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RADIO NEWS

RADIO ADBIZ

MANAGEMENT SALES & MARKETING

MEDIA MARKETS & MONEY

Powell gets Bush nod for FCC Chair

The FCC wasn't without a Chairman for long. Two days after taking office (1/22), President **George W. Bush** appointed **Michael Powell** to head the Federal Communications Commission. Since Powell was already a Commissioner (his term runs through 6/30/02), no Senate confirmation is necessary.

President Bush still has one vacant seat to fill and **Harold Furchtgott-Roth** is a Republican holdover whose term expired last summer. Of the two Democrats, **Susan Ness'** recent recess appointment by then-President **Bill Clinton** (*RBR* 12/25/00, p. 1) will allow her to remain until Congress adjourns late this year and **Gloria Tristani**'s term runs through 6/30/03.

"I am deeply honored and privileged to have received President Bush's designation to be Chairman of the Federal Communications Commission," Powell said in a statement. "I look forward to working with the new administration, Congress, my fellow Commissioners and the very talented FCC staff on the important and challenging communications issues facing our nation."

On Capitol Hill, House Energy & Commerce Committee Chairman **Billy Tauzin** (R-LA) applauded Powell's appointment. "He is the one person best suited to bring the agency into the 21st Century," Tauzin said. The Louisiana Republican had publicly campaigned for Bush to pick Powell for the post.

Look for Powell to have better relations with Congress than his two predecessors, Democrats **Bill Kennard** and **Reed Hundt**, both of whom frequently locked horns with Republicans and even several Democrats on key congressional committees.

Others also hailed the choice. "Michael Powell has demonstrated a keen intellect and a firm grasp on public policy issues," said NAB President **Eddie Fritts**.

"Commissioner Powell is a proven leader in the communications industry and will bring his sharp intellect and substan

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Radio AdBiz©

It is a sorry state of affairs to find us in the very same boat we were in a year ago this time

By Kathy Crawford

There are now more than 12,000 AM and FM stations in the country. Giant radio groups have been formed by mega-media corporations with the cost of acquisitions piling up billions in debt for the purchasers.

Internet radio is growing exponentially. Satellite radio is emerging. Sales staffs are being consolidated; formats change daily; famous call letters are disappearing or moving from signal to signal.

Change, change, change - except in one critical area:

The industry still kills gazillions of trees when it comes time to invoice agencies.

Initiative Media is the largest radio buyer in the country. We purchased more than $500 million in radio time for our clients this year, dealing with more than 6,000 stations along the way.

Partnership is a byword of modern marketing. One and one adds up to three when you do it right. We need to work together to produce a more effective product on behalf of the clients we jointly serve. And, we can do it.

Manual invoicing costs stations and agencies money they can ill afford to spend these days. Especially with Wall Street breathing down all of our necks.

Approximately 700 television stations and networks are now sending invoices electronically to the agencies. That took a lot of hard work by the stations and a serious investment (that pays off quickly) by their owners. A round of applause should be given to those who have come to the plate.

Now we need help from the radio industry. Twelve thousand of you are out there but only a few are transmitting invoices at this time. Today it is clear that we all have to "do it better, faster, more efficiently." And manual invoicing isn't "better, faster, or efficient." For example, Initiative Media receives over 13,000 invoices every month from radio stations for more than 500,000 spots. Think of the millions of keystrokes it takes to enter that information into computers! Think of the time it takes! It has been proven that proven that electronic invoicing leads to fewer discrepancies and errors. Electronic invoicing results in faster processing and faster payments. Surely that's something every station would welcome.

It is time for all of us to join the 21st century. If the television stations can do it—the radio stations can, too.

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Editors note: Kathy, who is the Chairperson of the AAAA's EDI Task Force for Local TV and Radio, is a panelist at a special Electronic Invoicing (EI) session at RAB 2001, 2/3 from 2 to 3:45pm. The panel is moderated by **Mary Bennett**, RAB's EVP, National Marketing and also includes **Don Wahlig** from Interep, **Ellen Weinstein** from Encoda Systems, **Harvey Kent** from Donovan Data Systems, **Kim Kohler**, Executive Director, Spot Plus, **Jim Irvine**, Media Director, Ornelas Associates. Companies like OneMediaPassage (the recent merger of One Media Place and Media Passage), AdOutlet, ODAC, Ad Fusion and BuyMedia are all competing for business from the big agencies. Spheric Media and eMadison are currently in Beta test looking to do the same.

Buyers offer some perspective

We've all heard how the economic slowdown is affecting both local and national spot, and network radio pacing. We asked three prominent media buyers their opinions on this year's pacing and the slowdowns that are affecting much more than the dot-coms. Since they work daily in the budgeting trenches, so to speak, we consider their perspective to be both reliable and current.—CM

The participants:

Natalie Swed Stone, Managing Partner/Director of National Radio Services, OMD USA (OMD is a division of Omnicom—a buying conglomerate for BBDO, DDB Worldwide and TWBA/Chiat)

Matthew Simpson, Director, National Radio, Carat USA

Mike Robertson, President/CEO, Ocean Media Inc.

How is pacing looking for Jan., Feb. and Mar. in the markets you are buying?

Swed Stone For the national network marketplace, obviously pacing versus last year is slower. But there seems to be some pressure on the most desirable inventory and timing is important in terms of when you get that—as it always is.

There are definitely deals out there and deals to be made. We feel that we are in a good position negotiating-wise, to select what we want. It is definitely more negotiable and softer. On the other hand, we are not finding that pricing is as soft as we want it to be.

Simpson It's active, but it's not as active as third or fourth quarter was for us. I'd probably say pacing is slower as a function of a vitrually nonexistent scatter marketplace. Based on our projections, we're pacing probably about 70% versus our projections for first quarter.

The market has completely slowed down. For national, I think it's a result of lower rates in other media. Coming off of fourth quarter results from companies showing lowering profits and less consumer spending, we've got clients that are kind of reserving or cutting back. And it's always been my interpretation that advertising and media spending is an indication of where the economy is going. Usually, advertising feels the effects of a slowing economy about six months prior. So we've been feeling that crunch a little bit, but we are getting some clients that are still spending money. Overall, we're seeing a slight slowdown.

Robertson Right now on the national side, the pacing that we're seeing is down as much as 40% in some areas from Q1 last year to this year. In terms from Q4 last year to Q1 this year, we're off 26%. I know that ours (LA) is more than that. And the thing is, I don't have the full barometer on everything, I'm just looking at what we're doing. It's literally down between 35% and 40% everywhere.

We hear that annual contracts are slow to book. Are you doing things differently with your clients, like buying quarter-to-quarter?

Swed Stone We're moving in the other direction. We're trying to buy more annually because we find the better deals are in the long term.

Simpson About three-quarters of our business this year has been in the upfront, which is unusual for us. Normally we have a more active scatter, but it looks like we've placed about $50M just in upfront. So what is happening is at least one of our upfront clients has only booked a portion of their upfront and we've yet to book second, third and fourth quarter because we're thinking that we might be able to go back in and better the deal. All of our upfronts have been placed, but the major one is kind of on hold, so that is an indication that clients are rethinking their spending for this year.

Robertson Things are very slow to book. However, every week seems to make a difference right now. And so I don't know that that is a forecast for the rest of the year as much as people are still somewhat staggered by the downturn that happened July-Dec. of last year. National accounts are very slow to pull the trigger right now and are committing less than we had anticipated.

We hear that the slowdown is beyond dot-com and includes automotive and other categories. Are you seeing that with your clients? What categories are you observing change in?

Swed Stone Radio has always been a market that relies less on past business. It has always had more attrition. So when the dot-coms came in, it was an enormous change. When the dot-coms went out, it was an enormous change. But traditionally, radio has not been able to rely on certain categories. They constantly change. Television is different, I think print is different. But radio—because of its nature, because of its ability to come in late and get what you want and because it has been for some a primary medium and some a secondary medium—it's constantly changing.

So while dot-coms are out and automotive might be out, there are other things that are coming in. Like Package Goods, Tune-in continues, the Travel business continues and retail is doing OK. So there are people that may focus on a certain category, but this is such a very changing medium. It's true—we all read the paper, the automotives are spending less on television, on radio, everywhere. But there are categories that are still doing fine.

