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Cathy Carnegle VP Administration
 Ronald Greene Executive Director of Production
 John Neff General Sales Manager
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Zenmaster succeeds Air Jordan: CBS names Karmazin CEO

by Frank Saxe

Mel Karmazin's 22 month ascension to the top job at CBS Corp. (N:CBS) became complete last week with the announcement he would succeed CEO and Chairman **Michael Jordan**, who will retire at year's end. The CBS Board of Directors plan to elect a new chairman by January, and most expect it to be the final feather in Karmazin's cap.

Karmazin came to CBS by way of Infinity Broadcasting, which was acquired by CBS in Jan. 1997—a deal that made Karmazin CBS' largest stockholder. He retained his reign over the radio division, and in April he was named President and COO.

The announcement was not unexpected, with the transition from

an industrial to media company nearly complete—although some were surprised by its timing. The 62-year old Jordan had vowed to stay at CBS until he turned 65.

"I'd actually been thinking for a long time that I would go before 65," he told the *Wall Street Journal*. "It seemed kind of fitting. We've taken this company from a troubled conglomerate to a pretty strong company." Friends of Jordan said he recently divorced his wife of three decades, and the personal stress may have pushed up his retirement more than a rift with Karmazin.

It is Karmazin's presence that many on Wall Street say has helped CBS grow toward profitability. He

has beefed up its sales force and placed all sales people on full commission, at the same time he has downsized.

While some speculate Karmazin may attempt to sell CBS, he insisted that is not the case. "You should assume that with me taking over, there is no anticipation of any sale," he told the *Journal*, adding "I'm an operating person who runs businesses, not somebody who sells businesses."



CBS has filed an IPO for its radio and outdoor division, of which 20% would be publicly held (*RBR* 9/28, p.12).

Kagan panelists see station price retreat

by Jack Messmer

Station prices have fallen in the wake of the recent stock market retreat, said group owners, brokers and financial panelists at the Kagan Seminar on Radio Acquisitions and Finance last week in New York. Only one problem with the price decline: sellers don't yet know about it, or at least they don't accept it.

"The day of the 14- to 19-times [cash flow] multiple is over," declared broker **Gary Stevens** of Gary Stevens & Co.

Just where multiples are, though, continues to be difficult to pin down.

"The spread between the bid and ask is enormous in the medium and smaller markets," said broker **Charles Giddens** of Media Venture Partners. In his view, there is a two-tiered market in station trading. In small and medium markets, buyers are able to pay 10 to 12 times the projected cash flow for the next 12 months. In large markets, though, that rises to 14 to 20 times and even more "depending on the importance of the station to the acquirer."

At Paul Kagan Associates, evidence is emerging of the price decline. Through October 19, company chairman **Paul Kagan** said the average multiple paid for stations in the top 25 markets was 16.5 times trailing

cash flow. That's down only a half point from 1997's 17 average, but includes still red-hot trading months early this year before the stock market took its dive. For markets 26-75 the average YTD was 14.5, also down a half point from last year's 15. In the small Arbitron markets, 76+, the average is up a half point to 13, reflecting the movement of big groups into ever smaller markets. Even there, though, panelists say buyers are becoming more discriminating.

For now, station trading is near a standstill, panelists say, because potential sellers still expect the high prices that were seen just a few months ago.

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 Main Phone: 703/719-9500 • Editorial/Sales Fax: 703-719-7910 • Subscription Phone: 703-719-7721 • Subscription Fax: 703-719-7725

Advertising sales information: Ken Lee 703-719-9500 • Fax 703-719-9509

Email the Publisher: JCRBR@aol.com • Email Editorial: radiobiz@aol.com

Email Sales: KenLeeRBR@aol.com • BethRBR@aol.com • MaggieRBR@aol.com • JohnNRBR@aol.com

DOJ opposes Triathlon-Capstar deal

by Frank Saxe

Justice Department lawyers have filed comments with the FCC asking it to investigate Capstar Broadcasting's (N:CRP) \$190M acquisition of Triathlon Broadcasting (O:TBCOA). DOJ also wants the FCC to hold a hearing to "determine whether the transfers serve the public interest."

Specifically, DOJ objects to the effect on the Wichita, KS market, where DOJ said Capstar would control more than 50% of the radio revenues—even after it sells the required two stations needed to meet ownership limits.

The combined revenues of Capstar and Triathlon total \$13M, or 53% of the total spent in radio, according to

BIA. Government lawyers said that even after two stations are sold, Capstar would still have 46% of the market share. Moreover, DOJ said Capstar would "control" 54% of the Adults 25-54 demographic.

Wichita already has another strong player. Great Empire Broadcasting controls 39% of the market's ad dollars. Sale of the Great Empire cluster to Journal Broadcast Group is pending (RBR 8/24, p. 12). Justice lawyers contend that if the Capstar-Triathlon deal goes through unopposed, just two companies would control 84% of the market's ad revenues—thereby reducing competition and forcing rates higher.

Justice lawyers told the FCC that DOJ will continue its investigation, and threatened to file suit in US District Court.

Dr. Laura fights nude photos

by Frank Saxe

Dr. **Laura Schlessinger** was apparently exposed last week, quite literally. A dozen fully nude photos, supposedly of Schlessinger, made their way to the Internet—revealing "My Kid's Mom" in poses that were sure to stun her fans.

Internet Entertainment Group (IEG) bought the photos for less than \$100K from **Bill Ballance**, Schlessinger's mentor. Ballance, who turned 80 last week, told IEG that Dr. Laura willingly posed for the photos more than 20 years ago when the two had a relationship. The pictures were posted on a site operated by IEG, a company that specializes in adult content sites.

Within hours of the pictures hitting the net, Schlessinger obtained a temporary injunction blocking their distribution. She argued the photos were fake, and if they were real that she would hold the copyright. A hearing has been set for today, Nov. 2. IEG lawyers will argue that it has a First Amendment right to publish the pictures. It also insists the photos have not been altered. "IEG be-

lieves 100% that they're authentic," said a spokeswoman.

"How utterly ironic it is that Dr. Laura claims that the photos in question are phony, and also says that we cannot use them because she holds the copyright. It is no more ironic than the fact that this woman has set herself up as a paradigm of morality when she has posed for very sexy photos taken by a lover while still married," said IEG President **Seth Warshavsky**, the 25-year old entrepreneur who has become rich posting Internet porn.

Jacor's (O:JCOR) Premiere Radio Networks, which syndicates Dr. Laura to more than 400 radio stations, declined to comment last week.

IEG is not releasing how many hits its web site had, but said more people wanted to see photos of Dr. Laura than **Pamela Anderson** and **Tommy Lee**—its previous record-holder.



Look out—here comes Leonid!

by Carl Marcucci

Heads up! Pardon the pun, but in case you haven't heard—on Nov. 17 the "Leonid" meteor shower is due to hit the earth for three hours (1-4P ET) with the strongest cycle of particles in 33 years. The culprit: comet Temple-Tuttle. It brings the potential for damage to every satellite in the sky. Remember what happened when only one, Galaxy 4, was lost (RBR 5/25, p. 3)?

The bad news is with over five times the number of satellites in the sky than in 1966 (the last strong storm cycle), there are a lot more targets to hit. The good news is a report says this storm won't be as severe as the last.

