

RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

RADIO NEWS

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Congress 1, White House 1 The free time fight continues

by Frank Saxe

FCC Chair **Bill Kennard** (D) traveled to Capitol Hill last week to talk about the FCC's FY99 budget. But while sitting before the Senate Appropriations Committee, he instead got an earful on his effort to force radio and TV stations to give candidates free time. "The FCC apparently believes it can take an edict from the Vice President and start to legislate," bellowed chair **Ted Stevens** (R-AK), who went on to tell Kennard he is making the case for people that wanted to destroy the FCC when the Telcom Act was passed. "I hope you wake up," said Stevens. Kennard will go before the House Appropriations Committee later this week.

Kennard believes the FCC has the authority to require free time as part of the public service obligation, and the Commission may release its free

time proposals next month.

Meanwhile, the White House successfully neutered a Congressional effort to block free time from moving forward, at least for the time being. **Sen. John McCain** (R-AZ) had planned to tack an amendment onto an emergency spending bill funding the Bosnian peace keeping mission, which would bar the FCC from launching a free time campaign. But late last week, McCain said his effort was on hold, fearing a presidential veto. Some on the Hill say McCain is afraid holding up the Bosnian bill could be used against him when he runs for reelection this Fall or perhaps for president in 2000.

"The Senator remains committed to introducing an amendment that would prevent the FCC from mandating free time," said McCain press secretary **Nancy Ives**.

Kennard sees the Rainbow

By Frank Saxe

FCC Chair **Bill Kennard** (D) says broadcasters are "missing the point" when in it comes to how consolidation is leaving minorities behind. During a speech to **Jesse Jackson's** Rainbow Coalition, Kennard rejected arguments that minorities can become owners through buying shares in publicly traded radio companies.

"Reverend Jackson calls it the resegregation of the American me-

dia. And it is real. That's why this year I plan to complete a proceeding to explore new initiatives to promote minority media ownership," said Kennard. Specifically, he wants to restore tax certificate programs to "bona fide" minority ventures. Kennard said low power broadcasting is another way small businesses, churches and community groups can use the airwaves (*RBR* 3/9, p.3).

Jackson's plan backs microradio, tax credits and minority contracting requirements on radio and TV stations.

Spring pacing on par with last year

Demand for radio time is neck and neck with 1997. According to the latest RBR/Miller Kaplan forward pacing report, as of March 15, April is pacing slightly ahead of last year and is more than 58% sold, while May, at 46.1% sold, is slightly behind last year's 47.2%. —KB

RBR/Miller Kaplan Market sell-out percentage report

	1998	1997
March 15	79.2%	82.7%
April	58.1%	56.2%
May	46.1%	47.2%

Washington Briefs

- The FCC, as part of its regulatory streamlining initiative, has changed the filing date for EEOC reports to Sept. 30 in order to match the filing date for similar reports filed with the EEO Commission.

- The tobacco industry is returning to radio, legally, for the first time since the 1960's. The nation's leading cigarette makers are advertising the details of the comprehensive tobacco agreement negotiated last June between the industry and several states.

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JRN ups virtual competition

by Katy Bachman

The latest entrant to jump into the customized syndication biz is Jones Radio Network (JRN). Last week JRN announced it will launch in Q2 Jones Radio Programming Services to be headed by **Tom Watson**, managing director.

Jones' move comes at a time when customized program services to complement syndicated programming, formats or local shows, are springing up right and left. "We never expected we'd be alone. Other companies see similar opportunities and we're gratified by that," said **Eric Hauenstein**, president, JRN. The trend began last year when Capstar's GulfStar group created its Stars system (*RBR* 9/15/97, p. 10) and The Research Group unveiled its Virtual Radio Programming product (*RBR* 4/21/97, p. 4). Beating JRN by one week, Broadcast Programming just announced Total Radio (*RBR* 3/16, p. 4).

Best known for its dozen - 24-hour formats, JRN continues to diversify. Last year it took on several syndicated shows and added to its portfolio last week with "Nashville Nights," a weekday 7P-Mid Country show. "We recognized for a number of years we had to diversify, but we won't reject our core [formats] business. We knew we had the resources to enter the syndication business," said Hauenstein.

What was once 100% of its business, JRN's formats now make up 70%. "During the last few years, we were realizing a modest attrition rate, losing 10-15% of our [format] customers at the end of every three-year [contract] cycle. Starting about one and half years ago, that rate nearly doubled and at 25-30%, created significant challenges for us," said Hauenstein. Through research, Jones found its customers weren't going to

competitors, but because of decreasing technology costs, could assume control over their own programming.

Jones' new division offers stations delivery of "assisted programming"—content, playlists, local voice tracking via satellite, ISDN, or combination. It also offers talent coaching, research and on-site assistance, as well as customized playlists. Like all Jones programming, the programming services are available for cash, barter, or a combination.

So far, none of the three companies offering "virtual" services has the definitive answer nor extensive customer contracts—it's too early. JRN believes that's in their favor, as the largest of the three companies with 1,000 affiliates and more programming resources. "There's no textbook on any of this and we're going to take advantage of that," said Hauenstein. "But our customers know conceptually what they want to accomplish and we're going to let them realize their vision with us."

Network audiences hold steady

by Katy Bachman

Network audiences were down a mere 0.4% to 22.3M in the latest RADAR 56 (Fall '97), holding steady after audiences surged 7.6% in RADAR 55 (*RBR* 9/15/97, p. 7). That puts audiences about on par with the high achieved in Fall '94 with RADAR 50 (see graph, below right).

Young Adult networks were up 6.3%, but Adult networks took the biggest hits in audience loss, down 2.9%. Two of ABC's (N:DIS) three adult networks—Platinum (-4.6%) and Galaxy (-12.5%)—were down, and three Westwood One (O:WONE) nets targeting Adults—Variety (-13.5%), Spectrum (-4.2%), and CBS (-4.7%)—suffered losses.

The results of Westwood One's reconfiguration of three of its seven networks (*RBR* 7/7/97, p. 3) show up for the first time in RADAR 56 and all three nets—NBC (1.3%), NeXt (6.9%), and Source (10.4%)—plus CNN (1.5%), were up.

Continuing to gain momentum, American Urban Radio Networks posted a 3.6% increase on top of the 2.7% increase in RADAR 55. Among Black audiences in all demos, AUR ranks #1.

ABC's **Paul Harvey** is secure in his position as the #1 ranked personality in network radio. ABC also has 10 of the top 10 programs and 19 of the top 20, with only CBS' (WW1) Osgood File breaking in at #14.

RBR observation: The next RADAR, due in June, will reflect several changes in the network radio biz. It will be the first

time Chancellor's (O:AMFM) AMFM Radio Networks will be included in the survey and it will be the first RADAR survey to mark the start of quarterly measurement of network radio.

With this RADAR, we also note that the Guru of Network Radio Research, ABC's **Bill McClenaghan** is retiring at the end of the month. RADAR after RADAR, Bill has meticulously pulled apart the data and analyzed network radio. We'll miss him and his incomparable analyses.

Network audience trends (in millions)



Source: RADAR 56, March 1998, Statistical Research Inc.

Top 50 radio groups have half of the business

by Dave Seyler

BIA has released its new group lineup based on 1997 revenue estimates. Although there has been a great deal of change in the names of those listed, the percentage of industry revenues controlled by the top 50 has registered only a modest increase over 1996.

The top five groups have increased their share of the business from 23.22% to 30.37%. For the top ten the increase is from 31.4% to 37.63%; top 20 from 38.55% to 44.52%; top 30 from 42.65% to 47.35%; top 40 from 45.13% to 49.22%; and top 50 from 46.84% to 50.64%.