What's happening in this economy is that there is some slowing down, but then there are others coming up. The trick in this business is never to rely on what's in front of you and never to assume that it will be there forever, but to keep working and cultivating. I'm not sure how much of that was done in 2000. What are the opportunities now? The good news for the advertiser is we're going have a return of salespeople bringing us creative opportunities instead of us having to ask for them.

So they need to start selling again. And there have been some people who have been doing that and those people are doing well. And they're not telling you, "Guess what dot-coms and automotive are out." They're going to tell you, "Guess what we have to replace it." Because they were preparing. Don't look back, let's move forward. We've had some Epson, Novell, I mean there are people out there who are spending money. You've got to find them, you've got to cultivate them and do a good job so they'll stay in. Keep the commercial clutter down, keep the promotional value up and give the advertiser their money's worth.

Simpson We're definitely seeing a slowdown in communications and technology/electronics—anything that utilizes semiconductors. I think with any of the products people are purchasing with discretionary income, the consumers are taking a second look at their spending.

Robertson I don't have the large clients that the rest of them do, so most of what I know about the different industries, especially automotive, is pretty consistent with what's already public knowledge. I do know with a local auto account here in LA that things are still slow and they're not committing as much money to the associations that they normally do.

In terms of industries, it isn't just the dot-coms that everybody knows is off, it's a lot of startup companies that have the ability to portray themselves as a dot-com or just another Internet vehicle. They're getting kind of clever on how they position their company. But what we have seen are a lot of startup companies that we were working with, very slow to go to market. And I think obviously raising funds on the VC side is becoming increasingly more difficult. Now, I don't want to put a doom and gloom, but that's just kind of reality for today. I still believe that this could be even be week to week or month to month. I just think we need to see a little bit of confidence from a few of these companies and things will stabilize.

Are any particular regions or markets especially strong or weak?

Swed Stone I'm not in that game. I can't comment on that.

Simpson One department that I have a lot of communication with is our spot radio department because it's critical for us to determine at what point spot becomes more efficient than national and vice versa. And what we've been seeing is anywhere between a 1% and 15% drop in spot radio CPPs from last year. But we're not seeing that kind of decrease in rates on a national level. So what it's forcing us to do is to move some of our clients' business that was in National radio to other media. National radio, for example, has traditionally broken even around market #12 in spot. Now, we are seeing the breakeven point at markets 16-19. What furtner decreased the amount of national spending on radio is many of the clients previously using it are not just top market clients. They utilize a combination of top, mid and lower-ranked markets in their spot buys, therefore, National to them looks even more inefficient. We're seeing the industry finally recognize this and rates are coming down. So there's a big change going on there. And also, cable is extremely efficient right now. There's pretty amazing deals to be had. So we're losing a lot of national radio budget to national cable—the inventory is there, there's less demand.

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Whether you create or deliver electronic content, the breakthroughs that affect radio come together this April at **NAB2001.** Electronic media's Convergence Marketplace presents the products and services fueling the digital revolution, and your future.

NAB2001 is the one place where you can truly experience the latest technology by seeing it demonstrated. It's a hands-on, practical way of comparing and selecting what's right for your company's future. And **E-TOPIA,** NAB's newest destination for next-generation technology, features breakthrough companies that are reinventing radio. Among the innovations you'll find are:

• Audio Production • Digital Audio Broadcasting (DAB) • E-Commerce • Streaming Technologies • Wireless • Webcasting • And much more.

Put your technology discoveries into perspective at NAB's educational events. Conferences and Super Sessions cover tactics to make you money and save you money. Topics include the impact of satellite radio on your markets, streaming and webcasting as profit centers and the status of IBOC digital radio for AM and FM.

Plus, you'll hear Mort Crim at the **NAB2001** Radio Luncheon when honors go to the NAB Crystal Award Winners and Bruce "Cousin Brucie" Morrow!

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Management, Sales & Marketing

Post dot-com, pacing data is getting harder to come by

When times were good, say a year ago, broadcasters couldn't wait to tell Wall Street how well they were doing. Dot-com dollars were flying through the windows and everybody was watching their stock portfolio swell as share prices moved ever higher.

Now dot-coms are mostly a memory and the US Census won't be advertising for another decade. The broader economy has cooled off as well, and low and behold, reliable data on radio pacings has become rare. Some public companies are hiding behind the SEC's new regulation FD, restricting non-public distribution of financial information, to disclose as little information as possible to Wall Street—which seems to be the opposite of the intent of a government regulation called FD for "Full Disclosure." It seems some groups have taken a vow of silence and turned mum about revenue pacing.

RBR's twice-monthly pacing reports from Miller, Kaplan, Arase & Co. were abruptly ended last August. The explanation given was that pacing data based on inventory was no longer available, but attempts to launch a new pacing report based on revenues (where there's still plenty of data to be crunched) were blocked by unidentified group owners.

RAB continues to report after-the-fact revenue data each month, but now with less detail (see page 2). NYMRAD hasn't yet issued December revenues for New York and told *RBR* "the whole process of reporting numbers is currently under review." The Southern California Broadcasters Association stopped issuing monthly reports on the Los Angeles market in Q4, but has now issued a report on the full year (see page 12).

Meanwhile, analysts complain that they can only make financial inquiries directly to public companies during quarterly conference calls—and not all questions are answered completely by certain companies.

RBR has been able to obtain some individual market pacing reports, three of which are published on this page. They are a mixed bag, but generally support the expectation that ad sales pacings are soft compared to the go-go days of a year ago, with national spot sales softer than local. If you, dear reader, want to help the free flow of public information, the fax number is 703-719-7910. Anonymity is assured.

Pacing reports are not universal, even in large markets. Philadelphia, for example, joined Miller, Kaplan reporting just a few years ago and has never had full participation. Just recently, both KYW-AM and WYSP-FM stopped reporting and WBEB-FM GM **Blaise Howard** complained that "there is no validity any longer to the Philadelphia pacing report."

"We decided last week to stop participating for a while," WYSP GM **Ken Stevens** confirmed, but said it was because the GSMs didn't want their data going to other stations. Stevens oversees Infinity (N:INF) stations in four markets and those in New York, Washington and Baltimore are still reporting.

In Seattle (sorry, no pacing report for you), dot-com was the number one ad category last year, so comps are tough. "Local's looking pretty good," Sandusky GM **Marc Kaye** told *RBR*, but national is down 40%. Dot-com is not over, though. He's still getting about dot-com dollars—about 10% of what he saw a year ago. "Buyers are negotiating harder and buying later," he noted.

What a difference a month makes

RBR has acquired a second pacing report for the Washington market (*RBR* 1/1, p. 3 is when and where the earlier story ran). While revenue totals remain in the red a month closer to air time, they are not nearly as gruesome as they were back when the measure was taken in December.

The chart below directly compares the readings for local in December and in January, and then does the same for national business. Local business seemed to be off by about 25% back in December. Now, it looks like flat revenues or perhaps even a gain are within range. April in particular figures to be a positive month for local business.

The national numbers in Washington remain gruesome, but not nearly as gruesome as they were.

***RBR* observation**: The Washington two-month comparison supports the theory that advertisers are waiting longer to book schedules in the markets which were dot-com saturated last year.

Washington pacing numbers from December and January compared

reported: Month	12/15 local	1/15 local	12/15 nat'l	1/15 nat'l
January	-27	-6	-40	-21
February	-21	-6	-47	-39
March	-24	-11	-66	-41
April	n/a	-2	n/a	-58

Houston, we have a problem...or do we?

RBR has once again managed to get its hands on a sales pacing report for an individual market. In this case, the lucky city is Houston. The report is by Miller, Kaplan, Arase & Co., and includes revenue information reported as of 1/14.

To say the least, the numbers are a mixed bag. January and March are looming as strong months, February looks weak and April is, at this point, dismal.

It is encouraging to see positive numbers for January. In last year's revenue report for January, the RAB pegged the Southwest (Houston's region) up 17% for local revenue and up 30% for national—those are tough comps and the market is standing up to them quite nicely.

It would also encouraging to see anything in the national column without a minus in front of it, and the fact that two of the four national numbers on this chart are in double digits is great. The plus 27% figure for March is astonishing. (Word we've heard on the streets is that the dot-com bonanza pretty much passed Houston by, which, if true, goes a long way to explaining how these numbers are possible.)

We do not put much stock in the negative April numbers. One thing the dot-com frenzy did last year was force everyone to book ad flights early. There is no such pressure this year, and we expect that April figures will take a turn to the positive well before the month actually arrives.

