

free cash, with which they will either de-leverage or continue growing their asset base via acquisitions," the CIBC report states.

"Unless [radio] stocks continue to

decline significantly from here, we do not believe that the recent weakness will curtail growth prospects going forward," CIBC concludes.

Stevens says that predicting future

trading on unsure stock values is "a matter of perspective. Stock can still be used as currency, so long as you are trading significantly above book value." ■

# Gannett, Argyle swapping TVs

By Elizabeth A. Rathbun

**G**annett has found a new owner for KOCO-TV Oklahoma City and WLWT(TV) Cincinnati: on-the-block Argyle Television Inc.

Gannett had pledged to get rid of NBC affiliate WLWT so it could continue to own the *Cincinnati Enquirer* (B&C, June 24). And in Oklahoma City, Gannett faced crossownership conflicts because it was buying the cable system serving suburban Nichols Hills (B&C, Oct. 16, 1995). Gannett acquired both WLWT and the cable system in July 1995 as part of its \$2.3 billion merger with Multimedia Inc.

In exchange for ABC affiliate KOCO-TV and WLWT, Argyle will pay Gannett \$20 million and swap ABC affiliate WZZM-TV Grand Rapids, Mich., and NBC affiliate WGRZ-TV Buffalo, N.Y. Gannett still ends up with a net 16 TV stations, but its household reach declines to 14.8% from 16% (including other pending deals), a company spokesperson says. Gannett also will lose one of its 92 daily newspapers: the *Niagara Gazette*, near Buffalo. The value of the deal was not disclosed.

Looked at another way, it's a wash. Gannett is swapping two Vs in Nielsen markets 29 (Cincinnati) and 43 (Oklahoma City) for two Vs in markets 38 (Grand Rapids) and 39 (Buffalo). The deal requires FCC and Justice Department approval.

"WZZM-TV and WGRZ-TV represent a growth opportunity for Gannett that fits well with our television broadcast coverage across the [U.S.]," Cecil L. Walker, president, Gannett Broadcasting, said last Wednesday.

Argyle also retains the same number of TV stations: nine. The company has been for sale since August, when president Bob Marbut said that conditions made it difficult "for Argyle to get big enough fast enough

to become an industry consolidator."

Company officials were not available for comment last Friday about whether the deal signals a change in Argyle's sales plans.



From MTV to the source: Robert Pittman buys radio stations in Colorado, New Mexico.

## NBC proceeds with overlaps

Duopoly waiver in hand, NBC Inc. last Wednesday completed its purchase of KNSD(TV) San Diego from New World Communications. The action follows by two weeks FCC approval of the deal, which involves overlapping NBC stations. KNSD, at ch. 39, has a 20.5% area overlap (and 15% population overlap) with KNBC(TV) Los Angeles (ch. 4).

The decision was one of the first since deregulation signaling the FCC's intent to loosen its duopoly rules, at least in cases of overlapping VHF-UHF signals.

KNSD was part of a \$425 million-plus deal in which NBC also bought New World's WVTM-TV Birmingham, Ala. WVTM-TV already has changed hands, a network spokesperson says. With KNSD, the household reach of NBC's 11 O&Os grows to 25.1%.

## Paxson keeps network TVs

Paxson Communications Corp. last Monday said it has dropped plans to sell ABC affiliate WPBF-TV Tequesta/Palm Beach, Fla. (B&C, Sept. 16), and its time brokerage agreement with UPN affiliate WTVX-TV West Palm Beach. Paxson's stock price fell to a 52-week low as a result, to \$6.75 last Wednesday.

In July, Paxson said it wanted to sell the affiliates to concentrate on its core businesses: its infomercial Infomall TV Network (inTV) and its extensive radio group. But in September, Paxson bought

WNAL-TV Gadsden/Birmingham, Ala., from Anthony J. Fant. At the time, Paxson said it was considering converting WNAL-TV to inTV.

## Pittman can't stop the music

Former MTV Networks chairman Robert W. Pittman must be missing his music. Pittman, the new president of AOL Networks, is 13% owner of a new company, Roberts Radio LLC, which "expects to be a major holder of small and middle-market radio stations," according to a company news release. Last week, Roberts Radio bought AM-FM combos in Durango, Colo., and Farmington, N.M., to add to its three-FMs in Colorado and New Mexico.

Pittman is in the radio business with Robert B. Sherman, former president of WP Radio Corp. and once executive VP of NBC Radio. Sherman is president of Roberts Radio with a 0.7% ownership interest. Sherman had bowed out of radio in September 1995, selling his nine stations to Patterson Broadcasting Inc. for \$36 million.

## Clear Channel expands in New Zealand

Clear Channel Communications Inc. continues to grow on the other side of the world. Last Monday, the company said its New Zealand radio partnership is buying 12 more stations in Auckland and Hamilton. The \$28.5 million deal includes an outdoor advertising company. Clear Channel in April invested \$60 million for one-third of the partnership, Radio Network of New Zealand Ltd.

## 6th Evergreen FM goes to trust

Evergreen Media Corp. is putting an "extra" FM in trust to clear the way for its ownership of five FMs in Philadelphia. In documents filed earlier this month with the FCC, Evergreen said it is putting in trust WFLN-FM Philadelphia, which it is buying from Secret Communications LP, so that it can buy WDAS-FM, WIOQ-FM and WUSL-FM. Evergreen already owns WYXR-FM and WJZ-FM in the market. FCC local ownership rules prohibit a broadcaster from owning more than five FMs (or AMs) in Philadelphia. The trustee is radio broker Charles E. Giddens. The station will be sold within a year, the documents say. ■