

RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

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Casino ads ruled legal

By Frank Saxe

All bets are on! A Supreme Court decision handed down last week (2/23) has legalized casino and lottery advertising in eight western states. Supporters say it may clear the way for a nationwide reversal of the FCC's ban on broadcast casino advertising.

"We believe the high court will ultimately strike down the ban nationally," says **Eddie Fritts**, president and CEO, NAB.

In a closely-watched free speech case, the DOJ appealed a Sept. 4 ruling by the Ninth Circuit, which lifted an FCC ban barring broadcast casino ads (*RBR* 9/8/97, p.4). DOJ lawyers did not attack the Appeals Court ruling, but argued the lower court should not have used a 1995 Supreme Court decision as the basis for its ruling. The Supreme Court's refusal to hear DOJ's appeal makes the Ninth Circuit's decision binding law in Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon and Washington.

California has one more step to go because its law is more stringent than the federal regulations. The decision rests with Attorney General **Dan Lungren**, who must decide whether or not the state will enforce its law in the wake of the Supreme Court's decision. An announcement is expected within the next month. \$40M is spent annually on radio and TV by the state-run lottery.

Nationwide implications

Attorney **Janet Rodgers** handled the original *US vs. Valley Broadcasting Co.* case, and she thinks casino ads are now legal in every state, even though the Ninth Circuit decision covers only eight states. "I would think casinos that are lawful businesses would be free to advertise on licensed radio and TV stations in that state," Rodgers tells *RBR*.

In a separate case, broadcasters in Louisiana, Mississippi and Texas are awaiting a ruling from the Fifth Circuit Court of Appeals which is likely follow the Ninth Circuit's lead and avoid an automatic Supreme Court appeal.

Spring pacing picks up

As spring nears, demand for radio time is increasing, according to the latest *RBR*/Miller Kaplan forward pacing report. Both March and April are pacing slightly ahead of last year, compared to February and January which lagged slightly behind 1997's pace. Still, it's hard to say that January and February were weak when close to four out of every five spots were sold out. —KB

RBR/Miller Kaplan Market sell-out percentage report

	1998	1997
Feb. 15	78.1%	83.2%
March	59.5%	58.1%
April	31.6%	29.3%

Employees buy in to radio

By Jack Messmer

Two radio groups, Bloomington Broadcasting and Leighton Enterprises, have announced deals to have employees buy stakes in the companies.

A management group headed by CEO **Ken Maness** is buying Bloomington Broadcasting from long-time owner **Timothy Ives**. The lever-

aged buyout is being backed by M/C Partners and First Union National Bank's Media and Communications Group. Tomlin and Co. was financial adviser for the management buyout. **George Otwell** of Media Venture Partners brokered the deal.

Leighton Enterprises has had an employee stock ownership plan (ESOP) since 1988. Now the employees have expanded their financial

stake, upping the ESOP's ownership to 30% of the radio group.

RBR observation: Employee stock ownership is increasingly common in companies with publicly traded stock. What can private companies do to attract and keep top radio pros? Look for more to adopt some sort of employee stock plan so top managers can benefit from ownership and not be lured away by the public companies.

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Nets net 4 books

by Katy Bachman

It's official: Network radio's RADAR ratings service will be delivered four times a year (March, June, September, December) beginning in 1998, announced Statistical Research, Inc. (SRI) (*RBR* 1/12, p. 3). Network subscribers, including radio's newest network, Chancellor's AMFM Radio Networks, will get their numbers quicker, 45 days after the survey ends. SRI said it had also signed an agreement for RADAR's database to be PRIZM® coded, giving networks the ability to examine estimates by lifestyle clusters.

Washington Briefs

by Frank Saxe

•The Senate last week failed to kill the McCain-Feingold campaign finance reform bill, but supporters are still short of the needed 60 votes to end a GOP filibuster. Sen. **Olympia Snowe** (R-ME) is trying to work out a compromise.

•VP **Al Gore** says GOP members are not only trying to kill free or reduced air time proposals, but overall reform as well. The VP has also given the clearest indication yet of what the Gore Commission is up to, saying it will "report back to me on proposals providing such free or reduced air time."

•Congress is still adamant that the FCC is overstepping its bounds with talk of mandating free air time for candidates. An amendment sponsored by Senate Majority Leader **Trent Lott** (R-MS) would prohibit the FCC from moving forward with rules to mandate free time for candidates.

•FCC Chair **Bill Kennard** (D) says tower siting "preemptions shouldn't even be considered" until tower users and localities try to reach a compromise. "The way to solve it is not to insist that the heavy hand of the federal government roll over local governments. I have no intention of turning the FCC into a national zoning board," Kennard said last week. Sen. **Patrick Leahy** (D-VT) is moving forward with his bill which would reverse a Telcom passage giving the FCC ultimate authority.

•Religious broadcasters won't have to hire anyone outside their faith, thanks to the FCC's new EEO rules. Commissioner **Harold Furchtgott-Roth** says it's a step in the right direction, but he is worried about First Amendment implications and how they'll decide who is a bona fide member of the faith.