More than anything, this chart underscores the fact that nobody should try to devine any national trends from such a small data sample.

Month	Local	National	Total
January	19.0%	-2.5%	13.3%
February	-0.2%	11.9%	2.7%
March	1.3%	27.0%	8.0%
April	-6.9%	-13.9%	-8.8%

One bad Apple...

New York has a tough row to hoe, according to yet another Miller, Kaplan pacing report obtained by *RBR*. Local business is down 10.6% for the month of January, and that's the best number on the 1/23 chart, which compares pacing results from like months 2000 to 2001.

While New York's numbers make Houston's mixed bag look like an economic boom, at the same time they are not as bad as a report on pacing in Washington (*RBR* 1/1, p. 3). New York and Washington were very similar in the local column, but Washington was simply getting bludgeoned in national, while New York's national numbers are a close reflection of its local numbers.

***RBR* observation**: Note that January's loss is not nearly so catastrophic as those posted for February and March. Advertisers are not under the gun to book air time early, as they were at this time last year. If they are waiting to buy the time closer to running the spots, it would have an adverse effect on pacing, but not on revenue, as long as they eventually get around to booking the time. So while pacing in New York may be down 25% in February and March, we do not expect that will be the case for total revenue once the smoke clears.

Month	Local	National	Total
January	-10.6%	-15.7%	-11.6%
February	-25.3%	-28.0%	-25.8%
March	-24.3%	-22.9%	-24.0%

As the dot-comps fade, national rises

Dot-comps is shorthand for the funny-number comparables which are a direct result of the dot-com radio ad feeding frenzy of the previous year. Because of it, national business is doomed to look bad for the first quarter of 2001. It will go on to be a reverse image of the ad spending patterns exhibited by the dot-coms last year. Where the dot-coms faded, national business will appear to blossom. Q4 will be fabulous. The following chart, compiled from information furnished to *RBR* by anonymous sources, shines a penlight on national's projected 2001 performance. (The uncertainty of these numbers is best pointed out by the chasm between the low and high end predictions for Q2.)

***RBR* observation**: There is only one way to view the dot-com phenomenon, and the sooner everyone does so, the better. The windfall was a once-in-a-lifetime event, much like a family that collects $25K from a scratch-and-sniff lottery card. The family's income for the quarter shoots up, just like radio put up postive national numbers ranging from 30%-48%.

Next year, Mom and Dad receive substantial raises, strengthening the financial core of the family. However, unless they beat the odds and hit the lottery again, the comparison numbers will be down—way down—nonetheless.This is hardly cause to declare bankruptcy, or for others to downgrade the family's credit or take any other punitive financial actions. It is not cause for shame. It is not something which needs to be swept under the carpet.

If the Chicken Littles on Wall Street interpret radio's 2001 Q1 numbers as a catastrophe and bail out, wiser heads should snap up their abandoned shares at whatever discount they're offering. Radio's fundamentals are sound and the stocks will go back up.

Quarter	projection
Q1	-10% to -20%
Q2	-12% to +10%
Q3	flat to +6%
Q3	+5% to +20%

Radio revenue trends

The RAB has released a look at the history of radio revenues. We are reproducing a portion of it here, going back to 1989.

Notable facts: The -2.8% revenue figure registered for 1991 is the lowest ever (going back to 1945)—the only other negative year in the study was 1961, which was down -0.5%. In 1992, radio registered a small gain, but together, 1991 and 1992 mark the depths of radio's biggest slump (a combination of Docket 80-90 signal saturation, high-debt/low experience radio operators, a credit crunch and generally bad economic conditions). Ownership deregulation became a reality in large part due to this situation, beginning in late 1992.

Growth has been robust ever since. Note in particular the national categories. Network has more than doubled since 1995, and national spot is not far behind.

Radio advertising revenues (in millions)

Year	Network	National	Local	Total	%Change
1999	878	3,211	13,592	17681	+14.6%
1998	739	2,768	11,923	15430	+11.9%
1997	646	2,407	10,741	13794	+11.1%
1996	465	2,093	9,854	12412	+8.2%
1995	426	1,920	9,124	11470	+7.8%
1994	411	1,867	8,374	10652	+11.1%
1993	407	1,629	7,532	9568	+9.3%
1992	377	1,479	6,899	8755	+1.9%
1991	440	1,575	6,578	8591	-2.8%
1990	433	1,626	6,780	8839	+5.0%
1989	427	1,530	6,463	8420	+6.6%

Source: Radio Advertising Bureau

Management, Sales & Marketing

Medium and small markets: the same story with different circumstances

Many think small and medium-sized markets are handling the latest economic downturn better because of their greater reliance on local advertising. While large markets' national numbers and outlook are lackluster at best (much, of course, due to the dot-com decline), medium and small market clusters are to a degree feeling the same pain with local numbers. However, one advantage small and medium markets share today is no hard feelings from traditional advertisers that were bumped and price-gouged in

the top 25 markets when dot-coms came to town.

With a total of 227 medium and small market stations under his command, we asked Cumulus (O:CMLS) Chairman/CEO/President **Lew Dickey, Jr.** for his perspective on 2001 pacing numbers: "Big markets aren't getting the dot-com business they got a year ago, but we never got the dot-com business. When the dot-com scare was around, traditional advertisers had found themselves having to book way out in advance just to secure any kind of position or rate. And then when the dot-coms went away, they went back to their old way of doing business. But in our size markets, since we didn't have that, we didn't have the dramatic fluctuations in the way business has been placed in our markets. So it's pretty much business as usual," he tells *RBR*. "But, by the same token, when auto sales are off 15%, they're off 15% everywhere. If the car dealers aren't moving merchandise, they're cutting back on their ad spending. So, as inventories build for these retailers, by necessity, they trim all of their expenses including advertising."

While radio's solution is to work harder for those local advertisers, offering live remotes and assurances that more advertising can drive sales, Dickey says it can only go so far in tough times. "We're trying to get creative and trying to be there for them at this point in time. But when consumer demand and consumer confidence is off and demand is down, you can't get blood from a stone—if they're not selling the cars, they're not selling the cars. Remember, the consumer is two-thirds of this economy."

While he can't speak directly to Cumulus pacing numbers for January, February or March, Dickey provides a cautious, but realistic outlook: "We think it's going to start to turn around, but no question—things got a little soft after Thanksgiving and have stayed that way into the new year. I can't say anything specific because of Reg-FD (Regulation Full Disclosure at the SEC) on Cumulus pacing numbers over last year, but I think the outlook as we leave Q1 is going to be cautiously optimistic with a positive trend line toward the end of the year. I can't tell you what April, May and June are going to be. We're at January 23, our business doesn't book out that far. I'm really just starting to get outlook on March right now. A lot of this is going to depend on if we have another 50 basis points rate cut and if there's more talk over the next 90 days of a tax cut."

In comparing small/medium vs. large markets, pacing numbers tend to be much more stable in the Toledo, OHs than the Washington DCs and Philadelphias. "We tend not to have the wild fluctuations that the larger markets have—positive or negative. In our markets, it tends to be more 'steady as she goes.' But the problem we're facing right now is that overall demand is soft," Dickey observes. "One of the things we were talking about all of 2000 is 'I can't wait until the end of the year when I can get rid of all those low-ball contracts that I inherited, then I can return to market pricing.' Well, we returned to market pricing—and if this is market pricing, who needs it?"

Dickey and his new management team—with EVP/CFO **Marty Gausvik**, EVP/COO **John Pinch** and **John Dickey** EVP/Programming and Marketing—say the ship is once again on course. "We went through a pretty tough problem and we've come out of it a stronger company. We've had a lot of good team members and support. I inherited quite a mess, but this is a new company, top to bottom. It's been seven days a week, 70-80 hours for the past nine months. I've aged five or 10 years—I look like **Phil Donahue**."

News Analysis

Learning to deal with Wall Street's brutality

Turn out the light—the party is over.

The high flying days of radio stocks stalled out in the last half of 2000. Why? A convergence of uncertainty. For one, radio groups who rode the gravy train of the IPO internet stock play saw that train derail–abruptly. You know how the dot-com drill worked: Pitch an Internet idea to raise enough cash to do an IPO, then use the IPO cash to promote the brand—in some cases just to hype the stock. The Silicon Valley was full of big dreams, but short on business plans. People actually believed that the issue of profitability could be put off indefinitely while dot-com startups battled for market share.

