Congress threatens to put a leash on Kennard
The FCC reportedly is looking to reinstate ownership restrictions or make up new rules for cross-ownership. Congress just wants its own law enforced as is!

Spot pacing: 1999 set for a fast take-off
Lutheran lawyer questions EEO plan
WBIX: Chancellor station tries to get out of a jam by Jammin'
DOJ agrees that, with spin-offs, Whiteco is the right co. for Chancellor
Journal Broadcasting remains on an even Kiel as Smith is promoted
Researching research companies: TRG woes not industry-wide
RMLC seasick of SESAC? Negotiations stall

Big Mouse bank account booming after adding Bug to diet
OmniAmerica delays board meeting until
Getting into the bracket racket: ATI buys some []s
Spin-offs have cash pouring into Gaylord coffers

Radio One into St. Louis: All I wanna do is have some ‘FUN
Radio One is getting a stick on the outskirts of town, but its signal seems to be upgradable, with some work. Seller Bruce Buzil will reap a tidy profit.

Despite efforts to oust rats, Big Apple gets a Mouse
Jacor picks up a PA combo on the Ohio border
Champlin and Beck back Excalibur
On the block: Midwest won't play in Peoria any more
Interep cuts overhead to build cash flow
Blue Chip literally finds a new Stamping Ground
Schwartz goes to WERK to score Indiana five-pack

Network radio upfront in full swing
Ad categories: Radio builds on its strength
Which markets will be flooded by Puerto Rican tidal wave?
AMFM will feel its oats on Derby day; Gordon's set to debut
Delta wants to add flights with ad flight

Meet me in St. Louie...
The Gateway to the West is the latest market to be targeted by fast-growing Radio One.
First, though, a power boost is in order.
Congress to Kennard: Back off
by Frank Saxe

Congressional Republicans last week strongly suggested FCC Chair Bill Kennard (D) rethink plans to make major changes to radio and TV ownership rules.

The FCC is scheduled to take up ownership changes at its Dec. 17 meeting. Among the proposals, according to RBR sources, is placing stricter limit on the number of radio stations that can be held in a market when the company also owns a TV station (RBR 11/30, p.2).

"I caution you to reflect carefully on the Commission's duty to implement Congressional directives fully and faithfully and to take no action inconsistent with the expressed will of the Congress," wrote Sens. John McCain (R-AZ) and Conrad Burns (R-MT).

The Commerce Committee members said the plan is in "direct defiance" of the Telecom Act, which allows common ownership, adding, "As with other issues, the Commission appears ready to substitute its judgment for ours." In a letter to Kennard, they also said such changes could have a negative impact on broadcasting. "Any disruption of established combinations would be highly inequitable and counterproductive and could have a serious adverse affect on the capital markets that are essential to the health of free over-the-air broadcasting," they wrote.

House sources said Rep. Billy Tauzin (R-LA) is drafting a similar letter, and is collecting support from his side of the Capitol.

An FCC spokesperson said despite some reports the Commission would delay voting on the changes, it now appears they will decide this month.

Lutheran licenses renewed; attorney wary of new EEO rules
by Jim Allen

Communications lawyer Richard Zaragoza was lead counsel of the Lutheran Church's legal team which succeeded in striking down the FCC's Equal Employment Opportunity program. While he says he "supports the FCC's underlying workplace diversity goals," he describes new EEO proposals (RBR 11/23, p.2) as "potentially very burdensome."

Following NAACP charges of lack of diversity in the workplace resulting in broadcast licensing delays and voluminous religious and race-sensitive litigation, the FCC recently renewed the licenses of Lutheran Church-Missouri Synod-owned KFUO-AM & FM, St. Louis. The DC Circuit Court of Appeals' ruling of last April in the church's favor prompted the FCC to rewrite its nearly 30-year-old EEO rules.

"The Lutheran Church had an EEO program in place which they were proud of long before this case. I have not discussed this with the church, and my colleagues and I are still analyzing the NPRM [Notice of Proposed Rule Making], but one initial reaction is my concern that the commission may again be sanctifying process over results," Zaragoza told RBR.

He added, "The Commission continues to require enormous amounts of record keeping such as: who one contacted, referral sources, a requirement to have a certain number of contacts, and a requirement to substitute new ones...It is potentially very burdensome, particularly with respect to documentation."

But FCC spokesman David Fiske told RBR, "I think the language in the rule making speaks for itself about minimizing burdens and what the rationales are. Of course, we are dealing with trying to minimize the burdens while maintaining the principles."
Chancellor adds “Jammin’ Oldies” in N.Y.

by Carl Marcucci

This may finally help ratings for Chancellor’s (O:AMFM) struggling WBIX-FM N.Y.—SVP, Regional Operations John Fullam announced the station was the latest to make the switch to its “Jammin’ Oldies” R&B Oldies format. It flipped over from Hot AC last Friday (12/4) at a party in Manhattan’s Kit Kat Club. Just short of year ago, WBIX flipped to Hot AC from Adult Alternative (RBR 1/26, p. 3).

Kathy Stinehour, current GM of Chancellor’s WAXQ-FM N.Y., will replace current GM Bennett Zier, who will stay on as a Chancellor senior exec.

