

# RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

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## Is the FCC rewriting its TV ownership rules?

Rumblings around the industry say it's a yes. And while the FCC may be calling it nothing more than a "pending procedure," Sen. **John McCain** (R-AZ) is giving the thumbs up for relaxed rules.

According to a spokesperson for McCain's office, the Senator "strongly believes the FCC needs to change all rules and not just broadcast ownership ones. The agency needs to take a broader look at how the industry is now operating and relaxing regulations would certainly help."

Chairman **Bill Kennard** is apparently willing to soften his opposition and allow TV duopolies, but only in limited circumstances. The new plan would permit TV/radio crossownership, but would place the cap at six radio stations if the owner also has a TV station in that market, primarily affecting CBS (N:CBS).

Currently, crossownership is banned, but a waiver policy does allow a TV station to own up to eight radio stations in the same market. The Commission is expected to take up the issue at its next meeting on 8/5.—TS

## Nader files support of LPFM

Comments by self-styled consumer advocate **Ralph Nader** in support of low-power FM (FCC Docket 99-25) are largely a re-hashing of the typical arguments put forth by LPFM backers: Radio ownership is too concentrated, current broadcasting is too commercial and inner-city communities need new outlets. However, the veteran activist does make one new point worth examining:

*"It is not enough to merely authorize LPFM service. The commission should allocate more spectrum for low-power radio broadcasting, and introduce it when radio switches from analog to digital signals. If it does so, then the new digital receivers will be designed to receive the new frequencies. Media companies were freely given as much as \$70B dollars worth of spectrum as a result of the Telecommunications Act. Allocating some additional spectrum for future low-power radio broadcasting is the very least that the Commission can do."*

Although Nader misrepresents the purported government give-away to TV, since one of each pair of TV allocations must be returned for auction after a relatively quick transition from analog to digital signals, he is the first LPFM advocate to comprehend an issue first raised by this publication (RBR 2/22, p. 6-7). If LPFM is authorized now, with the first stations presumably signing on sometime next year, the new analog LPFM broadcasters would likely have to buy new digital transmitters in just a couple of years. That is an expense that could strain the budgets of the newbie broadcasters, none of whom are expected to be rolling in extra cash.

Like many other LPFM advocates, Nader wants the FCC to make it strictly a non-commercial service limited to a maximum power of 100 watts.

The comment deadline for the FCC's LPFM proceeding is 8/2.—JM

## McCain urges industry to limit violence

Calling it his "Appeal to Hollywood," Sen. **John McCain** (R-AZ) has once again taken his plea to the entertainment and media industries, asking them to adopt voluntary minimum standards for violence and sexual content. He said the guidelines should be similar to the radio and television codes used by the NAB until 1982.

"This is not a call for censorship," said McCain. "It is a call for responsibility and citizenship." Last month the Senator introduced legislation that would create a uniform labeling system for musical products, as well as all movies, video games and video programs (RBR 6/21, p.3).

**RBR observation:** If McCain likes the old NAB codes so much, maybe his people should check out the organization's Statement of Principle's of Radio and Television Broadcasting, adopted in 1990. This set of guidelines does contain sections on violence and sexual content.—TS

## Pacing numbers power on

Radio's record-setting pace continues, with September already more than 60% sold out. "It's exactly what we like to see, with the year nearly three-quarters along," noted **George Nadel Rivin** of Miller, Kaplan, Arase & Co.—JM

## RBR/Miller Kaplan Market sell-out percentage report

	1999	1998
July 15	86.5%	84.6%
Aug.	75.3%	69.5%
Sept.	60.4%	54.5%

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## DOJ takes on TV

In what appears to be its first anti-trust action in the TV industry, the DOJ's Antitrust Division got the would-be partners to scrap a JSA in the Wilkes Barre-Scranton market.

DOJ blocked a move by ABRY Broadcast Partners, which owns the market's NBC affiliate, to sell advertising for Bastet Broadcasting's CBS affiliate. The deal also included an option for ABRY to buy the Bastet station at some future date.

According to BIA's *Investing in Television 1999*, the JSA would have given ABRY 47.8% of the market's TV revenues. All stations in Wilkes Barre-Scranton, which is Nielsen market #51, are UHF.

"If the transaction between ABRY

and Bastet had been consummated, the businesses that advertise on television in the Wilkes Barre-Scranton market would likely have paid higher prices to advertise on the local broadcast television stations," said **Joel Klein**, Assistant Attorney General in charge of the Antitrust Division, in a statement announcing the action.

**RBR observation:** It looks like the DOJ's 40% threshold for radio is going to be applied to TV as well. As the BIA chart (below) shows, though, true shares are difficult to come up with in TV markets, due to the recent growth of Fox, WB, UPN (which is not even represented in Wilkes Barre-Scranton) and PAX. We presume that sales staffers at WSWB-TV and WQPX-TV are doing something to earn their commission checks.—JM

### Wilkes Barre-Scranton TV (BIA Research revenue estimates)

Station/Ch./Network	Owner	1998 revs.	Rev. share
WNEP-TV/16/ABC	NY Times	\$19.0M	36.1%
WYOU-TV/22/CBS	Bastet	\$9.5M	18.1%
WBRE-TV/28/NBC	ABRY	\$15.6M	29.7%
WSWB-TV/38/WB	KB Prime	—	—
WOLF-TV/56/Fox	Pegasus	\$8.5M	16.1%
WQPX-TV/64/PAX	Paxson	—	—
<b>Total</b>		<b>\$52.6M</b>	<b>100.0%</b>

Source: BIA Research Inc.

## USADR elects two to board

Leveraging a broader scope of expertise, USADR's seven-member Board of Directors elected **Gregory Simon** and **Fred Wilson** to its ranks 7/15. Simon brings government policy expertise, recently serving as Chief Policy Advisor to VP **Al Gore** and President of Simon Strategies, Inc., a strategic consulting firm to the telecommunications, entertainment and computer industries. Wilson is a venture capitalist with high-tech funding experience. "We've obviously put in place some very strong broadcaster support, and we're now complementing that with other skills that we believe are important to take our business and IBOC forward," said USADR CEO **Bob Struble**.

Other board members (*RBR* 3/15, p.3) include AMFM Vice Chairman and Radio President **Jimmy de Castro**, Infinity (N:INF) EVP/CFO **Farid Suleman**, Infinity/CBS (N:CBS) CEO **Mel Karmazin**, Radio One (O:ROIA) CEO **Alfred Liggins**, Gannett VP **Daniel Ehrman** and Clear Channel (N:CCU) VP Engineering **Al Kenyon**.—CM

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## ICC allies with WebRadio.com

Internet content and e-commerce provider Internet Community Concepts (ICC) has struck a deal (7/20) with WebRadio.com (*RBR* 3/1, p.4), a radio website streaming company with proprietary "Emblaze" technology. "We're going to bring WebRadio in and use them for streaming, and they will use us for their content," said ICC President **Mitch Ribak**.

ICC, with 300 online affiliates for its "Singles Resource Network" dating service, launched its expanded service with 30 content categories for radio stations in April. It now has 25 radio and one TV affiliate, with verbal commitments from 350 stations. The goal with ICC's free link is to provide stations with co-branded e-commerce and advertising revenues. "We give [the stations] 120 different places to sell advertising on the site," says Ribak. "There are two programs. One is a flat rate where they keep it all, the other is we get \$50 per ad and they get the rest. We sell two national ads on every category/page of our site and give the radio station four."—CM

## RBR News Briefs

### AMFM station fined for failure to notify

A reminder from the FCC to AMFM's WFVY-FM Jacksonville (Atlantic Beach), FL: before recording a conversation intended for broadcast, inform the speaker of the plan first.

The Commission has ordered the station to pay a \$4K fine for its failure to notify a listener that the conversation with an on-air talent was being recorded. WFVY-FM did admit to broadcasting the conversation only once, but then says it took steps to avoid any future violations. AMFM now has 30 days to challenge the fine or pay it.—TS

### Greater Media owner dies

Greater Media Inc. co-founder and (since 1994) sole owner **Peter Bordes** died 7/19 at the age of 71.

Bordes and former partner **Joseph Rosenmiller** started the company with a single radio station in 1956 and it now consists of 14 radio stations and community newspapers serving 175K homes in New Jersey. The sale of Greater Media's cable TV systems closed last month.

Bordes' death will, of course, increase speculation about a possible sale of the radio stations. "The estate has been arranged so that no assets need to be sold," Greater Media CEO **Frank Kabela** told *RBR*.—JM

### Newt talks about new radio vignette

Add another big name to Premiere's Talk roundup: **Newt Gingrich** debuts 8/9 with a :90 second daily vignette, "Newt's Age of Possibilities." It's not all about politics, though. The former Speaker of the House and outspoken Republican demagogue will cover a range of topics, from health to the net; politics to role models.