Federal Reserve Board Chairman Alan Greenspan saw the inflated stock prices, declared it "irrational exuberance" and gave the Internet world a cold dose of reality—monetary policy, in the form of higher interest rates, which sent the sky-high stock prices crashing to earth.

Did the Fed go too far, though? We did begin to hear speculation about the dreaded "R" word in some quarters. Personal stock portfolios that once showed incredible growth began to slump.

Consumers who feel less wealthy may begin to curtail expenses and add to the slowdown. Such a decline in consumer confidence became noticeable in late 2000 and retail sales for the holidays were not as strong as had been expected. December retail sales did squeeze out a 1% gain, but only with help from pre-Christmas sales and deep discounting at many retailers.

Groups cut pacing reports

We at *RBR* saw the slowdown fears first hand when, quite unexpectedly, we received word that Miller, Kaplan, Arase & Co. would no longer provide *RBR* with its twice-monthly pacing report. It seems some participants did not want to continue providing the data and neither Miller Kaplan nor *RBR* wanted to publish statistically questionable information. *RBR* sought to switch to a new pacing model based on revenues—as opposed to the previous model based on unit inventory—but several group owners objected and threatened to withhold their data if Miller Kaplan cooperated with *RBR* in delivering the much-needed information to the groups' public stockholders.

Hey, wait a minute! Aren't those people their owners? Are we to believe that the groups are trying to hide this information from their owners? Unfortunately, yes, that is the case.

It's hardly a secret that pacings will not look pretty compared to the record-breaking levels of early 2000. The "Killer Comparables" are particularly severe in the top 10 markets. They were the markets that saw the biggest benefits of the dot-com gold rush. This year those markets have the challenge of surpassing those numbers and upping the ante even more. Dealing with those tough comps is difficult, but it won't last forever. A year ago the dot-com sector was buying up inventory left and right. That pushed traditional advertisers to book early or be left out. Agency buyers for retail, automotive and the rest bought early to ensure clearances—although they were sometimes still bumped by dot-coms willing to pay almost any amount to get on the air. This supercharged the pacing numbers last year and the groups were all too happy to shout it from the rooftops.

A new dynamic is now in place. Pacing numbers are off—and off dramatically in some markets. Radio's local sales teams deserve credit for extra effort, though, because most of those markets are still finishing each month even with or slightly ahead of their 2000 comp month. Business is being booked closer to air date, but most sales teams are getting the job done and holding the line on pricing.

Sales go back to the golden oldies

If anything can be said about Q1 of 2001, it's that it is blocking and tackling time. CBS and Clear Channel have both begun pushing heavily for multimedia deals with their new marketing platforms. CBS re-racked the old favorite: 1st quarter trips to entice ad spending. Clear Channel is pushing more merchandising opportunities with the recent SFX acquisition.

Local sales teams deserve a lot of credit for hunkering down, sticking to the basics and just getting the job done. We're hearing of great revenue growth in small and middle markets. Those gains aren't coming from cold calling new clients, but rather are the payoff for months of laying the groundwork to bring in new advertisers and boost spending by established accounts. It shows that true professionalism is taking root in this industry's sales force.

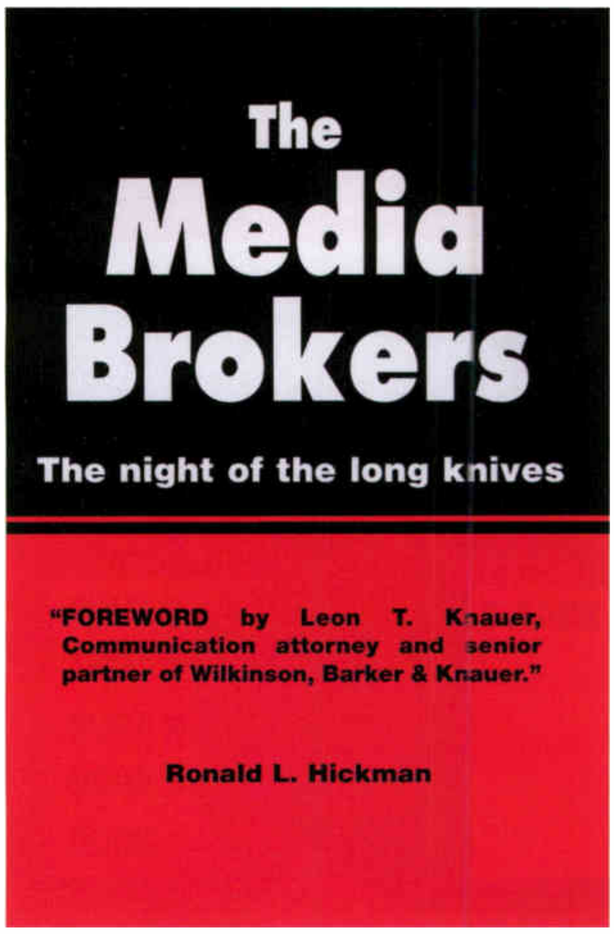
Don't spend anything

Wall Street has no long-term memory—none—and very little short-term memory. Everything is focused on today and tomorrow. It's all about winning this quarter. One way to do that is not only to drive revenues, but also trim or hold expenses. *RBR* has heard numerous stories of equipment manufacturers and research companies being told all budgets are on hold—no purchases until 2nd quarter.

That's a tactic that works once, maybe twice. But failing to invest in the future will come back to haunt those who rely too heavily on this short-sighted approach. Short-term gain, long-term pain.

Dealing with Wall Street may be brutal, but honesty is the best policy. No bad news stays hidden forever, and the sooner it's out, the faster you can deal with it and move on. Investors and analysts are already beginning to differentiate between companies which are open and honest about where things stand and those which try to push only good news and ignore questions about their weaknesses. CEOs and CFOs who don't have Wall Street's trust will see extra risk built into their stock prices.

Radio groups need to be more forthcoming with information so the market can be better informed and feel confident that future projections aren't just wishful thinking. Touting growth projections of 8% revenue growth for the year while being mum on the current month results is short-sighted. Timely guidance and brutal honesty will go along way in re-attracting investors to the radio sector.



Mystery novel finds murder and intrigue in radio deals

The setting is a large media brokerage firm in Washington, DC. The three top-producing associates suddenly leave to start their own firm across town. Sound familiar?

Unlike the story you're thinking of, **Ron Hickman**'s tale of the radio brokerage industry revolves around a murder. (One *RBR* staffer suggested that if there ever is a real-life case of a broker being accused of murder, another broker will surely call to claim credit.)

References to real people and companies in the radio industry, as well as to fictional people and companies that closely resemble real ones, make "The Media Brokers: The night of the long knives" a fun read for anyone in the biz. Hickman, a broker himself, tells some great tales of dirty tricks being pulled by competing brokers (not that such things happen in real life!) and even has his main character, young and yuppie Ashley Porter, enjoying a pretty active sex life. We don't profess to know whether that's an accurate portrayal of the life of a typical station broker.

Is **Bud Walters** the murderer? No, not the real radio group owner, but rather the fictional founder of the Kingman Associates brokerage firm. How about **Lou Mercatanti**? No, but he does make a cameo appearance as himself—buying yet another radio station.

This tale of media brokers and murder is not Hickman's first book. Four years ago he penned "Touching the Stars," a non-fiction account of his experiences in broadcasting, as a member of the Presidential press corps, interviewing celebrities and battling to win an FCC license for his first station.

"The Media Brokers" can be previewed and purchased at www.iuniverse.com or directly from the author at (850) 934-1995.—JM

Rates falling in many markets

Based on an analysis of 31 markets for a client, **Matthew Simpson**, Director, National Radio, Carat USA, looked at each individual CPP and what the difference is this year vs. the same time in 2000. See below for the general and specific findings. CPP is calculated using ad rates and current average ratings. The overall CPP in the local spot markets is down 7%. All are based on average CPP combined dayparts for Adults 25-54. "Each individual market is having its own little micro recession, some more than others." says Simpson. "You've got a whole big chunk of local business—all these Mom and Pop operations that are normally jammin' money into the market aren't there anymore. Mom & pop aren't going to take $1,000 out of their pocket and dump it into their local radio station when things aren't going good for them. Because all that money has dried up there, it has left room for larger clients to get some deals."—CM

In general:
Top 15 markets
were down 4% to 15%
Secondary markets
(#15-50) were down 4% to 12%
Tertiary markets
(#50+) were down 8%-12%
Source: Carat USA

Is stock rebound too fast?

