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RADIO NEWS

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Big news from Chancellor: name change; Outdoor for sale; launching Internet units

Chancellor Media (O:AMFM) is mutating, metamorphosing with the times, as it gets closer to the Capstar merger in mid-July. One result of its 5/18 board meeting: a name change, subject to stockholder approval at the upcoming 7/13 shareholder meeting, also set to formalize the merger with Capstar (N:CRB). Keeping it simple, "AMFM Inc." will encompass all Chancellor holdings, including AMFM Radio and Outdoor Group, AMFM Radio Networks and AMFM New Media Group, headed by CEO **Steve Hicks**. Simultaneous with the Capstar merger in July, the company will move to the NYSE and change its symbol to "AFM."

Speaking of its outdoor division, citing flat growth rates expected for Q2, Chancellor has hired Morgan Stanley Dean Witter and Greenhill & Co. to explore a possible sale of that unit. This will improve its debt leverage ratio, and consequently, stock price. Chancellor paid a total of \$1.54B for Whiteco (*RBR* 9/7/98, p.15) and Martin Media (*RBR* 2/29/98, p.12).

The AMFM New Media Group includes Katz Media and three new Internet business units, formally announced at the meeting. Hicks, former Capstar CEO, had only two months to strategize his unit after coming into the Chancellor fold 3/15. "One of the criteria that we had in trying to develop an Internet strategy was we

didn't want to do anything that would detract from, but rather enhance the value of the radio stations—and that's hard to do," Hicks told *RBR*.

AMFMi (*RBR* 5/17, p. 3), or AMFM Interactive, will be the group's Internet platform for all 465 Chancellor/Capstar radio stations. It will partner with six major e-commerce destinations, including an Internet service provider (ISP), search engine, long distance carrier, music fulfillment house, movie/VHS fulfillment house and e-mail server, to create a more dynamic, "consumer-centric" experience. Because of the sheer critical mass of listeners Chancellor can drive to its sites, these partners pay for the links.

AMFM.com, labeled Chancellor's online broadcasting company, will be responsible for providing streaming radio audio to the stations' web sites, selling audio and video streaming commercials, creating and managing Internet-only stations, and providing streaming services to other companies and clients. Says Hicks: "If I can go to Z-100 in New York and they are streaming their station, that can be very powerful. But to have that staff create and sell some local, Internet-only stations with their content and talent, to me is pretty exciting."

AMFM Equities, like CBS has done with Marketwatch.com and Sportsline, will leverage inventory and

Summer pacing still sizzling

Pacing remains ahead of last year, "with consistent growth going into the latter part of the Summer," notes Miller Kaplan's **George Nadel Rivin**. That bodes well for radio, and he says beverage and entertainment ad spending is strong, pointing toward a good Summer for stations targeting younger demos.—JM

RBR/Miller Kaplan Market sell-out percentage report

	1999	1998
May 15	89.6%	86.4%
June	76.1%	73.9%
July	53.2%	49.6%

promotional sponsorships across the radio stations in exchange for equity interest in selected Internet and new media companies.

RBR observation: Chancellor has gone beyond speculating about the Internet's potential. It is smartly diversifying into this growing medium, using the synergy and strength of radio to do it. As Hicks said: "One thing I've seen about the Internet is things move extremely quickly, and you better be ready."

Do we smell a separate IPO coming for AMFM New Media?—CM

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FCC trying to get in touch

Hoping to undo the notion that it is out of touch, the FCC is opening its doors to industry representatives to gather advice for its five-year strategic plan, "our blueprint to enter the 21st Century," as Chairman **Bill Kennard** puts it.

Rep. Billy Tauzin (R-LA) and his Telecommunications Subcommittee have been demanding an FCC reauthorization, saying the agency needs to act more like an enforcement agency rather than a regulatory agency.

As a grassroots effort, the Commission held the first in a series of three meetings 5/20 to hear from the industry. Among those present at the roundtable discussion were various trade organizations, including the NAB, and a number of large companies, including Disney (N:DIS) and several telephone companies.

All agreed that the FCC is still needed, but they urged the Commission to speed up its processes and continue to deregulate. Participants said the FCC should focus on its core—spectrum management and interference protection.

Consumer, state and local gov'ts will voice their thoughts 6/2 and academic and organizational experts 6/11.—TS

Auctions comments sought

The FCC has asked for comments by 6/1 on the minimum bids (and corresponding upfront payments) it has proposed for its first auctions of broadcast CPs, set for 9/28. All are for long-pending CP awards and no new bidders are permitted.