"Our daily commentaries will be about courageous people who are changing the world around them, about the inventions and discoveries that give us hope, and about what makes America great—but also about what threatens her greatness," the Gentleman from Georgia tells *RBR*. "This will be a forum for ideas and optimism, but also for straight talk and, when necessary, outrage."—CM

## Clarification

WMRQ-FM Hartford morning personality **Dee Snider** (*RBR* 7/19, p. 3) is represented by **David Katz** of Don Buchwald and Associates.



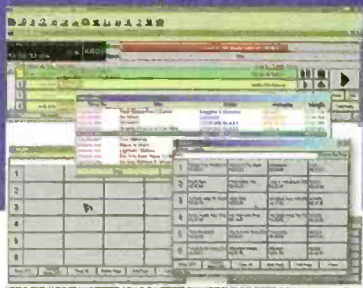
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**Congress angered by name-swapping scandal**

What's the best way to endanger federal funding? Just ask the Corporation for Public Broadcasting (CPB). Officials there will say that allowing donor names to be made available to the Democratic National Committee (DNC) is a sure way to ruffle more than a few Republican feathers.

Rep. **Billy Tauzin's** (R-LA) Telecom Subcommittee was almost ready last week to push legislation (H.R. 2384) to reauthorize the CPB with more than \$300M from 2000 through 2002 (for both radio and TV, *RBR* 7/19, p.7) when members learned of the name-swapping scandal. Industry officials told the subcommittee 7/20 that as many as 30 Public Broadcast Service (PBS) tele-

vision stations, including WGBH-TV Boston, KQED-TV San Francisco, WNET-TV NY and WETA-TV DC, have been engaging in the practice through third party brokers.

"Sorry. We blew it," said **Robert Coonrod**, Pres./CEO of CPB, in a plea to save federal funding. "We do not condone this practice of buying, selling or trading lists with political parties, and we are ready to work with Congress to ensure that it is not repeated." Currently, the government provides more than 15% of public broadcasting's \$2B annual budget.

While this practice of name swapping is not necessarily illegal, Tauzin has vowed to outlaw the practice as it "threatens the integrity of public broadcasting," and is "a crime, a sin and a shame," he announced.—TS

**Cigar ads should be a thing of the past**

That's according to a FTC report released last week, asking Congress to enact legislation to ban cigar ads on radio and television. The report also called for health warnings on cigar labeling.

"We now know that there has been a dramatic increase in cigar use and in the extent of advertising for cigars in the last few years," said FTC Chairman **Robert Pitofsky**. "Yet cigars are not regulated as cigarettes and smokeless tobacco are."

The Commission noted in the report that the presence of radio and TV ads "may send a misleading signal that cigars are not harmful to one's health, or that cigars are a safe al-

ternative to cigarettes."

Total advertising and promotional expenditures for cigars rose 32% in 1997, hitting \$41M. The report also pointed out that money spent on celebrity endorsements and product placements in movies and television doubled between 1996 and 1997.

**RBR observation:** Five of the top cigar companies reported spending only \$325K on radio and TV spots in 1997. We divided that dollar amount by the number of commercial radio stations in the US (approx. 11,000) and commercial TV stations (approx. 2,000) and found that ad spending per station equaled only \$25. With these minuscule ad budgets, we find it quite bizarre that anyone would blame radio and TV for encouraging this cultural habit.—TS

**Next week: Radio's billionaires and multi-millionaires**

If you checked out *Forbes* magazine's annual "400 Richest People in America" list last month, you may have wondered why some people you know were missing or less wealthy than you thought. Isn't Broadcast.com's (O:BCST) **Mark Cuban** a billionaire? Doesn't **Lowry Mays** have way more than \$1.5B in Clear Channel (N:CCU) stock alone?

In both cases, the answer is yes. Perhaps **Steve Forbes** took the magazine's calculator with him to New Hampshire, or no one at his magazine has noticed that something called the Internet has made a lot of new people rich. Not only did the *Forbes* list completely miss Cuban, but his fellow Broadcast.com co-founder **Todd Wagner** and RealNetworks (O:RNWK) founder **Robert Glaser**—both of whom easily top the magazine's cut-off of \$500M.

*RBR's* annual listing of radio's richest doesn't rely on guesses, estimates or E.S.P. Rather, we list the actual stock holdings of each mogul in public radio and radio-related companies. This year's list, appearing in next week's issue, includes 113 individuals and families with stock holdings of \$10M to over \$2B.

Find out how many of your friends are among radio's moguls, next week in *RBR*.



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### Market Profile

## Cleveland Consolidation catch-up in progress

by Dave Seyler

Cleveland was among the last large markets to enter the superduopoly era. As recently as Fall 1997, there was only one superduopoly in operation (Nationwide's), and with three unescorted FMs, it was, from a stick standpoint, as small as a superduopoly could be.

In November 1997, Jacor bought Nationwide, building a six-station superduopoly here and kicking off a year of incredible change in the market.

Chancellor followed Jacor, cobbling together a six-station cluster of its own via deals with three separate owners. Jacor later swapped one of its AMs to Capstar, a company which soon thereafter announced it was merging into Chancellor. This would up Chancellor's cluster to seven stations, assuming all deals are completed.

Meanwhile, Clear Channel announced a deal to absorb Jacor. There was no way to combine the existing in-market stations of the two groups, and the Clear Channel three-station duop was put on the block. Surprisingly, the stations were split up, with two going to Radio One and one to Infinity.

**RBR observation:** Well, not all that surprisingly when we consider what has happened since. Chancellor has gone on the block with Clear Channel as the only serious suitor. But not much can happen here. Both groups are at or near the ownership ceiling already. In "The big what-if sale: Clear Channel/Chancellor divestitures" (RBR 2-1, pp 6-8) we noted that there were no large groups already in the market which might be interested in spin-offs. That statement didn't remain true for long. We now find two of the most station-hungry groups in America lurking in the shallows, waiting for a tasty morsel to drift their way. Radio One must be particularly interested in the Urban-flavored trio which recently belonged to Xen Zaps, leaving plenty more for Infinity to go after. And Clear Channel was pretty crafty to stock the pond with some fish which not only will bite hard, but which will also be able to pay top dollar for the bait it may well have to offer.

Fall 1997				Fall 1998					
Rank	Owner	AM	FM	12+	Rank	Owner	AM	FM	12+
1	**Nationwide	0	3	19.6	1	**Chancellor	3	4	36.0
2	*Jacor	1	2	17.6	2	*Clear Channel	1	1	12.1
3	Emmenseta	1	1	12.4	3	Elyria-Lorain	1	1	5.8
4	*Jacor	1	1	12.4	4	Infinity	0	1	5.1
5	*Clear Channel	1	2	9.5	5	Radio One	0	1	2.8
6	WTAF	0	1	5.1	6	Radio One	0	1	2.8
7	Elyria-Lorain	1	1	4.7	7	Linn	1	0	1.0
8	WTAF	0	1	4.7	8	WTAF	0	1	4.7
9	Linn	1	0	1.0	9	WTAF	0	1	4.7
10	WTAF	0	1	4.7	10	WTAF	0	1	4.7
11	Divine Mercy	1	0	0.4	11	WTAF	0	1	4.7
12	Talks	1	0	0.4	12	WTAF	0	1	4.7

\* = duopoly; \*\* = superduopoly

Duopoly Dimensions			Market Statistics	
Owners	Stns	Pct	Rank	
Total Own/Stns	8	22		24
Superduop	2	17		12+ population
Duop	2	9.1		Block population
Unesc	2	18.4		% Black
Standalone	3	13.6		12+ population
Total Unesc/Block	1	4.7		% Hispanic

Source: Arbitron, RBR Information Services Group

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## Pinnacle takes Q2 earnings higher

Pinnacle Holdings (O:BIGT) reported a 93% boost in Q2 revenues to \$13.7M. Tower cash flow more than doubled to \$11.1M from \$5.5M.

"Our same store revenue growth for the first six months of 1999 was approximately 19%," said Pinnacle President **Ben Gaboury**.

In announcing its earnings, Pinnacle noted that it had closed on 49 sites and built 15 new towers during Q2. Once all pending deals close, Pinnacle will own or manage over 3,000 transmission sites.

In its most recent deal (7/20), Pinnacle closed on the \$15M purchase of 28 wireless communications towers from SCANA Corp. (N:SCG), which is primarily an electric and gas utility holding company. SCANA's communications subsidiary will lease back some of the towers for its mobile radio system.

