BET founder strikes deal to buy back stock shares

Johnson, Liberty purchase is $63 a share

By Herbert L. White
THE CHARLOTTE POST

Black Entertainment Television Chairman Robert Johnson is a step closer to re-taking total control of the company.

The board of BET Holdings Inc., BET's parent company, approved a revised proposal by Johnson and Liberty Media Corp. to purchase all outstanding shares of stock not already owned by them for $63 a share. The board signed a merger agreement with Johnson, Liberty and their jointly-owned acquisition company.

The proposed merger will be voted on by BET shareholders at a special meeting this summer.

Johnson and Liberty had previously offered to purchase all outstanding shares of BET common stock for $48 per share last September, but were rejected. Among those who spurned the offer was Johnson's sister, who filed a lawsuit charging her brother was trying to push aside family members who helped build BET from the ground up.

"We believe this is an important step for BET Holdings Inc, which continues to show significant progress and growth as a company," said Debra Lee, president and chief operating officer of BET Holdings Inc. "The action by the board of directors indicates that it believed approval of the offer was in the best interest of the company."

Johnson has led BET's expansion on several fronts in recent years, including BET Sound Stage restaurant-clubs in Landover, Md., and Walt Disney World in Orlando, Fla.; credit cards and movie and jazz channels on cable and satellite TV.

Completion of the merger is subject to approval by holders of a majority of shares not held by Johnson and Liberty. There are other conditions for approval, such as receipt of sufficient financing, receipt of governmental and regulatory approval and consents and absence of litigation, including lawsuits challenging the proposed merger.

Reduce interest rates

CHARLES ROSS

Your Personal Finance

Consumer debt continues to rise, and credit cards now account for an amazing one-third of that debt. If your credit cards charge you high interest rates, your debt is building up faster than it has to. If the rate you pay is near 18 percent or even higher, consider dumping the card and finding a card issuer that will give you a lower rate. If your bank is the card issuer, try simply asking for a lower rate. Sometimes the bank will agree based on a good payment record.

Think about how you use your card. If you finance your balance every month, find a low-rate card; some are as low as 12 or 13 percent. But if you pay off the balance every month, the interest rate doesn't matter. So get a card that has no annual fee. Then the card is free.

Variable rate and debit card

If you carry a credit card balance of two thousand dollars, which is just average, you pay three hundred and sixty dollars a year in interest at a rate of eighteen-percent. Yes, it's convenient. But you can cut the costs.

If you're carrying a card with a variable rate, switch to a fixed-rate card. The variables can jump to a national average of over sixteen percent after a few months. Don't choose a card just on the basis of the rate. Check the annual fee, typically twenty to forty dollars, and the grace period. Be careful not to incur hidden fees for cash advances, or for getting your monthly payment in late.

Finally, consider a debit card instead of a credit card. The purchase amount is deducted from your checking account, meaning no interest, and a debit card can help you manage your purchases better.

Six stock funds are enough

With the fund companies constantly cultivating tempting new offerings, you may feel like buying one of everything. But a newly published study suggests that six funds are probably enough. With six funds you achieve good diversification, which helps reduce risk in your portfolio while offering healthy earnings.