Researchers place this year's storm count at between 200 and 10,000 "meteoroids" an hour. The average shower (earth experiences about 12 a year) is 10-15 an hour. "With grains of sand averaging the diameter of a human hair traveling at 43 miles per second, an impact on a satellite might put a hole in it—or, of more significance, create an electrostatic discharge that could potentially cripple a satellite's electronics," stated a military report.

Jim Murphy, operations manager, Jones Radio Network (which operates 11 satellite-delivered formats), says he is ready. "We have backup capacity on the satellite we're on in case we lose a transponder. If the satellite is lost then we go to a different satellite."

"[Our satellite provider] GE Americom is going to shut down all the non-essential stuff and it should transmit as [usual]," says **Larry Wilson**, VP Engineering, Westwood One (O:WONE).

Another option is to turn the satellites' solar panels streamline with the storm or close them altogether. And, if all fails, "We are preparing for what this could do to the satellites in that we are preparing various alternate terrestrial means," said **Phil Avner**, Assistant Chief Broadcast Engineer, AP.

PanAmSat says no assurance can be given that its satellites will be free of any adverse effect or damage from the meteor storm. However, "The probability of a collision during the Leonid storm is very low due to the relatively small size of a satellite in space and the extremely small size of meteor particles."

NBG diversifying with three new products

NBG Radio Network (O:NSBD) is again expanding its offerings to radio. The "Preferred Listener Program" offers listeners an ID card that can be scanned at retailers or events for discounts and rewards. "CustomLink" uses public-area kiosks to facilitate interaction between customers and businesses. Providing discounts, promotions entries and more, the kiosks ask customers to enter info which is delivered back to the businesses. Launched as an aid for sales, "REspec" is a set of 20 spots on CD clients can pick for their product or service. A local voice track is then cut and inserted with the spot.—CM

Radio's money trail

by Frank Saxe

The ballot box is not the only place broadcasters will show their political stripes this week. Most have also opened their checkbooks to support candidates and PACs which could make running radio easier.

Several corporations have gone on record by supporting candidates. Salem Communications gave \$7K to ten Republicans, according to Federal Election Commission filings. ABC Radio's parent company, Disney (N:DIS), gave \$147K to a variety of House and Senate campaigns—money earmarked for Democrats by a two-to-one margin. But most of radio's dollars came from its top executives. The big spender was Emmis Media (O:EMMS) CEO **Jeff Smulyan**, who gave \$36,500—much of it earmarked for congressmen with FCC oversight.

The largest recipient of radio dollars was, not surprisingly, the NAB—which then spread \$344K to dozens of congressional candidates seen as crucial to broadcasters. More than two-thirds of NAB's dollars went to GOP candidates.

For Senate candidates, many of the NAB's campaign contributions went to those who sit on the Commerce Committee. That list includes \$10K to Sen. **Byron Dorgan** (D-ND), \$8K to Sen. **John Breau** (D-LA), and \$5K each to Sens. **Sam Brownback** (R-KS) and **Ron Wyden** (D-OR).

NAB also gave \$5K to six-term Sen. **Ernest Hollings** (D-SC), who is in a fierce re-election battle with Republican **Bob Inglis**. "Hollings has always been a pretty good friend of broadcasting," said a senior NAB official.

Other senators have also received sizable checks from the NAB. Among them are **Alfonse D'Amato** (R-NY), who got \$9K, **Paul Coverdell** (R-GA), \$10K, and \$8K to rising-star **Judd Gregg** (R-NH).

The House is where most of NAB's dollars are being spent. Like the Senate, most of the recipients sit on the House Commerce Committee—including its chair, **Tom Bliley** (R-VA), who got nearly \$5K. Telecommunications Subcommittee Chair **Billy Tauzin** (R-LA) and fellow committee member **Rick White** (R-WA) each received more than \$5K.

NAB is also backing broadcaster **Greg Walden**, the heavily favored GOP candidate for an open Oregon seat. Walden owns KHR-AM-AM and KCGB-FM Hood River, OR. NAB has given Walden \$9,999—a dollar less than the legal maximum. "We're going try to get him on the Commerce Committee," said an NAB official.

Who Gave What

Name Job Title	Cycle Total	Key Recipients
Barry Baker Sinclair CEO	\$5,750	Sen. McCain, Democratic Leader's Victory Fund
Robert Callahan Pres, ABC Radio	\$1,000	Sen. Ernest Hollings
Steve Dodge American Tower CEO	\$12,000	\$10K to NAB
Scott Ginsburg Chancellor CEO	\$7,500	\$5K to NAB, \$1K to New Repub. Majority Fund, Sens. Bailey-Hutchinson and Burns
Steve Hicks Capstar CEO	\$11,500	\$10K went to NAB \$500 to Lloyd Doggett and Sen. John McCain (R-AZ)
Tom Hicks Chancellor Chairman	\$27,200	\$10K to Democratic Senatorial Cmte, \$5K to New Rep. Majority Fund, \$1K to McCain, Burns, D'Amato and Hollings
Mel Karmazin CBS COO	\$7,000	\$5K to NAB, \$1K to Rep. Rangle and Sen. McCain
Lowry Mays Clear Channel CEO	\$16,500	\$5K to NAB, \$3K to National Repub. Senatorial Cmte, \$1K to Sens. McCain and Burns.
Mark Mays Clear Channel SVP	\$3,500	\$1K to Sen. McCain, rest to NAB
Randy Michaels Jacor CEO	\$1,000	All to NAB
Bruce Reese Bonneville CEO	\$1,500	All to NAB
Jeff Smulyan Emmis CEO	\$36,500	\$20K to Democratic Senatorial Campaign Cmte, \$5K to VP Al Gore, \$5K to NAB
Sam Zell Jacor investor	\$8,000	Sen. D'Amato, Specter and Hatch

Source: Federal Elections Commission, thru Oct. 1

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Detroit
248-614-7064

Dallas
972-239-6220



Top Stations

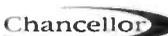
AMFM's affiliates include dominant Chancellor and Capstar stations that generally lead their market in ratings and formats.



Top Demo Targets

AMFM's advertising networks are #1 in many key demographic groups including females and young adults — providing minimum out-of-demo waste

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Randy roasted

Jacor CEO **Randy Michaels** was subject of the annual Bayliss Roast last week. In between jokes and stories at Michaels' expense, a dozen Jacor staffers pulled one of Randy's own personal favorite practical jokes on him—dropping their drawers. They dubbed it a "21 bun salute." Among the roasters were Secret Communications CEO **Frank Wood**, Jacor President **Bobby Lawrence** and **Rush Limbaugh**.—JM



► RBR News Briefs

► **Art Bell** returned to host his shows "Dreamland" and "Coast to Coast AM" last week. While he didn't disclose what caused his abrupt resignation, "My guess is that this will all become public in the next few weeks," Bell said after his Oct. 28 return.

► FCC Cmsr. **Michael Powell** (R) thinks the FCC must "reassess" its application of the Public Interest Standard. In a speech to the Federal Communications Bar Association last week, Powell said the agency should "enunciate principles...and therefore assist dealmakers in the market in guessing what we will do even before we do it." Powell also said the FCC must adopt some limits, otherwise it would be impossible to make such predictions.