News Analysis

USADR won't submit to NRSC testing: Will IBOC be delayed?

by Carl Marcucci

When the DAB subcommittee of the NRSC meets to evaluate broadcast IBOC systems, newcomer Digital Radio Express (DRE) will be on board, but USADR will not. USADR's decision that it won't submit to NRSC testing comes as no surprise (*RBR* 11/4/97, p. 10). It believes the dice are again loaded in favor of Eureka-147. The DAB subcommittee includes members from the EIA, of which CEMA is a part. CEMA has campaigned for Eureka-147 (and against IBOC) almost from the start. Indeed, CEMA's final recommendation for US broadcasters was Eureka, yet there is almost zero support from US broadcasters for that system.

"EIA's previous testing and reporting [of USADR's first system] was narrowly and negatively focused to the point of bias," said **Rick Martinson**, USADR's IBOC project manager, Westinghouse Wireless Solutions, who said back in Nov. that future USADR testing would be done by an independent entity. "We are not deviating from our course, regardless of what the NRSC, DRE or anyone else does. We're going through with our plans of doing independent testing," said Martinson.

Meanwhile, the DAB subcommittee which last met Feb. 10, is going forward with DRE. "We encouraged [USADR] to participate—it's up to them. They have their own schedule. But the committee has decided to proceed with DRE," said **John Marino**, VP, science and technology, NAB.

Marino said that USADR's system will still be evaluated: "The DAB subcommittee has encouraged USADR to go ahead with their independent testing with an independent lab. And whenever the testing is done, the committee will lend its expertise and evaluate those test results."

The DAB subcommittee, which was inactive for two years, was reactivated at the request of DRE on Jan. 7. The first round of DRE testing, targeted for Q2 and paid for by DRE, will only be a feasibility study. "No broadcast standard is going to be recommended at [that] stage of the game," said Marino.

RBR observation: The NRSC/DAB subcommittee won't make a recommendation to the FCC until both systems (and any others) are fully evaluated and tested, however they are not going to slow the progress of DRE. EIA, whether or not they were objective before, will not be the sole testers this time.

USADR is about on track with DRE with their own independent testing beginning this year. However, DRE is ahead in the hardware stage, which is appealing to manufacturers. All will agree, DRE's arrival on the scene brings the IBOC issue back into the spotlight and accelerates the DAB effort as a whole.

Sabo rewards ingenuity



While agencies fear consolidation is homogenizing radio and driving up rates, **Walter Sabo**, president, Sabo Media is recognizing those who break the mold. The second annual Visionary Awards, co-sponsored by the Wall Street Journal Radio Network (2/20), honors ingenuity, imagination and individuality in radio programming. The winners, left to right, **Dr. Judy Kurianski**, Premiere; **Dan Griffin**, WCBS-AM NY; **Lori Kramer**, WRKO-AM Boston; **Jack Swanson**, KGO-AM SF; **Leslie Gold**, WRKO-AM; **Bob McAllan**, Press Broadcasting; **Chris Kampmeier**, WTKS-FM Orlando.

Other winners (not pictured): **Jim Trapp**, KTBZ-FM Houston; **Leigh Jacobs & John Dziuba**, New Jersey 101.5; **Jim Philips**, WTKS-FM; **Sally Jessy Raphael**, **Gary Slaight**, Standard Broadcasting, Toronto.—CM



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 WMZQ-FM #2, WBIG-FM #4, WGAY-FM
 KZPS-FM #4
 WNIC-FM #1, WMXD-FM #4, WWWW-FM
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Youth Network – Adults 18-34

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 .KKBT-FM #3, KIBB-FM
 .WGCI-FM #1, WRCX-FM #3
 .WUSL-FM #2, WIOQ-FM #4, WAEB-FM
 .KYLD-FM #1, KMEL-FM #2, KIOI-FM
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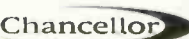
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Driving away with radio

by Frank Saxe

1997 was different in many ways for radio. For one thing, mergers, sales and acquisitions topped \$15B—a record. But as much as things change in the industry, some things stay the same. Take for instance, the automotive category's reign over the top advertisers list. As you can see in the chart at the right, General Motors and Chrysler are the big boys on the little box, but dig deeper into the numbers and you'll find multi-million dollar expenditures by Ford, Toyota and Mitsubishi. Just in national spot and network radio the automotive category tops \$115M, according to CMR. That does not even account for the millions local car dealers are buying on radio stations across the country every day.



"I think its really important to have a media mix—that varies from dealership to dealership, product to product. 60% to 70% of our advertising dollar goes into radio with newspaper next, then TV last. That's what works for us and we've enjoyed a lot of success with that mix," says **Lee Sattley**, GSM, Courtesy Chevrolet in Scottsdale, AZ.

Other dealers believe in radio enough to pull all their ads in other media to spend their entire budget in radio. **Gordon Stewart's** chain in

Detroit is a recent example of that.