The total number of stations belonging to the top 50 groups is 2,341, which is almost exactly 48% of the 4,876 stations which *RBR's Source Guide* database attributes to Arbitron-rated markets. This means that on the whole, the stations of the top 50 groups are only getting slightly more than their fair share of the radio revenue pie.

Most of the 12 companies which have exited the list have been swallowed up by now bigger fish. Four of them were the basis for the new Capstar, which also got part of a fifth (SFX), which it is divvying up with Chancellor. CBS, Jacor, Clear Channel, Sinclair and Citadel also feasted at the merger/acquisition banquet table.

Many groups new to the list are established radio companies which have moved up into the vacancies created by the merged groups above. The exceptions are Capstar (4), Cumulus (16) and Broadcasting Partners (32), which have all acquired their way onto the list.

RBR observation: The percentages in this study are derived from BIA's group revenue estimates as compared to the RAB's estimate of \$13,646 Billion in total radio revenues for 1997. As rapidly as radio's new supergroups have been snapping up stations, it is amazing that 50% of the business is still in the hands of smaller operators. One thing that this means is that there remains ample opportunity for the growth and/or formation of new groups, particularly if the current lull in station trading results in lower prices.

There is nothing in these numbers to set off any anti-competitive alarm bells. Coke or McDonald's or General Motors would sneer at CBS's industry-leading 11 share. And all of the dollars being bandied about here represent only about 7% of the advertising business as a whole. In short, there are plenty of companies competing with radio in general and within radio itself.

Rank Group	Est. 1997 Rev (000)	Total Rev %	# Stations	1996 Rank	Combined Rev (000) /Pct
1 CBS	\$1,543,425	11.31	166	1	Top 5 \$4,143,925 30.37%
2 Chancellor	1,007,050	7.38	112	2	
3 Jacor	605,400	4.44	189	3	
4 Capstar	548,025	4.02	317	n/a	
5 Clear Channel	440,025	3.22	178	5	
6 ABC	310,350	2.27	28	6	Top 10 \$5,135,575 37.63%
7 Cox	237,750	1.74	54	8	
8 Emmis	154,600	1.13	13	10	
9 Heffel	147,550	1.08	37	9	
10 Susquehanna	141,400	1.03	21	11	Top 15 \$5,748,000 42.12%
11 Sinclair	140,675	1.03	59	23	
12 Entercom	139,200	1.02	38	12	
13 Citadel	119,750	.88	99	28	
14 Bonneville	109,600	.80	15	13	
15 Greater Media	103,200	.76	14	18	Top 20 \$6,074,975 44.52%
16 Cumulus	94,525	.69	138	n/a	
17 Jefferson-Pilot	92,300	.68	17	15	
18 Beasley	79,250	.58	29	19	
19 SBS	75,500	.55	12	17	Top 25 \$6,306,975 46.22%
20 Saga	64,650	.47	37	22	
21 Radio One	58,150	.43	15	29	
22 Tribune	54,550	.40	4	20	
23 Dick Bcg	41,600	.30	16	34	
24 Sandusky	38,900	.29	10	32	Top 30 \$6,465,750 47.38%
25 Journal	38,800	.28	16	33	
26 Buckley	36,700	.27	16	35	
27 Triathlon	31,750	.23	23	31	
28 Inner City	30,600	.22	5	37	Top 35 \$6,600,700 48.37%
29 Connoisseur	29,900	.22	29	39	
30 Barnstable	29,825	.22	16	40	
31 Lotus	28,800	.21	17	43	
32 Broadcasting Ptnrs	27,725	.20	25	n/a	
33 Fisher/Sunbrook	27,025	.20	23	41	Top 40 \$6,717,075 49.22%
34 Hearst	26,000	.19	2	30	
35 Bloomington	25,400	.19	17	42	
36 Buck Owens	25,150	.18	7	50	
37 Renda	24,125	.18	14	48	Top 45 \$6,818,950 49.97%
38 Simmons	22,700	.17	17	n/a	
39 Great Empire	22,225	.16	13	46	
40 Midwest TV	22,175	.16	4	n/a	
41 Dame	21,825	.16	22	47	
42 EXCL	21,475	.16	17	38	Top 50 \$6,910,075 50.64%
43 South Central	20,275	.15	10	n/a	
44 Sunburst	19,350	.14	14	n/a	
45 M.L. Media	18,950	.14	5	n/a	
46 Mid-West Family	18,700	.14	26	49	
47 Sinclair Telecable	18,650	.14	9	n/a	
48 Midwest Comm	18,075	.13	16	n/a	
49 Ackerley	18,000	.13	4	n/a	
50 Wicks	17,700	.13	19	n/a	

Sources: Broadcast Investment Analysts, Radio Advertising Bureau, *RBR Source Guide* database

Tapscan CEO to drive new measurement service

by Katy Bachman and Carl Marcucci

Tapscan CEO **Jim Christian** is getting into the data collection business with the debut of MobilTRAK in the Phoenix (#17) market. MobilTrak provides next-day, hour by-hour measures of in-car listening shares to FM stations using stationary units (called electronic measurement units or EMUs) that electronically detect signal emissions from radios tuned in passing cars.

Christian, along with partner **Dave Worthy**, the inventor of the technology, have been working up to the product's debut for about four years, testing the service in Toronto and suing Albuquerque-NM-based ARM for patent violation. MobiTRAK is not part of Tapscan, although Tapscan is responsible for the tabulation software that will deliver the data. Tapscan and MobilTRAK also share a sales and marketing agreement.

Although there are no signed contracts in Phoenix yet, MobilTRAK, with 30 EMUs in the market, is on schedule to deliver data to customers in early April. Christian says that Los Angeles broadcasters are "anxious" to

be the next MobilTrak market and that 15-20 more markets are cleared for installation. "We're under the assumption everyone wants it," he said. "We do get commitments before we go into a market, but we don't ask them to sign a contract before they see data."

To hear Christian tell it, broadcasters are clamoring for a next-day reading of station performance and will pay, depending on station and market size about \$3,000-4,000 monthly. "This is the missing piece of the puzzle. This is what happened yesterday, not what happened over the average of three months ago," said Christian. "This will help stations refine their research services."

MobilTRAK may have particular appeal to destination retailers. Said **Lucius Stone**, director of marketing, MobilTRAK: "You put a Mobiltrak unit in front of a Home Depot and they know whether last week's campaign was listened to by their customers. We can prove to these companies like WalMart that don't buy much radio that radio works."

Jacor and John Boy syndie feud

by Carl Marcucci

While Jacor's WKLS-FM Atlanta said it was dropping the syndicated "John Boy and Billy" show effective 3/16 due to poor ratings, the show's representatives said *they* wanted out.

"This has been an unhappy marriage since day one. We deliver a show to an affiliate and expect it to air in its entirety. WKLS felt compelled to make the show better than we delivered it. At some point you have to protect your product," said **Macon Moya**, GM WRFX-FM and VP John Boy & Billy Radio Network. John Boy & Billy have aired on the station's morning drive since Sept. 1 '97 and currently air in 54 markets.

The issue became so heated that Jacor issued a press release on the matter claiming poor ratings and "lack of responsiveness to our concerns," according to **Gene Romano**, Jacor's Director of Programming. WKLS is currently playing music in the daypart until another morning show is secured.

Morning drive ratings for the duo aren't the best these days—#10 Fa '97 P12+ may not be acceptable for the heritage AOR station. Also, the 3.9 rating was well below the 4-book average of 4.4. Against the target P18-34, the show fared better with #6, 6.3; 4-book was 7.3.