Chancellor is bringing more stations into the Jammin’ Oldies mix. The format is already in L.A., San Francisco, Dallas and Chicago (RBR 11/9, p.6), where Chancellor Radio President Jimmy de Castro recently flipped WRCX-FM (soon to be WYBT or WQBT), now “The Beat,” over from Rock. de Castro also helped launch Jammin’ Oldies for Capstar (N:CRB) in Austin on KFMK-FM (11/25).

While declining to elaborate, de Castro admitted a Jammin’ Oldies network package is likely in the future. Says Mike Fowler, GM, WRCX: “They [could] do [it] now because AMFM has some of our inventory anyway. They can package it as a Jammin’ Oldies buy and put it on all the stations. Jimmy’s plan is to put a lot of these up.”

With the successes the format has had so far, look for Chancellor to add more stations to the list. “We really believe we have something very unique with the format, and we know how to do it—in Dallas we went from a 1.7 to a 4.7 25-54, #5 in the market in our third month,” said de Castro, who is also looking into Jammin’ Oldies for Washington, DC. “We’re researching Washington right now. We’re looking at that for WGAY.” If testing goes well, a possible launch after mid-January is anticipated.

RBR observation: This format is really starting to catch on. Cumulus (O:CMLS) just declared “Kat Country” WXKT-FM (11/23) for “Love 98, Chattanooga’s first and only R&B Oldies station.”

DOJ clears billboard buy

Chancellor Media (O:AMFM) closed its $930M purchase of Whiteco Industries (RBR 9/7, p. 15) last week after getting a green light from DOJ. Antitrust approval came after Chancellor agreed to sell off some of the outdoor company’s billboards in Kansas, Pennsylvania, Connecticut and Texas.

“Without this divestiture local and small business consumers for whom outdoor advertising is an essential form of media communication would have paid higher prices for advertising,” said Joel Klein, Assistant Attorney General and head of DOJ’s Antitrust Division in announcing the settlement.

DOJ’s complaint and settlement agreement, filed in US District Court in Washington, DC, said adding Whiteco’s assets would have given Chancellor Outdoor 100% of the outdoor advertising market in Hartford County, CT. Shares in the other areas of concern ranged from 48% to 88%.—JM

Broadcast veterans heading Journal

Steven Smith has moved up at Journal Communications, adding the title of Chairman to the CEO designation that he’s had since March. Succeeding Smith as President is Douglas Kiel, who’d been Exec. VP of the parent company and President of Journal Broadcast Group.

Kiel’s former job has been split in two and filled by the promotion of two former Executive VPs at Journal Broadcast Group. Carl Gardner is now President-Radio and Jim Prather is President-Television.

The chain-reaction was set in motion by the retirement of Chairman Robert Kahlor, who’ll continue as a member of the board of directors.—JM

Gore-Overgaard Broadcasting, Inc. has transferred the assets of WTMR AM Philadelphia, PA (Camden, New Jersey) to Beasley Broadcast Group for $8,000,000.

John L. Pierce represented the seller in this transaction.

FORCE Communications & Consultants LLC

John L. Pierce (606) 647-0101
Hal W. Gore (561) 231-8928
John E. Lauer (770) 565-4465

12/7/98 RBR
Red alert for research

by Frank Saxe

The radio research industry is abuzz with the apparent troubles of the largest research firm, while many wonder whether the woes of one may be an indication of trouble in the business in a post-consolidated age.

Seattle-based The Research Group (TRG) laid off several employees two weeks ago, as long-building financial problems apparently caught up with the venerable research giant (RBR 11/30, p.3). Reports also indicated the demise may have been hastened by its inability to pay a note held by Westwood One (O:WONE), which spun the business to employees four years ago. TRG representatives did not return phone calls seeking comment.

But as the fall from grace was being witnessed, most in the research industry believe it is a case of the bully finally getting his due, rather than an indication of what is becoming of research firms.

“They suffered from the IBM complex,” said one researcher who believes TRG has been pushing cookie-cutter research on stations for premium rates.

Others report upswing

While TRG apparently was hurt by its close ties with groups such as Shamrock that have since been bought out, others say consolidation has not been a bitter pill for them.

Paragon Research said the past two years have been its most profitable ever. Eagle Research said it too has grown, while Wimmer-Hudson said its growth hit 200% in 1998.

“Regrettably, some research companies are ironically feeling the huge impact of not approaching the consolidation process with a strategy,” said Mike Henry, managing partner, Paragon. His strategy has been to tie itself to specific stations, not groups, because groups come and go—as so often witnessed in the past two years. It is also a way to pick up a cluster within a market, said Henry, noting his per market revenue has grown since consolidation began.

While many firms say consolidation has been good for business, most are taking no chances. It’s diversify or die.

Hudson does research for a cable company, while Paragon also does consumer research for Coors Brewing, Norwest Bank, The Limited and Foley’s department stores. Shane Media now counts cable TV companies and farm marketers among his clients.