► The Associated Press' Board of Directors has approved a 2.2% general assessment increase for members, effective Feb. 7, 1999. The increase applies to all AP broadcast and newspaper members, and is the lowest rate hike since 1971.

► The FCC has begun hearings on whether to revoke the license of Hicks' Broadcastings WRBR-FM and Pathfinder Communication's WBYT-FM—both in South Bend, IN. At issue is whether Pathfinder President **John Dille** clandestinely controlled WRBR.

► Radio owner and embattled Alaskan GOP gubernatorial candidate **John Lindauer** will be on the Nov. ballot, despite an effort to have him disqualified for breaking campaign finance laws. He still faces a separate lawsuit and an inquiry by the state's elections commission.

► WTWR-FM Monroe, MI was fined \$4,000 by the FCC for a bridal show contest that went awry. The winning husband-and-wife-to-be filed a complaint after their prize package didn't add up to the promised \$6K value. Although the station said it didn't sponsor the contest, the GM offered the pair the difference in cash. They declined, and took their case to the FCC, which said it was an illegal lottery, that was not run as advertised.

Competing Media

Radio holding strong on local ad share

By Jack Messmer

Radio's share of total local ad spending held steady in July at 18.9%—essentially even with June's 19% (*RBR* 9/14, p. 6). The RBR/Miller Kaplan Total Media Index, which measures local advertising in 13 markets, found little change from the previous month.

For the second straight month, TV topped newspaper for total ad billings. TV claimed 42% of total ad spending, compared to 39% for newspaper.

Beverage advertising was radio's strongest category, with over 46% of total spending, as TV advertising fell off in summer reruns.

RBR/Miller Kaplan Total Media Index July 1998 (Expenditures in 000)

Category	Newspaper	TV	Radio	Total Media	Radio % of Total
Automotive	83,304	73,021	18,165	174,490	10.41%
Restaurants	1,601	35,221	8,615	45,437	18.96%
Department Stores	38,069	8,892	6,121	53,082	11.53%
Foods	1,333	21,393	5,667	28,393	19.96%
Communications/Cellular	15,027	12,276	10,348	37,651	27.48%
Furniture	13,459	14,330	4,187	31,976	13.09%
Financial Services	12,854	10,429	7,168	30,451	23.54%
Movies/Theater/Concerts	9,000	14,762	5,381	29,143	18.46%
Grocery Stores	8,783	7,366	5,347	21,496	24.87%
Appliances & Electronics	12,877	5,508	3,786	22,171	17.08%
Hotel/Resorts/Tours	12,325	2,998	1,971	17,294	11.40%
Drug Stores/Products	3,933	5,975	2,950	12,858	22.94%
Computers/Office Equipment	8,903	2,074	5,501	16,478	33.38%
Specialty Retail	11,905	11,374	6,071	29,350	20.68%
Health Care	3,080	9,540	4,376	16,996	25.75%
Auto Parts/Service	3,066	4,855	4,219	12,140	34.75%
Music Stores/CDs/Videos	2,167	5,157	3,479	10,803	32.20%
Transportation	3,628	2,431	1,226	7,285	16.83%
Entertainment-Other/Lottery	1,459	5,353	4,405	11,217	39.27%
Home Improvement	7,002	5,319	2,119	14,440	14.67%
Professional Services	3,453	6,408	3,104	12,965	23.94%
Beverages	395	10,975	9,768	21,138	46.21%
Television	2,399	2,914	2,462	7,775	31.67%
Personal Fitness & Weight Centers	411	2,259	500	3,170	15.77%
Publications	6,767	1,571	1,161	9,499	12.22%
TOTAL	267,200	282,401	128,097	677,698	18.90%

*Based on Media Market X-Ray composite data for 13 markets (Atlanta, Cleveland, Dallas, Hartford, Houston, Minneapolis-St. Paul, Pittsburgh, Portland, OR, Providence, Sacramento, San Diego, San Francisco, Seattle). Newspaper and television data compiled by Competitive Media Reporting and radio data compiled by Miller, Kaplan, Arase & Co., CPAs. For further information contact George Nadel Rivin at (818) 769-2010.

Radio

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Rebuilding Westwood One

An interview with CEO Joel Hollander

by Frank Saxe

Westwood One's (O:WONE) most recent history could be called troubled, at best. Two new radio networks have signed on in the past year, allowing advertisers to spend their budgets elsewhere. Meanwhile, consolidation and tight inventory have combined to make networks less attractive to general managers around the country and many have left the net. And then there's Wall Street, where WW1's stock price has dropped by more than 50% in the first three quarters of the year.

Last month, it apparently became clear to CBS (N:CBS) President **Mel Karmazin** that he could no longer reign over a television network and a 174-station radio group, and give Westwood One the attention it desperately needs, particularly with him succeeding retiring CEO **Michael Jordan**.

The man Karmazin selected to succeed him as WW1 CEO was **Joel Hollander**, the general manager of WFAN-AM New York—the top billing station in the country. Hollander and Karmazin had been discussing the WW1 job for some time, but with the Infinity IPO lurking and Karmazin's promotion, the timing seemed right. As to why anyone would leave such a post for such a daunting task as turning the network around, Hollander says he had grown complacent and needed a new challenge.

Last Monday, Hollander reported

to his new office, overlooking the Ed Sullivan Theater—now home to **David Letterman**. *Radio AdBiz* gets his first interview as WW1's CEO.

Westwood One seems to be suffering from a bad buzz. Either right or wrong, it is the network that everyone seems to be pick on.

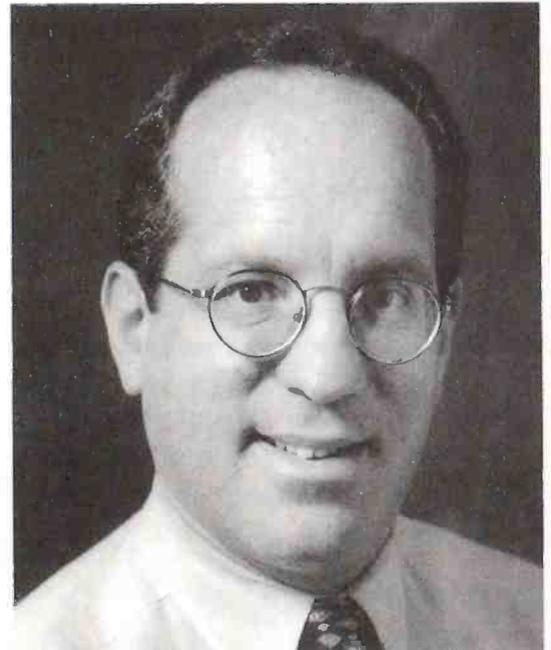
The perception of Westwood One has been tarnished. New competitors have come in, AMFM Radio Networks and Premiere, so the playing field is a little more crowded than it used to be. But none of the other networks have the product that we do and we need to bring that out to the street.

WW1 has had two reorganizations in the past two years, the most recent last month. What's the strategy behind that?

We have to get a focused selling effort on what our products are. We have to hire more sales people and do a lot more direct selling. We need to make more sales calls and it can get done. We just have to make sure we're calling on the right people for the right products that we have.

Does that mean a reorganization of your sales staff?

It's way too early to tell. There's certainly some good people here. We have to take a look at how everything is structured and put together the best



plan to make sure we're giving advertisers the most bang for their dollar and packaging everything properly.