Petrocelli spins WW1's Kasem case

by Carl Marcucci

The WW1/Kasem/Chancellor saga continues to unfold with the motion for a preliminary injunction against Kasem and Chancellor scheduled March 30. **Daniel Petrocelli**, Kasem's attorney told RBR that WW1 "attempted to circumvent Kasem's right of termination [the show's not hitting \$6M annually] by booking a transaction in the last few days of the year with CBS-TV for ad spots. They said 'Well, we've got \$6M in the wire for '97—CBS is giving \$2.25M, and a chunk of that is for '98.'" Petrocelli questions how the \$2.25M could have been applied at all to '97. WW1 had no comment.

Rush knocked from #1

by Frank Saxe

The man who many credit with the revival of AM radio has fallen from the top spot, as **Rush Limbaugh** ranks third in total listeners, according to *Talkers Magazine's* "Talk Radio Research Project." The Talk format has seen a revival since it hit bottom last Spring, with Schlessinger and Stern benefitting most. "Rush has been on a downslide for two years, and they've been hot as firecrackers," says **Michael Harrison**, editor, *Talkers*.

The numbers are in stark contrast to the 7% increase for Limbaugh reported by his syndicator, Premiere Radio Networks (*RBR Midweek News Brief*, 3/11). They point out, on an AQH basis, Rush still reigns supreme. "Dr. Laura has been extraordinary air personality. Premiere would like to congratulate her on becoming the first woman in the history of radio to achieve this pinnacle of success," added **Steve Lehman**, president, Premiere.

RBR observation: Kudos to Harrison for an independent analysis of Talk listenership, absent Arbitron doing the legwork. With so many syndicators holding

their affiliate counts close to the vest, it's difficult to get an objective evaluation of the syndie marketplace, something the business could use in the face of fierce competition.

Radio's top Talkers (Weekly 12+ cume in Millions)

	Spring '97	Fall '97	% change
Dr. Laura Schlessinger	15.50	18.00	14%
Howard Stern	12.00	17.50	31%
Rush Limbaugh	19.50	17.25	-13%
Art Bell	8.50	8.75	3%
Dr. Joy Browne	8.50	8.75	3%
Don Imus	7.50	7.50	0%
Jim Bohannon	6.50	6.50	0%
Bruce Williams	7.50	6.50	-15%
G. Gordon Liddy	5.00	4.50	-11%
Ken & Daria Dolan	3.00	3.75	20%
Michael Reagan	4.00	3.75	-7%
Dr. Dean Edell	3.00	3.00	0%
Bob Grant	3.00	3.00	0%
John and Ken	N/A	2.00	—
Doug Stephan	N/A	2.00	—
Oliver North	2.50	N/A	—

Source: *Talkers Magazine*

National media post strong year, up 9.7%

National spot radio's 15.1% growth is second only to the percent increases enjoyed by cable TV nets and outdoor, according to year-end data from Competitive Media Reporting (CMR). Network radio only grew by 7.4%, pacing behind total media growth.

Newspapers still rank first in total expenditures, up 13.3% to \$15.7B. Add in national newspapers and the figure climbs to more than \$17.4B.

Competing Media ad Expenditures (000)

	Jan-Dec '96	Jan-Dec '97	% chg
National Spot Radio	1,463,863.3	1,684,236.0	15.1%
Network Radio	805,924.3	865,640.3	7.4%
Cable TV Networks	4,728,350.0	5,781,916.0	22.3%
Syndicated Television	2,326,105.4	2,514,989.5	8.1%
Spot Television	14,017,723.7	14,534,589.2	3.7%
Network Television	14,739,557.4	15,225,141.0	3.3%
Outdoor	1,107,489.6	1,462,701.0	32.1%
National Newspapers	1,436,968.8	1,650,017.8	14.8%
Newspapers	13,928,866.5	15,777,516.4	13.3%
Sunday Magazines	942,395.9	1,016,644.4	7.9%
Magazines	11,213,756.1	12,701,056.6	13.3%
Total	66,711,001.0	73,214,448.2	9.7%

Radio's top advertisers for 1997

Network radio

Chrysler replaced Sears as radio's top network radio advertiser, spending more than \$43.8M and increasing its budget more than 75% in 1997. Sears, as the top radio network advertiser in 1996, spent more that year than #1-ranked Chrysler in 1997. Sears decreased its spending in 1997 by 26.3%. Advertisers in the top 10 that increased their spending in 1997 include: Warner-Lambert, Procter & Gamble, Chattem (Gold Bond Medicated Powder), Reading Genius, AT&T, and Tandy. Not among the top 10 in 1996, Wrigley increased its spending by almost 71%. GM Corp.

Top 10 Network Radio Advertisers Jan-Dec 1996

Rank	Companies	\$(000)
1	Sears Roebuck & Co.	50,679.8
2	US Government	32,699.5
3	Warner-Lambert Co.	28,717.8
4	Chrysler Corp.	24,836.4
5	Visa USA Inc.	22,384.8
6	Chattem Inc.	21,880.4
7	Reading Genius Home Study	21,420.8
8	General Motors Corp.	20,551.8
9	Procter & Gamble Co.	20,256.6
10	AT&T Corp.	17,237.8

Top 10 Network Radio Advertisers Jan-Dec 1997

Rank	Companies	\$(000)
1	Chrysler Corp.	43,812.0
2	Sears Roebuck & Co.	37,366.3
3	Chattem Inc.	35,164.9
4	Warner-Lambert Co.	29,916.6
5	William Wrigley Jr. Co.	23,676.4
6	Procter & Gamble Co.	22,415.1
7	Reading Genius Home Study	21,687.2
8	AT&T Corp.	19,703.1
9	Tandy Corp.	18,305.9
10	General Motors Corp.	18,035.7

spent less as did Visa, which dropped out of the top 10.

National spot radio

The top 10 national spot advertisers spent 16.9% more than the top 10 in 1996. MCI topped the list of national spot radio advertisers, spending close to \$53M in 1997, almost 71% more than the #1 advertiser in 1996, News Corp. Advertisers that increased spending 1996 v. 1997: National Amusements, Bell Atlantic, SBC Communications, US West, GTE and COMPUSA. While Chrysler spent less in national spot, it upped its expenditures in network radio. Also spending less: News Corp., GM, and Disney.

Top 10 National Spot Radio Advertisers Jan-Dec 1996

Rank	Companies	\$(000)
1	News Corp. Ltd.	30,975.8
2	Political Adv.	30,525.2
3	Chrysler Corp. Dir. Assn.	26,079.0
4	General Motors Corp.	24,335.4
5	Walt Disney Co.	23,426.0
6	COMPUSA Inc.	21,012.7
7	SBC Communications Inc.	20,407.1
8	National Amusements Inc.	20,006.4
9	US Government	18,628.7
10	US West Inc.	18,215.7

Top 10 National Spot Radio Advertisers Jan-Dec 1997

Rank	Companies	\$(000)
1	MCI Communications Corp.	52,944.4
2	National Amusements Inc.	29,796.5
3	Bell Atlantic Corp.	25,904.0
4	SBC Communications Inc.	25,412.1
5	Chrysler Corp. Dir. Assn.	25,172.7
6	US West Inc.	24,734.3
7	COMPUSA Inc.	24,419.5
8	News Corp Ltd.	24,286.7
9	General Motors Corp.	21,511.7
10	GTE Corp.	18,833.1

TV up 4% in 1997

Even without political and Olympic advertising, TV posted a 4% increase in 1997 pulling in about \$32.5B, almost three times radio's \$13.6B. According to a TVB analysis of Competitive Media Reporting data, Syndication had the best year, up 8%, followed by Local TV, up 5%. Spot TV and Network TV both gained 3%. However, Network TV (figures include UPN and WB) still brought in the lion's share of the dollars, more than \$15.2B or close to half of TV's total revenues.

