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For: Metropolitan Broadcasting Corporation

From: Jay Scott

FOR RELEASE

FRIDAY OCTOBER 23, 1959

RADIO STATION WIP

IS SOLD IN HISTORY

MAKING TRANSACTION

## Broadcast Pioneers of Philadelphia Archives

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Metropolitan Broadcasting Corporation

Becomes New Owner of Philadelphia's

Pioneer Voice and One of USA's

Oldest Stations in \$4.5

Million Deal

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BENEDICT GIMBEL, JR., JOHN P. CRISCONI

TO BECOME DIRECTORS OF METROPOLITAN CORP.

FOR RELEASE

FRIDAY OCTOBER 23, 1959

Philadelphia, Pa., October 23 ... Radio Station WIP, Philadelphia's Pioneer Voice and one of America's oldest stations, has a new owner.

Benedict Gimbel, Jr., president and general manager of WIP, today announced the sale to Metropolitan Broadcasting Corporation for a sum in excess of \$4.5 million in what was described as one of the biggest transactions in the history of American radio. The deal is subject to approval by WIP's shareholders.

According to John W. Kluge, chairman and president of Metropolitan, the transaction involves 150,000 shares of Metropolitan capital stock in addition to assuming approximately \$2 million in WIP station liabilities.

The 56 shareholders of WIP, in addition to Mr. Gimbel, include John P. Crisconi, prominent Philadelphia businessman and philanthropist; John G. Pew, Jr., of the Sun Shipbuilding family; Robert M. Brown, vice president of Esslinger Brewing; William L. Butler, retired Quaker City financier; nationally known comedian Bob Hope; Ralf Brent, vice president and director of sales, WIP; and Edward Petry & Co., broadcast sales representatives.

The deal was negotiated by Howard Stark, New York City broker.

Announcement of the purchase of WIP was made simultaneously with the revelation that Metropolitan has also purchased television Station WTVH in Peoria, Illinois, in a transaction involving over \$600,000 in cash. Both purchases are subject to approval by the Federal Communications Commission.

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The new owners of WIP - who also operate television stations WNEW-TV in New York and WTTG in Washington and radio stations WNEW, New York, and WHK in Cleveland - emphasized that WIP will retain its close identification with Philadelphia's business, civic and social life.

Mr. Kluge announced that no changes in the station's personnel are contemplated.

Mr. Gimbel, a member of the nationally known mercantile family, will be elected the vice president of Metropolitan Broadcasting Corporation in charge of its radio operations and will become a member of the board of directors, Mr. Kluge announced.

Mr. Crisconi will also become a director of Metropolitan Broadcasting. When the sale of WIP is approved by the FCC, Messrs. Crisconi and Gimbel will become Metropolitan's second and third largest individual shareholders. Mr. Kluge is the No. 1 individual shareholder.

Mr. Kluge said that Mr. Gimbel will make his headquarters in Philadelphia. "While Mr. Gimbel's new responsibilities will make it impossible for him to handle the day-to-day details of WIP's operation, the station will remain under his general supervision," Mr. Kluge said.

Hailing Metropolitan Broadcasting as "the fastest growing and most progressive operation in American broadcasting," Mr. Gimbel said that "under Metropolitan's excellent management WIP will continue to grow and to progress with this great city in a manner in which every Philadelphian can take deep pride."

Mr. Gimbel has been WIP's executive head since the founding of the station. To become WIP's head he resigned as vice president and board member of Gimbel Brothers.

Combining a showman's flair with a businessman's judgment, Mr. Gimbel has guided WIP through almost 38 years of change in the industry, in the city, and in the world. In fact, even the ownership of WIP changed when, under his leadership, a group of businessmen, headed by Gimbel, and including his good friend Bob Hope, bought WIP from Gimbel Brothers in September, 1958.

A native Philadelphian, he was educated in the Philadelphia public schools and at Thorpe School in Stamford, Connecticut and La-Villa, in Lausanne, Switzerland. He left the University of Pennsylvania's Wharton School in his sophomore year to enter the Army in World War I. Discharged with the rank of Sergeant, he returned to college and was graduated from the Wharton School.

Mr. Crisconi has been a Philadelphian for more than 60 years. He is president of the Philadelphia Motor Car Company. He also holds the presidency of the Greater Philadelphia Magazine, the Penn State and Delaware Valley Credit Corporations, Philadelphia Auto Rental Company, Jonnez Company, and the Philadelphia Insurance Agency Inc. He is a member of the board of directors, WIP, and was formerly vice president of TV station WPFH-TV, Wilmington, Del. He is also a trustee of the Philadelphia General Hospital.

Active in civic and charity affairs, Mr. Crisconi has won outstanding honors from his native Italy, including the Italian government's designation of him as a Commendatore, its highest non-citizen award. His work with Philadelphia hospitals and the city's children is many fold. He was treasurer of the Redevelopment Authority of the City for eight years during which many slum areas were cleared and new public housing established.

Metropolitan Broadcasting, which was founded four years ago, has in this short time become one of the nation's leading broadcasters.

For the six months period ended July 5, 1959, Metropolitan reported net earnings totaling \$1,004,252 as compared with \$306,194 for the similar period of 1958 - an increase of 228 percent. In the same period total gross revenues advanced 19.2 percent - to \$8,074,896 from \$6,774,437 a year ago.

During the same six months Metropolitan paid off the total of \$1,850,000 in long term debt items - and the banks agreed to waive all dividend restrictions on current earnings. On September 29 Metropolitan's directors declared a cash dividend of 15 cents per share - the first in the company's annals.

At present, Metropolitan's WNEW radio station is rated No. 1 in the New York market and its radio station in Cleveland, WHK, has in eight months come from sixth to first in that market. WNEW-TV and WTTG, its TV operations, have both been turned from "losing stations to money makers," Mr. Kluge said.

Under Metropolitan's leadership, radio station WNEW's complete news department won the coveted George W. Peabody award from the University of Georgia for "outstanding news coverage."

Radio Station WIP has come a long way since that day in March, 1922, when a small group of Philadelphians crowded into a corner of the piano department at Gimbel Brothers to hear Mayor J. Hampton Moore and Governor William C. Sproul dedicate it as the newest member of an infant industry.

WIP now serves a market of 4,209,500 homes in Pennsylvania, New Jersey, Maryland and Delaware. It is the fourth largest Metropolitan market in America and larger than the combined markets of Cleveland and Washington. The Philadelphia area's consumer spendable income is 15 percent above the U.S. average.

WIP, rated as one of the top stations in the Philadelphia market that includes 12 AM and FM stations, has in its nearly 40 years compiled many "firsts" - the first play by play football game; the first opera broadcast; the first children's program; the first woman's program and the first remote broadcast of a big band.

The station has won many awards. Most outstanding, probably, were the honors it garnered for its "Search for Peace" program which began as a WIP station program and developed into a world-wide effort with hundreds of stations carrying the message of peace from statesmen, authors, educators, poets and entertainers. U.S. Senator Hugh Scott, speaking before the Senate, said the program was "concrete evidence of constructive use of one of the world's most effective means of communications - radio."

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