# Derry Sells His Shares

It was the summer of 1985. Ronald Reagan was President. Interest rates for all of us -- not just credit card interest, but home loans, business loans, car loans -- were well above 12 percent; some nearly 20 percent. The economy was on the skids. Money was tight. And Derry Brownfield, my beloved partner for 13 years, was struggling under his farm debt. He came to me one day and asked if I'd buy his stock. He needed the cash to avoid the Federal Land Bank taking all of his land--what he'd accumulated over a lifetime. We had no way to value the company without a formal valuation. So, he set the asking price at exactly what he needed to pay off his land debt: a half-million dollars. Might as well have been Ten Million dollars because I didn't have any money; and the company couldn't borrow five thousand, let alone $500 thousand! So, we prayed about it.

Two years prior, 1983, we built the Kansas City Royals distribution system (some 125 points) for the rights holder, Stauffer Communications of Topeka; back-hauling the baseball broadcasts to Jefferson City and sending them out from here. Stauffer's chief engineer wanted control of his own network and had begun considering building his own up-link facility in Topeka. Our agreement with Stauffer had a buy-out clause. Guess what the amount was? $500,000!
I went to Stauffer soon after Derry came to me and inquired if they wanted to purchase the complete system--a little earlier than scheduled. They did. Yet, I had another problem: The equipment was subject to a lien held by Harris Corporation, the manufacturer. We'd paid on the debt for two years--never missing a payment, but there were many years to go. So, I went to the guy I'd done the purchase deal with at Harris, Larry Boudre', and told him what was happening -- the whole story.

Amazingly, Boudre' did the unthinkable: he released us from the lien. So I sold the system to Stauffer, continued to make monthly payments to Harris, gave Derry a check for $500,000 and transferred all of Derry's shares to Learfield as treasury stock.

Again, relationships played a big part in bringing all the elements together; strong, honest, open, relationships with Derry, Stauffer, Harris, and Boudre'. Everyone trusted each other. The objectives were honest and realistic. The deal came together in less than two weeks. In fact, I remember going to Topeka, signing the agreement and wire-transferring the cash (fairly unusual in those days) back to our Jefferson City bank. I'd previously written a check to Derry and on the afternoon of the day of foreclosure he stunned the officials at the Federal Land Bank by walking in with a check to pay off the entire loan.

Derry is loyal and honest. He continued to work hard for us for twenty-three years. Just recently he moved his daily program to independent studios near his home. His sale back to Learfield made me the sole shareholder of the company.

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