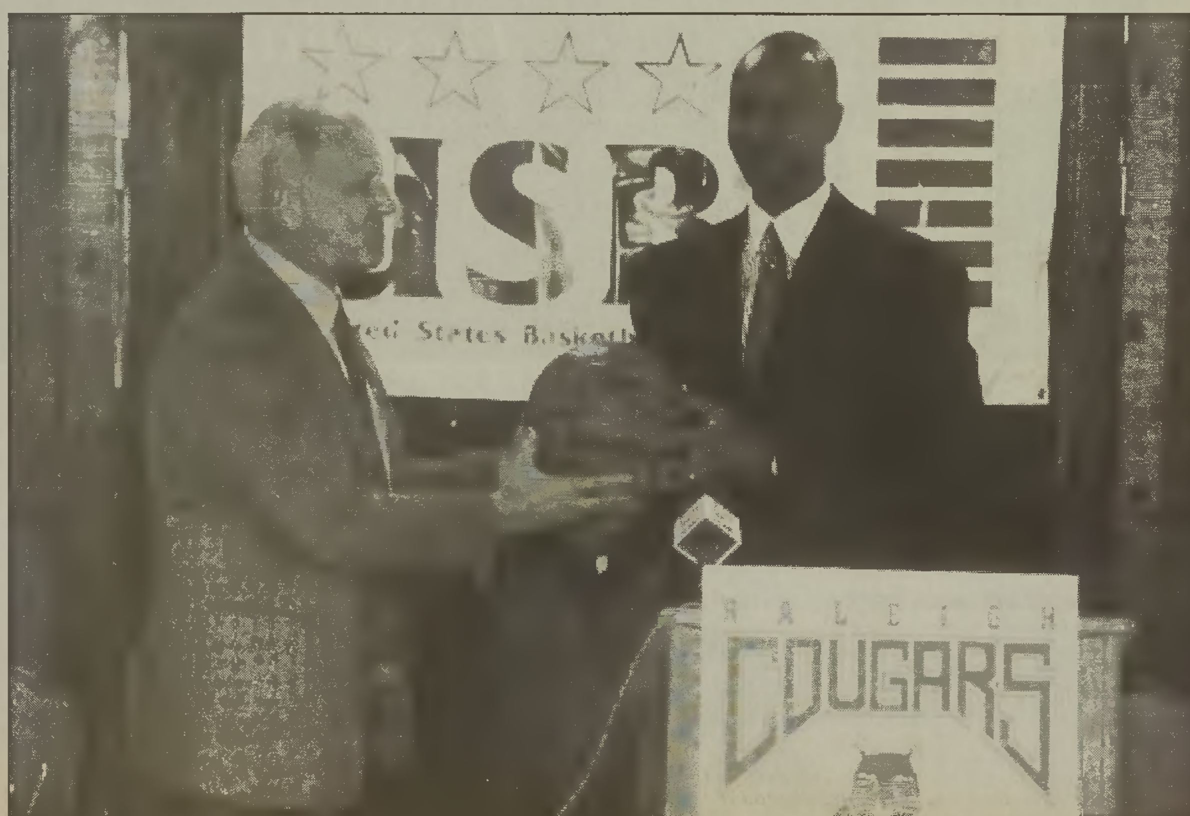
How do you decide which funds to buy? Experts say you should mix growth, funds and value funds. Growth funds favor companies posting rapidly rising earnings, while value funds hold stocks of companies thought to be selling below their true value. You should also choose funds that target stocks of different size companies. So the ideal portfolio would have six funds, three growth funds and three value funds specializing in small, medium and large companies.

Women, stop paying more

Every day, women pay more

See REDUCE on page 9A

Double team



PHOTO/

Former Harlem Globetrotter Clyde Austin (right) traded in his basketball shoes for ownership of the Raleigh Cougars of the United States Basketball League. The USBL is a minor league that acts as a feeder system to the other professional leagues, including the National Basketball Association.

Court is where the profits are

By Bonitta Best
CONSOLIDATED MEDIA GROUP

RALEIGH – Some 15 years ago, Harlem Globetrotter teammates Clyde Austin and James "Twiggy" Sanders looked around at 19,000 or so screaming fans, did some quick math and came to the same conclusion: They were on the wrong end of the business.

That was then. This is now. Austin is owner of the United States Basketball League's Raleigh Cougars and Sanders was recently hired to replace first-year head coach Rick Ross. Now, Austin and Sanders are doing addition and subtraction full time.

"Owning a team was always a dream of ours because we know basketball," said Sanders, Johnson C. Smith graduate and a Globetrotter for 18 years. "Clyde was the point guard, leader and captain, and I was the starter show. After a few years, we started getting called in on management meetings. We saw how the business side worked and we learned."

Austin, who starred with the Globetrotters for 10 years, is a distinguished business executive in his own right. He is Chairman of the Board of Banker's International Trust (BIT) and Chairman of BIT Eurasia. A native of Richmond, Va., and an N.C. State graduate, he is one of 12 brothers and sisters.

Austin "gave birth" to the Cougars on Feb. 6. Getting the franchise was easy, Austin says. But changing the negative stereotypes was the hard part.

Austin says he hasn't forgotten the day a reporter friend informed him colleagues in the office were taking bets on how soon the Cougars would be run out of town.

A city that worships its sports teams to the point of insanity failed to open its arms and pocketbooks to two previous professional leagues, the World Basketball League and the United States Football League, which were both dismal failures.