"I think radio is a good thing to have, its always been a budget issue," explains **Onjay Newbie**, senior AE, **Young & Rubican**, Chicago. Y&R's strategy has been to build layers of media, starting with TV and magazines then expanding to radio, newspaper and outdoor.

Radio gives automakers a lot of frequency inexpensively, says Newbie, but it also works well to sell cars and build excitement during sales events. "Creatively, you can still find good radio, and it is especially effective if you want to build a brand."

But that is not to say the automotive category is an automatic home run for radio. Even Lincoln Mercury, which used radio for Tracer's successful 1995 launch, is not using radio for this May's launch of the Cougar because they feel styling is its selling point and consumers will need to see the product. Mercury has shifted focus to its Grand Marquis, Villager and Mountaineer lines which are all supported by radio and TV.

"The biggest, bloodiest battle is trying to convince auto makers they don't need to show pictures to sell cars," says **Mary Bennett**, VP, RAB, Detroit. It seems radio's fight for its piece continues.

Your radio ad could win \$100,000

But you have to hurry. **The deadline is this Friday (3/6)** to submit your radio ad for the Seventh Annual 1998 Radio-Mercury Awards. **\$225,000 in cash prizes** will be awarded June 4 in New York. Ads must have aired in 1997 on commercially licensed US radio stations. Call 212-681-7207 for details.

Radio's Top 30 Advertisers of 1997

The expenditures below are based on national spot and network buys, so national advertisers who go direct, such as Budweiser and McDonald's, do not appear on this list although their expenditures would easily rank them in the top 30.

1.	MCI Communications	36.1M
2.	Sears Roebuck & Co.	33.2M
3.	General Motors Corp.	32.0M
4.	Chrysler Corp.	31.3M
5.	National Amusements	24.7M
6.	AT&T	23.0M
7.	Visa USA	22.1M
8.	William Wrigley Jr. Co.	21.8M
9.	PepsiCo Inc.	21.7M
10.	Warner Lambert	21.4M
11.	Chrysler Dealer Assoc.	21.1M
12.	News Corp. LTD	20.7M
13.	Procter & Gamble	20.4M
14.	SBC Communications	18.9M
15.	Bell Atlantic Corp.	18.3M
16.	US West Inc.	18.0M
17.	Phillip Morris Inc.	17.6M
18.	CompUSA Inc.	17.4M
19.	Chattem Inc.	17.1M
20.	Time Warner Inc.	16.3M
21.	US Government	16.1M
22.	Reading Genius	15.8M
23.	Tandy Corp.	15.2M
24.	Oreck Corp.	14.1M
25.	Walt Disney Co.	13.8M
26.	GTE Corp.	12.9M
27.	Hershey Food Corp.	12.8M
28.	Montgomery Ward Inc.	12.8M
29.	TCI Communications	12.5M
30.	Countrywide Loans	12.5M

Source: Competitive Media Reporting

SyndicationNews

by Carl Marcucci

WOR launches New Features Division

The WOR Radio Network launches its Special Features Division March 9 with one minute vignettes that leverage three of its 19 personalities: The **Dolans** (M-F 1-3P ET) will continue their consumer feature, now on 70 affiliates, Dr. **Ronald Hoffman's** feature focuses on (Sat. 9-11A ET) healthy lifestyles and exercise, and **Phil Lempert** (Sun. 4-4P ET) talks about food and shopping smart. The Lempert and Hoffman features are scheduled to debut on 15-20 affils each.



United Stations adds Country to the stable

United Stations Radio Networks, which just celebrated its 4th anniversary (2/14), announced two new Country offerings for the Spring. "Country Giants," running May through October, is a weekend series profiling today's Country superstars. The six three-hour programs are available on CD, barter only. Scheduled artists include **Reba McEntyre** and **Garth Brooks**. No host has been named yet.

"Thunder Road," debuting in early April, is a two-hour weekend Country program focusing on the NASCAR racing series and hosted by **Bobby Mitchell** (WWKA-FM Orlando). **Sue O'Neill**, reporting from Nashville, provides artist interviews.



AURN offers new services

Beginning in the first week of April, American Urban Radio Networks will launch "AURN Plus," a programming, promotions and production service for stations in the top 25 markets. In exchange for 25 minutes of inventory per week—a minute per daypart—stations get 10 image liners and drops, seasonal specials, a daily news and information service and entertainment specials.

NBG releases Hip-Hop show

NBG Radio Network will launch this week (3/6) "Mic Check," a weekly 90-min. Hip-Hop program hosted by **Josiah** the "Urban Commentator," and DJ **Excel**. While music intensive from "Old School" songs to current, Josiah will bring insight on the history and progress of Hip-Hop artists. The barter-only show is estimated to begin on 25-30 affils.

Superadio launches Classical format

Hot on the news of SW Networks dropping its "SW Classic" format last month, Superadio's first 24-hour format in several years, "Hit Classical Radio," debuted Feb. 9 with eight affiliates on a cash and barter basis. Specific barter arrangements are based on market size, with two minutes of inventory per daypart for eight per day. Hit Classical Radio is programmed by WCRB-FM Boston PD **Mario Mazza**.