### *Selling more stock*

Pinnacle Holdings has filed with the SEC for an add-on offering of 10.7M shares of common stock, with 2.35M of the shares to come from Pinnacle's early investors (mostly from an ABRY partnership). Proceeds will be used to finance acquisitions, including a pending \$225M buy of 1,850 tower sites from Motorola (N:MOT). The stock offering will further enhance Pinnacle's ability to pursue rapid growth—it recently increased its bank financing agreement by \$250M to \$450M, with Bank of America as lead lender. Underwriters: Deutsche Banc Alex. Brown, Merrill Lynch, Raymond James & Associates, Salomon Smith Barney, Banc of America Securities

## Crown Castle heads south

Crown Castle International (O:TWRS) has struck a deal with BellSouth Corp. (N:BLS) to manage the Baby Bell's 773 PCS towers in North Carolina, South Carolina, east Tennessee and parts of Georgia. The deal gives Crown Castle the right to lease all unused space on the towers for a payment to BellSouth of \$317M cash.

"These assets currently average approximately two tenants per tower, generating significant cash flow immediately," noted Crown Castle CEO **Ted Miller Jr.** "These towers are also relatively new and 85% are over 150 feet tall, ideally positioned for co-location and lease-up."

Although the up-front cash is flowing from Crown Castle to BellSouth, the regional phone giant will thereafter pay \$1,200 monthly to Crown Castle for its tower management and maintenance services. The deal also includes a three-year build-to-suit contract for Crown Castle to construct new towers for BellSouth.

### *More credit in the U.K.*

Crown Castle's British subsidiary, Castle Transmission International Ltd., increased its senior credit facility to £150M (approximately \$236M) from the previous £64M. Most of the credit facility (£100M) will be used to finish funding the build-out of a digital terrestrial television network in the U.K. The 19 bank syndicate (up from six) is headed by Credit Suisse First Boston.

### **American Tower on buying spree**

American Tower (N:AMT) has been continuing its course of rapid acquisitions to claim a larger share of the fast-consolidating tower industry. In recent weeks **Steve Dodge's** company has announced the following deals:

- A \$73M cash buy of the assets of Watson Communications Systems Inc. American Tower said the price worked out to approximately \$54M for Watson's 10 broadcast and 11 wireless communications towers in the San Francisco Bay area, with the remaining \$18M for other assets, including a teleport facility.

- Closing of the \$38.8M cash-for-stock acquisition of CommSite International Inc., an antenna site development and site management company. The deal included existing towers in Maryland, Virginia, Louisiana, Mississippi, Texas, Wisconsin and Minnesota, plus build-to-suit contracts to erect new towers in Tennessee, Mississippi, Minnesota, Wisconsin, Michigan and Louisiana.

- A \$39M cash deal to buy 108 wireless communication towers (mostly in New York, Pennsylvania and Ohio) from Dobson Tower Company and to build 65 new towers for Sygnet Communications Inc. Both Dobson Tower and Sygnet are subsidiaries of Dobson Communications. The deal also includes a 10-year lease and three five-year renewals for Sygnet to lease space on the towers.

- A \$73M deal to acquire 192 wireless communications towers in Virginia, North Carolina, South Carolina and Georgia from AT&T's (N:T) Triton PCS. American Tower will also develop a minimum of 100 build-to-suit towers for Triton and provide turnkey services for co-location sites through 2001.

- A \$205M deal to merge UNIsite Inc. into American Tower. The price tag, which includes \$40M in debt assumption and \$165M in cash, is based on UNIsite owning 600 wireless communications towers at closing, which is expected by 1/31/2000.

All in all, American Tower will own over 4,000 towers in 44 states and DC, including 195 broadcast towers, which are larger and have greater capacity than wireless communications towers.



# The state of ownership consolidation

Out of all the states plus Puerto Rico and Washington DC, Utah has the highest percentage of stations in an Arbitrated superduopoly cluster, while Montana has the highest percentage of stations in some form of consolidation.

There is no particular geographical rhyme or reason to the distribution of consolidated operations. In general, states with a low number of markets and/or stations occupy the extreme positions on either side of the consolidation spectrum. Two states, Connecticut and New Jersey, have suppressed consolidation numbers due to their proximity to New York City, the stations of which take

away listeners from many surrounding smaller markets in these two states.

**RBR observation:** Then there is the curious case of Massachusetts. Its superduopoly consolidation rate is ahead of only tiny Delaware, and the state is dead last in overall consolidation. We can only suppose that the independent spirit lives on in the birthplace of the American Revolution.

Anyway, if you are planning to start or expand a group, this chart may provide a notion as to where there may be a some loose stations to buy so you know where to start looking.

State	Mkts	Stns	Sup	Sup Pct.	Cons	Cons Pct.	Sup Cons Rank	Sup Cons Rank
Alabama	6	125	60	48.0	83	66.4	34	45
Alaska	1	24	16	66.7	19	79.2	6	17
Arizona	2	68	30	44.1	54	79.4	44	15
Arkansas	4	83	44	53.0	59	71.1	28	38
California	21	446	211	47.3	334	74.9	36	27
Colorado	5	82	37	45.1	64	78.0	42	21
Connecticut	7	57	19	33.3	38	66.7	48	44
Delaware	1	12	0	0.0	7	58.3	52	51
District	1	33	23	69.7	30	90.9	4	2
Florida	16	301	161	53.5	218	72.4	25	31
Georgia	7	136	89	65.4	119	87.5	9	8
Hawaii	1	29	16	55.2	21	72.4	22	31
Idaho	1	29	18	62.1	23	79.3	13	16
Illinois	7	129	77	59.7	97	75.2	17	26
Indiana	6	124	35	28.2	74	59.7	5	50
Iowa	6	93	43	46.2	71	76.3	38	2
Kansas	2	36	15	41.7	28	77.8	45	23
Kentucky	3	62	33	53.2	51	82.3	27	12
Louisiana	8	156	71	45.5	98	62.8	40	49
Maine	4	49	32	65.3	43	87.8	10	7
Maryland	4	74	34	45.9	53	71.6	39	37
Massachusetts	5	78	20	25.6	43	55.1	51	52
Michigan	9	158	76	48.1	125	79.1	33	18
Minnesota	3	62	41	66.1	54	87.1	8	9
Mississippi	5	104	52	50.0	73	70.2	31	41
Missouri	5	117	61	52.1	85	72.6	29	30

State	Mkts	Stns	Sup	Sup Pct.	Cons	Cons Pct.	Sup Cons Rank	Sup Cons Rank
Montana	2	24	13	54.2	22	91.7	23	1
Nebraska	2	34	26	76.5	30	88.2	2	6
Nevada	2	50	29	58.0	39	78.0	18	21
New Hampshire	2	25	14	56.0	17	68.0	20	43
New Jersey	5	47	29	61.7	34	72.3	14	34
New Mexico	2	44	31	70.5	36	81.8	3	13
New York	13	268	164	61.2	196	73.1	16	29
North Carolina	7	166	82	49.4	130	78.3	32	20
North Dakota	3	38	24	63.2	30	78.9	12	19
Ohio	9	179	96	53.6	118	65.9	24	47
Oklahoma	3	60	37	61.7	51	85.0	14	11
Oregon	3	64	29	45.3	46	71.9	41	36
Pennsylvania	13	217	78	36.8	144	66.4	47	45
Puerto Rico	1	76	44	57.9	54	71.1	19	38
Rhode Island	1	20	6	30.0	18	90.0	49	4
South Carolina	5	115	74	64.3	94	81.7	11	14
South Dakota	2	33	22	66.7	30	90.9	6	2
Tennessee	7	177	73	41.2	131	74.0	46	28
Texas	19	390	200	51.3	281	72.1	30	35
Utah	1	35	27	77.1	27	77.1	1	24
Vermont	1	19	9	47.4	17	89.5	35	5
Virginia	7	127	71	55.9	92	72.4	21	31
Washington	4	92	64	69.6	79	85.9	5	10
West Virginia	7	109	58	53.2	76	69.7	26	42
Wisconsin	6	115	51	44.3	81	70.4	43	40
Wyoming	2	28	13	46.4	18	64.3	37	48

Source: RBR Information Services Group

with material supplied by

## Up, up and away!!

### Strong revenue growth sends radio stocks to record height

By Jack Messmer

Three months ago, after seeing nearly flat prices for radio stocks in Q1, we wondered whether they were "preparing for a surge... or a fall?" (RBR 4/26, p. 8). We now know—it was a surge, an impressive Q2 surge that has continued into the opening weeks of Q3.