Of the 144 FM CPs to be auctioned, the highest minimum bids are \$260K for a Class C in Brigham City (Salt Lake City), UT; \$250K for a Class A in Oro Valley (Tucson), AZ and \$160K for each of two CPs (Class C & C2) for Agana, Guam.

Only one of the six AM CPs going on the auction block has a minimum bid over \$100K: \$150K for competing upgrade applications in California—KIOQ-AM (1030 kHz) Folsom (Sacramento) or KTCT-AM (1050 kHz) San Mateo (San Francisco).—JM

LPFM deadline extended

At deadline (5/20), the FCC agreed with NAB's request (*RBR* 5/3, p. 3) and extended the filing deadline for LPFM comments to allow time for more engineering studies. Comments on the LPFM proposal (Docket 99-25) are now due 8/2, with reply comments due 9/1.—JM

Motorola to work with IBOC developers

Recently (5/12), Motorola (N:MOT) held a technical and planning meeting regarding its official entry into the IBOC arena. The outcome: It's semiconductor division will now be working with IBOC developers on the chip set R&D side for both receivers and transmitters. "We are going to rearrange our plans a lot and put at least one representative from our team doing nothing but working with the IBOC people—USADR and DRE. I don't think there's much point in spending a lot of time with Lucent, they're doing their own chip set," said **Rich Potyka**, Product and Design Manager for Entertainment Radio RF and Analog Integrated Circuits, Motorola Semiconductor. He is one of the two possible point men.

Potyka met with USADR at NAB Vegas; both were trading calls and e-mail weeks before: "A non-disclosure agreement, and working relationship with USADR is expected between Q2 and Q3 this year," Potyka said. The Motorola team will be visiting USADR in early June. The timing is good because it's getting close to the point where USADR needs to begin work with chip manufacturers to transfer its technology onto working chips. "It's very important from a business standpoint for us to work closely with transmitter, receiver and chip manufacturers. We believe it's very encouraging that a company like Motorola is moving quickly to work together on IBOC," said USADR CEO **Bob Struble**.

"They've got some very interesting technology, and they've thought about

what it's going to take to develop a DAB chip," said **Jeff Jury**, VP Business Development, USADR. "We've been getting some interest from a number chip makers. Clearly, Motorola is one of those chip makers with the size to pull this off."

"As I said in that interview [*RBR* 4/19, p.14], our current chip set is a great starting point for either one of the two systems [USADR or DRE]. Having a chip set that's already digitizing the IF signal in mass production is the biggest thing we bring to the party," said Potyka. "I think it puts us well ahead of our semiconductor competition. We can move quickly because we know what to do to make that kind of device work well—both on the receiving and transmitting ends."

On the transmitter side, Motorola is already supplying the linearized transistors needed to pass the FM IBOC waveform (see "Engineered for Profit" 5/17, pp. 7-11). "I've had some conversations with the RF power people. They have linearized transistors for the mixed analog and digital. Parts like the MRF-151 [a 300 watt, dual power Field Effect Transistor (FET), used in transmitter power amplifiers worldwide] are already easily configured to handle the IBOC signal as it's configured now. So we can supply transistors that are already capable of handling in their circuits the current FM IBOC," says Potyka. Motorola may also help USADR and the transmitter manufacturers in improving the efficiency of hybrid analog and IBOC transmission systems.—CM

Instead of Ingstad all the time...

The Department of Justice (4/12) has recommended that the FCC postpone granting approval to the proposed \$24M sale of stations owned by Otter Tail Power Company's (O:OTTR) KFGO, Inc. to **James Ingstad** (*RBR* 3/22/99, p.13). At least not until it can determine if the transfers serve the public interest.

Meanwhile, many of DOJ's questions appear to have been answered last week, with Ingstad agreeing to sell five stations to Triad Broadcasting (see page 12).

Ingstad (including stations LMA'd or co-owned with brother Tom) and

KFGO, Inc. combined operate and own 11 FM and AM stations in the Fargo, ND and Moorhead, MN area and claim 92.8% of market revenue.

The FCC will require Ingstad to divest four stations. But even if it gives up four of its lowest earning stations, it will still control 75% of the market's revenue.