But Austin has beaten the odds as well as the office pools. Last year, the Cougars led the league in both average attendance per game and total attendance in the 5,700-seat Dorton Arena; the team finished second in the South Division, but lost in the semifinals of the playoffs to the eventual champion Atlantic City Seagulls.

"Last year there were so many negatives in building a professional franchise at the level that we're building from," Austin said. "The WBL came in and was a failure. The USFL was a failure. There had been so many failures that when people saw us come in, the stigma was already there that we were

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Service, and professional, too

OMAR DILLARD

Financial Focus

Successful financial counselors make customers feel special

It's a common misconception that wealthy people are treated with more respect. But a recent study in the financial publication On Wall Street found that only 26.7 percent of the 879 affluent investors interviewed were very satisfied with their investment professionals. Looking at it another way, about three-fourths weren't too happy.

What does it take to satisfy the high-net-worth investor? The article identified seven service factors, excluding technical competence and investment performance, that significantly influenced client satisfaction.

The competence factor: Big-money investors want evidence of technical prowess. For example, they expect clippings and reprints of articles relating to their investments. They want their financial specialists to attend seminars and lectures to learn the latest thinking in the investment world. They want demonstrated competence, not empty boasting.

The no-surprise factor. Affluent investors understand the market inevitably fluctuates. They want to be told right away if something is wrong. More important, they want to know what's being done to respond to the situation.

The hustle factor: The affluent want to think they're special. The most satisfied clients think of their financial professionals as perfectionists. They hustle, and they get things right the first time.

The warmth factor. This isn't about radiating a warm, fuzzy feeling. It's about being emotionally attuned and empathetic. It means understanding another person's situation and being able to listen and summarize the central theme of a conversation.

The first-to-know factor: Satisfied clients are those who are kept up-to date. They want to hear about events that affect, or could affect, their portfolios. They want to hear it first from their brokers.

The listening factor: The most satisfied wealthy clients say their financial professionals never show impatience. The focus should be on the client's agenda, and the only way to do that effectively is to listen.

The client-centered factor: Affluent clients believe their needs are unique. They want customized, individually tailored solutions. Satisfied clients say their investment representatives interact with them, reinforcing this feeling of uniqueness.

Regardless of the size of your portfolio, your money is important to you. Any financial professional who accepts your business should be committed to offering you the best service possible. These seven service factors are an excellent checklist to test your current professional or help you select a new one.

OMAR DILLARD is an investment counselor at Edward Jones

Money Management

Make the most of exemption

Dependents can bring major tax relief at filing time

By Amanda Danchi
SPECIAL TO THE POST

You might be surprised to learn that the personal exemption is as old as the income tax itself.

Back in 1913, the first year of income tax filing, every taxpayer was given a personal exemption of $3,000. There were no deductions, no tax credits, no adjustments to income. Tax law has been revised countless times since then, but the personal exemption has survived.

And while the amount is now smaller, every taxpayer still gets to deduct personal exemptions from his or her taxable income. The North Carolina Association of CPAs says it's important to understand the rules governing personal exemptions so you can make the most of the exemptions available to you.

For 1997, the personal exemption means taxpayers who qualify can deduct $2,650 from taxable income. So, in effect, that the first $2,650 you earn is not taxed. In addition to your personal exemption, you also are entitled to a personal exemption for your spouse, when married filing jointly, and for each dependent you can claim.

Dependency exemption test

To claim a dependency exemption, five test must be met.1) Generally, you must have provided more than half the persons support. Support includes cash, food and lodging, education, medical and dental care, recreation, transportation, clothing and laundry, and other necessities. 2) The person's gross income for the calendar year must be less than the personal exemption amount. Gross income includes all income that is not exempt from tax. If your dependent child is under age 29 at the end of the year or is a full-time student under the age of 24, the gross income test does not apply. 3) The person must be a relative or live full time in your household. Relatives include parents, siblings, children, grandchildren, stepchildren, nieces and nephews, aunts and uncles, and other family relations. Relatives need not live with you in order to qualify as dependents. However, if the person you are claiming as a dependent is not a relative, he or she must live with you full time. 4) Your dependent must be a U.S. citizen or resident, a U.S. national, one of certain legally adopted children of U.S. citizens or nationals, or a resident of Canada or Mexico for some part of the tax year. 5) The person must not file a joint tax return with his or her

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