Lop of the Was

Still more for Fox

Fox-Savoy buys Burnham stations for \$229 million

By Julie A. Zier

joint venture of Fox and Savoy Pictures opened up new fronts in the affiliation wars last week with its \$229 million purchase of Burnham Broadcasting's stations in Honolulu, New Orleans and Mobile, Ala.

Buyer SF Broadcasting will switch at least two of the stations—KHON-TV Honolulu (now NBC) and WVUE New Orleans (now ABC)—to Fox. But it may spin off WALA-TV Mobile (now NBC) without making changes, according to SF President Tom Herwitz.

The switches in Honolulu and New Orleans will force the market's current Fox affiliates to look elsewhere for network programing and ABC and NBC to find new outlets there.

The price also includes Burnham's Honolulu-based production company, McHale VideoFilm. Media Venture Partners brokered the deal. SF last July bought Burnham's WLUK-TV Green Bay for \$38 million.

Burnham founder and general partner Peter Desnoes plans to buy the group's remaining station, KBAK-TV Bakersfield, Calif., which sources value at \$16.5 million, \$1.5 million more than Burnham paid in 1986.

The SF-Burnham deal brings two or three more markets into the affiliate churn begun in May by Fox's 12-market blanket affiliation deal with New World Communications. So far, 52 stations in 25 markets have been affected.

SF is structuring its ownership of the three stations so that Fox will hold none of the voting stock and just 24% of the equity. As a result, the stations will not count against Fox in complying with the FCC's ownership limits, which prohibit any group from owning more than 12 stations and covering over 25% of U.S. homes. The Fox group has nine stations with 20% coverage.

When the SF partnership was formed, Fox pledged nearly 60% of the \$100 million in start-up capital. Savoy Pictures, along with Savoy executives Victor Kaufman and Lewis Korman, were to come up with the balance.

That SF is considering spinning off the Mobile station may be due to pressure from Clear Channel Communications, whose wPMI there is the Fox affiliate. Fox has already burned Clear Channel once, yanking its affiliation in Memphis after buying WHBQ-TV there.

When KHON-TV picks up the Fox affiliation in Honolulu, the Providence Journal's KHNL will have to give it up. But that's causing KHNL President Douglas Armstrong little angst. In fact, he says, he's confident the station will pick up another major network affiliation, possibly the NBC affiliation that KHON-TV is discarding, and continue to grow. "Any sane television

executive would take NBC over Fox any day of the week," he says.

But NBC has an alternative to KHNL: Tak Communications' KITV, now with ABC. Tak is in Chapter 11 bankruptcy and reportedly is looking

HONOLULU		Now	To Be	Ownership
KGMB	ch 9	CBS	CBS	Lee Enterprises
KHON	ch 2	NBC	FOX*	SF Broadcasting
КІТУ	ch 4	ABC	ABC	Tak Communications
KHNL	ch 13	FOX	???	Providence Journal
MOBILE, ALA.		Now	To Be	Ownership
WALA	ch 10	NBC	???	SF Broadcasting
WEAR	ch 3	ABC	ABC	Heritage Media Corp.
WKRG	ch 5	CBS	CBS	Giddens family
WPMI	ch 15	FOX	???	Clear Channel
New Orleans		Now	To Be	Ownership
WDSU	ch 6	NBC	NBC	Pulitzer
WNOL	ch 38	FOX	???	Quincy Iones B/csting
WVUE	ch 8	ABC	FOX*	SF Broadcasting
WWL	ch 4	CBS	CBS	A.H. Belo

*Expected to become Fox affiliate

to sell the station. Either NBC or ABC could secure a VHF affiliate in the market by purchasing the station.

For a complete look at the affiliation shuffle, see the scorecard on pages 8-9.

Changing partners in Sacramento

ABC and CBS are swapping affiliates in Sacramento, Calif., it was announced last Friday.

Belo's KXTV will shed CBS for ABC, while River City Broadcasting's KOVR will go from ABC to CBS. The swap is part of larger deals involving the station groups and the two networks. Belo agreed to 10-year affiliations with ABC in three markets. In addition to gaining ABC In Sacramento, it re-upped with the network in Dallas-Fort Worth (WFAA-TV) and Hampton-Norfolk, Va. (WVEC-TV).

Belo declined to discuss compensation, except to say that CBS was offering more in Sacramento than was ABC. The new contracts take effect in 1995.

Belo's CBS affiliates in Houston (κ HOU-TV), New Orleans (wwL-TV) and Tulsa, Okla. (κ OTV), were unaffected.

In addition to landing CBS in Sacramento, River City signed on with ABC is St. Louis, where its KDNL was facing loss of its Fox affiliation. It also agreed to 10-year extensions of its ABC affiliations in Columbus, Ohio (wsyx-tv), and Asheville, N.C. (wLOS-TV).

"With all the changes in the television landscape, we are pleased KOVR will go forward in partnership with CBS," said Rick Blangiardi, vice president and general manager. "CBS brings us an outstanding programing schedule with particular strength in news, prime time and late night." —HAJ