DOJ fears this level of concentration amounts to anticompetitive practices. DOJ economist **Sean Ennis** studied the impact of the acquisition and found three reasons why the transaction is likely to reduce competition substantially.

continued on page 6



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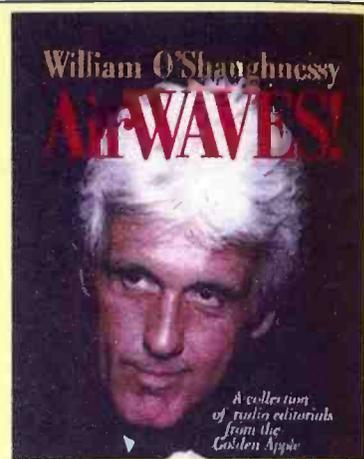
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AirWAVES hitting the bookstores

Bill O'Shaughnessy's much-anticipated 400-page folio **AirWAVES** will be available at bookstores nationwide 6/14. The 35-year collection of his highly praised radio editorials ("ravings" as he puts it) on Westchester County NY's WVOX-AM (*MBR* Oct. '98) are compiled by topic, with 38 illustrations. The book also boasts quotable quotes from NY celebs—everybody from **Nelson Rockefeller** and **Henry Kissinger** to **Howard Stern** and **Eldridge Cleaver**.—CM



Record earnings for DG Systems

Leading provider of digital distribution services DG Systems (O:DGIT) has announced record earnings growth for Q1. Revenues from the company's core operations rose to \$10.7M from \$7.8M a year ago. EBITDA was \$8K compared to negative \$328K last year.

Chairman and CEO **Scott Ginsburg** says this is the second quarter of positive EBITDA. "Increased deliveries through our network during the quarter reflect growing acceptance by advertisers, agencies and broadcasters nationwide of DG's audio and video digital distribution capabilities," he added.

Interep raking in more in commission

A positive Q1 report out of Interep National Radio Sales, Inc. Commissions were up 10%. Commission revenue increased to \$17.5M from \$15.9M last year. EBITDA came back from negative \$535K a year ago to positive \$266K this year. Interep's CEO **Ralph Guild** is expecting a record-breaking year based on these Q1 numbers.

Lower revenue for Ackerley

The Ackerley Group (N:AK) experienced a slight slowdown in revenues for Q1. Net revenue stood at \$67.7M compared to \$81.1M for Q1 1998. But its Radio Broadcasting segment, together with its Outdoor Media segment, outperformed the group with a 5% increase in net revenue. Cash flow was particularly strong for radio. The segment increased operating cash flow by 22%, making it the only segment to improve in this area. The group has four operating segments consisting of 24 independent media and entertainment operations.

Strong growth for Metro Networks

Positive numbers across the board for Metro Networks, Inc. (O:MTNT). Revenue was up 22% to \$42M from \$34.4M; EBITDA stood at \$5.3M compared to \$4.6M; and Q1 net income was \$1.7M.

Chairman and CEO **David Saperstein** says the company is pleased with the progress. He added that the news division

is still the fastest growing area for Metro with a 29% increase in affiliates during Q1.

Better than expected earnings for WinStar

Beating analysts' expectations, WinStar Communications, Inc. (O:WCII) more than tripled its core telecom revenues to \$69M in Q1. This was an increase of 23% from the previous quarter. Total revenue for the company almost doubled to \$88M compared to \$46M a year ago. EBITDA still sluggish at negative \$79.8M, but ahead of estimates.

Radio Unica's second Q1 sees growth

Net revenue was up \$1.2M to about \$1.8M. Q1 revenue was \$600K for Radio Unica's debut year last year. The company attributes revenue growth to its expanding base. It started with 30 affiliates and three O&Os. It now has 38 affiliates and 12 O&Os. EBITDA decreased by \$2.3M. It was negative \$3.6 million in 1998 Q1 compared to \$5.9M this quarter. Again, the Spanish radio network attributes the widening gap to increased costs of more operations.

Spanish Broadcasting System turns in strong Q1

Another Spanish radio group is seeing good Q1 numbers. Net revenues for the period increased almost 30% to \$18.8M from \$14.7 in 1998. The New York market experienced the highest revenue growth. SBS overall bottomline was also boosted by the purchases of KLEY-FM (San Antonio, TX) and WDOY-FM (Puerto Rico). EBITDA was also up this quarter. It was up 67.5% from \$4M to \$6.7M.

Cumulus marked by absence of dark clouds

Net revenue for Cumulus Media Inc. (O:CMLS) was up 155% to \$31.9M from \$12.5M. Cash flow spiked 216% to \$5M from \$1.6M. Executive Chairman of Cumulus **Richard Weening** said the company is pleased with that it had outperformed the industry and expects "steady revenue and cash flow growth."