Johnson ups BET bid

Black Entertainment Television founder and CEO **Robert Johnson** and Liberty Media (O:LBTYA) sweetened their bid to buy out other shareholders of BET Holdings (N:BTV) to \$63 per share and won acceptance from Johnson's fellow board members. His original bid of \$48 last September was rejected as too low.

Johnson and Liberty, which is controlled by cable giant TCI (O:TCOMA), already own more than 45% of BET's stock, so the \$630M (total value) deal will really cost less than \$350M to buy out the remainder. The deal still has to be approved by BET shareholders.

Bud's buying binge goes on

Paxson Communications (A:PAX) CEO **Bud Paxson** is continuing to shuffle stations for his August launch of PAX Net as the nation's seventh TV network (RBR 11/24/97, p. 10). Paxson is buying KBSP-TV, Ch. 22, Portland, OR, giving the new net an outlet in Nielsen market #24.

In a rare move, Bud is actually selling a station. Paxson will sell its option to buy WNGM-TV, Ch. 34, Atlanta to U.S. Broadcasting. Paxson has been operating the station under an LMA and already owns an Atlanta station, WPXA-TV, Ch. 14.

\$62M for Missouri affiliate

Former RayCom Media honchos **Stephen Burr** and **Ken Hawkins** are building their new company, U.S. Broadcasting, with a \$62M buy of KOLR-TV (Ch. 10, CBS) Springfield, MO. The station is being sold by the **Cooper** family, whose ownership involvement dates back to the launch in 1953. Broker: **Bill Cate**, Sunbelt Media

by Jack Messmer

Emmis:

A radio group in transition to become a multi-faceted media company

This may be the year that Emmis Broadcasting (O:EMMS) acquires lots of new assets and becomes a multi-billion-dollar company. That's what CEO **Jeff Smulyan** has been saying for the past few months—telling anyone who will listen that Emmis is poised to spend \$1B or more on acquisitions in 1998 (*RBR* 12/15/97, p. 12).

Don't look for all that cash to go into radio buys, though. Skeptical of the prices being demanded for many radio properties, Emmis has been branching out. In recent months it paid \$20M for a controlling stake in a start-up radio group in Hungary, acquired two state radio networks for \$750,000 and paid \$37M for *Texas Monthly*, the fourth title for its magazine division. Emmis has made passes at TV properties in recent years and there are rumors now that it is a bidder for SF Broadcasting, a group of five VHF Fox affiliates owned by **Barry Diller's** USA Networks (O:USAI).

The bottom line for Emmis is operating profitable businesses. Each property has to make sense as a standalone and Smulyan is skeptical of projected gains through synergy. If they happen, so much the better, but each acquisition had better be able to turn a profit on its own.

That philosophy has resulted in a unique radio group—still the core business—at Indianapolis-based Emmis. The company has superduopolies in New York, Indianapolis and St. Louis, but still retains standalone FMs in Los Angeles and Chicago.

"I'd rather have a greater position in the market, there's no doubt about that, but there's always a cost-ben-

efit analysis," said Smulyan. "There are deals we've passed on in our markets because we said, 'we can't make those numbers work'—and if other people can, by golly, they'll be fine. If they can't, then there'll probably be opportunities [for future acquisitions] out there."



Jeff Smulyan, founder & CEO, Emmis Broadcasting

Just as there's no single pattern to Emmis' acquisitions, there's likewise no cookie-cutter approach to management. "The key is how each property operates. If I've got eight stations in a market and one of them isn't per-

forming, it doesn't matter that they've got seven stations to prop it up," said Smulyan. "We feel like every radio station we run has to maximize its own position."

As a result, Emmis has three GMs for its five stations and two networks in Indianapolis, two GMs for three stations in St. Louis and yet only one VP/GM, **Judy Ellis**, for its three stations in the biggest market of them all, New York. "Everybody under her has more responsibility than they might on a standalone basis," explained Smulyan. "Judy might be the exception. Judy might be the one person who can be everywhere at once."

One area where Emmis has moved quickly to take advantage of synergy savings is real estate. The St. Louis stations are now housed in two adjacent buildings, the New York stations will soon be in a single facility and Emmis is building a corporate headquarters in Indianapolis which will house its stations, networks, *Indianapolis Monthly* magazine and all corporate operations, with some room left over for future growth. The \$25M structure should be ready for Emmis to move in by late 1998.

All other studio and office space is leased, but Smulyan said it made sense to own a building in Indianapolis because the company's space requirements are so large. Also, the city offered some attractive incentives for building on the downtown site.

Emmis has already begun to realize some synergistic benefits in Indianapolis from last year's purchase (*RBR* 9/1/97, p. 11) of Network Indiana and AgriAmerica, statewide radio networks which were already based in the Hoosier capital. "It was a perfect fit," said **Tom Severino**, VP/GM of WIBC-AM and now both networks as well.

WIBC already had the state's largest radio news department, nine full-timers, and that's now grown to 13, plus part-timers, for the combined operation. Sales, however, are being kept separate, although there may be some accounts sold jointly, with WIBC now designated as the flagship for the networks.

Emmis Broadcasting

Financial Results, Fiscal Q1-Q3
March 1 through Nov. 30, 1997

Category	\$(M)	Gain/Loss
Net broadcast revenues	\$98.7	+21.9%
Broadcast cash flow	\$48.0	+15.1%
Publishing and other revenues, net of operating expenses	\$1.0	—
Net income	\$12.1	-14.7%

Pro forma

Net broadcast revenues	\$107.4	+8.2%
Broadcast cash flow	\$51.8	+7.3%
Publishing and other revenues, net of operating expenses*	\$1.0	—
Net income*	\$11.8	+0.9%

*Does not include subsequent announcement of *Texas Monthly* acquisition.

The magazine biz

While other radio groups have been expanding into networks, syndication, TV, tower management and foreign broadcasting, Emmis is the only one that's targeted the regional magazine business for diversification and growth. That began ten years ago with the acquisition of *Indianapolis Monthly*.

"We got into it originally because we said, look, you've got a magazine with roughly the same audience as your FM radio station [WENS] in



Emmis' publishing division began with *Indianapolis Monthly* and grew to include *Atlanta Magazine*, *Cincinnati Magazine* and (soon) *Texas Monthly*.

Indianapolis, boy there ought to be synergy," said Smulyan. "In theory it was a great idea, in practice there was some synergy, but not nearly as much as we thought there should have been. But the fact is it's a very good property that works very well. It's grown dramatically and probably has some of the best results of any city magazine in the country."

The experience may explain Smulyan's reluctance to bank on "synergy" to make money, but he clearly likes the city magazine business. "Ideally" he'd like to buy in markets where Emmis has stations, but each magazine's ability to make money on its own remains the key and all subsequent acquisitions have been standalone publications. Emmis added *Atlanta Magazine* in 1994, *Cincinnati Magazine* last year and now has a deal pending to buy its largest circulation magazine yet, *Texas Monthly*, for \$37M (RBR 2/2, p. 15).

"We like the genre. We've been pretty successful at it while others have struggled," Smulyan said. He remains in the market for further regional magazine acquisitions. Launching a start-up, though, is much tougher, he says, and not something Emmis is likely to try.

Keep your passport handy

Launching start-up radio stations, however, is a different story, given the depth of Emmis' management and programming expertise. Few opportunities exist in the US, but lots of new stations are being licensed overseas, so Emmis is going global.