The Radio Index™ gained strength as the quarter ended, hitting an all-time high of 156.49 on the last day of Q2, 6/30 (and soon surpassed the 160 mark in early July). Many other market barometers also recorded record highs that day, although the closely-watched Dow Jones Industrial Average waited a few more days to break its record.

Q2 charts for the 15 stocks which make up The Radio Index appear on pages 8-10. Of course, two of the components, Chancellor Media and Capstar Broadcasting, have since completed their merger and become one—AMFM Inc. (N:AFM).

The most dramatic movement of any stock was by Triangle Broadcasting (O:GAAY), a highly volatile penny stock. After losing 37.5% in Q1, the radio network featuring gay and lesbian programming surged in Q2 to a year-to-date gain of more than 665%. Why? Certainly not because of any growth in its core radio network business, which is down to two affiliates. Rather, the only possible explanation for the stock movement was the hype associated with the company's move into TV programming—its purchase of a TV production studio and a low-power TV "flagship" station. Triangle plans to launch "BingoTelevision" next month (RBR 6/21, p. 6) and to begin streaming its radio programming on the Internet.

### Q2 radio stock performance by category

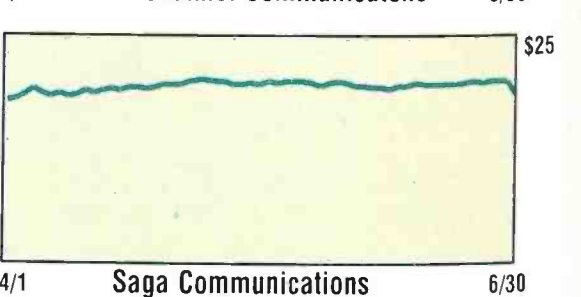
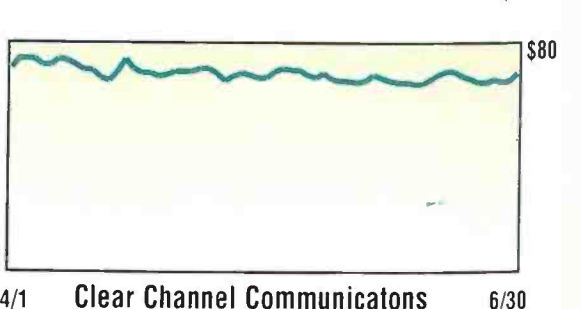
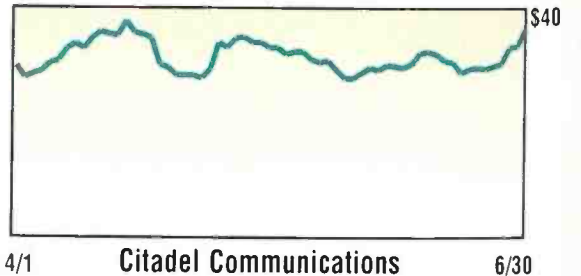
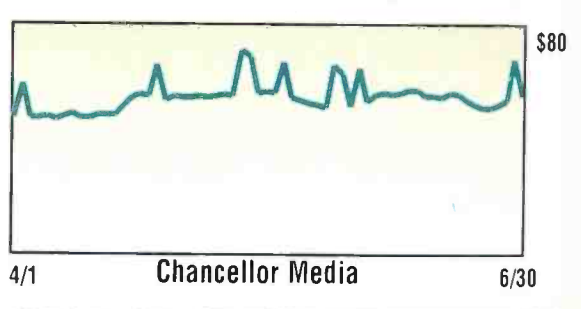
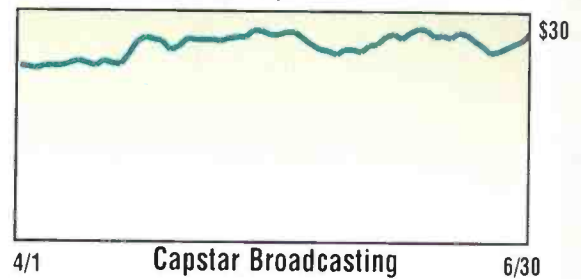
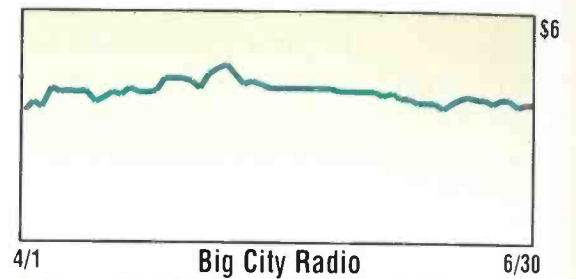
Radio Companies	6/30/99 Close	YTD Net Chg	YTD Pct Chg
Hispanic Broad.	75.875	26.625	54.06%
Citadel	36.187	10.312	39.85%
Cumulus	21.875	5.250	31.58%
Cox Radio	54.250	12.000	28.40%
Capstar	27.375	4.500	19.67%
Chancellor	55.125	7.250	15.14%
Infinity	29.562	2.187	7.99%
Saga Commun.	18.625	-1.875	-9.15%
Big City Radio	3.625	-0.438	-10.77%
Regent Preferred	6.000	-1.000	-14.29%
Alliance Broad.	0.312	-0.688	-68.80%

Radio IPOs	6/30/99 Close	YTD Net Chg	YTD Pct Chg
Radio One	46.500	22.500	93.75%
Entercom	42.75	20.250	90.00%

Radio Networks	6/30/99 Close	YTD Net Chg	YTD Pct Chg
Triangle Broad.	0.245	0.213	665.63%
Metro Networks	53.75	11.125	26.10%
Westwood One	35.687	5.187	17.01%
NBG Radio Networks	2.125	0.000	0.00%

Media Companies	6/30/99 Close	YTD Net Chg	YTD Pct Chg
CBS Corp.	43.437	10.625	32.38%
Tribune	87.125	21.125	32.01%
Granite	7.812	1.812	30.20%
Clear Channel	68.937	14.437	26.49%
Emmis	49.375	6.000	13.83%
New York Times	36.812	2.125	6.12%
Disney	30.812	0.812	2.71%
Ackerley	18.187	-0.063	-0.35%
Gaylord	30.000	-0.125	-0.41%
Belo Corp.	19.687	-0.250	-1.26%
Sinclair	16.375	-3.188	-16.29%
Hearst-Argyle	24.000	-9.000	-27.27%

THE WALL STREET JOURNAL  
RADIO NETWORK





Hispanic Broadcasting (O:HBCCA), formerly known as Heftel Broadcasting, moved up smartly from a 12% Q1 deficit to lead pure-play radio stocks through the first six months of 1999—surging 54%. **Mac Tichenor's** company has been growing revenues and cash flow as ad spending on Hispanic media of all sorts continues to outpace the overall ad market.

The success of the only Spanish radio group whose stock is publicly traded is helping to set the stage for the next radio IPO, Spanish Talk specialist Radio Unica (RBR 7/19, p. 13). Radio IPOs have fared quite well this year, with Radio One (O:ROIA) and Entercom (N:ETM) each up 90% or more. Salem Communications (O:SALM), which began trading the first day of Q3 (7/1), has also traded well above its \$22.50 IPO price so far.

Upgrades by Wall Street analysts and strong forward pacing numbers reported by RBR and Miller, Kaplan, Arase & Company helped fuel a late Q2 surge in radio stocks. More fuel was added on the last day of the quarter as McCann-Erickson guru **Bob Coen** raised his 1999 ad revenue forecast for most media, with radio making a particularly large jump (RBR 7/5, p. 2).

Even so, Coen appears to be conservative with his estimate of 9% growth for radio this year (up from 7.5%), since only one month year-to-date, April, has had single-digit growth over 1998. The double-digit growth rate that resumed in May (RBR 7/12, p. 2) seems likely to continue through the remainder of the year, making it unlikely that the 12% pace of the most recent RAB report could slip to a single-digit average by yearend.

