

Sale of Sengstacke chain sparks concern, interest

By Sonya M. Toler
Special to the Sentinel-Voice

Reports of the proposed sale of the New Pittsburgh Courier has raised concerns among readers who have been calling the paper's South Side office. The news has also sparked the interest of some potential buyers.

After John H. Sengstacke died last May, selling the nation's largest Black-owned newspaper chain was always an option to settle his estate, but it is not the only alternative.

Sengstacke Enterprises Inc. includes the daily Chicago Defender, the twice-weekly New Pittsburgh Courier and two weeklies, the Tri-State Defender (Memphis, Tenn.), and the Michigan Chronicle. The chain could be left intact and under family ownership, if the estate's trustee complies with the wishes of Sengstacke's grandchildren.

A story by the Associated Press in early January said Sengstacke placed his estate in trust with Northern Trust Company of Chicago with instructions that it be sold upon his death and that his heirs, including six grandchildren, have no say in the matter.

Myiti Sengstacke, Sengstacke's granddaughter and the grand-niece of company founder Robert Abbott, fired off a letter dated Jan. 12, to the trust company demanding that Sengstacke Enterprises remain intact. A copy

of the letter was supplied to the Courier.

Speaking on behalf of her siblings, the 26-year-old wrote, "The solution as we see it is not to sell but to nurture and restore these newspapers back to being a profitable powerhouse. Northern Trust must rise to the challenge to devise any initiatives possible to satisfy the obligations of the estate without the option of the sale of Sengstacke Enterprises. This may entail the advisory board's commitment in securing funds for the resolution of the taxes, fees, expenses, etc., through newly devised means."

The estate is valued at \$10 million to \$12 million and taxes due are estimated at nearly \$4 million.

An article in the Wall Street Journal reported that Northern Trust sent letters to 140 potential buyers, both black and white. One of those prospective buyers is Pittsburgh's Edwin L. Edwards Sr., owner of WPTT-TV and eight other television stations across the country.

Edwards, who is black, is a veteran of the communications industry. His first job was as a gofer for a paper in Cleveland. He currently serves as vice president of the Boy Scouts of Pittsburgh Urban Scouting program and sits on the board of several professional, social and civic organizations.

He told the Courier he plans "to make a reasonable offer (for the entire chain of papers)

within the next few weeks."

Edwards has also made it clear that while a successful bid would give him sole ownership, "that's not to say I won't take on partners."

A 20-year subscriber to the Courier, Edwards said it would be an honor to own the paper along with its sister publications.

"With an infusion of capital I'd like to provide the things to take that newspaper to the next level," he said. "I want to make sure that, especially people in my community, have an outlet to express their views."

Speculation that the publication could fall into the hands of white owners does not sit well with most involved and has sparked the ire of Blacks.

Northern Trust spokeswoman Sue A. Regeas told the Associated Press that despite public speculation, the bank has received no firm offers.

In a statement, the bank told the Wall Street Journal it only wants "fair value for the shareholders while at the same time finding a buyer who will be cognizant of the legacy of John Sengstacke and the special role of the Sengstacke publications in the community."

Myiti Sengstacke remains firm in her belief that ownership should remain in the family.

"No one, black or white, is going to understand and cherish the vision my uncle [Robert Abbott] had for starting the company

other than someone in his family," she told the Wall Street Journal.

In the same article, Robert A. Sengstacke, Myiti's father and the eldest Sengstacke son, expressed concern that the bank was working against his father's intentions.

Robert said that his father originally named him and his two brothers as his heirs.

However, with the death of his two brothers, his father then designated Robert's children as heirs.

That change would have helped the family take advantage of a loophole in the federal inheritance tax known as "generation skipping." But, in 1986 the law changed, prompting Robert to urge his father to change the terms of the trust, according to the Wall Street Journal.

But after Sengstacke's death, the bank still controlled 114 shares of the 177 shares in trust for the six grandchildren.

Robert and eight other family members own the remaining shares.

"No one in this family was jumping up and down to sell the papers. But given the facts that the bank wasn't really willing to work with the family and that my father left behind no money to meet the IRS obligation, we didn't have a choice," Robert told the Wall Street Journal.

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Summit

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she said her nephew told her during a lunch get-together — to highlight to show guests at the Feb. 1 afternoon session of the Western Region Economic Summit how wide the educational gulf in black America is.

"Are we trying to free an enlightened people, or are we trying to free a people who don't know who freed the slaves," Smith asked a panel of high-ranking black officials at the summit which was designed to give them an opportunity to discuss economic issues facing blacks in the 21st century.

"Changes need to be made in the history books, and those changes can only be made through economic power," responded Edna Bell, president of the National Association of Black County Officials.

Emmanuel Cleavor, mayor of Kansas City and president of the National Conference of Black Mayors, said education and economic empowerment go hand in hand.

"When I try to bring businesses into the Kansas City limits I am often asked about the schools and I can't say anything good," he said. "The president has set aside billions of dollars for education, but unless we change the way we've been doing things, that money will just go into another black hole. We pay our worst linebacker more than we pay our best teacher. This has to stop."

Cleavor dismissed a question about whether the summit's purpose centered around education or economic advancement.

"You want to talk about economics, but you can't discuss economics unless you discuss education," he said. "You are not going to get business people without education."

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Holley faces recall for racial slur Some PPA members backing his ouster

Special to Sentinel-Voice

The vice president of the Police Protective Association who drew ire from cadets and the community for a racial slur might be removed from the post despite his refusal to resign.

A recall petition is being circulated by members of the association to oust the union's vice president, Dan Holley, for referring to the Martin Luther King Jr. holiday as "Martin

Luther Coon Day," last month. The petition will be given to the PPA board during today's membership meeting.

Holley's gaffe rankled some of the 36 corrections academy cadets on hand Jan. 15 at the Clark County Detention Center, including the four black cadets who were in the room at the time. Twenty-one cadets complained to their supervisor.

Holley was elected three

years ago to the vice presidency of the PPA, a group representing the Las Vegas Metropolitan Police Department's rank and file.

Police Sgt. Monty Hall is leading the recall effort. Whether it's successful depends on how many members back his ouster.

The NAACP and other community groups and activists have publicly blasted Holley and denounced any

attempt he claims that he will make amends to the officers and to repair his reputation.

NAACP President the Rev. James Rogers dismissed the remark — which Holley called a "slip of the tongue" — as being "familiar to those who say it."

Barbara Robinson, a newspaper columnist and TV and radio talk-show host, said suspension or termination was warranted.

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