Some on Wall Street are saying a recent upswing in Westwood One stock is its stamp of approval to the naming of the company's first fulltime CEO. Do you think that's the case?

I think Wall Street is watching what's going on with every company. I don't know too many stocks that haven't been affected in the last eight weeks, so I don't think it's our business itself but more of the global economy. So if we do the right things, I think we'll move in the right direction.

ABC, Premiere and AMFM have seen success with their low inventory networks, both with affiliates and advertisers. Will we see such a net from WW1?

We may need to look at that, but my philosophy has always been that it is up to the sales manager to put pres-

sure on the inventory—less inventory raises advertising rates. It is no different than fewer seats on an airplane causing the ticket price to go up.

Does that mean you will look at cutting the amount of product Westwood offers?

In the future, we're only going to have product that's profitable.

There are reports that more than 300 affiliates have left WW1 in the past year. What will you do to bring them back and attract new ones?

We are going to try to do the best we can for them. We will try to meet their needs and service them better than any of our competitors. What I would say for 1999 is get on board, because we're going to be moving in the right direction.

Part of AMFM's success has come from its ability to capitalize on Chancellor's stations in major markets. Will Westwood One try a similar tack with the CBS portfolio?

CBS, no question, has more blue chip radio stations that any other radio company today—so we need to tap into that as much as we can.

Any final thoughts?

We're going to have a lot of fun, we're going to work hard and we're going to be very successful. People that get on board now will be very pleased to do business with the new Westwood One.

Personal Stats

Name Joel Hollander

Hometown New York, NY

Education Indiana State University

Career GM, WFAN New York; General Sales Manager, WHN-AM New York; Retail Sales Manager, WRKS-FM New York; Account Executive, WBLS-FM and WKTU-FM New York

Family Hollander, wife Susan and their two children live in New Jersey

Radio's RX for drug companies

by Frank Saxe

Despite a change in federal laws regulating prescription drug advertising, radio still receives a mere 2% of drug companies' direct-to-consumer (DTC) ad dollars—yet many would agree it deserves a lot more.

"I believe there are lots of good reasons DTC should be in radio," said **Ellen Fields**, group account director, **DDB Needham** New York, at a NYMRAD seminar held last week. "Because radio provides a daily forum with the same audience, frequency should be used to deliver more evolved advertising and tell a story over time. It creates the opportunity to build relationships with consumers, a highly personal relationship." Even so, Fields admits radio is barely on the radar screen for DTC drug advertisers.

DDB Needham's Ellen Fields advises radio to position itself as "direct involvement, direct information and direct action."

It is expected drug company DTC advertising will top \$1.3B this year, of which radio will see roughly \$50M. During the first six months of 1998, \$633M had already been spent. "We have definitely seen a shift from the print media to the broadcast media," said **Sue Ramspacker**, group director of marketing, IMS America—a company that tracks drug expenditures. But she said nearly all of that money is going to television, with radio picking up some corporate ads instead of the more lucrative product branding spots.

The process of placing broadcast advertising is complex. Pharmaceutical companies must submit their ad copy to the Food and Drug Administration for approval. It is a process that takes, at a minimum, four to six weeks. Manufacturers are also required to list all the possible side effects as well as direct consumers with questions to web sites, 800 numbers and print ads.

"For Viagra, it takes 35 to 40 seconds to tell people maybe why you don't want to take Viagra. It hardly leaves enough room to tell people that it can actually change their life," lamented **Carol DiSanto**, SVP, Cline, Davis & Mann—which markets a number of Pfizer brands. She recommends radio target those product categories that need just a few seconds to explain their side effects, to use as a case study as to why radio will work.

Many advertisers believe radio simply cannot move product. Whether or not that is true, Fields said it is a mindset radio must work within. "Radio DTC advertising may not drive people to the store, but it can drive consumers to a web site to seek more information, to the 800 number and to call doctors for an appointment."

Another suggestion for the medium was to accept longer commercials. "Maybe it is a better economic deal to buy two minutes of radio time and tell the whole story, versus trying to squeeze it into just 60 seconds of TV," said DiSanto in suggesting radio capitalize on the fact many drug companies end up in radio rather than pay TV rates.

And Fields, whose agency recently was awarded the account for Merck's new arthritis drug Vioxx, said radio has a great equalizer in its arsenal. "Package recognition is irrelevant in DTC advertising, you get it in a prescription bottle so it's much more important to recognize a name than a logo and it is critically important to pronounce unfamiliar names—which radio's frequency benefit can help drive home."

Agencies and manufacturers also said they need more research showing radio and TV can sell their products. They also said radio account executives, in particular, have not given them enough "face time" explaining why radio can work.



Ellen Fields

SyndicationNews

by Carl Marcucci

"The Road" heads north to Canada

United Stations Radio Networks has signed with Toronto-based Rogers Group to manage all syndication and production for a new Canadian version of "The Road." The weekly hour long music-intensive program for Country stations will be hosted by **Jim Elyot**, an Ontario native. The Canadian version debuted in October in all major Maple Leaf markets.

TransMedia presents Halloween "Imagination Theater" special

For the second year, from 10P ET-Midnight Halloween night, TransMedia's "Imagination Theater" broadcast live from New York's Museum of TV and Radio. Imagination Theater is a radio drama recorded weekly before a live audience at the Museum of History and Science in Seattle. The Halloween program, created by Imagination Theater's **Jim French**, featured three episodes, "The Goblin Factory," "Olson the Alien," "The Real Story of War of the Worlds" and "Party to Murder." Regular barter distribution is to more than 162 affiliates, but the Halloween broadcast was heard on more than 200.



Newport Comm. to launch "RoadStar Radio News"

Newport Communications, a leading publisher of magazines for the trucking industry, will launch in January "RoadStar Radio News," a nightly four-and-a-half minute vignette covering news that affects drivers as it happens. The program, available for straight barter, is repped by Newport and is expected to clear more than 50 affiliates. WBAP-AM Dallas' "Midnight Cowboy" is one well-known trucking show affiliate.

NBG debuts "Time Out For Trivia" today

Formatted as a daily two minute vignette, "Time Out For Trivia," hosted by 15-year KMOX-AM St. Louis personality **Harry Hamm**, focuses on a variety of subjects including sports, entertainment, history, science and celebrities.

SW allies with Sound Source for 30 Canadian affils

SW Networks has struck a deal with Canada's Sound Source to provide its format-specific entertainment news programming to 30 affiliates in every major Canadian market. Sound Source clears 30 syndicated properties.

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Radio at its best

ZBS flies "The Night Hawk"

ZBS Radio, syndicator of "Dead Doctors Don't Lie," will be offering "The Night Hawk" with **Dave Alan** for national syndication beginning this month. Air time is 10P-1A ET weeknights on this program with topicality all over the place, considering the diverse, colorful flagship market of Santa Cruz, CA. Alan has interviewed many of the same guests as **Art Bell**, and has been positioned to lead into Bell's program. ZBS is offering audio clips on the Web site www.zbsradio.com.



"I've been studying some of these outlandish topics—aliens, strange phenomena for 30 years. I get into better depth, but explain it to the average listener. I like a program that's universally appealing—teens, lesbians, people in their 80s," says Alan.