Lehman Bros. analyst **William Meyers** says the 46% surge he's seen in radio stocks already this year—erasing much of last year's decline—may be ahead of the curve.

"We are not suggesting that radio equities are overvalued, but rather that investors may be early, given the uncertainty surrounding the second half of 2000," Meyers said. "With the early entry comes additional risk of stocks correcting before moving higher."

He's still forecasting 7-10% growth for radio in the second half. While that forecast, he said, "is partly a function of easier comps (something we know for certain), it will likewise be determined by an unknown: domestic macroeconomic health."—JM

Media Markets & Money™

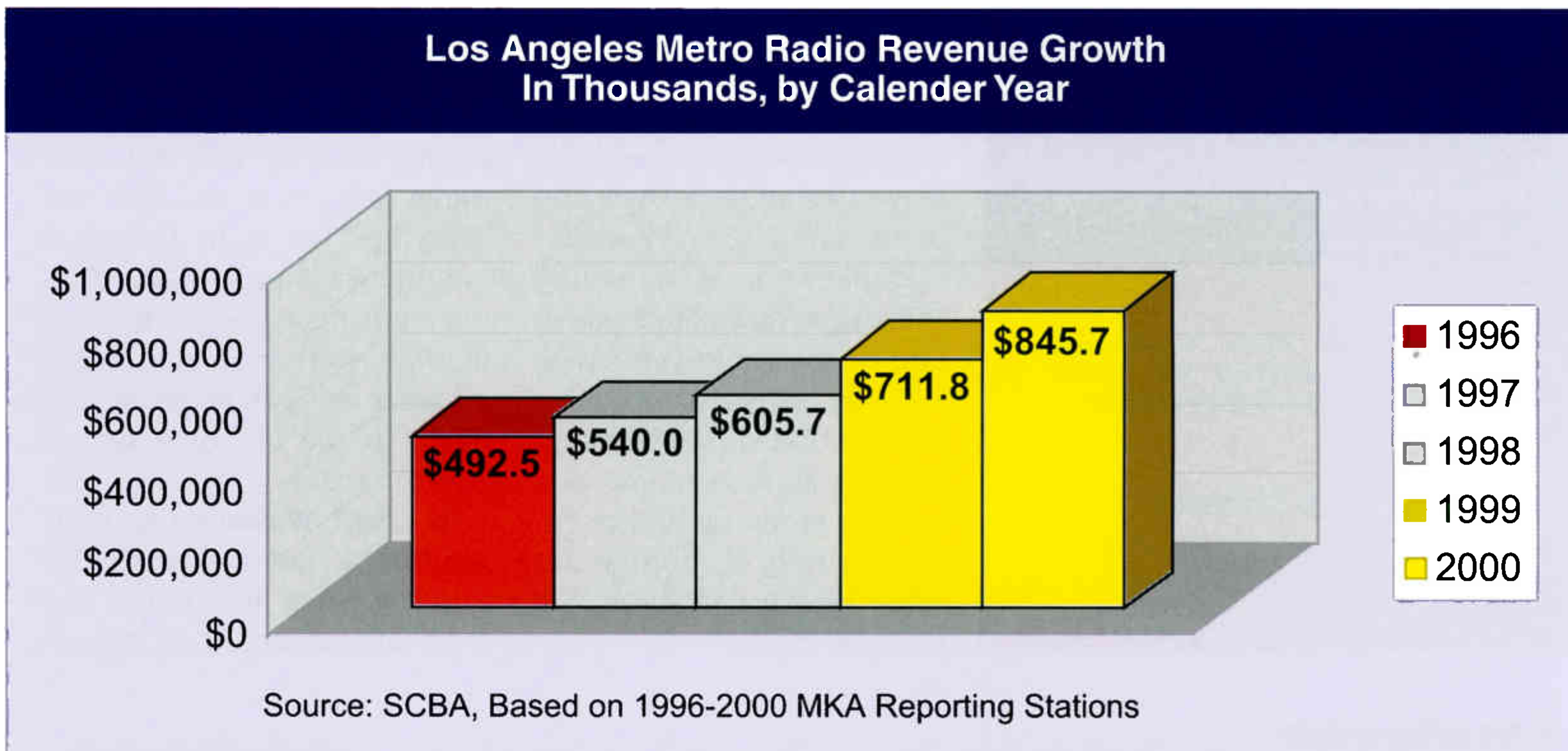
LA revenues grew 13.6% in 2000

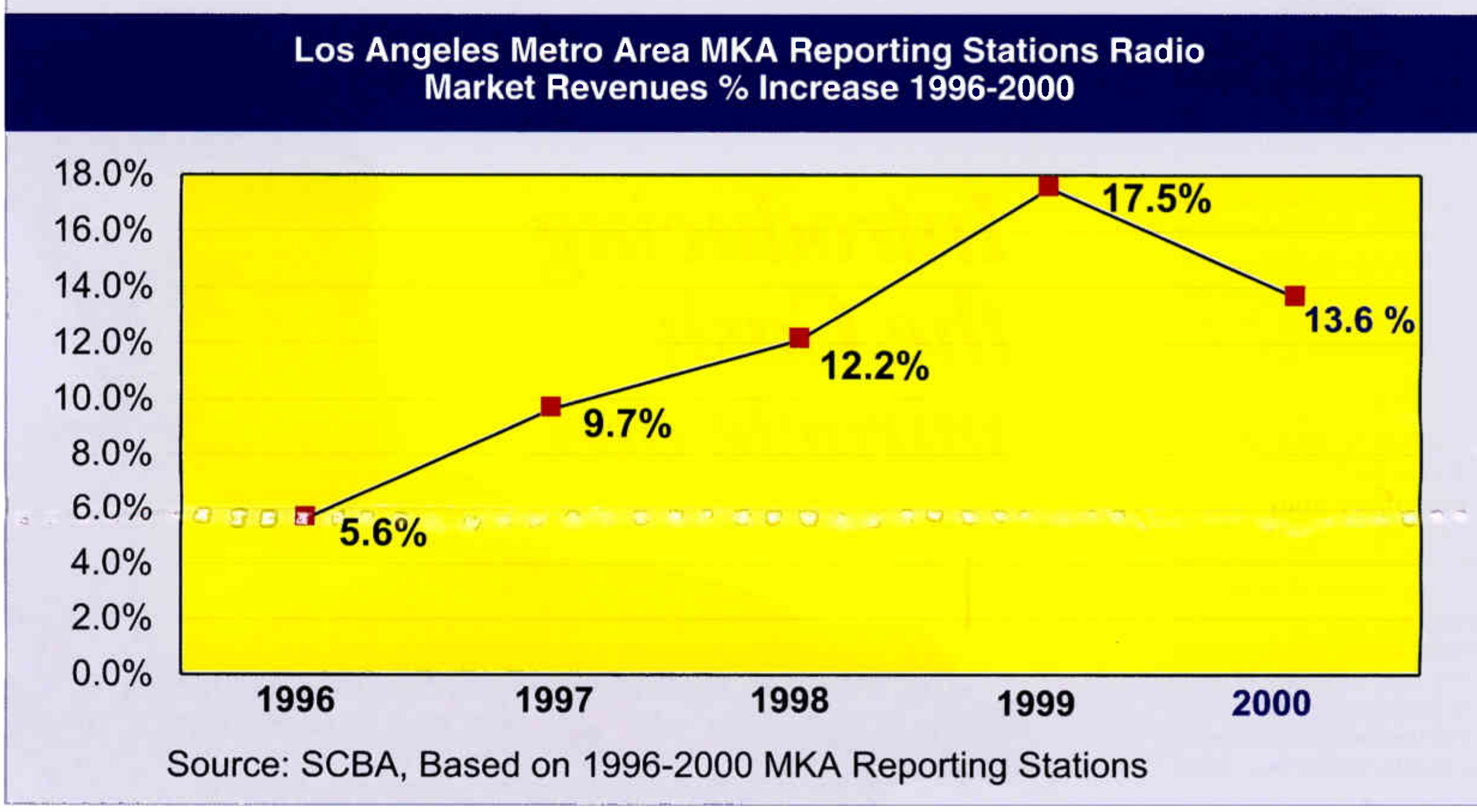
Los Angeles market radio revenues for 2000 were a record $845.7M, up 13.6% from the previous year. That also marked the third straight year of double-digit growth, following increases of 17.5% in 1999 and 12.2% in 1998.