Ollie moves North

After three years, The Salem Radio Network has "discharged" **Ollie North**. Since the show's peak, affiliate count has dropped from 200 to 80. Ollie will now be heard on DC-based Radio America, beginning March 16.

Salem will fill North's slot with The **Michael Medved** Show, launching March 13 and will carry **David Gold**, aka, "The Conservative Freight Train" 1-3ET weekdays beginning on May 24.

Radio America plans on keeping North's time slot (3-6P ET weekdays) and grow the affiliate numbers from the existing base. "We are making this as smooth a transition as possible for the affiliates," said **Keith Jones**, director of affiliate relations, Radio America.

RadioAmerica also launched "Generation Now" with **Reginald Jones** Jan. 31. The conservative, student-related show airs 9-10P ET weekdays.



The Movie Show On Radio

What's Hot, What's Not At The Box Office & Video Store

ProStar to launch first show

Recently formed (12/97) ProStar Entertainment announced it will debut April 4 "The Movie Show on Radio," hosted by **Allen Prell** of WBAL-AM Baltimore and produced by Sweet Talk Productions. The show is barter only and will air live Saturdays 4-6P ET. With seven weeks to go before launch, **Bob Dane**, President and founder, claims 40 affiliates are ready to go.

ProStar is also handling clearances for Burns Media Strategy's "The Dr. **Gabe Mirkin** Show," and "The **Debbie Nigro** Show."

Banks in effect mornings

This is the week—ABC Radio Networks' **Doug Banks** moves to morning drive (RBR 12/15/97 p. 8) in 25 markets, WBSL-FM N.Y. He was in ABC's afternoon slot since 1996. ABC's **Tom Joyner** is also on mornings but targets an older Urban demo.

HRN launches "Mundo2000"

Hispanic Radio Network, a 17-year non-profit syndicator backed by The Self Reliance Foundation will launch "Mundo2000" tomorrow to 40 commercial US affiliates and 17 other Latin American countries throughout the Western Hemisphere. Yes,

HISPANIC RADIO NETWORK, INC.



LA RED HISPANA

Cuba may be included, said **Javier Sierra**, Managing Editor & Bureau Chief, HRN. The interactive, satellite-delivered show is produced live at National Public Radio studios in Washington. The program, covering science, technology, health care and the environment is available free (no barter ads) with inventory slots available for local sales.

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JONES RADIO NETWORK™

AdNews

by Frank Saxe

Encore! sees Starz!

Encore Media Group is taking to network radio in a campaign for its Encore and Starz! pay movie channels. "We're a big believer in radio because it extends the reach and is cost-efficient," says

Mike Hale, SVP/marketing. Encore Media has used network radio in the past, and Hale says they were amazed at

the way it worked. "We absolutely cut through in New York and LA, the two most expensive markets in the country."

The Tom Bodett-like spots feature former Minnesota Public Radio commentator **Kevin**



King, who'll play up listeners' emotional ties to older films. The Starz! ads focus on the premium channel's movie-only programming position. Target for both campaigns is Adults 25-49. In on the \$60M buy are ABC Radio, Westwood One, WW1's NBA Playoffs and Metro Networks. Hale says they like Metro's ad-lib format, which can go beyond its standard ten seconds—plus copy can be tailored daily to plug that night's movies.

Encore Media is also placing ads on cable nets USA, TNT, TBS, CNN, A&E, Lifetime and during syndicated programming. Outdoor ads are planned, and trailers will be shown on in-flight TVs and in *TV Guide*, *The Wall Street Journal* and *Entertainment Weekly*. Agency: **The Richards Group**, Dallas

► Ranch 1 rides with radio

With plans to open one thousand new stores over the next five years, Ranch 1 is using radio to push the chicken chain and its popular grilled chicken sandwich. Ranch 1 has been a sponsor of "The **Howard Stern Show**" in the New York area, where its first 22 stores are located. Ranch 1's core is lunch, when 80% of sales occur. Estimated annual budget is \$2M. Agency: **TD Advertising**, NYC

► Natrol signs with Rush, Dr Laura

"The Natrol Health Minute," a one-minute spot by Natrol, has signed for the rest of '98 with Premiere Radio Network's "The **Rush Limbaugh Show**" and "The **Dr. Laura Schlessinger Show**." The spots will feature about 35 seconds of health tips from KNBC-TV's **Bruce Hensel**, M.D.