Emmis' first international venture was a disappointment, but also a learning experience. After repeated disagreements with its partners on how to program and sell a News/Talk station in London, Emmis cashed out its minority stake.

That experience didn't sour Smulyan on international expansion, only on being a minority partner. "We're operators. We're not very good at being passive."

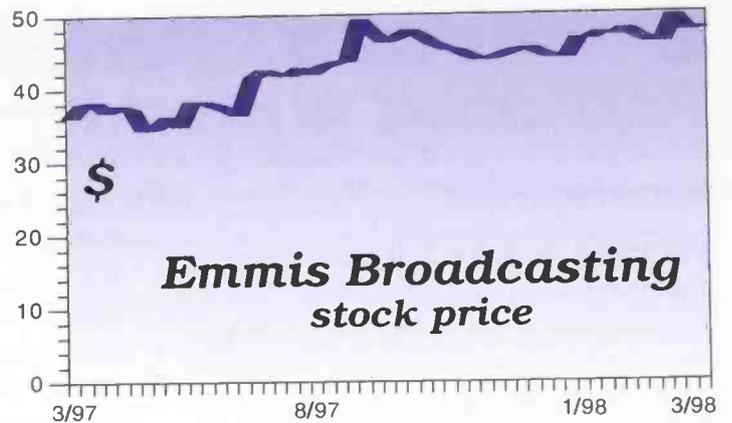
Emmis is the controlling partner in Hungaria Radio Rt., headed by veteran Emmis GM **Randy Bongarten** (RBR 11/17/97, p. 17). The company began broadcasting from FM transmitters throughout Hungary early this month.

What's the stock really worth?

Smulyan is clearly disappointed that Emmis' stock has risen only modestly (see chart, below), while other radio stocks have been shooting toward the stars. Wall Streeters have been less enthusiastic about the stock because Smulyan hasn't gone out snapping up hundreds of radio stations for hundreds of millions of dollars and neither has he hung a "for sale" sign on Emmis' highly-desirable stations. Emmis did make station acquisitions in New York, Indianapolis and St. Louis which would have been considered gigantic in pre-Telcom Act years, but paled in comparison to the billions being spent by some mega-groups.

As Emmis' largest shareholder, Smulyan knows it's his money at risk if he overpays for an acquisition. Many Emmis employees are also stockholders and they appear to be willing to stick with the boss' conservative approach to build value over the long haul.

"We are going to clearly grow in international radio. We're going to grow in magazines and we're probably going to take a foray into some



other allied industries. I think you'll see us grow in other areas—and we want to be opportunistic with radio. When there are things that make sense, we'll step up," said Smulyan.

And if they don't make sense, he'll walk away. He's done it before.

View from Wall Street

Here's what a couple of Wall Street's top broadcasting analysts have to say about Emmis:

"The company is getting more aggressive on growth," said **Tim Wallace** of Lehman Bros. He likes the idea of leveraging Emmis' strong radio management to buy and build up an underperforming TV group. "They're well known for thinking out of the box."

He expects to see more US groups get into broadcasting overseas and says the Hungarian investment is "a smart thing to do."

"Emmis should be viewed more as a diversified media company than as a radio company," Wallace said.

He ranks the stock as expected to "outperform" the market—Lehman Bros.' second-highest ranking of five. Wallace's current target price is \$51.

"Emmis is a company that clearly has too few assets relative to the scope of their management team," said **Harry DeMott** of CS First Boston, who's also hoping for Emmis to do something to grow. "These guys could be running a much larger company."

Although DeMott thinks Emmis would probably do well in TV, he's not touting diversification as the best course to growth. "I would rather see them in the radio business."

DeMott ranks Emmis' stock a "buy," the second-highest of four categories at CS First Boston. His target price is \$55.

Emmis and PR&E: Planning a powerhouse

by Carl Marcucci

Planning to take full advantage of consolidation at the new HQ, Emmis announced a \$2M facilities integration contract with Pacific Research and Engineering (RBR 1/19, p. 4). PR&E (A:PXE) will be supplying audio equipment to include 21 Integrity digital consoles, nine stereo mixers, custom studio furniture, cabinetry, wiring and complete systems integration for the December 1st on-air target date. A total of 21 studios will be built to house the Indianapolis (#37) superduopoly (WENS-FM, WNAP-FM, WIBC-AM, and WTLC-AM/FM), Network Indiana and AgriAmerica Network into the seven-story building under construction at Indianapolis' Monument Circle.

Consolidating five stations and two networks from three broadcast facilities into one building takes a lot of planning. **Christine Woodward-Duncan**, SVP, market manager for Emmis' Indy group and GM for WENS and WNAP, said plans for this consolidation have been ongoing for almost three years now: "We're consolidating everything for communications purposes. It's going to give us an advantage—putting together packages, servicing cli-

ents, and producing more creative things with everyone in one building. With the resources all together, they can kind of play off of each other." She sees business functions and traffic to benefit the most, with sales and promotions a close second.

Currently, WTLC AM & FM is at one facility, WIBC-AM and the networks at another and WENS-FM, WNAP-FM and Emmis corporate offices at the third. What will it take? "A



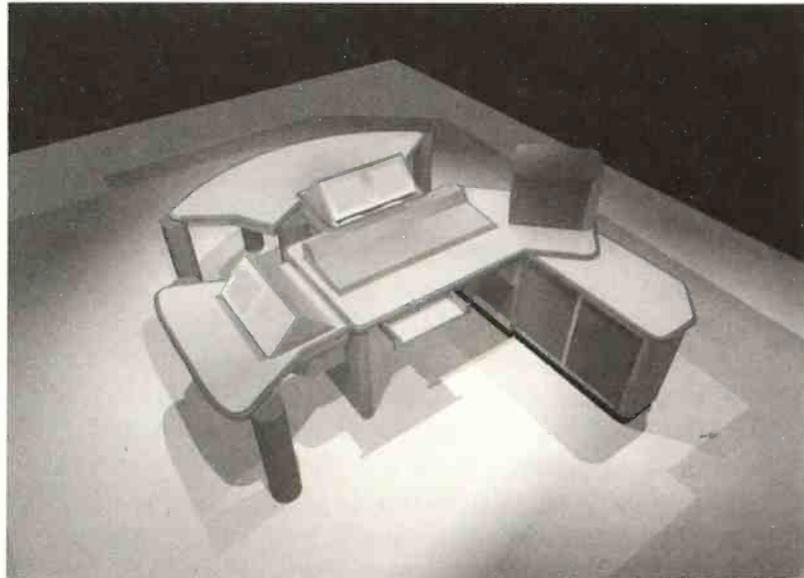
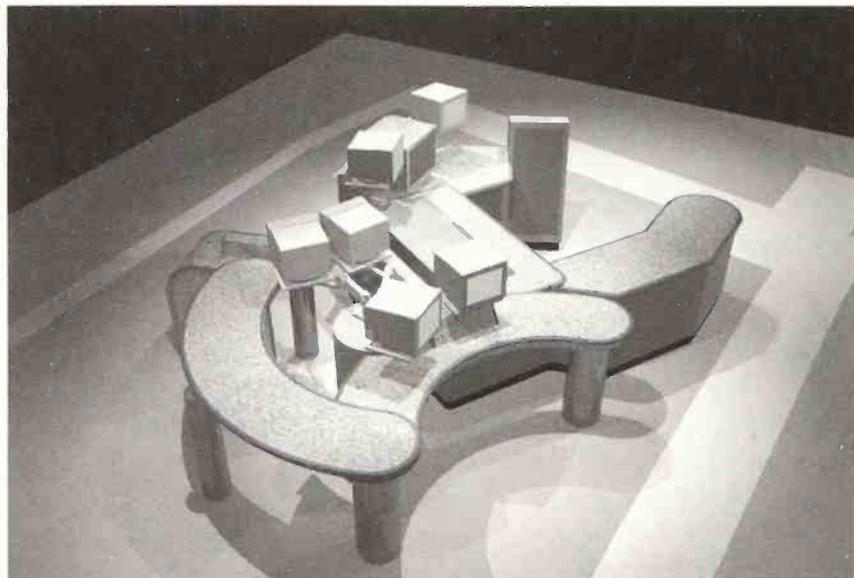
Emmis Broadcasting's new \$25M building under construction on Monument Circle in downtown Indianapolis is literally a world headquarters, owing to the company's recent expansion into Hungarian radio. (Artist's rendering)

total of 30 rooms across four separate floors. We're doing all the technical studios, inter-room wiring, consoles, and three rack rooms (which they call technical centers)," said **Clark Novak**, director of marketing, PR&E.