Even Jacor’s (O:JCOR) Critical Mass Media (CMM) has begun dabbling in TV research. “There is no question as time goes on, that we have the infrastructure to move on. We have not hit that point yet,” said John Martin, president, CMM. It is still unclear what impact Jacor’s merger with Clear Channel (N:CCU) will have on CMM.

Needs change

While many GMs may no longer be willing to do focus groups or music testing, many are warming to sales research, particularly as account executives are under more pressure to bring in the bucks.

“People are mindful of how their customers are perceiving consolidation and its impact on the advertiser,” said Greg Lindahl, president, Eagle Research—a division of Cox (N:CXR).

But for many, research has become a luxury. “They position their clusters as more of a spectrum, so many feel that ongoing research is less important,” said Jay Williams, CEO, Direct Marketing Results (DMR).

“In many cases, they’re making dramatic cuts because they’re all looking for ways to save money and bring more to the bottom line,” added Hudson. But that strategy can be costly. One group spent $300K on a TV ad campaign, only to later find out it alienated a core demo. Research which could have avoided the mistake would have cost around $7K.

Many others are simply trying to do it in-house, said Hudson, who compared it to having DJ’s sing jingles. “Radio is under the impression that research is easy to do. It’s not. It’s a full time job just keeping your database up to date.”

“I’ve watched a lot of my competitors go by the wayside. Consolidation is going to do the same thing to the radio industry as it’s doing to the radio industry itself,” said Henry. “There will be fewer but healthier companies.”

RBR News Briefs

After more than a year of negotiations over an industry-wide SESAC performance license, SESAC has broken off discussions with the Radio Music License Committee (RMLC). SESAC has sent letters to its licensed radio stations seeking fee increases of 100% over the next five years. “The amount of SESAC music used by radio stations does not warrant the level of fees that SESAC is unilaterally seeking to impose,” said David Hicks, the chief negotiator for RMLC.—FS

Good news for broadcasters, bad news for shock jock Eric ‘Mancow’ Muller. After hearing arguments in September (RBR 9/25, p. 4), the Illinois Supreme Court has allowed the defamation of character lawsuit by former Chicago Bears linebacker Keith Van Horne to continue against Mancow, but has thrown out all negligent hiring, supervision and retention claims in the case against former employer Chancellor Media (O:AMFM) and WRCX-FM Chicago.—CM

Word finally leaked out last week that Jim Devis had been forced out at Root Communications more than a month earlier. Tom Dibacco is acting CEO and there’s no word on when a permanent successor may be named. Devis wouldn’t discuss the events which led to his departure, and told RBR “I’m not quite sure what I’m going to do.”

Meanwhile, Root has dropped its $8.5M deal to buy seven Blackburg-Christiansburg, VA stations from George Beasley and Tom Joyner. Broker Mike Bergner has brought in a new buyer, Steve Garchik, at $6.5M.—JM

Don Imus will broadcast live from the New York Stock Exchange next Tuesday (12/15), ringing the opening bell as trading begins for the new Infinity IPO (N:INFI). Infinity will encompass CBS’ (N:CBS) current radio and outdoor holdings.—CM

The FCC succeeded in shutting down Free Radio Berkeley, but the San Francisco Chronicle reports that a new pirate station has taken its place—Tree Radio Berkeley. The tree house “studio” and 40-watt transmitter are about 50 feet above the ground in a giant redwood at a city park. No word on whether it’s using the slogan “Leaf your dial at 104.1.”—JM

Right up his alley, Art Bell spent two days last week in Vancouver filming for the Fox (N:FOX) TV series “Millennium.” He plays himself in the episode that will take him to the ground in a giant redwood at a city park. No word on whether it’s using the slogan “Leaf your dial at 104.1.”—JM

12/7/98 RBR
Network radio's upfront season is now in full gear, and thanks to strong gains in Internet ad dollars, returning blue chip advertisers and a resurgent stock market it may be the most lucrative network radio upfront ever.

Across the board, network radio is reporting strong gains. "We're pacing double digits ahead of where we were last year," said ABC Radio President Lyn Andrews.

continued on p. AB 2
AMFM Radio Network's David Kantor echoed that sentiment. "Because of new clients coming in and the increases in existing clients, we'll be up 20 to 25% over last year."

Leading into upfront, network radio was pacing 28% ahead in October compared to last year, and when the books close on 1998, it's certain to have its first $700M dollar year.

David Landau, EVP, Premiere, feels tight fourth quarter inventories may help the upfront sales. "Pacing is very hot right now and if [advertisers] wait too long, they'll end up in the scatter marketplace," he said.

Some advertisers say having more networks is not making their jobs any easier. "It's not an easy upfront to be in because a lot of pressure on these companies from Wall Street and they all need to maximize more," said Natalie Swed Stone, VP Network Radio, The Media Edge.

But that doesn't mean advertisers are without leverage. "Generally, the more vendors there are the greater is our ability to negotiate rates," said Alac Gerster, Media Director, Grey Advertising.

In addition to guarantees they will get the desired times, advertisers crave the lower rates upfront can provide. But they may not be getting the bargain-basement prices offered in other years. "They want price security this year, especially because prices have been more volatile over the past year," said Kantor—whose network is selling 40% more ad time upfront compared to '97.