"We chose Talk radio for this effort precisely because Talk radio is loyal, long-term foreground listening, unlike a music format, which tends to be tune-in, tune-out background listening," says **Cheryl Richitt**, VP/Marketing. Natrol says it was convinced that radio works, when spots during **Larry King's** radio show lead to sales increases of 26% to 113%. Natrol will also place ads in health and fitness magazines, newspapers and in-flight magazines. Agency: In house



Cheryl Richitt

► Banking on radio

Despite what many think, radio can be used to brand a product or service. Katz Radio Group is coordinating a campaign with Bank of America to use radio for an image-building 49-week \$1M campaign that is being placed in 12 west coast markets on News/Talk stations like KGO-AM, KABC-AM, KFBK-AM, KTAR-AM and KIRO-AM. The "Market Edge Reports" runs 7A-8A and features Dr. **Jon Najarian**, aka "Dr. J," on the floor of the Chicago Stock Exchange offering financial tips in the first :30, with the second half featuring the bank's branding message. Agency: **GSD&M**, Austin

The Hallmark of Radio

A new radio campaign breaks March 7 for Hallmark Cards Inc. The greeting card company is launching a \$10M ad campaign promoting price points to convince consumers that greeting cards don't cost as much as they think. Tag line: "Spend a little, care a lot." Industry wide, 70% are for cards that cost less than \$2 and more than half of Hallmark cards are under \$2. "It is a medium that can be very targeted by geography, demographics and format—so there's very little waste," says Hallmark spokeswoman **Adrienne Lallo**. Besides flexibility and adaptability, Hallmark's ad team thinks radio is "very much a retail medium, which lends itself to action."



Local spot radio will see buys in 16 major markets for Hallmark's Expressions line, which is sold through supermarkets and mass retailers. There will also be TV spots and POP displays drawing attention to cards below two bucks. Agency: **Leo Burnett**, Chicago

Bagel chain bites into radio

The troubled bagel business brings Chesapeake Bagel Bakery to radio. Besides bagels for breakfast, the campaign will push new lunch sandwiches, in hope of driving up store sales figures which reached \$78M in 1996. The chain's annual ad budget is a reported \$1.7M. Chesapeake operates in 32 states and is a division of AFC Enterprises, which also owns Popeye's Chicken & Biscuits and Church's Chicken. Agency: **Williams Whittle Associates**, Alexandria, VA

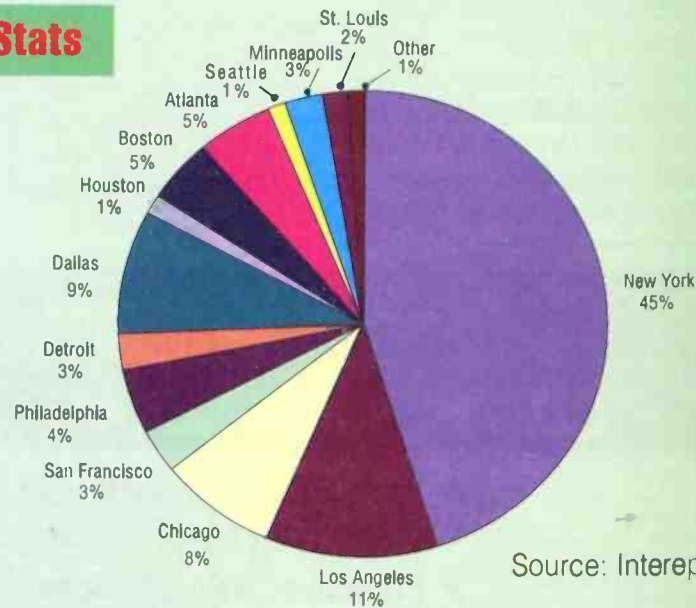
Jeep leases airtime

Local spot radio nabbed more than half of Chrysler's Jeep Division's \$8M dollar four week budget promoting leases on the '98 Jeep Cherokee last fall, according to RAB's Detroit office. The radio spots contained tags referring listeners to local newspapers for lease details. Another radio flight is planned this Spring. The auto leasing category opened up in 1996, when the FTC revised Regulation M, The Truth in Leasing Act. Agency: **Bozell Worldwide**, Detroit

Have money, will travel

Of all the national radio dollars spent in the Top 10 metros, the vast majority comes from New York, Los Angeles and Dallas.

AdStats



Source: Interep

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DOUG BANKS MORNINGS

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Consolidation: It's everywhere

by Dave Seyler

Radio station consolidation is not solely a CBS/Chancellor phenomenon. While it is true that the two megagroups have established a significant presence in the top ten markets, the fact remains that the duopoly flag has been raised over markets from coast to coast and everywhere in between.

43.8% of all stations in Arbitron-rated markets are part of a superduopoly, and 67.4% are part of a superduop or duopoly. In the largest markets, these percentages are only slightly higher, and in the smaller markets they are only slightly lower. All market size groups are within about 6% of the national total.

As the charts showing the top ten markets by superduopoly consolidation and total consolidation demonstrate, the most thoroughly consolidated markets are well down the market list. The larger the market, the more difficult it becomes for a handful of owners to sew it up.