Affiliates can take the show for full barter or use ZBS's revenue concept (*RBR* 7/6, p.9) as with "Dead Doctors."

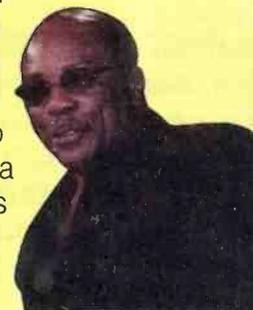
"USA NewsTalk Live" to launch for PM drive

Beginning in January, USA Radio Network will launch "USA NewsTalk Live" 4-7P ET Mon.-Fri. as a live, call-in news, sports and entertainment program directed to busy families that "need to know what's happening in the world and how it impacts their jobs and family."

The show offers 16 minutes of local avails/hour and is available on a cash basis.

Quincy Jones launches "Qradio"

Quincy Jones will launch "Qradio" in January, a two-hour weekly feature available for straight barter, that offers a wide range of musical artists from around the world and a weekly Top-10 countdown. Qradio has been streaming on the net for almost a year now at (www.qradio.net). The show is currently repped in-house, but is being shopped around.



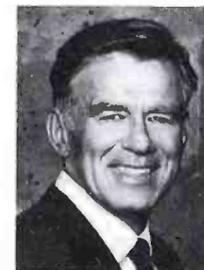
"Nashville Pickin' Party" to launch

Nashville-based Shug Productions will launch "Nashville Pickin' Party" Nov. 10 as a one hour monthly special, available for barter. Delivered by CD, the first show will be mailed free to all US and Canadian Country stations to sample. Hosted by **Shug Mauldin**, the show features top Country artists with their favorite songwriters together in a jam session atmosphere—all acoustic and unplugged. To hear, (www.NashvillePickinParty.com).

OneOnOne gets McCarver

OneOnOne Sports will launch "McCarver One On One" Nov. 7 for Sat. & Sun. 11P-1A ET air time. The agreement with Marathon Sports Group and **Tim McCarver**, sportscaster and former major leaguer, will entertain listeners with interviews of popular sports figures from **Mickey Mantle's** restaurant in N.Y. First guests scheduled: **Michael Jordan**, **Joe DiMaggio**, **Brett Favre** and **Joe Montana**.

OneOnOne will also provide 60-second daily barter vignettes, "Talking Sports With Tim McCarver," morning and afternoon drives.



Retail rides rough economic seas

by Frank Saxe

Make no mistake about it, the retail advertising category is far and away the largest for radio. In the first half of the year, \$174M was placed in just network and national spot radio—a jump of 11% compared to 1997, according to Competitive Media Reporting. While the fourth quarter usually brings a stocking full of spots to radio, this year's topsy-turvy economy could impact how ad budgets are allocated.

"I'm beginning to hear there is some concern because of the stock market," says **Sandy Josephson**, executive director, NYMRAD. While there may be hints of trouble, the long term picture remains healthy, feels Josephson. "Pacing here in New York looks soft for November, but December and January look good."

"It's not going to be an easy holiday season," says **Richard Berner**, chief economist at Mellon Bank Corp., who expects retail sales growth to slow in coming months.

Most retailers drafted their advertising budgets before the economy began showing signs of instability but **Warren Kornblum**, managing partner, **Bozell Worldwide**, does not believe it will lead to smaller fourth quarter ad budgets. "I think retailers will go big into Thanksgiving and Christmas. We have to be bullish, we can't be desperate. We have to go out there and speak to the consumer."

Howard Nass, executive director of local broadcast, **TN Media**, agrees. "Retailers are forced to use radio, and that's what really drives fourth quarter business."

A *Radio AdBiz* survey of several national retailers concurs, finds none are planning to slash budgets in the coming months.

"We're still going ahead with our full complement of advertising," said Kmart spokeswoman **Mary Lorentz**, who

points out discount department stores tend to see sales rise during times of uncertainty. While it uses negligible amounts of radio, Wal-Mart also has no plans to cut its fourth quarter media budget according to its agency.

May Department Stores, which operates 11 regional chains nationwide, plans to increase its radio ad budget for the fall season. "We are directing a larger percentage of our advertising dollars to radio than in the past," says May spokeswoman **Rhonda West**. "Radio advertising helps us reach more targeted demographics, such as younger customers during the back-to-school season." If the economy continues to weaken, West says May plans to hold its radio ad spending at current levels. The retailer's estimated annual ad budget is \$60M.

As part of its increased commitment to radio, May last month named **W.B. Doner**, Southfield, MI its creative agency of record for ten of its divisions. Doner Chairman **Alan Kalter** said they will develop radio and television creative and craft a single marketing strategy for all ten franchises, including Hecht's, Filene's, LS Ayers, Foley's, Strawbridge and Kaufmann's.

Confidence is critical

While Wall Street's woes are an indicator of the economy's health, most advertisers say it is perception and confidence that are make or break.

"Consumer confidence is such a huge issue in retail sales, and people are starting to look over their shoulders at the stock market chaos," says Kornblum. But he does not think most Americans are feeling the effects in their pocketbooks, so advertising must be tailored to convince them it is still okay to buy. "I have to say it is an appropriate time to make a purchase,

because you can't change what's going on in the White House, Russia or Asia."

NYMRAD's Josephson says if consumers take a wait-and-see approach and put off buying their holiday purchases until the very end, radio may get its holiday present in the form of a late-quarter rush on spot time. "There could be a lot of unexpected activity if they need to drive sales, and radio does that very well."

Radio's reversal of fortune

Although pacing may show a weak month, by comparison, an unusual reversal of trends has taken shape. Demand for radio spot time remains strong in many markets, while TV has become softer. In the past, radio has been dragged down by television's woes and that is not happening.

Nass says that is a function of many things. "As TV prices were going through the roof, buyers went looking for lower prices and now they're staying in radio. Consolidation is helping too, because groups have made their stations even more targeted. Radio is going to do fine."

September Sales

Gap	(N:GPS)	+14.0%
Family Dollar	(N:FDO)	+12.3%
Wal-Mart	(N:WMT)	+9.5%
AnnTaylor	(N:ANN)	+8.5%
Ames	(O:AMES)	+6.7%
Kmart	(N:KM)	+5.6%
Dayton Hudson	(N:DH)	+5.3%
May Dept. Stores	(N:MAY)	+4.3%
Federated	(N:FD)	-0.7%
Saks'	(N:SKS)	-1.0%
Sears	(N:S)	-1.7%
Consolidated	(N:CNS)	-5.8%
J.C. Penny	(N:JCP)	-6.6%

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October 28—RBR Stock Index 1998