Greg Ogonowski, president, Modulation Index, is Emmis' technical consultant on the project, recommending equipment choices to Emmis CE **Jeff Dinsmore**: "The studios are being designed to be an entirely tapeless facility with the goal of being as close to 100% digital as the state of the art will allow—all the way through the STL."

Emmis' Indy systems consolidation: the choices so far

- **On-air consoles:** PR&E's Integrity
- **On-air digital storage:** BE's AudioVault or Orban's Air Time
- **Digital audio workstations:** A choice between between the Spectral Prisma, Orban Odyssey and Digi-Design's Pro-tools.
- **Traffic system:** Marketron, facility-wide
- **Newsrooms:** PR&E stereo mixers
- **STL:** A digital path leaning toward a T1 with microwave backup. More than likely Intraplex. The other possibility: Moseley's StarLink
- **Processing:** Optimod's 8200 (already in place at most of the stations)
- **Mics:** A tossup between ElectroVoice RE-27, Shure SM-7 and a few SM-5s
- **Mic processing:** Symetrix 528-E
- **Exciters and transmitters:** Continental (keeping from other facilities)
- **Digital switchers:** Sierra Audio Systems (SAS)



Preliminary renderings of the two 1st floor showcase studios

BROADCAST INVESTMENTS™

March 18—RBR Stock Index 1998

Company	Mkt:Symbol	3/11 Close	3/18 Close	Net Chg	Pct Chg	3/18 Vol(00)	Company	Mkt:Symbol	3/11 Close	3/18 Close	Net Chg	Pct Chg	3/18 Vol(00)
Ackerley	N:AK	20.188	20.437	0.249	1.23%	377	Heftel Bcg.	O:HBCCA	49.125	46.000	-3.125	-6.36%	697
Alliance Bcg.	O:RADO	0.510	0.510	0.000	0.00%	0	Jacor	O:JCOR	58.563	60.000	1.437	2.45%	6283
Am. Radio Sys.	N:AFM	59.000	58.937	-0.063	-0.11%	803	Jeff-Pilot	N:JP	85.688	87.937	2.249	2.62%	1789
AMSC	O:SKYC	7.469	8.125	0.656	8.78%	82	Jones Intercable	O:JOINA	17.125	17.375	0.250	1.46%	74
Belo Corp.	N:BLC	53.375	54.875	1.500	2.81%	2117	Metro Networks	O:MTNT	38.625	37.687	-0.938	-2.43%	46
Big City Radio	A:YFM	10.500	10.312	-0.188	-1.79%	106	NBG Radio Nets	O:NSBD	1.750	1.937	0.187	10.69%	6
CBS Corp.	N:CBS	31.688	32.062	0.374	1.18%	28999	New York Times	N:NYT	64.500	65.687	1.187	1.84%	2177
CD Radio	O:CDRD	16.375	21.750	5.375	32.82%	3653	News Comm.	O:NCOM	1.375	1.437	0.062	4.51%	130
Ceridian	N:CEN	49.813	51.062	1.249	2.51%	3347	Otter Tail Power	O:OTTR	38.000	38.000	0.000	0.00%	184
Chancellor	O:AMFM	47.938	49.000	1.062	2.22%	12172	Pacific R&E	A:PXE	3.750	4.125	0.375	10.00%	153
Childrens Bcg.	O:AAHS	3.375	3.437	0.062	1.84%	50	Pulitzer	N:PTZ	79.750	79.000	-0.750	-0.94%	1077
Clear Channel	N:CCU	93.375	96.437	3.062	3.28%	3182	RealNetworks	O:RNWK	19.500	18.500	-1.000	-5.13%	868
Cox Radio	N:CXR	46.000	44.187	-1.813	-3.94%	471	Saga Commun.	A:SGA	20.250	19.500	-0.750	-3.70%	244
DG Systems	O:DGIT	3.500	4.250	0.750	21.43%	64	SFX Bcg.	O:SFXBA	91.750	92.625	0.875	0.95%	3473
Disney	N:DIS	104.938	107.312	2.374	2.26%	10018	Sinclair	O:SBGI	54.750	57.750	3.000	5.48%	2360
Emmis Bcg.	O:EMMS	47.688	49.875	2.187	4.59%	611	SportsLine USA	O:SPLN	27.750	27.531	-0.219	-0.79%	2413
Faircom	O:FXCM	0.875	0.875	0.000	0.00%	220	TM Century	O:TMCI	0.500	0.625	0.125	25.00%	5
Fisher	O:FSCI	64.500	63.750	-0.750	-1.16%	0	Triathlon	O:TBCOA	10.375	10.125	-0.250	-2.41%	201
Gaylord	N:GET	34.063	36.312	2.249	6.60%	205	Tribune	N:TRB	67.125	67.750	0.625	0.93%	1379
Granite	O:GBTVK	12.000	11.375	-0.625	-5.21%	127	Westover	A:WTW	22.250	26.000	3.750	16.85%	608
Harris Corp.	N:HRS	51.438	51.625	0.187	0.36%	1403	Westwood One	O:WONE	31.000	30.750	-0.250	-0.81%	229
							WinStar Comm.	O:WCII	39.625	41.625	2.000	5.05%	7754

Heftel cash flow up 124%

Heftel Broadcasting (O:HBCCA) is continuing to reward investors who have bet on rapid growth in Hispanic media advertising. For 1997 Heftel has reported net revenues up 88.2% to \$136.6M and broadcast cash flow up 124.4% to \$54.5M. After tax cash flow from continuing operations was \$41.8M, compared to a negative \$22.4M for 1996.

Look for more growth from this group. "Start-up stations will remain an important part of our operational focus for the foreseeable future," said CEO **Mac Tichenor**.

Sinclair selling more stock

Sinclair Broadcast Group (O:SBGI) is heading back to Wall Street to sell another 6M shares of common stock. After expenses, the company expects to net \$329M. An additional 2M or more shares will also be sold by BancBoston Investments, Pyramid Ventures, Boston Ventures and Marcus Investments, all early backers of River City Broadcasting, which merged into Sinclair in 1996. Lead underwriter: Salomon Smith Barney

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by Jack Messmer

Champion retires as Hicks brothers add more stars to their cap

Bid farewell to Champion Broadcasting, headed by **William Coogan** and managed by **Don Kidwell**. The two-year-old company's three superduopoly markets (see chart, right) are about to become a part of Capstar's GulfStar group, headed by **John Cullen**.