Local radio sales in the City of Angels gained 15.1% in 2000 to $634.1M and national spot grew 9.1% to $193.9M. Those figures include only those LA area stations that report to Miller, Kaplan, Arase & Co. (MKA), the CPA firm which monitors the market.

"There are more than a dozen viable Los Angeles or Orange County radio stations that choose not report to MKA, but certainly do generate revenue," noted **Mary Beth Garber**, President of the Southern California Broadcasters Association (SCBA). "It would be an egregious error to overlook their contributions to the growth of the Los Angeles metro radio market," she said, adding that including the non-reporting stations would put LA's 2000 radio billings over $900M.

The charts, right, show how LA's total billings have grown 171.7% over the past five years, from $492.5M in 1996 to last year's $845.7M. SCBA's calculations are based on MKA's revenue reports of gross commissionable sales by 31 AM and FM stations in the Los Angeles market.





Saga signs two deals, cancels another

Saga Communications (A:SGA) has new deals to buy stations in Massachusetts and South Dakota. But it's also abandoning a buy in upstate New York, blaming the FCC.

• Buy #1: CEO **Ed Christian** says adding KMIT-FM & KGGK-FM Mitchell, SD will expand the company's regional agri-business focus. Saga already owns stations in Yankton, SD and is buying others in Spencer, IA. Saga is paying Mitchell Broadcasting Ltd., headed by **Gordon Thomsen** and **Tim Smith**, $4.05M for the pair of FMs. Broker: **Terry Greenwood**, Patrick Communications

• Buy #2: In Central Massachusetts, the $2.2M purchase of WHAI-AM & FM Greenfield, MA will expand Saga's Springfield, MA cluster. The seller is Haigis Broadcasting Corp., headed by **Ann Banash**.

Meanwhile, Saga said that the FCC's failure to act will cause it to abandon plans to buy Eagle Broadcasting's four Ithaca, NY stations for $13M. That purchase agreement is due to expire 1/31.

***RBR* observation:** Let's hope new FCC Chairman **Michael Powell** moves quickly to put an end to the Commission's extra-legal (if not outright illegal) red-flagging of radio sales which comply 100% with the 1996 Telecommunications Act, but which the FCC staff (acting on orders from former Chairman **Bill Kennard**) decides need to be investigated for revenue share concentration. Saga's Ithaca deal wouldn't have changed the market at all, since it was a clean sale of an existing superduopoly to a new market entrant. Yet the FCC overstepped its bounds and christened itself an antitrust enforcer, killing the deal by holding it up indefinitely based on a single objection. Powell, who actually has experience in antitrust enforcement, knows the FCC has no business being in the field and had opposed such reviews. Now it's time for him to act and get the FCC staff back in line with its real mission.

Wilks buys Missouri pair

Jeff Wilks is moving into a second market. His Wilks Broadcasting has a $6M deal to buy KZRQ-FM & KHTO-FM Springfield, MO from **Frank Copsidas**' Radio 2000. Wilks, who is backed by The Wicks Group, owns five stations in the Saginaw, MI market. Broker: **Mike Bergner**, Bergner & Co.

Clear Channel grows in Pennsylvania

Clear Channel (N:CCU) is expanding in the small (#248) Williamsport, PA market with a $1.5M deal to buy WVRT-FM. The CHR is owned by DHRB Inc., headed by **Sabatino Cupelli**. Clear Channel and SabreCom are the market's big powers.

Millcreek floods Salt Lake

Bruce Buzil's and **Chris Devine**'s Millcreek Broadcasting is acquiring an AM in the Salt Lake City market to supplement the company's intertwining group of six FMs. Millcreek will pay **Judith Grow**'s Great Stock Company of Vast International Import Inc. $335K for KOVO-AM Provo, UT.

Pacifica pot brewing again

Renewed protests, lawsuits and labor problems have renewed speculation that the Pacifica Foundation is considering whether to sell its two major market FMs that operate noncommercially on commercial frequencies—WBAI-FM New York and KPFA-FM Berkeley-San Francisco. Disgruntled ex-employees and ex-volunteers charge on their savepacifica.org website that the matter will be on the table at Pacifica's March board meeting. At publication deadline, Pacifica had not yet responded to *RBR's* request for comment.

An article in the 1/29 issue of *Time* magazine stirs the pot again, with commentator **Steve Lopez** accusing Pacifica's directors of a "hostile takeover" of WBAI with the "Christmas coup" firing of GM **Valerie van Isler** and several other staffers, leading to protest marches and a few arrests. A similar GM firing in 1999 at KPFA (*RBR* 8/2/99, p. 6) led to similar protests, arrests and also lawsuits which are still being fought in court. Even in today's economy, the New York and San Francisco sticks would still be worth hundreds of millions of dollars to commercial broadcasters—allowing Pacifica to focus on its three less-troublesome stations and its radio network.

***RBR* observation:** Hostile takeover? Would anyone call it a hostile takeover if **Lowry Mays, Jeff Smulyan** or **Bob Neil** fired one of their GMs? Executive Director **Bessie Walsh** and Pacifica's Board of Directors are the ones responsible to the FCC for the foundation's licenses. To claim that the local Advisory Boards should have veto authority over the National Board is simply ludicrous—and at odds with both the law and the terms of the stations' FCC licenses.

What's really at issue is a battle between a small cadre of aging white left-wing activists stuck in a 1960s time warp and a group of directors who see a declining audience of aging white left-wing activists. The heresy espoused by those directors, who are being denounced as right-wing capitalist tools, is that Pacifica's stations should endeavor to air more programs that relate to African-Americans, Hispanics, other minority groups and young people. They'd actually like to see WBAI and KPFA attract more listeners and be more relevant to modern society.

If and when the directors decide to sell the two stations, they will certainly claim a pretty penny. Having all that cash available to expand Pacifica's radio network and Internet operations to take their liberal social activism worldwide has to have some appeal—especially if the alternative is to be continuously subjected to attacks by a bunch of hippie-era throwbacks.

MediaTouch parent sold

OMT Technologies Inc., whose subsidiary companies all deal with radio, has a deal to be acquired by Western e-com Inc. in a $3.5M (Canadian) stock-swap. Western e-com, which trades on the Canadian Venture Exchange as "WEC.K" is a "capital pool company"—what we in the US would call a venture capital company.

Once the acquisition closes, Western e-com plans to complete a private placement which will raise an additional $1-1.5M (Canadian), which will be used for debt refinancing and to fund development and marketing of OMT's product line.

OMT's best-known operation in the US is MediaTouch, a software developer which markets a full range of digital studio components. It also owns broadcastport.com, which offers a turn-key Internet solution for radio. OMT's Oakwood Broadcast Equipment sells a wide array of broadcast equipment from various manufacturers to radio and TV broadcasters in Canada.

According to the merger announcement, OMT had revenues of $4.4M (Canadian) for its fiscal year which ended 3/31/00 and EBITDA of $346K (Canadian).

OMT's three directors, **Ron Paley, Ted Paley** and **Scott Farr**, are expected to become directors of the merged company, along with Western e-com's current directors, **Jack Peterson, Philipp Ens, Steven Stang** and **Ed Burgener**.

Citadel ending monthly updates

With a leveraged buyout which will take the company private pending, Citadel Communications (O:CITC) is ending its monthly financial updates. However, since the $2B LBO isn't expected to close until the second half of this year, CEO **Larry Wilson** and other Citadel officials will still have a few more conference calls with Wall Street analysts. The company says it will release its Q4 and full-year 2000 results on 2/26, followed by a quarterly conference call.

Ceridian right on target

Cerdian (N:CEN) reports that its Q4 2000 net earnings were $16.6M, or 11 cents per share, and that full year earnings for 2000 were $100.2M, or 68 cents per share. Those are actual results, but what the company and The Street are focused on are the pro forma results for Ceridian, excluding Arbitron and costs associated with the pending split-off. "Without regard to a one-time charge in the first quarter of 2000, and unusual items related to the upcoming spin of Arbitron, we met our earnings per share objectives of 32 cents and $1.01 for the fourth quarter and full year 2000, respectively," CEO **Ron Turner** said in his announcement. Turner, however, had lowered Wall Street's expectations to those levels on 1/11, causing Ceridian's stock to drop more than $2.