Some agency buyers said they are asked to buy shows they do not want to air commercials on, simply to lock in prime programs. Says Stone: "We need to be tough and be able to select the programming that we want and not necessarily the programming they want."

New competition
New competition has forced many of the old network dogs to learn new tricks. Since last year's upfront, two networks have signed on. Chancellor's (O:AMFM) AMFM Radio Networks launched in January, while Jacob's (O:JCOR) Premiere folded some of its programming into RADAR rated nets.

"There's no question they have an impact on the marketplace," said Jim Higgins, SVP Sales, United Stations Radio Networks. He noticed a slowdown in January, when AMFM's entry "spooked" the markets.

"People reacted by pricing lower than they normally would," he noted, adding pricing has since stabilized.

"It did affect business initially and it was a combination of putting a lot more inventory into the market before there was time to create a demand for it," said Andrews, who added, "What is really quite stunning about what has happened is that demand now exceeds that larger supply."

But Landau admits this year will be tougher than last. "It's going to be more competitive. But there's going to be a flight to quality, so we're poised to have a very good upfront."
Productivity
Our systems are user-friendly—you can probably be up and running in a matter of days. But to show you all the power and flexibility, we've created the PSI Training Academy, a state-of-the-art educational facility. Get hands-on experience under the supervision of broadcasters who have relied on the AudioWizard for their bread and butter.

During the four day program students have an opportunity to master:

Call the PSI Academy for the current class schedule or register on-line at www.prophetsys.com!

Recent Attendees comment:
"I look forward to sending more people." Group Engineer
"Very impressive." P.D.
"Excellent session!" Engineering Manager
"An incredible facility!" Operations Manager
"...the whole experience was awesome!" P.D.

'nuff said!!
Radio's Strongest Categories Get Stronger
by Jack Messmer

Play to your strengths. Radio seems to be heeding that sage advice and claimed larger shares of August ad buying for the medium's traditionally strongest categories. Radio just missed getting half of the dollars spent by beverage advertisers—49.32%. After all, what other medium can reach people while they're getting thirsty outside in the summer heat? Radio also claimed the lion's share of ad buying to promote TV programming and claimed nearly as much as TV for the "Entertainment-Other/Lottery" category.

Over all, radio's share of ad spending was up a point and a half (20.51%, compared to July's 18.9%) in the 13 markets tracked for the MBR/Miller Kaplan Total Media Index.
Size Matters:

Arbitron reranking could impact advertising

by Frank Saxe

That old adage about the bigger they are, the harder they fall could be applied to markets feeling the effects of Arbitron's recent market reranking. With the addition of Puerto Rico at #13, and population tweaks, many markets fell at least one rank.

Two markets, Cincinnati and West Palm Beach, could feel the biggest impact. Cincinnati fell to #26, out of the top 25; while West Palm slipped from #49 to #51 and out of the top 50. Both the top 25 and top 50 are used as arbitrary cut-off points by some national advertisers.

"Most definitely that can have an adverse impact to a radio station that is looking at potential significant losses in their national dollar yield," said Susquehanna's Dan Swensson, GM, WRRM-FM and WVAF-FM Cincinnati.

Across town at Chancellor's WUBE-FM, GM John Rohm is not sweating the drop. "In times a little farther back that might have been the case. I don't know by today's standards that happens quite as readily, because advertisers and marketers are more hip to psychographics and demographics."

Because Cincinnati receives more of its revenues from national buys than West Palm Beach, Swensson's worries are not shared by his Florida counterparts. "We're in a really strong, growing market and that will drive things more than the fact that we're up or down," said Patty Larschan, GM, WPBZ-FM and WMBX-FM.

The sentiment is shared by Lee Strasser, GM of CBS' WIRK-FM and WEAT-FM. "Initially we thought it might impact us, but we've researched it and we don't think that will be the case. This is a vibrant marketplace and it's a place where lots of advertisers will want to be." One media buyer said she believes there will be additional pressure on West Palm Beach to lower its rates, but don't count on it is Strasser's response. "It won't even be a factor, because demand continues to exceed availability so rates will probably continue to rise."

Rohm said the same holds true in Cincinnati. "They've already reached pretty far into their bag of tricks," he joked, noting stations have long been under pressure to justify their rates to agencies.

Agencies yawn

"We couldn't care less if a market goes up or down. We figure that if it goes up, they will try to use it to raise their cost per point," said Laura Silton, Local Broadcast Director, McCann-Erickson, New York.

"I don't think it will make as big a difference as it used to," agreed Bonita LeFlore, EVP/Director of Local Broadcast, Zenith Media, New York. While advertisers used to use the top 25 or 50 markets as a cut-off point, she said Arbitron rank is just one of many components taken into consideration in 1998. Marketers will also look at a market's brand development index, the area's economy and the psychographics of its consumers. "It just doesn't mean as much as it used to, because clients are more sophisticated when they make a decision to buy into a market."

But Karen Agresti, SVP/Associate Media Director, Hill Holiday, Boston, believes some stations may see a shift in their national dollars. "Obviously, the higher you go up on the food chain, the more national advertisers are interested in you. Sometimes they simply go down the ranker until they run out of money."