The \$11.3M buy will give **Steve** and **Tom Hicks** three new markets for Capstar, including two in their Lone Star home state. One of the stations, KCHX-FM Midland-Odessa, was once owned by Tom and another brother, **Bill Hicks**, as part of their Sonance group. Broker: **Bill Whitley**, Whitley Media

New Hicks holdings

Midland-Odessa, TX (#173)

1997 market rev.: \$8.3M*
 KCDQ-FM Classic Rock
 KMRK-FM Tejano
 KCHX-FM CHR

Amarillo, TX (#189)

1997 market rev.: \$7.9M*
 KIXZ-AM Nostalgia
 KMML-FM Country
 KBUY-FM Country
 KNSY-FM Hot AC

Alexandria, LA (#199)

1997 market rev.: \$6.5M*
 KDBS-AM News/Talk
 KRRV-FM Country
 KKST-FM AC
 KZMZ-FM Classic Rock

*Source: Whitley Media

Journal adds Boise bunch

The **Brandon** brothers' American General Media is selling its recently-assembled Boise superduopoly to Journal Broadcast Group. The sale for approximately \$16M will give Journal three AMs and four FMs spread out across two counties in Idaho and one in Oregon. It's the fifth radio market for employee-owned Journal. Broker: Kalil & Co.

Clear Channel crosses border

Heading south from Clear Channel's (N:CCU) corporate HQ in San Antonio, **Lowry Mays** has cut a deal to buy 40% of one of Mexico's largest radio groups for \$57.5M. Grupo Acir owns 164 stations in 72 Mexican cities, including seven stations in Mexico City, where the group is based.

If you're keeping track, Clear Channel now has radio operations in six countries.

Back to Wall Street

Meanwhile, Lowry is making another trip to Wall Street to pick up cash for even more expansion. Clear Channel has filed to sell 5.5M shares of stock (a tad over \$500M worth at recent prices) and \$500M in senior convertible five-year notes.

Cumulus update

Nary a week goes by without Cumulus Media buying a few stations, and this week is no exception.

Cumulus is adding to its Toledo superduopoly with a \$2.8M buy of Lesnick Communications' WTWR-FM Monroe, MI.

In Grand Junction, CO Cumulus is doubling the number of signals in its superduopoly with a \$2M buy of KQIL-AM, KEXO-FM & KKNN-FM from **Paul Fee's** Mustang Broadcasting Company. Broker: **Jody McCoy**, McCoy Broadcast Brokerage

At deadline...

Allen Shaw's Centennial Broadcasting is buying Sinclair's (O:SBGI) New Orleans spin-offs—WBYU-AM, WRNO-FM & KMEZ-FM—for \$16M.

Lee Zapis, President of
Zapis Communications Corporation

has agreed to transfer the assets of

WICT-FM, WWSY-FM and WPAO-AM
Youngstown, Ohio

for

\$2,600,000

to

Youngstown Radio Limited Liability Company

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CLOSED

Corporate suites reshuffled

New COO for Bonneville

GMs at all 15 Bonneville International radio stations (and its lone TV outlet) now report to a new boss, **Robert Johnson**, who was named Exec. VP and COO by President and CEO **Bruce Reese**.

"Bob has earned this appointment through strong performances as Sr. VP and as General Counsel," said Reese.

Johnson joined Bonneville in 1991 as VP/General Counsel and moved up to the Sr. VP post a year ago. Prior to joining the Mormon Church-owned broadcasting company, Johnson practiced law in Washington, DC and Salt Lake City.



Robert Johnson,
new Bonneville COO

Holmes adds prez stripes

After two years running NBG Radio Network as GM and overseeing the transition to public stock trading (O:NSBD), **John Holmes III** has officially received the title of President. NBG now syndicates 23 radio programs to about 1,500 radio stations. Holmes is now working to expand the company with acquisitions and development of new programs.

L'Esperance to VS&A

Francis L'Esperance III is bringing his Wall Street experience to Veronis, Suhler & Associates as Managing Director and head of the Broadcasting and Entertainment Group. The veteran investment banker had headed the media department at SBC Warburg Dillon Read since 1993.

"This is a good time to bring all of our broadcast and entertainment activities under one group and with it a professional who will help maximize opportunities in what is a media super-segment," said **John Suhler**, VS&A's President and co-CEO.

Prior to his Wall Street career, which included stints at Lehman Bros. and Prudential-Bache, L'Esperance had been director of planning and development for CBS in the mid-1980s.

Checking price tags...

FCC filings reveal that:

- The total value of a management-led buyout of Bloomington Broadcasting (*RBR* 3/2, p. 3) is \$66,812,850—\$57,252,750 for the common stock, \$2.06M for the preferred stock and \$7.5M in assumed debt. BIA's latest estimate (see p. 5) put the group's revenues at \$23.35M last year. **Broker:** Media Venture Partners
- Cumulus is paying \$14.848M for Louisiana Media Interests' Lake Charles superduopoly (*RBR* 2/23, p. 12). **Broker:** Americom
- Journal Broadcasting's deal to acquire KLQB-FM Tucson (*RBR* 3/9, p. 13) will cost \$5.8M. **Broker:** Kalil & Co.
- Radio Unica's purchase of KIQI-AM San Francisco (*RBR* 3/9, p. 13) is a stock buy for \$12M—half cash and half in a five-year note.

Setting things straight...

Entravision does not yet own KMXX-FM & KWST-FM Brawley-Imperial, CA (*RBR* 3/16, p. 14-15), but is buy-

ing them along with KAMP-AM El Centro, CA for \$2.4M. Only the AM application, including duopoly maps, had appeared in the FCC's public reference room at the time of publication.

RBR's deal digest

The **Boyd** Family's Glenwood Communications (formerly Home News Co.) is paying **Hugh Gwyn's** Summit Broadcasting \$1.65M to add WMEV-AM & FM Marion, VA to its chain of duopolies in the Johnson City-Kingsport-Bristol market. WKPT-TV (Ch. 19, ABC) Kingsport, TN's Grade A contour just misses Marion, so no waiver of the one-to-a-market rule is needed. **Broker:** **Scott Knoblauch & George Reed**, Media Services Group... **Andrew & Jeffrey Davis'** Davis Radio Corp. is acquiring WORC-AM Worcester, MA in a \$790,000 deal with Chowder Broadcast Group, headed by **Eric Seltzer**. **Broker:** **Mike Rice**, New England Media... **P. Gene Hood's** Pilgrim Communications is buying KLMO-AM Denver-Longmont, CO for \$575,000 from the W.G. & L.J. Stewart Partnership. **Broker:** Satterfield & Perry

SOLD!

Twenty-nine stations in Minnesota, Iowa and North Dakota from The Jim Ingstad Broadcast Group to Cumulus Broadcasting, Inc.

Elliot B. Evers
and
George I. Otwell
represented the seller.

GEORGE I. OTWELL
513-769-4477

BRIAN E. COBB
CHARLES E. GIDDENS
703-827-2727

RANDALL E. JEFFERY
RANDALL E. JEFFERY, JR.
407-295-2572

ELLIOT B. EVERS
415-391-4877

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Subject to F.C.C. approval

by Jack Messmer & Dave Seyler

The deals listed below were taken from FCC filings made public during the week from Wednesday, March 11 through Tuesday, March 17. *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.

\$72,000,000—* WWDC AM-FM Washington DC from Capitol Broadcasting Co. (Morton A. Bender, pres) to WGAY License Corp. (Scott Ginsburg), a subsidiary of Chancellor Media Corp. (O:AMFM). \$4M escrow, balance in cash at closing. **Superduopoly** with WMZQ-FM, WASH-FM, WBIG-FM, WGAY-FM, WTEM-AM and WWRC-AM.

