herself who can bring a fresh perspective to network production."

Roth has been at Cannell Productions since 1986, where he helped combat the independent studio's declining presence in network prime time by developing lower-budget hour

dramas for CBS's *Crimetime After Primetime* and a pair of syndicated action-adventure hours (*The Renegade* and *Street Justice*) for Cannell Distribution. According to trade reports, former CBS Entertainment President Kim LeMasters is the leading candidate to fill Roth's position. ■

YOUNG PROPOSES FIVE-STATION BUY

Deal still contingent on financing; sale of H&C's major market affiliates might have repercussions for Petry TV

By Geoffrey Foisie
and John Gallagher

Broadcasting executives were surprised last week at the proposed sale of five TV stations belonging to H&C Communications to Young Broadcasting. A major reason for their surprise was that a much smaller company could get financing for a deal whose price is known to be large, if uncertain. Vincent Young, who, along with his father, Adam, runs Young Broadcasting, said financing under consideration might even include a public offering of stock.

H&C's decision to sell is apparently the result of a quiet agreement among the Houston family-owned media company's 11 shareholders to amicably liquidate the H&C properties. One, a Nashville TV station, was sold last year, and the proposed five-station sale would leave H&C with only KPRC(AM) Houston.

How much the Youngs were paying elicited a wide range of outside estimates; running as low as \$350 million and as high as \$650 million.

By week's end, a scenario had emerged that accommodated both estimates. H&C, it was said, would receive far below \$650 million. However, the Youngs would take the five stations, and perhaps some of Young's existing properties, public at a value, including debt, of \$625 million, or roughly 8.5 times their combined projected 1992 cash flow. In 1991 the H&C properties were estimated to have produced just under \$40 million cash flow on revenue of \$103 million—while the Young properties, it was said, were generating

roughly \$23 million of cash flow.

Undertaking a public offering would bring equity not only to the H&C purchase but might also help with the Youngs' prior acquisitions, at least one of which is said to be performing below expectations. Whether H&C would retain any stock or warrants in the public company was uncertain.

One way Young might increase the stations' cash flow would be to take their national representation in-house, since the Youngs also own the Adam Young rep firm, which reps all six Young Broadcasting properties. This would spell bad news for Petry Television, which reps the five H&C stations. Asked if he had talked with Petry executives about any possible changes, Young said he had not, adding: "We haven't reached a conclusion, but you can certainly draw your own conclusion."

The purchase would make Young Broadcasting the 17th largest TV station group owner, covering 6.1% of the country. The agreement in principle covers KVOA-TV Tucson, Ariz.; WESH(TV) Daytona Beach-Orlando, Fla.; KCCI-TV Des Moines, Iowa; KPRC-TV Houston and KSAT-TV San Antonio, Tex. According to one estimate published last year, three-quarters of the five-station group's cash flow comes from Houston and Orlando, both NBC affiliates, as is KVOA-TV. KCCI-TV is a CBS affiliate, while KSAT-TV is affiliated with ABC.

Young owns six TV stations: WTVO (TV) Rockford, Ill.; KLFY-TV Lafayette, La.; WLNS-TV Lansing, Mich.; WKRN-TV Nashville; WKBT(TV) La Crosse, Wis.; WTEN-TV Albany, N.Y. (and its satellite station, WDCD-TV Adams, Mass.). ■