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Meanwhile, Disney has put its 19.6% stake in Scandinavian Broadcasting System (O:SBTVF) up for sale. The 2.7M shares were part of Disney's \$19B Capital Cities/ABC acquisition and ABC acquired them for only a tiny fraction of their current \$75M value. Scandinavian owns TV and radio stations in Sweden, Belgium, The Netherlands and Hungary. Disney said the minority stake doesn't fit with its international strategy to develop and manage Disney and ESPN branded programming services. Investment banker: Bear, Stearns & Co.

A RADIO GROUP MANAGER IN THE NEW POLAND—NEEDED

No, not a joke- not anymore. That's old news. If you read Barron's, Forbes or The Wall Street Journal, you know that Poland is now one of the hottest, super-charged economies in the world - leading Europe in growth, with investment money pouring in from all over the world. IPO's, new construction, digital Tele-com, the arrival of the world's leading companies and new daily Delta service direct from JFK are now commonplace. With their newly won freedom, radio listeners for the first time are hearing, and responding to commercial radio formats like we've had in the USA for decades. And they love it!

Agora-Gazeta the nation's largest media company is building a major radio group, based on state-of-the-art strategic radio research, programming, marketing, and sales. Five stations are on the air, with more in various stages of purchase or CP construction. E. Karl of E. Karl Broadcast Consulting has created a superb programming and marketing structure. Jim Taszarek of TazMedia built the sales' organization. The group's GMs, SMs, and PDs are hard working, creative professionals who want to learn more about the "American model" of successful, profitable radio.

A once-in-a-lifetime opportunity for a seasoned radio manager to be the group head of an exciting, growing group. A Polish-American radio pro with a desire to "go home", or any top-notch radio manager, with a spirit for untold adventure - and some working knowledge of the Polish language or a desire to learn - should jump at this opportunity. Please send your resume outlining your successful track record to Jim Taszarek, TazMedia, Inc., 6210 E. Thomas, #210, Scottsdale, AZ 85253. Complete confidentiality absolutely guaranteed.

BROADCAST INVESTMENTS™

February 25—RBR Stock Index 1998

Company	Mkt:Symbol	2/18 Close	2/25 Close	Net Chg	Pct Chg	2/25 Vol (00)
Ackerley	N:AK	18.812	20.062	1.250	6.64%	685
Alliance Bcg.	O:RADO	0.500	0.500	0.000	0.00%	0
Am. Radio Sys.	N:AFM	58.500	59.125	0.625	1.07%	2350
AMSC	O:SKYC	8.375	8.375	0.000	0.00%	183
Belo Corp.	N:BLC	55.625	54.750	-0.875	-1.57%	780
Big City Radio	A:YFM	8.750	9.750	1.000	11.43%	268
CBS Corp.	N:CBS	30.125	30.875	0.750	2.49%	17516
CD Radio	O:CDRD	17.875	16.312	-1.563	-8.74%	1207
Ceridian	N:CEN	46.375	47.187	0.812	1.75%	5299
Chancellor	O:AMFM	40.250	44.937	4.687	11.64%	22681
Childrens Bcg.	O:AAHS	3.812	3.250	-0.562	-14.74%	32
Clear Channel	N:CCU	89.062	89.562	0.500	0.56%	967
Cox Radio	N:CXR	40.500	43.937	3.437	8.49%	351
DG Systems	O:DGIT	3.062	3.375	0.313	10.22%	862
Disney	N:DIS	114.875	111.250	-3.625	-3.16%	13823
Emmis Bcg.	O:EMMS	46.375	47.875	1.500	3.23%	1788
Faircom	O:FXCM	0.812	0.812	0.000	0.00%	0
Fisher	O:FSCI	124.000	132.000	8.000	6.45%	0
Gaylord	N:GET	30.187	33.500	3.313	10.97%	1268
Granite	O:GBTVK	11.625	11.875	0.250	2.15%	661
Harris Corp.	N:HRS	50.750	50.375	-0.375	-0.74%	4936
Heffel Bcg.	O:HBCCA	47.750	47.250	-0.500	-1.05%	956
Jacor	O:JCOR	59.750	59.250	-0.500	-0.84%	9351
Jeff-Pilot	N:JP	81.062	83.000	1.938	2.39%	944
Jones Intercable	O:JOINA	16.875	16.750	-0.125	-0.74%	651
Metro Networks	O:MTNT	35.000	35.687	0.687	1.96%	204
NBG Radio Nets	O:NSBD	1.875	1.750	-0.125	-6.67%	170
New York Times	N:NYT	68.250	66.000	-2.250	-3.30%	1969
NewsComm.	O:NCOM	1.437	1.375	-0.062	-4.31%	30
Otter Tail Power	O:OTTR	37.625	37.750	0.125	0.33%	21
Pacific R&E	A:PXE	3.687	3.625	-0.062	-1.68%	0
Pulitzer	N:PTZ	65.125	66.187	1.062	1.63%	112
RealNetworks	O:RNWK	15.375	14.687	-0.688	-4.47%	939
Saga Commun.	A:SGA	20.500	20.000	-0.500	-2.44%	0
SFX Bcg.	O:SFXBA	91.125	92.750	1.625	1.78%	218
Sinclair	O:SBGI	54.000	57.500	3.500	6.48%	6488
SportsLine USA	O:SPLN	18.625	21.812	3.187	17.11%	3072
TM Century	O:TMCI	0.562	0.562	0.000	0.00%	10
Triathlon	O:TBCOA	10.875	10.500	-0.375	-3.45%	130
Tribune	N:TRB	63.750	64.687	0.937	1.47%	2287
Westower	A:WTW	21.875	20.125	-1.750	-8.00%	149
Westwood One	O:WONE	31.250	31.562	0.312	1.00%	337
WinStar Comm.	O:WCII	34.875	38.687	3.812	10.93%	12096