Beamin' in Beantown

After years of discussion and lobbying, Arbitron's reranking is the first to reflect Boston's new position after its recent redefinition. Thanks to the addition of Worcester, MA and southern New Hampshire, Boston climbed from market #10 to #8.

"It is such a strong, healthy market it doesn't really affect day to day business; it's still earmarked as a growth market," assessed Deborah Kane, VP/Sales, Entercom, which owns WAAF-FM Worcester.

WAAF GM Bruce Mittman was among those leading the charge for the redefinition. He said stations will now have an opportunity to be "reimbursed for audience coverage," pointing out advertisers have been getting a half million extra pairs of ears when they purchased Boston because its suburban listeners were not counted.

Boston stations should not count on loads of new national advertising, however. Many advertisers say they have been there all along. "It's a major market that we would have bought anyway," notes LeFlore.

Hill Holiday's Agresti agrees, while at the same time she realizes higher rates may be in the offing. "Because their audience figures are larger, they could try to pick up higher rates because they'll technically be delivering more people."

But in the wheel-and-deal game of using expectations to negotiate a price, whether or not rates actually do go up remains to be seen. Some indications are that next year's economy will be down, noted Agresti—and that could make it tougher to raise rates.

In the long run, station managers may not have too much to worry about according to Marla Pirner, EVP/Director of Research, Interpub. "While there is a correlation between market size and revenue, there are many other factors that come into play." She said advertisers also look at a market's economic profile, its age, and the presence of colleges and military bases.

For example, market #50, Austin, TX, has higher national advertising billings than market #40, Greensboro, NC. It seems Austin has above average amounts of professional and technical laborers, a higher proportion of college-education residents, and it skews younger—all characteristics sought after by ad buyers.
AMFM gallops away with Kentucky Derby

After 19 years with ABC Radio Networks, Churchill Downs and Host Communications have signed with Chancellor’s (O:AMFM) AMFM Radio Networks to broadcast the 1999 and 2000 Kentucky Derbies. The AMFM/Host Communications partnership will provide a variety of programming opportunities for Churchill Downs, including a broadcast in Spanish, race-day updates, vignettes and a new call-in show 4/30/99, the day before the race. Host also represents the NGAA.

“We hope to get four premier sponsors and offer marketing elements where major-market affiliates can do some promotions and win trips to the derby,” said David Kantor, CEO, AMFM.

Kantor said he put in a reasonable bid for the “Run for the Roses,” but Disney’s (N:DIS) ABC chose not to match it.

RBR observation: We find this move by ABC Radio surprising, considering ABC-TV still has the race and the radio side is still building its new ESPN Radio Network.

Dame-Gallagher Network launches

Newly formed Harrisburg, PA-based Dame-Gallagher Network launched its first program, the “Mike Gallagher Show,” Dec. 1 as a pre-launch to 10-20 affils, including WGY-AM Albany (main launch is 1/1). The 10A-2P ET 100% barter show “has all the passion of a hot News-Talk, but I don’t have one trick pony—I cover many topics, and this is more objective, lifestyle-oriented than political bashing,” said former WABC-AM N.Y. host Gallagher.

The Dame-Gallagher Network, spun from Dame Media’s (John Dame) group sale to Clear Channel (N:CCU), has plans to develop into a 24-hour Talk net. MediaAmerica is on board to handle national sales.

“The Gordon Bros’ Weekend Revue” to launch in ’99

After six months, “The Gordon Bros (Scott and Doug are MDs, Jason is an attorney) Weekend Revue” is the #1 talk show in its time slot, 9-11P Saturdays on WDBO-AM Orlando. Planning a national launch Sept. 99, the Gordon brothers may self-syndicate, but are talking to national syndicators and Satellite DARS proponents.

The show features off-the-wall skits and social/political parodies. Rush Limbaugh had aired some of their song parodies before they were in radio. The Orlando Sentinel called them the “Saturday Night Live of Orlando radio.”

“Actually, they’re a cross between Dr. Demento and Crossfire,” said manager Robert Jensen.

Unique “Antiques and Collectibles” show hits 45 affils.

Debuted a year ago, but still unique (as far as we know), “The Antiques and Collectibles Show,” hosted by Rich DeRosa and Dennis Sheppard, allows listeners to call in with just about any antique or collectible item and get an estimate of its worth. Listeners looking to find collectibles are shown the way by these experts in their field. The 45-affiliate banner show is offered 11A-Noon ET Saturdays over The Orbit 7 Radio Network. DeRosa and Sheppard rep the show and handle clearances. See them on (www.onradio.net).

“The Movie Show on Radio” to clear in Canada

Produced and Syndicated to 56 US affiliates by Bob Dane’s ProStar Entertainment, “The Movie Show on Radio” will begin clearing eight Canadian affiliates Jan. 16 with the CHUM Radio Network.

Movie Show #2 is expected to launch in April, targeting Adult Standards/Nostalgia stations. Cross-promotion with the AMC or TCM cable networks is anticipated, according to Dane. NetStar Sales and Marketing is ProStar’s rep.