Looking forward, Ceridian said "Arbitron Inc., on an independent, stand-alone basis, will have earnings of about 23 cents per share in 2001."

***RBR* observation:** Arbitron's 2000 financial results are obscured by Ceridian's designation of the radio ratings firm as a discontinued operation, with one-time charges related to the spin-off lumped in with Arbitron's numbers. Look for Arbitron to distribute pro forma comparables for 2000 to Wall Street once the separation is completed.

Emmis cedes pole position in Indianapolis

Dateline Indianapolis: The deal in which Emmis Broadcasting is sending WTLC-AM and the intellectual property of WTLC-FM to Radio One (*RBR* 1/22, p.13) will definitely have an impact on the market. However, the final impact is yet to be determined.

Based on the Arbitron Summer 2000 survey, the first winner is Susquehanna, which moves into the first place slot of this highly competitive market by default. Its combination of Country/Oldies/Modern Country pulls down over 20 shares 12+.

Radio One goes from 5th place to, well, 5th place, but is now a mere whiff behind local owner MyStar, which is holding down 4th. The Urban specialist adds the Urban format of WTLC-FM (5.9 12+) and WTLC-AM's Gospel offering (1.3). It is surrendering the 3.4 points claimed by Urban AC WBKS-FM, as its 106.7 mHz frequency will be the new home of WTLC-FM.

One of Radio One's other FMs, WYJZ, scored only a 1.5 with a Smooth Jazz format. If WBKS's intellectual property goes to WYJZ's slot on the dial, the group's total would jump to 15.3, good for 3rd place ahead of Clear Channel. In short, we would not be surprised to see them make that move, or perhaps even add a Rhythmic Oldies format if the Jazz continues to struggle. Radio One's third FM, WHHH, is listed by Arbitron as a Rhythmic CHR.

The story is not over for Emmis, however. They have not yet decided what format will be hitched up to the soon-to-be-former WTLC frequency of 105.7, along with its robust 50 kw of power. While we have no doubt Emmis will do its homework before committing to anything, we must mention what we see as a gaping format hole: The Classic Rock/Classic Hits category is all but absent in the market. Quinn Broadcasting's WKLU-FM, a Class A coming in from Brownsburg, IN somewhat to the west of town, is the only station using the format, and it scored only an 0.5 in the Summer book.

We quickly checked all of the other markets in Indianapolis's 31-40 rank group, and in all but one case they were supporting at least one Classic station in the 4-6 share range. If Emmis can make a similar go of the format here, they will be back in 1st place.

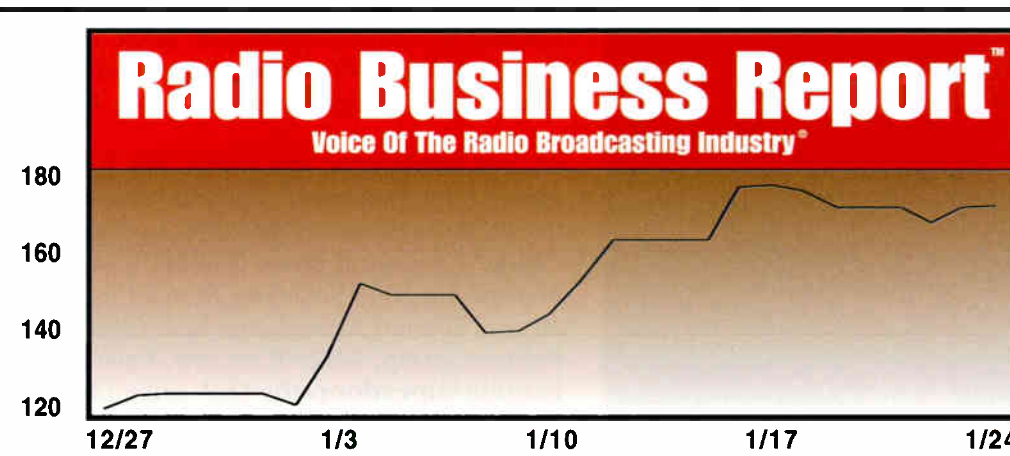
And if Emmis does not like Classic Rock, there's always Classical.—DS

Rank	Owner	Before	After	Formats
1	Susquehanna	20.4	20.4	Ctry/Old/Ctry
2	Emmis	23.6	16.4	NT/AC/CHR/?
3	Clear Channel	15.1	15.1	Rock/Altv/Sprts
4	MyStar	13.5	13.5	AC/CHR/Stds
5	Radio One	9.6	13.4	UC/CHR/SmJz/Gsp
6	Sarkes Tarzian	2.5	2.5	AAA
7	Radio 1500	1.9	1.9	Rel

Sources: Arbitron Summer 2000 survey, *RBR Source Guide* database

The Radio Index™

The Radio Index™ leveled off after hitting a year-to-date high of 176.159 on 1/17. The index closed 1/24 at 171.241, down 4.918 for the week, but up 45.881 YTD.



Transaction Digest©

by Dave Seyler & Jack Messmer

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.**

$45,000,000 KCUB-AM, KIIM-FM & KHYT-FM Tucson AZ from Slone Broadcasting Co. (James C. Slone et al) to Citadel Broadcasting Co. (Larry Wilson), a subsidiary of Citadel Communications (O:CITC). $2.25M letter of credit, balance in cash at closing. **Superduopoly** with KTUC-AM, KOAZ-FM coming in separate concurrent transaction with company closely related to this seller (see item below). LMA until closing. Broker: Kalil & Co.

$19,000,000 KBUL-AM, KCTR-FM, KKBR-FM, KBBB-FM & KMHK-FM Billings MT (Billings-Hardin MT), **KPRK-AM, KMMS-AM & FM, KSCY-FM & KXLB-FM** Bozeman MT (Bozeman-Livingston-Belgrade MT), **KLCY-AM, KLYQ-AM, KBAZ-FM & KYSS-FM** Missoula MT (East Missoula-Hamilton-Missoula MT) and **KSEN-AM & KZIN-FM** Shelby MT from Marathon Media Group LLC (Bruce Buzil, Chris Devine) to Clear Channel Broadcasting Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). $19M cash. Existing **superduopolies**. Broker: Star Media Group

$16,000,000 KTUC-AM & KOAZ-FM Tucson AZ (Tucson-Oro Valley AZ), 100% stock sale of Slone Radio LLC from James, Jamie & Fred Slone and Mary Wambach to Citadel Broadcasting Co. (Larry Wilson), a subsidiary of Citadel Communications (O:CITC). $800K total in letters of credit, $2M in Citadel stock, balance in cash and debt payoff. **Superduopoly** with KCUB-AM, KIIM-FM & KHYT-FM, which are being acquired from another Slone company (see item above). Broker: Kalil & Co.

$10,000,000 WKOX-AM Boston (Framingham MA) from Fairbanks Communications Inc. (Richard Fairbanks) to Capstar TX LP (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). $10M cash. **Superduopoly** with WXKS-AM & FM, WHJY-FM & WJMN-FM in the Boston market, WTAG-AM & WSRS-FM in the Worcester market and WWBB-FM & WSNE-FM in the Providence market. Notes: No more than two AMs and four FMs overlap at any point. WKOX-AM has a CP to increase power from 10kw to 50kw.

$5,000,000 KXXX-AM & KQLS-FM Colby KS, **KGNO-AM, KOLS-FM & KRPH-FM** Dodge City KS, **KZLS-FM** Great Bend KS, **KNNS-AM & KGTR-FM** Larned KS, **KYUU-AM & KSLS-FM** Liberal KS, **KILS-FM** Minneapolis KS, **KFNF-FM** Oberlin KS and **KWLS-AM & KDGB-FM** Pratt KS from Goodstar Broadcasting of Kansas License LLC (Gene Dickerson, Bain Capital) to Waitt Radio Inc. (Norman Waitt). $600K escrow, balance in cash at closing. Existing **duopoly** in Dodge City. LMA since 1/1.