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TRANSACTION DIGEST

by Jack Messmer & Dave Seyler

The deals listed below were taken from FCC filings made public during the week from Wednesday, Feb. 18 through Tuesday, Feb. 24. RBR's Transaction Digest reports on all deals that involve assignment of a station license (FCC Form 314) and substantial transfers of control of a licensee via a stock sale (FCC Form 315), but not internal corporate restructurings (FCC Form 316). All deals are listed in descending order of sales price.

\$3,750,000—* WWFO-FM & WAIB-FM Tallahassee (Lafayette-Tallahassee FL) from Catamount Communications Inc. & Catamount I Communications Inc. (Adam Levinson) to Capitol City Radio Partners Inc. (Michael Schwartz, Monte Lang, Aaron Daniels, Abe Moses, Edward Argow, Henry Kestenbaum). \$250K escrow, \$3.5M (less escrow) in cash at closing, \$250K note. Existing **duopoly**. Broker: Scott Knoblauch & George Reed, Media Services Group

\$3,650,000—* KTCX-FM Beaumont TX from Beaumont Skywave Inc. (James G. Withers, Richard Dames, P. Stephen Bunyard) to Cumulus Licensing Corp. (William Bungeroth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$180K letter of credit as escrow, \$3.6M (less escrow) in cash at closing, \$50K under non-compete agreement. Superduopoly with KQHN-AM, KAYD-AM & FM & KQXY-FM. LMA since 2/98.

\$3,000,000—* KMXD-FM Des Moines (Ankeny IA) from V.O.B. Inc. (Steve & Darlene Van Oort) to Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR). \$300K escrow, balance in cash at closing. **Duopoly** with WHO-AM & KLYF-FM. LMA since 1/30/98. Broker: Jorgenson Broadcast Brokerage

\$2,100,000—KOTD-FM Omaha (Plattsmouth NE), 100% stock transfer of Platte Broadcasting Co. Inc. from Charles, Irene & Josephine Warga to Waitt Radio Inc. (Norman W. Waitt Jr.). \$100K escrow, additional \$450K in cash at closing, two notes totalling \$1.55M. Note: Prior to closing, KOTD-AM will be transferred to Warga Radio LLC and retained by the sellers of the FM. The AM will enter a JSA and purchase right of first refusal with Waitt Radio.

\$1,048,868—KNET-AM & KYYK-FM Palestine TX from Willow Creek Entertainment Inc. (John C. McKay) to Quail Management Co. (Clive Runnells). Transfer to

the principal of a former owner for forgiveness of two notes totalling \$1,048,868. LMA since 7/1/97.

\$750,000—* WAPU-FM (new on 92.9 mHz) Bloomington (Colfax IL) from Colfax Broadcasting Inc. to Kelly Communications Inc. (James C. McCrudden). \$750K in cash at closing, plus forgiveness of construction loan. **Duopoly** with WIHN-FM.

\$650,000—WTGG-FM (new on 96.5 mHz) Amite LA from Hammond Radio Partners LLC (Stephen J. Garchik) to Southwest Broadcasting Inc. (C. Wayne Dowdy, Henry J. Sanders). \$50K escrow, balance in cash at closing.

\$535,000—* KAWW-AM & FM Heber Springs AR from King Britton Inc. (Sid King) to Kaleidoscope Radio LLC (Larry E. Morton, Gregory W. Fess, Max Hooper). \$235K in cash at closing, \$232.5K debt assumption, \$67.5K note. **Duopoly** with buyer's existing LMA of KWCK-AM & FM Searcy AR. LMA of KAWW since 1/15/98. Broker: MGMT Services Inc.

\$500,000—WNOP-AM Cincinnati (Newport KY) from Dayton Heidelberg Distributing Co. d/b/a WNOP Radio (Albert W. Vontz III) to Main Street Communications (William A. Sutton, Timothy J. Harrier). \$500K cash.

\$475,000—KGOK-FM Pauls Valley OK from Wright & Wright Inc. (Roy Floyd, David L. Wright, Donald Wiese) to A.M. & P.M. Communications Inc. (Richard Witkovski, W.R. Kerr, Ken C. Mok). \$25K escrow, balance in cash at closing.

\$395,000—KRUN-AM & KCSE-FM Ballinger TX from SEC/CESS Broadcasting Inc. (Steve Everett) to GBE of Abilene LLC (William Phillip & Herbert L. Graham). \$50K escrow, balance in cash at closing.