WW1 launches two

Launched 12/4, Westwood One’s (O:WONE) “This Week in the NHL” is a weekly half-hour barter feature hosted by sportscaster Don Criqui. Along with league coverage and statistics, “This Week” will feature four weekly segments: “Inside the NHL,” “Bounce off the Puck,” “Cool Hot Shot” and “Heroes of Hockey.” The show is scheduled to run for 30 consecutive weeks.

Debuting early ’99, “On the Air With John Tesh” is a weekly three hour feature for AC stations. Tesh, the multi-million album selling musician, hosts this countdown show that will feature a weekly guest co-host from music, film or television that will take requests and answer listeners’ questions. Phil Collins, Celine Dion, Elton John and Whitney Houston are expected guests for this barter-only program.
Mancow adds markets

Mancow's Morning Madhouse" now counts eight affiliates with the recent additions of Milwaukee (11/16-WLUM-FM) and Knoxville (10/5-WNFZ-FM).

Success Journal's Chris Whitting writes book

Chris Whitting, now heard on 200 affiliates with his 90 sec. "Success Journal" and two minute "Tracking Business Leaders" daily vignettes from flagship WMAQ-AM Chicago, recently authored 21-Day Countdown to Success, a roadmap to determine what readers' definition of success is and how to attain it. Whitting's Creative Broadcast clears and syndicates, and Premiere handles national sales for both features.

McFly co-hosting Nashville Nights

Jones Radio Networks' "Nashville Nights" recently got a co-host for Dallas Turner in the form of one Marty McFly. McFly, nominated for CMA's Air Personality of the Year, has had stints with KNIX-FM Phoenix, WFLZ-FM Tampa and most recently OM, WGSO-FM Cookeville, TN. Nashville Nights is consulted by Rusty Walker.

Delta Express ads take off

Just in time for the holiday travel season, Delta Express' radio, TV and newspaper ads have hit the airwaves, plugging the bargain division's service to Florida. The multi-million dollar campaign runs in 22 markets and will continue to use Delta's "On Top of the World" tag.

The radio campaign drives home his value message through a humorous approach which plays off the classic packaged goods advertising technique of switching products. So, we hear a voice over announcer whispering, "We've secretly replaced this discount airline with Delta Express."

"We're trying to define Delta Express as an airline that has a different personality than the main Delta Air Lines," said Roger Rowe, executive creative director, Saatchi & Saatchi, New York. "It also makes the point that we have a sense of humor about ourselves." The carrier is also trying to overcome the public's perception that discount airlines are puddle-jumpers.

In one spot, a little boy exclaims, "Wow—a jet engine!"

Delta added radio to the mix, in part, to cover markets where TV was too expensive.—FS

CBS Taylor-made choice

CBS Plus, CBS' (N-CBS) in-house cross-media unit, has signed Taylor Made Golf as its first client. The 1999 multi-million dollar campaign will put ads across five CBS divisions, and it is the first time the company will use radio and outdoor advertising.

"We sent RFPs to 11 media companies, and at the end of the day, CBS Plus gave us the most value and the most creativity for our budget," said Debra Marrano, Assoc. Media Director, Bozell Worldwide, Los Angeles.

CBS Plus was formally launched Nov. 5, and is designed to capitalize on CBS' diverse media holdings. The idea for the program was born after CBS signed a one-year, multi-million dollar cross-media deal with Pennzoil in August (RBR 8/10, p.6).

"It has the potential to bring new advertisers to radio," said CBS Radio President Dan Mason.

"Traditionally, radio has done a decent job on the ad side of advertising, but I don't know if we've done a real good job on sales and marketing to get what's available for promotional and new money."—FS

Jerry Klein to launch on Abernat

Syndicated by Abernat, Roxben & Boggs Broadcast, Jerry Klein of 50kw WBT-AM Charlotte fame (94-'97) is expected to launch 12/21 on 10 affiliates. Airing weeknights 11P-2A ET, Klein positions himself as "a liberal, but very progressive. I'm not a name-caller and am able to transcend from left to right." Some have compared Klein's style to Larry King's previous late-night radio show.

Abernat is handling clearances and national sales on this barter-only program.
AMFM Is Making A Lasting Commitment To Network Radio Advertisers

Top Markets
AMFM's line-up includes the strongest group of major market metro stations — most of them previously unaffiliated with any network.

New York 212-373-8180
Chicago 312-202-8850

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

Los Angeles 213-852-3002

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.

Detroit 248-614-7064

The Radio Network For The New Millennium

A Division of Chancellor Media Corporation
OmniAmerica delays meeting

Shareholders of OmniAmerica (O:XMIT) were scheduled to convene this Friday (12/11) for their annual meeting. However, with a $397M merger with American Tower (N:AMT) now pending (RBR 11/23, p. 12), the meeting has been postponed until May 14, 1999. Since the merger is expected to close in Q1, which ends March 31, the May 14 date may prove to be only theoretical.

Dodge buys Bracket Master

It may sound like a late-night TV infomercial product, but what Bracket Master makes is tower hardware—the brackets that hold antennas and other items to towers. **Steve Dodge**’s American Tower (N:AMT) is paying $1.5M for the Florida-based manufacturer.