Company	Mkt:Symbol	10/21 Close	10/28 Close	Net Chg	Pct Chg	10/28 Vol (00)	Company	Mkt:Symbol	10/21 Close	10/28 Close	Net Chg	Pct Chg	10/28 Vol (00)
Ackerley	N:AK	19.000	20.500	1.500	7.89%	80	Harris Corp.	N:HRS	34.875	34.375	-0.500	-1.43%	2770
Alliance Bcg.	O:RADO	0.625	0.625	0.000	0.00%	150	Heffel Bcg.	O:HBCCA	38.000	39.625	1.625	4.28%	408
Am. Tower	N:AMT	20.000	22.250	2.250	11.25%	648	Jacor	O:JCOR	50.125	53.375	3.250	6.48%	7614
AMSC	O:SKYC	4.937	4.125	-0.812	-16.45%	1421	Jeff-Pilot	N:JP	61.125	58.625	-2.500	-4.09%	1273
Belo Corp.	N:BLC	17.187	17.750	0.563	3.28%	1452	Jones Intercable	O:JOINA	25.937	28.250	2.313	8.92%	221
Big City Radio	A:YFM	3.812	4.125	0.313	8.21%	11	Metro Networks	O:MTNT	34.687	35.250	0.563	1.62%	27
Broadcast.com	O:BCST	40.375	50.500	10.125	25.08%	4017	NBG Radio Nets	O:NSBD	1.200	1.281	0.081	6.75%	43
Capstar	N:CRB	14.812	14.875	0.063	0.43%	776	New York Times	N:NYT	27.812	26.312	-1.500	-5.39%	6291
CBS Corp.	N:CBS	25.250	24.562	-0.688	-2.72%	16234	News Comm.	O:NCOME	0.500	0.437	-0.063	-12.60%	166
CD Radio	O:CDRD	28.000	27.312	-0.688	-2.46%	3221	OmnAmerica	O:XMIT	22.125	20.875	-1.250	-5.65%	601
Ceridian	N:CEN	54.812	54.625	-0.187	-0.34%	2068	Otter Tail Power	O:OTTR	38.500	38.875	0.375	0.97%	23
Chancellor	O:AMFM	33.125	32.562	-0.563	-1.70%	12951	Pacific R&E	A:PXE	2.000	2.000	0.000	0.00%	0
Childrens Bcg.	O:AAHS	3.187	3.187	0.000	0.00%	160	Pulitzer	N:PTZ	70.000	77.750	7.750	11.07%	149
Citadel	O:CITC	19.687	20.250	0.563	2.86%	157	RealNetworks	O:RNWK	40.250	34.875	-5.375	-13.35%	8058
Clear Channel	N:CCU	44.625	43.625	-1.000	-2.24%	18469	Regent Pfd.	O:RGCI	3.625	4.750	1.125	31.03%	0
Cox Radio	N:CXR	36.250	35.750	-0.500	-1.38%	96	Saga Commun.	A:SGA	15.500	16.750	1.250	8.06%	15
Crown Castle	O:TWRS	10.000	12.750	2.750	27.50%	530	Sinclair	O:SBGI	14.000	13.812	-0.188	-1.34%	2175
Cumulus	O:CMLS	8.937	10.125	1.188	13.29%	1241	SportsLine USA	O:SPLN	11.125	14.500	3.375	30.34%	6410
DG Systems	O:DGIT	2.500	2.406	-0.094	-3.76%	31	TM Century	O:TMCI	0.437	0.437	0.000	0.00%	0
Disney	N:DIS	27.562	26.437	-1.125	-4.08%	54443	Triangle	O:GAAY	0.037	0.042	0.005	13.51%	2959
Emmis	O:EMMS	31.500	30.750	-0.750	-2.38%	830	Triathlon	O:TBCOA	9.375	10.000	0.625	6.67%	0
Fisher	O:FSCI	65.000	63.000	-2.000	-3.08%	5	Tribune	N:TRB	56.687	55.562	-1.125	-1.98%	1390
Gaylord	N:GET	24.625	25.500	0.875	3.55%	202	Westower	A:WTW	16.875	17.000	0.125	0.74%	419
Granite	O:GBTVK	5.250	5.500	0.250	4.76%	760	Westwood One	O:WONE	19.000	17.000	-2.000	-10.53%	365
							WinStar Comm.	O:WCII	19.562	26.375	6.813	34.83%	10266

Lucent invests in WinStar

The stock price of WinStar Communications (O:WCII) shot up 31% in one day (10/22) after the company announced a \$2B, five-year investment deal with Lucent Technologies (N:LU). Lucent will provide equipment, expertise and financing to help WinStar build its main business, a wireless telecommunications network that competes with local telephone companies. The service is already available in several cities, but the Lucent deal will enable WinStar to step up its construction schedule.

WinStar is also involved in producing radio programming and selling advertising—businesses it hopes to leverage into content which will be delivered via its wireless service and the Internet.

Lucent Technologies
Bell Labs Innovations



FILED

September 1998

Nassau Broadcasting Partners, L.P.
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Stroudsburg, Pennsylvania

to

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Arthur Liu, President

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by Jack Messmer

Analyst sees opportunities in radio and outdoor

All media stocks were beaten up in the recent stock market slide, but Prudential Securities analyst **James Marsh** noted that broadcast companies seen as particularly leveraged by debt were disproportionately battered. In a meeting with *RBR* and other publications in New York, Marsh said the sell-off may have created some good buying opportunities for investors.

The dramatic sell-off began with TV and newspapers, which were experiencing some ad softness, but extended indiscriminately to other media. Ironically, Marsh said, that sent some stocks plunging as their earnings per share and cash flow estimates were moving higher. "It's unusual to see stock prices and earnings estimates moving in opposite directions," he noted.

Despite all of the fears on Wall Street about whether there will be a recession in 1999, Marsh said Prudential's forecast sees personal consumption spending rising 3% in 1999, while gross domestic product (GDP) growth slows to 2%—primarily due to reduced exports and government spending, factors which don't do much to impact retail sales and advertising.

Thus, Marsh is expecting a growth year for US media. "At the top end of the spectrum are radio and outdoor," he said, with both expected to enjoy 6% growth. For top radio and outdoor companies, though, he sees growth of 7% or more.

Meanwhile, the analyst expects radio and outdoor companies' fixed costs to rise only 3% or so, "which easily converts into double-digit

cash flow growth."

Marsh is forecasting newspaper ad revenues to rise 4% in 1999, network TV 3% (or less) and local TV 4-5%. Only cable TV is expected to outpace radio, 12-15%, but part of that is from increased inventory as the number of cable channels continues to proliferate.

CBC deal adds Radio Unica and \$9M

Catholic Radio Network will cut a \$37M check to Children's Broadcasting Corp. (O:AAHS), but in a reworked deal announced last week, Catholic will get seven sticks, not the ten announced in April (*RBR* 5/4, p.12). Radio Unica Corp. picks up the other three for \$29.3M, including WJDM-AM New York, KAHZ-AM Dallas and KIDR-AM Phoenix. Radio Unica already LMA's WJDM and its expanded band sister WBAH-AM.

"The net effect of these transactions, taken together, is to increase the amount CBC will receive for the sale of its ten radio stations by \$9.25M when compared to the original agreement," said **Christopher Dahl**, CEO, CBC. There is one downside, though—CBC will be financing an extra \$10M. Both deals were expected to close late last week. **Broker: Peter Handy**, Star Media (For CBC)

Z expands in Phoenix with \$22M buy of KWCY

Continuing its rapid pace of acquisitions since getting an investment from Chancellor Media (O:AMFM), **Amador Bustos'** Z-Spanish Media Corp. is acquiring a second Phoenix FM signal with a deal to buy KWCY for \$22M.