$4,250,000 KMYY-FM, KYEA-FM, KZRZ-FM & KTJC-FM Monroe LA (Monroe-Columbia-West Monroe-Rayville LA) from Citadel Broadcasting Co. (Larry Wilson), a subsidiary of Citadel Communications (O:CITC), to Monroe Radio Partners Inc. (Michael Schwartz, Monte Lang, Aaron Daniels, Abe Moses, Edward Argow, Matthew Chase), part of the Radio Partners group. $212.5K escrow, balance in cash at closing. Existing **superduopoly**. LMA since 12/18/00. Broker: Mike Bergner, Bergner & Co.

$2,000,000 WLVU-AM Tampa-St. Petersburg FL (Dunedin FL) from Synchronous Media Group Inc. (Mark Jorgenson) to Genesis Communications I Inc. (Bruce Maduri, J. Donald Childress). $500K cash (adjusted for LMA payments), $1.5M note. LMA since 2/00

$1,500,000 WVRT-FM Williamsport PA (Jersey Shore PA) from D.H.R.B. Inc. (Sabatino Cupelli) to Clear Channel Broadcasting Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). Cash. **Superduopoly** with WKSB-FM, WBYL-FM, WRAK-AM, WRKK-AM. LMA since 1/1.

$1,200,000 KWYS-FM, KEZQ-FM/KWYS-AM Island Park ID-West Yellowstone MT from Alpine Broadcasting LP (Scott D. Parker) to esi-Northern Rocky Mountain Inc. (Kevin Hessee et al). $60K escrow, balance in cash at closing. Existing **duopoly**. LMA since 11/1/00.

$1,020,000 WCLD-AM & FM, WMJW-FM, WAID-FM & WKDJ-FM Cleveland-Rosedale-Clarksdale MS, 75% stock interest in Radio Cleveland Inc. from H.L. & Joyce Sledge (12.5% before/none after), heirs of The Estate of W. Frank Wood (12.5%/none), George Shurden (12.5%/none), The Estate of J.R. Denton Sr. (12.5%/none), Juliet Klein (12.5%/none) and Barbara Levingston (12.5%/none) to Kevin Cox (12.5%/45%) and Clint Webster (12.5%/45%). Gregory Shurden continues as 10% owner. $1.02M cash for stock. Existing chain **superduopolies**.

$1,000,000 KOOO-FM CP (95.5 mHz) Pueblo CO (Rocky Ford CO) from High Peak Broadcasting LLC (Bruce Buzil, Chris Devine) to Clear Channel Broadcasting Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). $1M cash. Broker: Star Media Group

$400,000 KAJI-FM Point Comfort TX from BK Radio (Bryan King, Steve Bumpous) to Fort Bend Broadcasting Co. Inc. (Roy E. Henderson). $20K escrow, balance in cash at closing.

$335,000 KOVO-AM Salt Lake City (Provo UT) from Great Stock Company of Vast International Import Inc. (Judith W. Grow et al) to Millcreek Broadcasting LLC, related to Marathon Media LLC (Christopher F. Devine, Bruce Buzil, Robert G. Nieman, Aaron Shainis et al). $65K deposit, balance in cash at closing. **Superduopoly** with KWKD-FM Randolph, KFVR-FM Roy, KUUU-FM Tooele, KMXU-FM Manti, KYKN-FM Nephi (all UT) and KOTB-FM Evanston WY. Forms five distinct markets. LMA until closing.

$180,000 WHHV-AM Hillsville VA from Magnum Communications Inc. (Howard E. Espravnik) to New Life Communications Inc. (R. Leon Goad). $5K escrow, balance in cash at closing or $5K escrow, $35K cash at closing, $140K note. Broker: Snowden Associates (seller)

$175,100 WDME-FM Dover-Foxcroft ME from Mid-Maine Media Inc. (Joyce Werner, Richard Thau) to The Zone Corp. (Stephen King). $43,775 downpayment, balance in cash at closing.

$125,000 WMYT-AM & WDVV-FM Wilmington NC (Carlolina Beach/Wilmington) from Priase Broadcasting Network Inc. (Dennis Anderson) to Family Radio Network Inc. (James J. Stephens Jr., Cynthia M. Stephens, Matthew M. Wall, Ulmer S. Eaddy, Kit Austin, Margaret Yelverton, Tony Register). $25K deposit, balance in cash at closing. **Superduopoly** with WWIL AM & FM, WLSG-AM. WWIL-FM is non-commercial.

N/A KCEL-FM California City CA from Kathryn J. Efford to KCEL Radio LLC (Kathryn J. Efford, Carrine L. Lloyd, James W. Reeder, Stephen L. Richards, Dustin L. Richards, M. Joshua Meister, Gerald G. Paul). Transaction "was not a sale, but an addition of investors." Investor financial obligations were not specified.

Upped & Tapped

Shel game: Radio group owner Artistic Media Partners has named **Shel Leshner** VP/Marketing. He will also act as GM for Artistic's stations in the Northern Indiana area.

Hola, Amigo: Eight-year veteran **Kevin Clayton** has been promoted to Product Manager at Circuit Research Labs. He will be responsible for the company's Amigo Series broadcast audio processors. Meanwhile, **Steve A. Claterbaugh** has been named North American Sales Manager for both CRL and sister Orban.

Changes at Arbitron: **Dennis Seely** has been upped to VP/Marketing, and **Brad Feldhauas** has been named Director of Strategic Initiatives, both for Radio Station Services; Ex-CCU exec **Ed Cohen** has been upped to VP/Domestic Radio Research.

Bonneville makes its Mark in the Nation's Capitol: With a mark, as it turns out. **Mark O'Brien** has been handed the VP/GM reins to CHR tandem WWZZ-FM and WWVZ-FM. Other stops for O'Brien in Washington have included WASH-FM, WJMO-FM and WTOP.

CCU parks Parker in Atlanta: And he'll be taking up three spaces. **Tom Parker** will act as Operations Manager for WGST-AM, the Georgia News Network and Total Traffic.

A whole lotta yakkin' in Yakima: **Dewey Boynton**,

PD of New Northwest's Country KHHK-FM Yakima has been named Director of Country Programming for the entire group. He will thus be involved with six of the company's 43 stations.

Sturm warning: Premiere Radio Networks has lured **Leslie Sturm** away from MJI Broadcasting to fill the position of VP/NY Sales. Journal Broadcast Group has upped **Andy Laird** to VP/Radio Engineering.

Adiesa Brown is now VP/Specialized Agency Sales for Interep. She will concentrate on business with small to mid-sized advertising agencies.

It's always April for NextMedia in Reno: At least since it installed **April Clark** as VP/GM of its four-station cluster in Reno, NV.

Northeast US radio group Nassau Broadcasting has named **Ralph Nieves** National Sales Manager.

Feed the Monster escapee **Debbie Greenbaum** has caught on with Jones Radio Networks, where she will fill the role of Manager, Affiliate Relations. She will be joined by **Liz Laud**, Director, Affiliate Relations. Laud comes from Westwood One. **Robert E. Allen, Jr.** is filling the newly-created position of VP/Accounting & Financial Reporting for radio group owner Regent Communications. He will report to SVP/CFO **Tony Vasconcellos**.

Cotton club? Clear channel has announced some new execs at its cluster in Honolulu. **Charles Cotton** will take over the Market Manager from the exited **Bob Longwell**; at the cluster's KUCD-FM, **Ken Martin** will be Program Director and **Patrick Leonard** will be Local Sales Manager.

Strauss to stress Hispanic operations? Yes, and it will utilize the services of **Andy Izquierdo**, who will join the PR/consultancy Strauss Radio Strategies as Director of Spanish Radio.

Hollywood Hamilton's Weekend Top 30 has a new Execu-

tive Producer. NBG Radio Network has brought in **Casey Keating** to fill the role.

Feinblatt, VP/Radio and Tim Stansky, VP/Marketing. Meanwhile, Annie Maguire has been upped to the VP/Director of Sales slot at its Boston cluster.

Mark R. Fratrik has exited his VP/Economist slot at the NAB to become a VP with Broadcast Investment Analysts Financial Network (BIAfn).

Reyes moves on to stand 'PAT: **Gino "Latino" Reyes** is the new PD at Spanish Broadcasting System's FM tandem in New York. He will take over the programming chores at WSKQ and WPAT. He exits Clear Channel's Miami cluster.

Bob "Donuts" Bartolomeo was appointed director of affiliate relations for United Stations Radio Netorks. He comes from

Westwood One's Imus in the Morning show as director of affiliate relations.

Upped & Tapped info fax to April Olson at 703-719-7725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