**Can it get any better than this?**

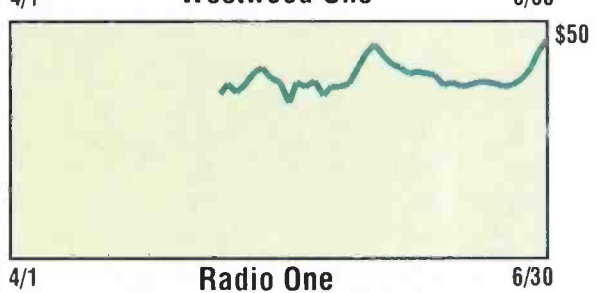
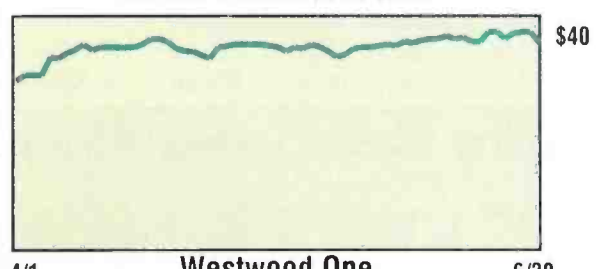
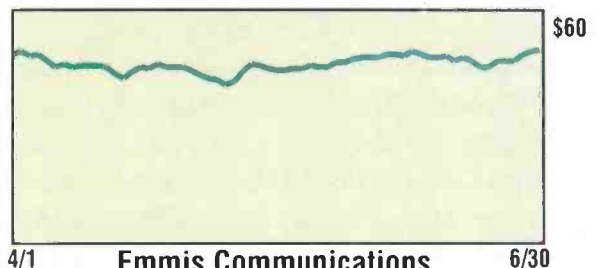
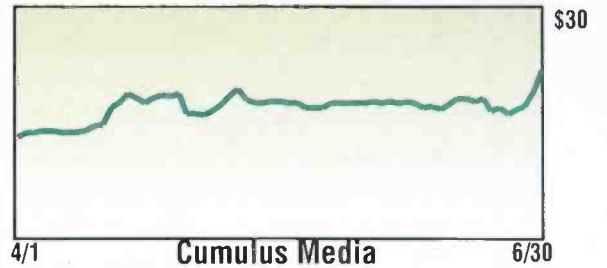
Don't forget, Q1 and Q2 were supposed to be the slow part of 1999, with momentum building in the second half toward the millennium year, 2000, which many forecasters believe may break all records for ad growth across all media.

Diversified media companies didn't get quite the boost that pure-play radio stocks did in Q2. CBS Corp. (N:CBS) and Tribune Co. (N:TRB) benefitted from having the current win-

Radio-related Companies	6/30/99 Close	YTD Net Chg	YTD Pct Chg
SportsLine USA	35.875	20.313	130.52%
TM Century	0.687	0.375	119.84%
RealNetworks	68.875	33.000	91.99%
Pinnacle Holdings	24.500	10.500	75.00%
Broadcast.com	133.562	57.062	74.59%
Redwood Bcg.	9.000	3.500	63.64%
Jones Intercable	49.000	13.375	37.54%
WinStar Comm.	48.75	9.750	25.00%
Harris Corp.	39.187	2.562	7.00%
Otter Tail Power	38.562	-1.313	-3.29%
Fisher	63.000	-3.000	-4.55%
Ceridian	32.687	-2.219	-6.36%
Crown Castle	20.812	-2.688	-11.44%
Jeff-Pilot	66.187	-8.813	-11.75%
DG Systems	4.875	-0.688	-12.36%
American Tower	24.000	-5.563	-18.82%
WesTower	24.500	-12.000	-32.88%
Pacific R&E	1.062	-0.563	-34.65%

Satellite Radio Companies	6/30/99 Close	YTD Net Chg	YTD Pct Chg
AMSC	16.375	11.125	211.90%
CD Radio	30.468	-3.782	-11.04%

Major Stock Market Indices	6/30/99 Close	YTD Net Chg	YTD Pct Chg
The Radio Index™	156.490	35.830	29.70%
Dow Industrials	10970.800	1789.370	19.49%
Nasdaq comp.	2686.120	493.430	22.50%
S&P 500	1372.710	143.480	11.67%



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Quarterly Stocks continued on p. 10



ners in the otherwise moribund network TV business, CBS and WB, respectively. Granite Broadcasting (O:GBTVK), which is soon to divest its only radio holding and leave RBR's stock list, convinced investors that its worst days were in the past.

Despite cancelling some big-bucks TV acquisitions and putting its radio group up for sale, Sinclair Broadcast Group (O:SBGI) remained more than 16% below its 1998 closing price. That, however, was better than the -25% showing in Q1.

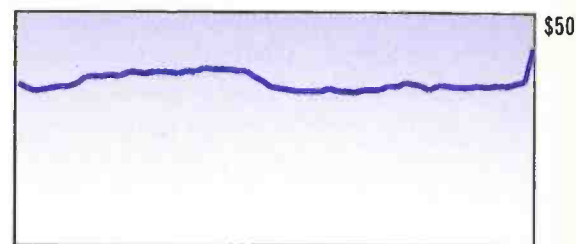
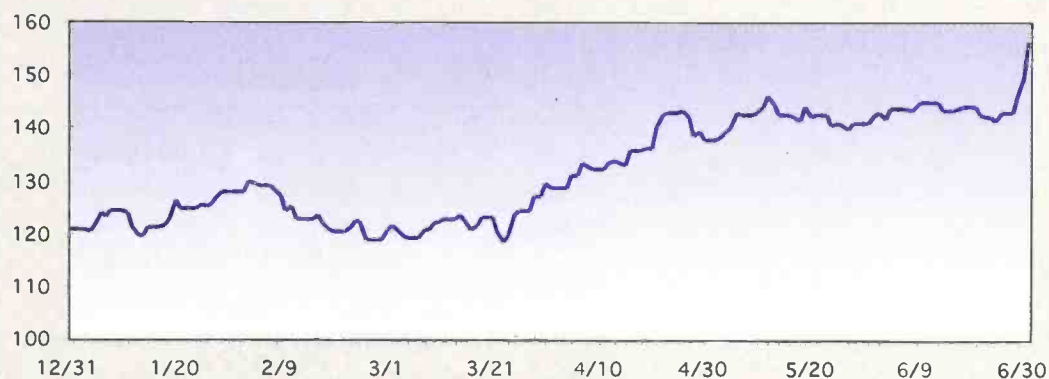
### The urge to merge

The big news in the radio network business was an agreement to merge Metro Networks (O:MTNT) into Westwood One (N:WON). Speculation about a sale of Metro had driven the stock price to \$57, but Wall Street traders didn't like the \$900M stock-swap deal with WW1 and immediately knocked Metro's price back below \$50. It had recovered to \$53.75 by the end of the quarter and WW1 was hovering right around the same place it had been at the 6/2 merger announcement.

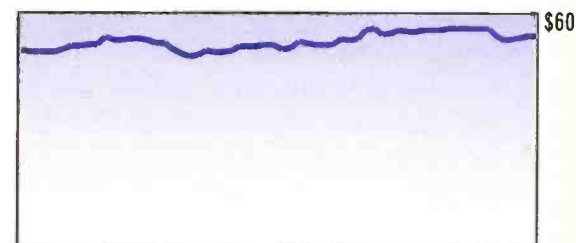
Metro's 81 market operation of local traffic and news services would greatly expand WW1's local revenue base. However, Metro competes with WW1's existing traffic/news service, Shadow, in all 16 Shadow markets and the merger is awaiting DOJ antitrust approval.

Tower stocks remained in the Wall Street dog house, with American Tower (N:AMT), Crown Castle (O:TWRS) and WesTower (A:WTW) all staying in negative territory. The exception was Pinnacle Holdings (O:BIGT), which has soared 75%. Could that be takeover speculation?

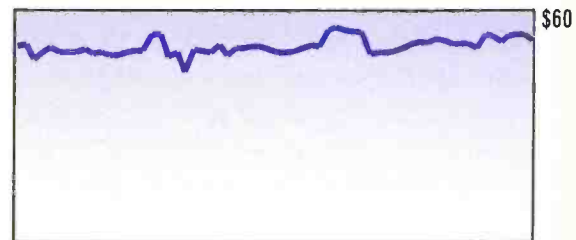
## The Radio Index™ first half 1999



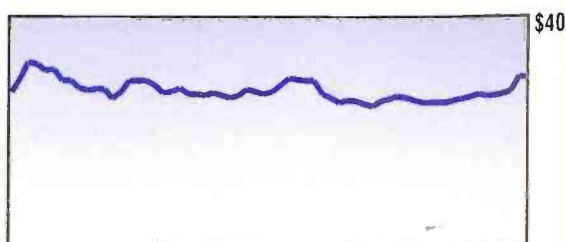
4/1 Entercom 6/30



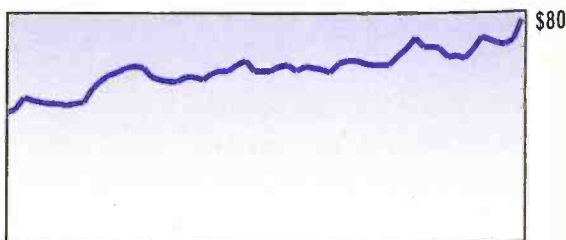
4/1 Cox Radio 6/30



4/1 Metro Networks 6/30



4/1 Infinity Broadcasting 6/30



4/1 Hispanic Broadcasting 6/30

## Friendly Fed move lifts indices to new highs

*Wall Street Journal*—The Fed smiled, and two of the three major stock indices soared into record territory as Q2 ended.