Even after selling off the market's #3 Country station, OwensMAC Radio LLC will still have Phoenix's long-time Country leader, KNIX-FM. Its prime competitor is Chancellor's

Christopher T. Dahl, Chairman of
Children's Broadcasting Company

has agreed to transfer the assets of

KAHZ-AM Dallas, TX
WJDM-AM New York, NY
KIDR-AM Phoenix, AZ

for

\$29,250,000

to

Andrew Goldman of
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KMLE-FM. OwensMAC, managed by **Michael Owens**, also retains AC KESZ-FM and Country KCWW-AM. OwensMAC is a joint venture of **Buck Owens'** Owens' Broadcasting and MAC America. Broker: Blackburn & Co.

Sinclair scraps TV deal

Sinclair Broadcast Group (O:SBGI) said it would sell off \$500M in radio and TV properties through the first quarter of '99 (RBR 10/12, p.2), and we've learned of the first deal that has apparently been scrapped. Public TV officials in Schenectady, NY say Sinclair informed them they may not close on its \$23M purchase of WMHQ-TV, one of two UHF stations owned by the public broadcaster—even though Sinclair had signed a contract to make the station the market's WB affiliate.

James Taylor, chairman of the board of WMHT Educational Telecommunications Inc. calls Sinclair's decision "very disappointing." Taylor said they had planned on using more than half of the sale's proceeds to pay for the remaining station's HDTV upgrade.

Citadel ups Proffitt

Citadel Broadcasting (O:CITC) has upped **Robert Proffitt** to the newly created position of President and Chief Operating Officer. Proffitt most recently served as President of Citadel's central region, overseeing 37 midwestern stations.

Citadel has also promoted **Pete Benedetti** to President of the central region, an opening created by Proffitt's appointment. Benedetti had been the GM of Citadel's Salt Lake City cluster.



Robert Proffitt

RBR's Deal Digest

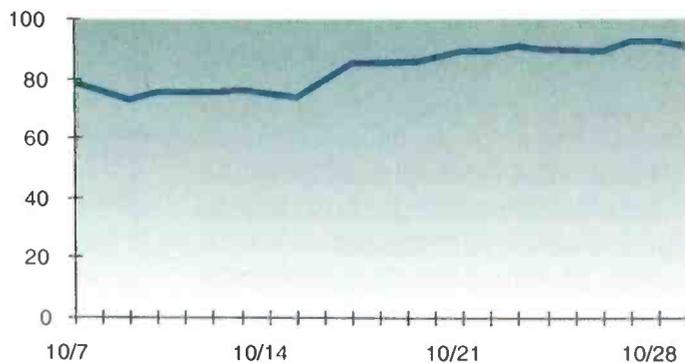
Radio One will pay Allur-Detroit \$27M for WWBR-FM Mt. Clemens (Detroit). In January, Radio One paid \$34M for WDTJ-FM and WCHB-AM, plus WJZZ-FM Saginaw, MI (RBR 1/12, p.12).... Jacor (O:JCOR) is adding to its Santa Barbara superduopoly with a deal to buy Spectacular Broadcasting's KBKO-AM & KSPE-FM. Jacor will pay \$4.6M for the Spanish combo. Broker: Jorgenson Broadcast Brokerage... **Alfredo Alonoso's** Mega Communications has found a second Boston signal to pair with its WNFT-AM. It will pay \$4M to **John Douglas'** Achievement Radio Holdings... Albany Broadcasting Co. maxes out its superduopoly in Albany, NY with a \$2.2M purchase of WSRD-FM and WIZR-AM Johnstown.... Priority Communications is buying WEIR-AM Weirton, WV and WCDK-FM Cadiz-Steubenville, OH from McGraw Broadcasting for \$475K. Broker: Media Services Group

The Radio Index™

RADIO BUSINESS REPORT
Voice of the Radio Broadcasting Industry

THE WALL STREET JOURNAL
RADIO NETWORK

There were no big peaks or valleys for the Radio Index™ last week, although the slow but steady return to where things were before Oct. 8 continued. The week closed at 91.29, up 1.72.



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Q3 EARNINGS

► Radio leads way at CBS

CBS Corp. (N:CBS) reported record revenues and earnings for Q3, with the radio and outdoor segment leading the way.

The radio and outdoor segment had revenues of \$534M, an increase of 42% over 1997. The increase was partially due to the inclusion of the ARS stations, and strong performance by TDI, the company's outdoor business. On a same station basis, revenues for the segment increased by 12%.

Revenues for CBS' TV segment, which includes the CBS TV network, TV O&Os and CBS Cable, increased 15% to \$1.05B in Q3, compared to the same time segment last year.

"We are particularly pleased with the core growth at our Radio and Outdoor business, the company's largest contributor to its EBITDA," said COO **Mel Karmazin**. He said CBS expects better network TV ratings, combined with recent cost-cutting moves, will allow the CBS network to begin helping the bottom line.

Overall, CBS revenues grew 23% to \$1.58B. Income from continuing operations was \$3M, compared to a loss of \$19M for the same time frame last year. CBS took a charge of \$68M primarily to streamline operations and reduce costs in its TV segment. After tax cash flow, before the charge, \$209M, an increase of 115% from Q3 of 1997. Including the charge, the company's net loss for the quarter was \$43M.

► Record cash flow for Clear Channel

Although net income dipped in Q3, Clear Channel Communications CEO **Lowry Mays** said the three month period was the "most successful quarter in the company's history." After tax cash flow increased 117% to \$119M, compared to \$55M for the same quarter in 1997. Gross revenues increased 108% to \$434.6M. Operating income grew 87% to \$157.7M.

Mays said the company's acquisition of the UK outdoor company, More Group in August and its merger with Universal Outdoor in April can be blamed for the 38% drop in net income. During Q3, Clear Channel spent \$150M acquiring radio stations and outdoor faces. Net income decreased to \$11.5M, compared to \$18.6M in 1997.

Last month, Clear Channel announced a merger with Jacor Communications (O:JCOR), to create the nation's second largest radio group (*RBR* 10/12, p.2).

► Citadel breaks its record

Citadel Communications (O:CITC) announced record Q3 revenues and broadcast cash flow last week. For the quarter, net revenues increased 30% to \$35.9M, compared to \$27.6M in the same period of 1997. Broadcast cash flow was \$12.0M for Q3, a 40% increase over \$8.6M in 1997. On a same-station basis, revenues increased 12% to \$30.8M and broadcast cash flow jumped 21% to \$10.2M.

Citadel reported a net loss of \$3.2M during Q3, compared to a net loss of \$4.1M during the same period of 1997.

► Saga earnings rise

Saga Communications (N:SGA) reported Q3 revenues increased 17% over the same period last year, to 19.9M. Same station revenues rose 14%. Broadcast cash flow increased 28% to \$8.1M, while same station cash flow rose 25%. Net income for Q3 increased 62% to \$2.4M, compared to \$1.5M in 1997. After tax cash flow also increased, up 35% to \$4.4M.

► Cumulus revs up

Rapidly growing Cumulus Media (O:CMLS) reported Q3 same-station revenue grew 26% to \$13.6M, compared to \$10.8M a year ago. Same-station broadcast cash flow for the three months rose 43% to \$4.4M versus \$3.1M in 1997.

Cumulus said Q3 consolidated net revenues totalled \$28.7M, versus \$1.6M for the third quarter last year. Overall broadcast cash flow was \$8.8M, compared to \$410K for the same period in 1997. After tax cash flow was \$1.7M for the quarter.