Gaylord flush with cash

Santa came early to Gaylord Entertainment Co. (N:GET), dropping off a $100M check—the first payment on a 10-year note from the 1995 sale of Gaylord’s cable TV systems to Charter Communications. If all goes as expected, even more cash should be coming this month, as a result of **Paul Allen**’s $4.5B buyout of Charter. Gaylord said it expects to receive an additional $140M to pay off the note, plus about $130M for the value of its equity participation rights from the deal. All in all, Gaylord expects to book an after-tax gain of approximately $95M from the Charter deal.

**Bug boosts mouse shares**

Dow Jones—The strong box-office of “A Bug’s Life” seems to have sparked investor excitement in the shares of its co-producers Walt Disney Co. (N:DIS) and Pixar (O:PIXR). Both gained Monday (11/30) as profit-taking sent the broader market lower.

The computer-animated “A Bug’s Life” opened last Wednesday (11/25) and topped domestic box-office for the five-day Thanksgiving holiday weekend with about $47M, exceeding the $45.1M by Disney’s holiday record-holder “101 Dalmatians.”

“This was the second-highest animated film gross, second to ‘The Lion King II: Simba’s Pride’” and “the King,” said Salomon Smith Barney analyst **Jill Krutick**.

Disney also had “Enemy of the State” in the No. 3 spot over the holiday break. The surprise hit, “The Waterboy,” held the No. 4 position.

“**A Bug’s Life**” could boost earnings for Disney later in fiscal 1999 after its domestic and international run, video sales and merchandising, said ING Baring Furman Selz LLC analyst **Stewart Halpern**.

For the fiscal first quarter ending Dec. 31, Halpern cut his earnings estimate to 23 cents a share from 37 cents. He said the company’s earnings will be hurt by the high cost of buying rights to National Football League games and the weak ratings performance of ABC television network shows. Video comparisons will be weaker by about $150 million in operating income as “Lion King II: Simba’s Pride” goes against three films, including “George of the Jungle,” that sold about 8M units each, he said.

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Radio One adding St. Louis with stick buy

The call letters alone are enough reason to want to own WFUN-FM Bethalto, IL, but Alfred Liggins has a lot more in mind than just having fun as he takes Radio One into another new market. The nation’s largest African-American-owned radio group has a tradition of going into markets with sticks and turnarounds, which it develops into fully competitive Urban or Urban AC operations.

Washington, DC-based Radio One isn’t yet saying just how much it is paying for the suburban stick, which was just acquired (RBR 10/12, p. 36) by Bruce Buzil’s Arch Broadcasting LP for $6.7M. Liggins will pay more—RBR’s sources say slightly more than double the $6.7M—but the terms of the contract will make part of the price contingent on FCC approval of a signal upgrade.

WFUN is currently a 6kw Class A on 95.5 mHz, with its tower northwest of Edwardsville, IL. The city grade contour cuts through the middle of Granite City, IL, while the 1mv contour goes almost to downtown St. Louis, near the airport to the northwest and covers East St. Louis on the Illinois side of the Mississippi River.

According to Duncan’s American Radio, a simple upgrade to B1 would be shortspaced to four stations—most significantly to KJEZ-FM Poplar Bluff, MO, which blocks a move toward the heart of the metro. Broker: Peter Handy, Star Media Group

RBR observation: Like most signal upgrades involving top 50 markets (St. Louis is #18), someone is almost certainly going to have to be paid to move or downgrade to make room for this major-market move-in.

Radio Disney into Big Apple

Radio Disney will make its Broadway debut around January 1 as Disney’s (N:DIS) ABC Radio begins an eight-year LMA of WQEW-AM. Terms of the LMA aren’t being disclosed, but ABC will have the right to buy the station from The New York Times Co. (N:NYT) at the end of the LMA period. Mitch Dolan will become President and GM of the station, as he already is for ABC’s WABC-AM & WPLJ-FM New York.

“It is sad, but not surprising,” one in-market GM said of the loss of the Adult Standards format, which had moved to 1560 kHz in 1992 when Bloomberg LP bought 1130 kHz (then WNEW-AM) for its business network flagship, WBBR. “It was never a comfortable fit with the corporate culture of the mighty ‘Grey Lady,’ The New York Times,” the competitor said.

At the same time, The New York Times Co. announced that Tom Bartunek had been promoted to fill the long-vacant post of President and GM of WQXR-FM New York. He had been VP for programming and operations at the Classical outlet.

RBR observation: If you assume that WQEW is worth $40M as a stick and KDIS-AM L.A. is worth $50M, then Radio Disney needs to produce $7M in annual cash flow to justify occupying those two signals. That’s a tall order—and that’s before you even figure in the O&Os and affiliates in 34 other markets.
Jacor adds next to Ohio

Randy Michaels hasn't actually run out of radio stations to buy in Ohio, but he is moving barely out of state to pick up a Pennsylvania pair for Jacor Communications (O:JCOR). WKXT-AM & FM are licensed to New Castle and Ellwood City, PA, putting them just to the east of Jacor's Youngstown, OH properties. Great Scott Broadcasting is being paid $2.5M for the combo.