With the Federal Reserve raising its guideline interest rate only the expected quarter-point and dropping its "bias" toward raising rates later, the Standard & Poor's 500-Stock Index and the Nasdaq Composite Index both hit new highs.

"The Fed decisions were as friendly to the market as they could have been," said **Jon Olesky**, head of block trading at Morgan Stanley Dean Witter.

The Dow Jones Industrial Average rose to 10,970.80, 1.23% short of its May 13 record close of 11,107.19 [since beaten in July].

With investors widely expecting companies to announce strong second quarter earnings, the mood was ebullient.

As the quarter ended, the Fed announced that it was raising its guideline for the federal funds rate, the rate at which banks lend one another money overnight, by a quarter point to 5%. That was widely expected.

More important to investors, the Fed also returned its "bias" for future interest-rate action to neutral. Its bias since its May meeting had been to raise rates. Investors took the announcement of a neutral bias to mean the Fed isn't now planning to raise rates at its next meeting, in August.

"The Fed put certainty back into the market," said **Michael Donnelly**, senior portfolio manager at Federated Investors in Pittsburgh. At least temporarily, he said, investors stopped worrying about inflation and an overheating economy.

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# BROADCAST INVESTMENTS™

## July 21—RBR Stock Index 1999

Company	Mkt:Symbol	7/14 Close	7/21 Close	Net Chg	Pct Chg	7/21 Vol(00)	Company	Mkt:Symbol	7/14 Close	7/21 Close	Net Chg	Pct Chg	7/21 Vol(00)
Ackerley	N:AK	18.688	17.375	-1.313	-7.03%	216	Hearst-Argyle	N:HTV	25.875	25.250	-0.625	-2.42%	600
Alliance Bcg.	O:RADO	0.313	0.468	0.155	49.52%	6328	Hispanic Bcg.	O:HBCCA	83.438	80.750	-2.688	-3.22%	2800
Am. Tower	N:AMT	24.500	23.125	-1.375	-5.61%	11364	Infinity	N:INF	29.063	28.937	-0.126	-0.43%	3952
AMFM Inc.	N:AFM	54.688	57.000	2.312	4.23%	12779	Jeff-Pilot	N:JP	69.000	71.375	2.375	3.44%	2271
AMSC	O:SKYC	21.313	21.000	-0.313	-1.47%	1154	Jones Intercable	O:JOINA	50.000	50.000	0.000	0.00%	1107
Belo Corp.	N:BLC	19.063	19.562	0.499	2.62%	4935	Metro Networks	O:MTNT	59.000	60.000	1.000	1.69%	184
Big City Radio	A:YFM	3.875	3.812	-0.063	-1.63%	22	NBG Radio Nets	O:NSBD	1.750	2.000	0.250	14.29%	55
Broadcast.com	O:BCST	123.000	109.750	-13.250	-10.77%	0	New York Times	N:NYT	39.250	39.625	0.375	0.96%	2149
CBS Corp.	N:CBS	45.625	46.000	0.375	0.82%	13131	Otter Tail Power	O:OTTR	41.250	41.750	0.500	1.21%	179
CD Radio	O:CDRD	36.500	32.250	-4.250	-11.64%	2160	Pacific R&E	A:PXE	1.563	1.250	-0.313	-20.03%	1
Ceridian	N:CEN	29.625	30.937	1.312	4.43%	3233	Pinnacle Hldgs.	O:BIGT	28.313	25.750	-2.563	-9.05%	3708
Citadel	O:CITC	36.750	34.000	-2.750	-7.48%	1223	Radio One	O:ROIA	45.375	44.000	-1.375	-3.03%	201
Clear Channel	N:CCU	71.000	72.750	1.750	2.46%	9252	RealNetworks	O:RNWK	88.750	87.937	-0.813	-0.92%	50776
Cox Radio	N:CXR	56.500	56.625	0.125	0.22%	53	Redwood Bcg.	O:RWBD	9.875	11.250	1.375	13.92%	101
Crown Castle	O:TWRS	25.000	24.875	-0.125	-0.50%	2835	Regent Pfd.	O:RGCIP	5.875	6.500	0.625	10.64%	12
Cumulus	O:CMLS	23.875	24.250	0.375	1.57%	1404	Saga Commun.	A:SGA	21.688	21.875	0.187	0.86%	44
DG Systems	O:DGIT	5.313	5.125	-0.188	-3.54%	360	Salem Comm.	O:SALM	27.125	27.875	0.750	2.76%	1700
Disney	N:DIS	27.500	27.187	-0.313	-1.14%	95601	Sinclair	O:SBGI	17.188	18.875	1.687	9.81%	27810
Emmis	O:EMMS	54.125	56.250	2.125	3.93%	1061	SportsLine USA	O:SPLN	39.875	39.750	-0.125	-0.31%	2315
Entercom	N:ETM	40.000	38.937	-1.063	-2.66%	223	TM Century	O:TMCI	0.563	0.687	0.124	22.02%	70
Fisher	O:FSCI	62.375	62.250	-0.125	-0.20%	2	Triangle	O:GAAY	0.255	0.245	-0.010	-3.92%	30394
Gaylord	N:GET	30.063	29.687	-0.376	-1.25%	64	Tribune	N:TRB	86.875	86.687	-0.188	-0.22%	1461
Granite	O:GBTVK	7.563	7.750	0.187	2.47%	432	WesTower	A:WTW	22.875	25.625	2.750	12.02%	532
Harris Corp.	N:HRS	38.000	36.500	-1.500	-3.95%	3995	Westwood One	N:WON	39.563	41.312	1.749	4.42%	133
							WinStar Comm.	O:WCII	59.750	62.250	2.500	4.18%	12815

### Broadcast.com now part of Yahoo!

Dow Jones—Yahoo! Inc. (O:YHOO) completed its acquisition of Broadcast.com Inc. (7/20) and, as a result, expects to take a \$22M charge in Q3.

Yahoo! said it exchanged about 28.6M of its shares for about 37.1M Broadcast.com shares. In addition, Yahoo! will convert about 6.6M of Broadcast.com's options into about 5.1M options.

Yahoo! plans to integrate Broadcast.com's content and services, which includes multimedia advertising, custom broadcasting and audio and video hosting, during Q3.

Broadcast.com, which will be known as Yahoo! Broadcast Services, will continue to be located in Dallas.

**Mark Cuban**, chairman and president, and **Todd Wagner**, chief executive of Broadcast.com, will serve as vice presidents for Yahoo!, the company said.

Yahoo! earned \$16.7M, or 15 cents a diluted share, in the year-ago Q3.

Twenty-two analysts surveyed by First Call expect Yahoo! will earn nine cents a share in Q3.

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**RBR observation:** When this deal was announced (RBR 4/12, p. 6), both stocks were shooting upward

and the deal was valued at \$5.7B. The recent pull-back by Internet stocks reduced the value to \$5.04B at closing, which is still an impressive amount for a company that was started by a couple of alumni who wanted to listen to Indiana University basketball on the Internet.—JM (a less-wealthy IU alumnus)

### MarketWatch.com seeing increasing revenues and users

Web-based provider of real-time financial news and analysis MarketWatch.com, Inc. (O:MKTW) is continuing to see revenues pour in despite larger net losses. For Q2, the company reported revenues of \$4.8M, a 217% increase over figures a year ago and a 55% increase over Q1.

Q2 net losses were \$12.8M (or \$1.02 per share), up from a net loss of \$2.8M (or \$0.31 per share) a year ago.

MarketWatch.com attributes a significant part of the loss to non-cash charges for network advertising and promotion provided by CBS (N:CBS) and intangible assets from the 6/9 acquisition of BigCharts, Inc.

President and CEO **Larry Kramer** expects BigCharts to open up new revenue opportunities. The acquisition is part of the company's strategy of investing in technology and infrastructure "to improve site uptime and speed."

Excluding traffic to BigCharts, MarketWatch.com's websites had 287M page views in Q2. This is a 156% increase over a year ago numbers and a 22% jump over Q1. Also in Q2—the launch of MarketWatch.com Radio Network with Westwood One (N:WON). It now has affiliates in Chicago, Detroit, Minneapolis, San Francisco and Dallas.—KM



by Jack Messmer

## Casper friendly for Clear Channel

Clear Channel Radio Prez **Randy Michaels** is finally bulking up in the smallest Arbitron-rated market, Casper. His former company, Jacor, entered the market in 1996 by acquiring a combo from a different Clear Channel Radio. Now those stations are part of the big Clear Channel and Michaels has a deal to add four FMs, but spin off the original, to end up with a 1 AM/4 FM superduopoly.

