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Dow Jones Sees Profit In First Period Rising To 65 Cents a Share

Kilgore Elected Chairman, Kerby President and Chief Executive; Payment to Kilgore Is Approved

By a WALL STREET JOURNAL Staff Reporter

NEW YORK -- Dow Jones & Co. expects first quarter earnings of about 65 cents a share, up sharply from \$1,971,751, or 42 cents a share, in 1965's initial period, Bernard Kilgore, president, said at the annual meeting.

After the meeting, as previously proposed, directors elected Mr. Kilgore chairman and chose William F. Kerby to succeed him as president and chief executive officer. The board also elected Buren H. McCormack executive vice president, succeeding Mr. Kerby. It named Robert Bottorff, a vice president, to succeed Mr. McCormack as general manager.

Shareholders overwhelmingly approved a previously announced \$3,503,678 lump-sum payment to Mr. Kilgore to settle a 1946 profit-sharing agreement. The vote was 4,381,844 for the settlement and 14,126 against it.

First Quarter "Good Start"

Mr. Kilgore predicted first quarter revenue will rise about 14% to 15% from the year-earlier \$17,662,662. He described the first quarter results as "a good start" on 1966, but cautioned that the rate of revenue and profit improvement won't necessarily be equaled in succeeding quarters.

Dow Jones publishes The Wall Street Jour-

nal, Barron's magazine, The National Observer and Dow Jones Books, and operates the Dow Jones News Service.

Mr. Kilgore, 57 years old, joined the Journal news staff in 1929. After service in San Francisco, Washington and New York, he was elected president of Dow Jones in 1945.

Mr. Kerby, 57, joined The Wall Street Journal's Washington staff in 1933. He subsequently rose to managing editor of the Journal, then executive editor of the Journal, Barron's and the Dow Jones News Service. He became a vice president in 1951, executive vice president in 1961, and a director in 1965.

Mr. McCormack, 57, joined The Wall Street Journal in 1931. After holding several positions, including managing editor, he became treasurer in 1955, a vice president in 1957, general manager in 1961 and a director last year. Mr. Bottorff, 58, joined the Journal in 1930, rising to managing editor, then executive editor of all Dow Jones publications. He was elected a vice president in 1965.

Suit Brought Last Week

Stockholders were told of a suit that attacks the settlement with Mr. Kilgore as an alleged "waste" of the company's assets. Arthur W. Lichtenstein brought the action in New York County Supreme Court last week. Mr. Lichtenstein acquired 10 Dow Jones shares Feb. 18, the day after the proxy statement for the annual meeting was circularized. The statement disclosed details of the settlement plan.

Laurence M. Lombard, partner in the law firm of Hemenway & Barnes and a Dow Jones director, said "there doesn't appear to be any merit" to Mr. Lichtenstein's action.

Mr. Lombard said that at the time Mr. Kilgore signed his profit-sharing agreement, hinged to Dow Jones' per-share earnings, the 1945 profit was \$211,000, or 4 cents a share, on the basis of present capitalization. Last year the company's net income was \$9,650,963, or \$2.07 a share.