Excalibur draws its sword

Jim Champlin and Martin Beck have put their money on the line, formalizing a partnership with Joel Hartstone that was announced last April (RBR 4/20, p. 13). The former Beck-Ross group executives have paid $1,499,000 for a 50% stake (25% each for Champlin and Beck) in Excalibur Media Inc., owner of WSYB-AM & WZRT-FM Rutland, VT and WMNFM-FM Port Henry, NY. Strictly speaking, Champlin and Beck currently own 49%, with transfer of the remaining 1% awaiting FCC approval.

Midwest leaving midwest

Midwest Television has put its Illinois broadcast properties on the sale block and retained Larry Patrick of Patrick Communications as broker. The stations—WMBD-AM, WPBG-FM & WMBD-TV Peoria and WCIA-TV Champaign—are expected to bring around $125M. Midwest, owned by August Meyer Jr. and other members of the Meyer family, will retain KFMB-AM, FM & TV San Diego (which, most assuredly, is not located in the midwest).

Interep boosts cash flow

Interep National Radio Sales (public bonds) reported Q3 revenue of $24.9M, a modest 0.6% improvement over the same period a year ago, but a 5% reduction in overhead costs resulted in a 73.6% gain in cash flow (EBITDA) to $3M. Interep's net loss increased 1.5% to $5.1M.

"We are pleased with our performance for the year and the effect of our cost reduction programs initiated last year," said CEO Ralph Guild.

More earnings...

• Q3 revenue for American Mobile Satellite Corp. (O:SKYC) gained 216% to $17.7M. Cash flow (EBITDA) continued to be a negative number, however, improving to -$8.5M from -$9.4M. AMSC is the 80% owner of XM Satellite Radio.

• Pacific Research & Engineering (A:PXE) said Q3 sales declined 13% to $3.1M. That resulted in a pre-tax loss of $355,000, compared with pre-tax earnings of $102,000 a year earlier.

RBR's deal digest

Ross Love's Blue Chip Broadcasting is paying Scott County Broadcasting $1.265M for WKYI-FM Stamping Ground, KY, which has a CP to move to Georgetown in the heart of the Lexington market. Broker: Dave Garland Media Brokerage: The Crisler Co. Michael Schwartz's new Indiana Radio Partners is picking up five stations in the Anderson-Muncie, IN area—WHBI-AM, WAXT-FM, WWWO-FM, WLHN-FM & WERK-FM—for a total of $5.45M. Jerry Williams' EW Communications is buying KXAL-FM Pittsburg-Tyler, TX for $425,000 from Ron and Diane Gray. Broker: Norman Fischer & Associates. GM Michael Bohner and SM Robert Gisler are buying out majority owners David Bernstein and Stanley Butler for $560,000 to become the only stockholders of Carroo Communications, which is the licensee of WHGL-AM & FM Troy-Canton, PA. Broker: Dick Kozacko. Kozacko Media Services.
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.

**$30,000,000—WJDM-AM** (1530 kHz) & **WBAH-AM** (1660 kHz) New York (Elizabeth N.J.), **KAHZ-AM** Dallas-Ft. Worth (Ft. Worth TX) and **KIDR-AM Phoenix** from various subsidiaries of Children's Broadcasting Corp. (O:AAHS, Chris Dahl, CEO) to various subsidiaries of Radio Unica Corp. (Joaquin F. Blaya, Warburg, Pincus Ventures LP). $2,925M escrow, $2925M (less escrow) in cash at closing, $750K to Dahl under non-compete agreement. Broker: Star Media Group, Ted Hepburn Co.

**$4,250,000—WHYL-AM & FM** Harrisburg (Carlisle PA) from Zeve Broadcasting Co. (H. Lincoln Zeve) to Citadel License Inc. (Larry Wilson), a subsidiary of Citadel Communications (O:CITC). $250K letter of credit as escrow, $4,250M in cash at closing. **Superduopoly** with WQXA-FM & WRKZ-FM. LMA since 10/29. Note: No contour overlap with WQXA-AM.

**$2,400,000—WTTF-AM & FM** Tiffin OH. 100% stock sale of WTTF Inc. from Richard J. & Florence M. Wright to Jacor Communications Corp. (Randy Michaels), a subsidiary of Jacor Communications Corp. (O:JCOR). $45K escrow, balance in cash at closing. **Superduopoly** with KWAK-AM & KKY-AM & KKM-AM & WYW-AM. LMA since 10/29. Note: No contour overlap with WYAH-AM.

**$1,690,000—KVON-AM & KVYN-FM** North Bath OH. $200K escrow, balance in cash at closing. **Superduopoly** with WHSB-AM, WRER-FM & WJQZ-FM. LMA since 9/30. Note: No contour overlap with WHSB-AM.

**$1,070,000—WSFZ-AM Memphis** from Tennessee Christian Radio Inc. (Bishop L.E. Willis), part of the Willis Broadcasting group, to Finn Broadcasting Corp. (George S. Finn Jr.). $250K non-refundable deposit, balance in cash at closing. **Superduopoly** with WHQQ-AM, WOWW-AM, WKSJ-FM & WJGD-AM. LMA since 5/19/93. Note: No contour overlap with WHQQ-AM.