► Harris sales, earnings down

Harris Corp (N:HRS) reported a \$100M decline in sales for its fiscal Q1 which ended October 2, with total sales of \$888M. Net income before taxes and special charges was \$43.1M, compared to \$66.1M a year ago. The company blamed the sales decline on the slumping semiconductor market and decreased demand for its communications equipment overseas.

► No more red ink at Ceridian

Arbitron's parent company, Ceridian Corp. (N:CEN) reported Q3 net earnings of \$33.2M, a dramatic improvement from its net loss of \$93.7M a year ago. Revenues rose \$19.5M to \$286.1M.

► Belo boss bouyed by broadcast bounceback

Although A.H. Belo Corp. (N:BLC) reported a 4.5% decline in Q3 broadcast cash flow to \$49.5M (adjusted for the acquisition of KENS-AM & TV San Antonio), CEO **Robert Decherd** says the company's broadcast division exceeded company expectations in light of the General Motors strike. Q3 net revenues for Belo's 17 TV stations and four LMAs, plus the lone radio outlet, slipped 1.1% to \$137.9M.

"We are encouraged by the fourth quarter outlook for broadcasting," said Decherd, "although the strength we're seeing is coming primarily from political spending, which is pacing ahead of budget."

Noting a continuing slowdown in advertising demand at its flagship *Dallas Morning News*, Belo said it is anticipating "reduced economic activity" over the next 18 months and is looking for places to streamline and reduce costs. Overall, pro forma Q3 revenues were down 0.1% to \$332.6M and cash flow dropped 4.8% to \$97.5M.

► DG's revenues up modestly

DG Systems (O:DGIT) reported Q3 revenues of \$9M, a gain of \$200K from a year ago. However, negative cash flow (EBITDA) was reduced by \$510K to \$737K. The quarter ended with DG's acquisition of competitor Digital Courier International (DCI), a strategic move to enhance DG's dominant position in digital delivery of spot advertising to radio stations. DG CEO **Hank Donaldson** also hopes the DCI acquisition can be leveraged into DG's expanding TV operation.

► Broadcast beats insurance at Jeff-Pilot

Earnings for Jefferson-Pilot's (N:JP) business units increased across the board for the quarter, including its broadcast division. Jefferson-Pilot Communications earned \$6.6M in Q3, a jump of 16% over 1997. Broadcast cash flow grew more than 18% to \$17.3M.

The Broadcast Division also outperformed Jeff-Pilot's core Insurance Division, which saw earnings grow 10% to \$66.1M in Q3. Overall company income rose 21% to \$90.5M.

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TRANSACTION DIGEST

by Jack Messmer & Dave Seyler

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

\$5,675,000—KBUR-AM & KGRS-FM Burlington IA from LWM Inc. (John M. Weir) to Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR). \$280K escrow, balance in cash at closing. Broker: The Connelly Co.

\$2,750,000—* WCHI-AM & WFCB-FM Chillicothe OH from Wyandot Radio Corp. (David & Annette Smith) to Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR). \$145K escrow, balance in cash at closing. **Superduopoly** with WBEX-AM Chillicothe, WTVN-AM Columbus and WLW-AM Cincinnati.

\$1,700,000—WGBB-AM Freeport NY from Cox Radio Inc. (N:CXR, Bob Neil, pres.) to WGBB-AM Inc. (Jo Cheng). \$150K escrow, balance in cash at closing. LMA since 10/5 Broker: Charles Giddens, Media Venture Partners

\$1,100,000—KHBG-FM Santa Rosa (Healdsburg CA), 100% voting stock of Deas Communications from Mario Edgar Deas to Batista S. Vieira. \$175K downpayment, \$325K escrow, balance in cash at closing. Note: The total price of \$1.1M also includes non-voting stock being sold by Deas' three sons and their wives. After closing, Vieira will own 100% of the voting shares and 68.75% of the non-voting shares, with the remainder owned by David Hernandez.

\$575,500—* WZOZ-FM Oneonta NY from The Wireless Works Inc. (Christopher Coffin) to BanJo Communications Group Inc. (James Vincent Johnson, James Anthony Baldo, Rebecca Lyn Johnson, Brett Bartholomew Moore). \$57.55K escrow, balance in cash at closing. **Duopoly** with WKXZ-FM Norwich NY. Note: No contour overlap with WCHN-AM & WBKT-FM.

\$300,000—* KMJC-AM & FM Mt. Shasta CA from Shasta Cascade Broadcasting Corp. (David H. Rees Sr.) to Four Rivers Broadcasting Inc. (John C. Power), a subsidiary of Redwood MicroCap Fund Inc. \$300K, less credit for LMA payments. Double **duopoly** with KSYC-AM & FM Yreka CA.

\$117,000—WBAW-AM Barnwell SC from Radio WBAW Inc. (H. Drew Wilder) to Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR). \$5K non-refundable deposit, \$20K escrow, balance in cash at closing. Broker: Jorgenson Broadcast Brokerage

\$105,000—WAUN-FM Kewaunee WI from Harbor Cities Broadcasting Inc. (Jeffrey Jaekels) to Magnum Broadcasting Inc. (David & Lynn Magnum). \$5K escrow, balance in cash at closing.

\$100,000—WDLP-AM Panama City (Panama City Beach FL) from Community Service Broadcasting Inc. of Panama City (Charles K. Winstanley) to Styles Broadcasting of Alabama Inc. (Kim Styles). \$1K non-refundable downpayment, \$10K escrow, \$89K (less escrow) in cash at closing. Combo with WPCF-FM & WYOO-FM.

\$75,000—KBMA-FM Bryan TX from Mexican-American Communication Entertainment Broadcasting Group (Felix Torres, Jesse Flores, Gregory Rodriguez, George Torres) to Felix Torres. Torres is paying each of his partners \$25K for their interest and converting the licensee from a partnership to a sole proprietorship.

\$30,000—* WIVI-FM Charlotte Amalie, St. Thomas, US Virgin Islands, 60% stock transfer of Rox Radio Enterprises Inc. from Tim G. English to Gordon P. Ackley. Other shareholders are Jason, Heather & Sarah Ackley. \$30K cash for stock. **Duopoly** with WWJZ-FM.

\$10—* WXOF-FM Tampa (Beverly Hills FL), 100% stock sale of WXOF Inc. from John W. Bride to WGUL-FM Inc. (Carl & Betty Lou Marcocci, Stephen Schurdell, Sharon, David & Russell Marcocci). \$10 cash for stock. **Duopoly** with WBKX-FM Yankeetown FL. Note: WXOF is currently a Class A on 97.1 mHz, putting a city-grade contour over most of Citrus County; it has a CP to become a Class C3 on 106.3 mHz, which will city-grade virtually all of Citrus County and much of Hernando County.

N/A—WTCA-AM Plymouth IN, transfer of 45% stock interest from Kenneth & James Kunze and Lora Cavinder to Kathryn Bottorff, increasing her voting stake to 50% and leaving Kenneth Kunze with 50%. In-family transfer for no consideration. Notes: all voting stock of combo partner WZOC-FM is owned by Kenneth & James Kunze. Kenneth Kunze is the father of James Kunze, Lora Cavinder and Kathryn Bottorff.

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