\$42,500,000—25 stations (see *RBR* 3/9, p. 12) from James Ingstad Broadcasting Inc., Hometown Wireless Inc., Radio Iowa Broadcasting Inc. and Ingstad Mankato Inc. (James Ingstad) to Cumulus Licensing Corp., a subsidiary of Cumulus Broadcasting Inc. (William Bungeroth, Ri-

chard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$2.125M letter of credit as escrow, \$42.5M in cash at closing. Transfer of existing **duopolies** and **superduopolies** in Rochester MN, New Ulm MN, Mankato MN, Faribault MN, Owatonna-Waseca MN & Mason City IA. Broker: Elliot Evers & George Otwell, Media Venture Partners

\$12,000,000—KIQI-AM San Francisco, 100% stock sale of Oro Spanish Broadcasting Inc. from Rene de la Rosa to Radio Unica of San Francisco Inc., a subsidiary of Radio Unica Corp. (Joaquin F. Blaya, Herbert M. Levin, Andrew Goldman, Warburg, Pinkus Ventures LP). \$1M escrow, additional \$5M in cash at closing, \$6M note. LMA since 3/1.

\$6,500,000—* WCBY-AM/WGFM-FM (Cheboygan MI), **WIDG-AM/WMKC-FM** (St. Ignace MI), **WGFN-FM/WJZJ-FM** (Glen Arbor MI), **WCKC-FM** (Cadillac MI) and **WAVC-FM** (Mio MI), all in or near Northwest Michigan from various subsidiaries of Reynolds Communications Inc.

(Del & Mary A. Reynolds) to Callbre Communications L.L.C. (Wade Fetzer, Michael Harnett, David Gariano, Palmer Pyle). \$24K escrow, \$6.382M cash at closing, \$94K non-compete. **Superduopoly** formed by WGFM-FM, WLJZ-FM, WMKC-FM, WCBY-AM and WIDG-AM. **Duopoly** formed by WGFN-FM and WJZJ-FM. Note: WLJZ-FM Mackinaw City is noted in the engineering study and application for its transfer from Reynolds' Power Pager to Calibre was filed under its own cover letter, but it was not mentioned in main body of this contract.

\$6,300,000—* WPTW-AM, WCLR-FM & WZLR-FM Dayton (Piqua-Xenia OH) from Xenia Broadcasting Inc. (Charles Giddens) to Cox Radio Inc. (N:CXR, Bob Neil, pres.). \$6.3M cash. **Superduopoly** with WHIO-AM & WHKO-FM. LMA since 12/1/97. Note: The buyer is requesting a **waiver** of the one-to-a-market rule to own these stations in the same market with WHIO-TV (Ch. 7, CBS).

\$5,850,000—* KLQB-FM Tucson (Oracle AZ) from Desert West Air Ranchers Corp. (Ted Tucker) to Journal Broadcast Group Inc. (Douglas Kiel, pres.), a subsidiary of Journal Communications Inc. (Robert Kahlor, chair; owned by the Meissner family and the Journal Employees Stock Trust). \$250K escrow, additional \$4.8M in cash at closing, \$750K upon FCC grant of new translator to cover the southwest foothills of the Santa Catalina Mountains north of Tucson, \$50K under non-compete agreement. **Superduopoly** with KFFN-AM, KMXZ-FM & KZPT-FM. LMA since 2/17. Broker: Kalil & Co.

\$2,400,000—* KAMP-AM, KWST-FM & KMXX-FM El Centro-Brawley-Imperial CA from KAMP Radio Inc. and Brawley Broadcasting Co. (Calvin J. & Lois A. Mandel) to Entravision Holdings LLC (Walter F. Ulloa, Philip C. Wilkinson, others). \$50K downpayment, balance in cash at closing. Existing **duopoly**. Entravision is seeking a waiver of the one-to-a-market rule to acquire these radio stations in the same market with KVYE-TV (Ch. 7, Univision) El Centro CA. Broker: Media Venture Partners

\$1,975,000—WRCP-AM Providence, 100% stock transfer of NETO Communications Inc. from Anthony Cruz to The Executive Committee of the Trustees of Boston University (Earl C. Cooley, chair; John Silber, chancellor). \$300K escrow, balance in cash at closing.

\$1,800,000—* WAQE-AM & FM & WWLC-FM CP (104.9 mHz) Rice Lake-Balsam Lake WI from Red Cedar Broadcasters Inc. (Thomas F. Beschta, pres.) and Thomas F. Beschta, individual permit holder, to Northwoods Broadcasting Inc. (Thomas A. Koser, Dane Jensen, Robert F. Koser, Thomas A. Walker). \$10K downpayment,

Tom Gammon would like to visit with you at the NAB Convention in Las Vegas. Please do us the honor of calling our office to schedule a time so that we can renew acquaintances or just enjoy talking about some of the fun times we have had.

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\$225K escrow for settlement which will allow Northwoods to build a new FM in Barron WI, additional \$1.465M in cash at closing, \$100K note. **Superduopoly** with proposed FM on 97.7 mHz in Barron WI.

\$1,700,000—* WOCN-FM Cape Cod (West Yarmouth MA) from Cape Cod Broadcasting Corp. (Donald P. Moore) to Sandab Communications LP II (Stephen D. Seymour, pres). \$170K escrow, \$1.03M cash at closing, \$500K non-compete. **Duopoly** with WQRC-FM.

\$1,650,000—WABZ-FM Charlotte (Albemarle NC) from JC Acquisition LLC, a subsidiary of The Diversified Group Inc. (James Haber) to Susquehanna Radio Corp. (David E. Kennedy, pres). \$100K escrow, balance in cash at closing. Note: Seller is purchasing stock in station from Jenni Communications Inc. prior to sale to Susquehanna. Broker: Patrick Communications Corp.

\$1,260,000—* WCRA-AM, WCRC-FM & WCBH-FM Effingham-Casey IL from Effingham Broadcasting Co. (Joseph E. McNaughton), part of the McNaughton Stations group, to Discovery Group LLC (Steve Samet, Roger Coleman). \$125K escrow, balance in cash at closing. Existing **duopoly**.

\$1,200,000—* WJPY-AM & WSUX-FM Salisbury-Ocean City MD (Seaford DE)

from Connor Broadcasting Delaware Co. (J. Parker Connor, Susan C. Connor) to Great Scott Broadcasting (Faye Scott and family). \$500K escrow, balance in cash at closing. **Superduopoly** with WJWL-AM, WZBH-FM, WJYN-FM, WOCQ-FM & WJNE-FM. Note: No more than three FMs overlap at any point. LMA since 2/23.

\$800,000—* WWPA-AM & WVRT-FM Williamsport (Williamsport-Jersey Shore PA) from Williamsport Radio Corp. (Carol O'Leary, Kerby Confer, Donald Alt) to DHRB Inc. (Sabatino Cupelli, Gary Menett). \$50K escrow, \$100K (less escrow) in cash at closing, \$700K note. **Superduopoly** with WQBR-FM & WZRZ-FM. LMA since 1/21.

\$790,000—WORC-AM Worcester MA from Davis Radio Corp. (Andrew & Jeffrey Davis) to Chowder Broadcast Group LLC (Eric Seltzer, Jon R. Powell). \$415K in cash at closing, \$300K note, \$75K under non-compete agreement. Broker: Michael Rice, New England Media

\$767,000—WFVL-AM & WRJB-FM Camden TN from Valleywide Broadcasting Co. Inc. (Ray Smith, John Latham) to Community Broadcasting Services (Ron Lane, Charles Ennis, John Latham, Kenny Madrey, Ray Smith, Stanley Medlin, Shane McGrady, Buck Morton, Pat Ennis). \$767K note. LMA since 9/30/94.

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*Robert J. Maccini and Stephan C. Sloan
of Media Services Group, Inc. represented
Boston University in this transaction.*

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