**Vic Michael's** (no relation to Randy) Mountain States Radio is swapping KWYY-FM, KMLD-FM & KTRS-FM for Clear Channel's KMGW-FM and \$2.1M cash. That will allow Clear Channel to consolidate a Country FM (KWYY) with its 50kw Country AM, KKTL. It will also have Oldies (KMLD) and CHR (KTRS), while Michael seeks a buyer for AC KMGW. In addition, Clear Channel is buying **Rob Thomas'** Classic Rock KRVK-FM for \$200K. Broker: **Doug Ferber**, Star Media Group

## Topping off Topeka

**Richard Weening's** and **Lew Dickey's** Cumulus Media (O:CMLS) is adding two FMs to its existing Topeka double duopoly. **Joerg Klebe's** Shawnee Broadcasting Corp. is selling KQTP-FM and KWIC-FM for \$3M. Broker: **Jody McCoy**, McCoy Broadcast Brokerage

## Cox adds slugger in Louisville

Cox Radio (N:CXR) has exercised its option (RBR 2/15, p. 12) to buy **George Owen's** WMHX-FM Louisville for approximately \$2M, bringing Cox's superduopoly to four stations. Broker: **Charles Giddens**, Media Venture Partners

## The Russell who?

Much has been made recently of the addition of Radio One, Citadel and others to the Russell 2000 Index, which tracks the US companies ranked 1,001-3,000 by market capitalization. Several mutual funds use the Russell 2000 as their base, which tends to increase demand for the component stocks. Here is a list of all of the radio and radio-related stocks now in the index.

Ackerley Group (N:AK)  
 American Mobile Satellite (O:SKYC)  
 CD Radio (O:CDRD)  
 Citadel Communications (O:CITC)  
 Cumulus Media (O:CMLS)  
 Emmis Communications (O:EMMS)  
 Entercom Communications (N:ETM)  
 Gaylord Entertainment (N:GET)  
 Metro Networks (O:MTNT)  
 Otter Tail Power (O:OTTR)  
 Pinnacle Holdings (O:BIGT)  
 Radio One (O:ROIA)  
 Saga Communications (A:SGA)  
 Sinclair Broadcast Group (O:SBGI)  
 SportsLine USA (O:SPLN)  
 WestTower (A:WTW)  
 Westwood One (N:WON)  
 Source: Frank Russell Co.

Chris Devine, President of  
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**Billings, Montana**

*for*

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## Two to go on the block?

Internal bickering and cost-cutting at the Pacifica Foundation (RBR 7/19, p. 4) have sparked speculation that the non-profit group owner may consider selling its two stations which operate on commercial FM frequencies. Either or both could bring big, big bucks: WBAI-FM New York and KPFA-FM San Francisco.

RBR estimates that bidding for the 99.5 MHz slot in New York would begin at \$100M+, with the sky as the limit. The 94.1 MHz signal in San Francisco, licensed to the "People's Republic of Berkeley," would likely command \$70M+.

Pacifica openly discussed selling the New York signal a few years ago, but only if it could find a replacement signal to buy in the non-commercial



FM band. It couldn't, but that condition could evaporate if Pacifica's directors decide to focus on raising cash to fund the foundation's other operations.

### Another generation wheels and deals

A couple of recognizable last names are in this week's deal news, but the first names may not be so familiar.

• **Devon Paxson's** (Bud's kid) DP Media is selling WEBZ-FM Panama City (Port St. Joe), FL to Clear Channel for \$1M. That'll give Clear Channel four FMs and an AM in the market.

• **Craig Karmazin's** (son of Mel) Good Karma Broadcasting is adding to its Wisconsin operation, paying \$525K for **Charles Mills'** WTTN-AM Watertown. That'll give Karmazin a daisy-chain duopoly with his Beaver Dam combo and provide coverage to the east of WTLX-FM Madison (Columbus). Broker: Kozacko Media Services

### Disney earnings flat

"While we are not satisfied with our current operating trends, we firmly believe in the long-term strength and growth potential of the company's brands and franchises," Disney CEO **Michael Eisner** said in announcing the company's financial results for fiscal Q3, which ended 6/30.

Total revenues rose 5% to \$5.5B and net income was nearly flat, gaining 1% to \$418M. Broadcasting revenues (radio, TV and cable) gained 4% to \$1.8B and operating income

also rose 4% to \$399M. The sector got a boost from cable (ESPN and The Disney Channel), but was held back by ABC-TV.

### Sinclair decision near

The radio industry was waiting with baited breath as *RBR* went to press to find out who would win the bidding for Sinclair's (O:SBGI) radio group after Deutsche Banc Alex. Brown collected bids (*RBR* 7/5, p. 12), which could run up near \$1B. Will it be Cox Radio (N:CXR), Emmis (O:EMMIS) or someone else? Check here next issue (we hope) for details of the sale and resulting spin-offs.

### Ceridian grows revenues

Ceridian Corp. (N:CEN) reported Q2 revenues up 13% to \$322.2M, with net earnings up 14% to 35.7M. The company broke out individual units in its report, showing Arbitron with \$54.5M in Q2 revenues, up from \$49M a year ago.

### Tribune gets a boost

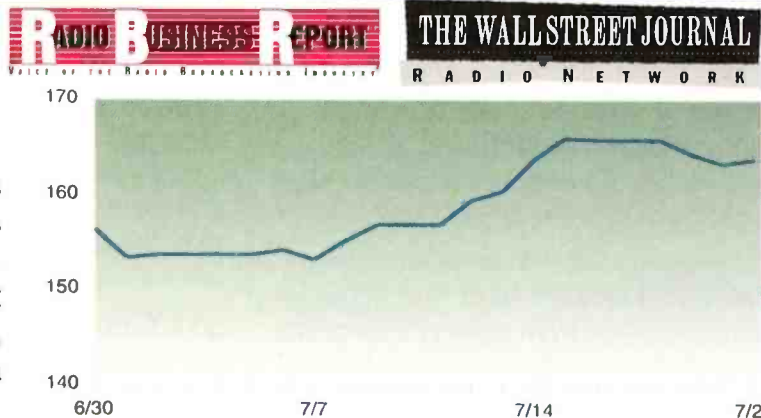
Tribune Co. (N:TRB) had \$837M in Q2 revenues, up 7% from a year ago. EBITDA grew 8% to \$271M and earnings per share gained 17%. Broadcasting/Entertainment division operating profit grew 8% to \$106M, largely due to an 11% gain by TV. B/E revenues gained 8% to \$349M. Radio revenues actually slipped 3% to \$14.3M, but operating profits rose 16% to \$4.7M.

### RBR's Deal Digest

**John Mitchell's** Nebraska-Iowa regional group is growing with a \$600K buy of KUVR-AM & KMTY-FM Holdrege, NE from **Peggy Goth's** High Plains Broadcasting. Broker: **Susan Patrick & Terry Greenwood**, Patrick Communications... **Alfredo Alonso's** Mega Communications is adding a fourth Massachusetts station, WARE-AM Worcester (Ware). The seller, for \$475K, is Western Media..... **Mel Karmazin** has another Internet deal for CBS (N:CBS), paying \$37.5M in ads and promotion for 20% of Rx.com, an on-line pharmacy.

### The Radio Index™

The Radio Index™ is holding close to its record high of 165.97, set 7/15. The index closed 7/21 at 163.82, down 0.05 from a week earlier.



# CLOSED!

WTAQ/WTAU(AM)

Chicago, Illinois  
from

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Corporation

to

ABC, Inc.

for

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by Jack Messmer & Dave Seyler

The deals listed below were taken from recent FCC filings. 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.

**\$1,800,000—WADK-AM** Providence (Newport RI) and **WERI-FM** New London CT (Block Island RI) from Bear Broadcasting Co. (Natale, Philip & M. Linda Urso) to Astro Tele-Communications Corp. (Maurice Polayes). \$180K escrow, balance in cash at closing. Broker: The Sales Group

**\$803,800—\* WYCY-FM** Hawley PA from Banner Broadcasting Corp. (Daryl W. & Janice M. Buckingham) to deWit Broadcasting Corp. (Robert H. Mermell). \$25K escrow, \$232,675 cash at closing, \$257,675 note, \$287,900 non-compete. Seller also receives 12 free :60 spots weekly for two years. **Duopoly** with WWCC-AM, WDNH-FM Honesdale PA.