\$350,000—* WTZE-AM & FM Tazewell VA from Tazewell Broadcasting Company Inc. (Bob Smallwood) to Adventure Communications Inc. (Michael R., John H. & John C. Shott). \$20K escrow, balance in cash at closing. Chain **superduopolies** with WBDY-AM & WHKX-FM Bluefield VA, WHQX-FM Cedar Bluff VA, WHIS-AM, WKEZ-AM & WHAJ-FM Bluefield WV and WKMY-FM Princeton WV. Note: No more than six contours overlap at any point.

\$257,500—* KBRO-AM & KNTB-AM Seattle (Bremerton/Lakewood WA) from

Washington Broadcast Management Co. Inc. (Frank Olsen) to FTP Corp. (Bart Seidler). Cash payment to creditor of seller, KLYD Inc. Existing **duopoly**.

\$250,000—* KDET-AM & FM & KCOT-FM Center-San Augustine TX, 51% stock transfer of Center Broadcasting Inc. from Thomas Foster to Dudley Waller. \$50K in cash at closing, \$200K note. Existing **duopoly**.

\$225,000—WLOC-AM & WMCC-FM Munfordville KY from Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR) to Royse Radio Inc. (Henry G. Royse, Terri Lou Royse). \$8K escrow, balance in cash at closing. LMA until closing.

\$200,000—K MAD-AM & FM Madill OK from Steve Landtroop Inc. (Steve Landtroop) to Robert S. Sullins. Sullins is loaning Landtroop \$200K to close purchase from Radio Station KMAD, A Partnership, and Landtroop is then assigning stations to Sullins. Sullins is parttime GM of the stations.

\$175,000—WGBW-FM Green Bay WI from Board of Regents of the University of Wisconsin System to Evangel Ministries Inc. (Robert Knox & others). \$87.5K downpayment, balance in cash at closing. Note: The Regents put this 3kw station up for bids as surplus property, since they also own 100kw WPNE-FM and 18.7kw WHID-FM, both licensed to Green Bay.

\$160,000—KHSS-FM Walla Walla WA from KHSS Inc. (John R. Ramstad) to Two Hearts Communications LLC (Rodney & Kimberly Fazzari). \$5K earnest money, additional \$45K at closing, \$110K note.

\$150,000—WYRV-AM Cedar Bluff VA from Raslor Corp. (Acie Rasnake) to Faith Communications Inc. (Rick E. Compton Sr.). \$10K escrow, balance in cash at closing. LMA until closing.

\$145,000—KGRE-AM Fort Collins-Greeley (Greeley CO) from Greeley Broadcasting Corp. (Ricardo Salazar) to Hispanic Broadcasting Network Inc. (Juan Carlos Hidalgo, Jorge Novarro). \$45K downpayment, additional \$100K escrow to transfer at closing. LMA since 1/14/98.

\$137,100—WWDR-AM & WDLZ-FM Murfreesboro NC from C'N'W Inc. (Bruce Whitehead) to Edwards Broadcasting Inc. (M. Scott Edwards). Edwards, a former owner of this combo who held a note for \$137K, has already purchased the stations' studios, equipment and real estate at a foreclosure sale and is leasing them back to the licensee. C'N'W is now selling the

stations' licenses and remaining assets to Edwards for \$100 cash. A second sale for \$145K is planned to Team Broadcasting LLC, headed by R. Gordon Finney, which has LMA'd the combo since 1/13/98.

\$125,000—KZTY-AM CP (620kHz) Las Vegas (Winchester NV) from Robert Adelman to KSBN Radio Inc. (Alan M. Gottlieb, pres), which is affiliated with the Second Amendment Foundation and Citizens Committee for the Right to Keep and Bear Arms. \$25K down payment, \$100K note. Broker: Far West Radio

\$110,000—* WQRX-AM Valley Head AL from Smith Communications Inc. (Joyce Smith Hamilton) to Scenic Communications Inc. (Evan E. Stone, Michael S. Powers, Timothy H. Dobson). \$110K note.

Duopoly with WKWN-AM Trenton GA.

\$98,000—KRQX-AM & KYCX-FM Mexia TX, 80% stock sale of Groveton Broadcasting Group Inc. from Matthew D. Groveton to R. Hughes Dillard (100% thereafter). \$98,000 cash for stock.

\$77,500—WMXH-AM Scranton/Wilkes-Barre (Olyphant PA) from C.V. Nardone Broadcasting Inc. (Carmen Nardone) to Fennessy Broadcasting Stations Corp. (Kevin & JoAnn Fennessy). \$2.5K escrow, \$75K note. Note: This station is dark.

N/A—KJML-FM Joplin MO (Columbus KS). Transfer of 4,000 shares (26.7%) of the stock of Acorn Broadcasting Co. from William Stoudenmire to Andrew S. Wolfson. Stoudenmire will receive 10% of the eventual sale price of the station.

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