**\$800,000—KYNO-AM** Fresno from Mesosphere Broadcasting LP (Clifford Burnstein, Peter Mensch), part of the Digisphere group, to Spanish Catholic Radio of Fresno LP, owned 98% by Radio Guadalupe LLC (Alan Nappelton, Anthony DeBellis, Daniel Daou), 1% by Guadalupe Associates Inc. (Carolyn Lemon, Donna Marie Fong, Roxanne Mei Lum, Anthony Ryan) and 1% by Missionaries of Faith Inc. (Daniel Daou, Anthony DeBellis, Robin Daou, Rev. Tony Bakh). \$40K escrow, balance in cash at closing. Broker: Media Services Group

**\$780,000—WRLD-FM** Valley AL from Pearce Broadcasting Co. Inc. (Charles M. Reeves) to McClure Broadcasting Inc. (Charles A. McClure Jr., Margaret M. Moore, Joseph W. McClure). \$78K escrow, \$100K non-compete, balance in cash at closing.

**\$300,000—WSTT-AM** Tallahassee (Thomasville GA) from John H. Pembroke to Marion R. Williams. \$20K escrow, balance in cash at closing.

**\$275,000—WSER-AM** Wilmington DE (Elkton MD) from First Philadelphia Properties Inc. (Brian Barrabee) to World Revivals Inc., a non-profit corporation (Bert Hare, pres.). \$5K down payment, balance in cash at closing. Combo with WXHL-FM Christiana DE and WXHL-LP, a LPTV station licensed to Wilmington.

**\$275,000—WTUA-FM** Charleston SC (St. Stephen SC) from George & Eddie Lee Wells to Jeremiah Ravenell. \$25K escrow, \$25K cash at closing, \$225K note.

**\$250,000—KGFJ-FM CP** Markham TX from KGFJ Inc. (Michael Augustus) to LBR Enterprises Inc. (Terry L. Marker). \$10K earnest money, \$10K escrow to be used to complete construction of station with remainder going to seller, \$230K cash at closing. Broker: Dave Garland (seller)

**\$200,000—KHND-AM** Harvey ND from Two Rivers Broadcasting Inc. (Janice M. & Robert J. Ingstad) to Two Guys Broadcasting Inc. (Dick Knaup). \$10K escrow, \$190K in notes (including a \$6K non-compete).

**\$180,000—WBHF-AM** Cartersville GA from Frier Broadcasting Co. d/b/a WBHF (William Herschel Wisebram) to Prestige Cable TV of Georgia Inc. (Jon Oscher). Debt assumption.

**\$165,000—KQNK AM-FM** Norton KS from Pioneer County Broadcasting Inc. (Larry Black) to Dierking Communications Inc. (Bruce Dierking). \$5K escrow, balance in cash at closing. Broker: BuySell Radio Online (seller)

**\$135,000—WNFK-FM** Perry FL from RAHU Broadcasting Inc. (Barbara G. Hughes) to Power Country Inc. (Louis D. & Barbara Bolton II). \$10K escrow, balance in cash at closing. Station is silent and is currently searching for new transmitter site. Deal is contingent on FCC grant for CP once a site is found. Seller retains WPRY-AM.

**\$125,000—WWWN-AM** Vienna GA from Dooly-Crisp Communications Corp. (Jack Powers) to Sundance Communica-



tions Inc. (Arthur C. Grimshaw, H. David Hedrick, Robert Lada). \$5K escrow, \$45K cash at closing, \$75K note.

**\$120,000—KOKC-AM** Oklahoma City (Guthrie OK) from Oklahoma Sports Properties Inc. (Fred Weinberg) to Fox Broadcasting Co. Inc. (Robert L. Stephenson). Non-interest bearing note (60 monthly \$2K payments). Buyer owns KNOR-AM, which is also in the Oklahoma City market. LMA since 9/1/98. Station is silent, and seller must restore to operating condition.

**\$120,000—WKZD-AM** Murrayville GA from Georgia Mountains Communications Inc. to Vision Communications Inc. (Michael A. Wofford). \$24K escrow, \$96K note.

**\$120,000—\* KXIO-FM** Clarksville AR from J.L. Richardson to River Valley Radio Group LLC (Fran Harp, William N. Cate). \$50K for assets/accounts receivable, \$10K non-compete, \$60K consulting agreement (\$30K cash at closing, \$30K in form of note due 12/31/99). **Superduopoly** with KCAB-AM/KCJC-FM Dardanelle AR and KWKK-FM Russellville AR. **Broker:** MGMT Services Inc. (seller)

**\$100,000—WKAJ-AM** Albany-Schenectady-Troy (Saratoga Springs NY) from New Paltz Broadcasting Inc. (William H. Walker III) to The Anastos Broadcast Group Inc. (Ernest Anastos, Edward P. Swyer). \$20K escrow, balance in cash at closing. Combo with WQAD-FM.

**\$100,000—KIQS-AM** Willows CA. 100% of stock of KIQS Inc. from Anthony F. & Margaret A. Rusnak to Thomas F. Huth. \$25K escrow, \$75K note. LMA since 5/10.

**\$100,000—KOHO-AM** Honolulu from Da Kine Broadcasting (Robert Birr) to KOHO Inc., a subsidiary of Legacy Communications Corp. (Lavon Randall, Bear River Trust). \$5K option payment, \$55K escrow released to seller at closing, \$45K note.

**\$80,000—WADA-AM** Shelby NC from Debbie A. Clary to Edwin Keith Johnson. Cash.

**\$75,000—WHGB-FM** Myrtle Beach (Murrells Inlet SC) from Appalachian Educational Communications Corp. (Kenneth C. Hill, pres) to Radio Training Network Inc. (James L. Campbell, pres). \$5K escrow, balance in cash at closing. Noncommercial station.

**\$60,000—KAYF-FM CP** Starbuck MN from Jerry Papenfuss to Digital Broadcasting Co. LLC (Terrence W., Brian G., Robert H., Emily L. & Michelle Moore, Richard Tyner). \$3K earnest money, balance in cash at closing.

**\$50,000—WONG-AM** Jackson MS (Canton MS) from John H. Pembroke to Marion R. Williams. \$10K escrow, returned to buyer at closing, \$50K note.

**\$32,800—KCIB-AM** Milan NM from Ship of Fools Broadcasting Corp. (Bernie Bustos Jr.) to Cibola Radio Co. (Don Davis). \$29.8K cash at closing, plus payment of up to \$3K in existing seller liabilities.

**\$31,350—KREW-FM CP** Yakima (Naches WA). 50% of the stock of Apple Maggot Broadcasting Co. from Burl Baker (50% to 0%) to Thomas D. Hodgins (50% to 100%). \$7K paid in other transactions to benefit of seller, \$3K cash, \$21,350 reimbursement of seller's prior investment.

**\$25,000—WBUS-FM** State College (Boalsburg PA). 50% of stock of Boalsburg Broadcasting Corp. from Augusto Jose and Augusto Raul Delerme to Augusto N. & Carmen L. Delerme. Cash.

**\$15,000—WUAT-AM** Pikeville TN from Susan E. Anderson to Joyce V. Bownds. Forgiveness of debt. LMA since 9/1/98.

**\$10,000—KVLR-FM** Twisp WA from Methow Radio (Cary & Debra Featherstone) to Valley Air LLC (Cary &

Debra Featherstone, Donn Fry, Diane Stielstra). Fry and Stielstra each made \$5K capital contributions to become 25% owners.

**\$10.00—WHQO-FM** Augusta-Waterville ME (Skowhegan ME) from Mountain Wireless Inc. (Alan Anderson) to Maine Public Broadcasting Corp. (Robert H. Gardiner, pres). Cash. Deal is contingent on closing of seller's concurrent deal to sell WCTB/WSKW to Cumulus Broadcasting. Buyer will operate WHQO as a noncommercial station, and has requested FCC waiver to operate as satellite of WMEH-FM Bangor ME.

**\$1.00—WIMG-AM** Trenton NJ (Ewing NJ). 45% of the stock of Morris Broadcasting Co. of New Jersey Inc. from John J. Morris (husband) to Louise E. Morris (wife).

**\$1.00—KBHW-FM** International Falls MN from Minnesota Christian Broadcasters Inc. (Sale A. Shelley, chmn) to Heartland Christian Broadcasters Inc. (Gary Karwoski, chmn). \$1.00 cash plus assumption of unspecified liabilities. Noncommercial.

**\$0.00—KBMP-FM CP** Enterprise KS from Solid Rock Broadcasting Inc. to American Family Association (Donald E. Wildmon, pres). Seller agrees to give non-commercial license to buyer in order for station to be built.

**\$0.00—WHGG-FM** Roanoke Rapids NC from The Union Mission of Roanoke Rapids to Appalachian Educational Communications Corp. (Kenneth C. Hill, pres). Transfer of license for no consideration.



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