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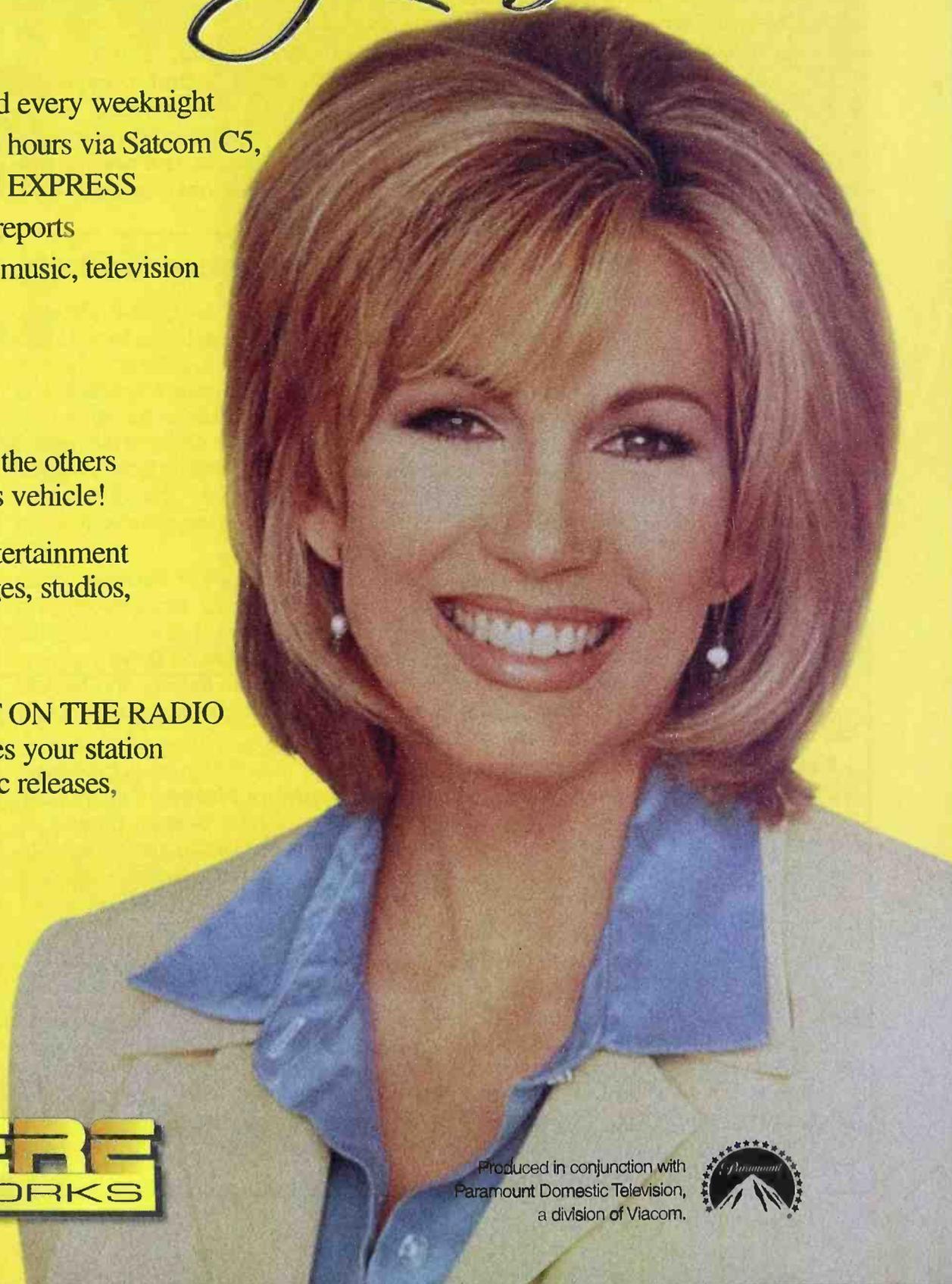
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One, "the bargaining power of advertisers will be reduced." Before advertisers could threaten to take their business to KFGO, Inc. if they were unsatisfied with Ingstad. But with Ingstad dominating the market, the advertiser will have "less ability to divert dollars to fight a price increase."

The second reason is "Ingstad will control access to a considerably larger number of radio listeners in the Fargo area." Again, Ingstad can use that to hike the price it charges for advertising.

Lastly, with Ingstad's lion's share of the market, other stations are unable to come up with a response that can pose a serious threat to Ingstad. Price increases will be harder to fend off when other stations don't have a real chance to offset Ingstad's price hikes.

The study found radio to be a uniquely effective medium because advertisers can't readily substitute radio with another media. Radio's relative affordability and repetition

makes other media "imperfect substitutes" for advertisers.

Based on these findings, DOJ recommends the FCC holds off on approval and investigate further. The department itself will continue its own investigations on whether or not the proposal violates antitrust laws.

In response to the DOJ findings, Ingstad filed a reply to the FCC (4/21) stating it "fully acknowledged that divestiture would be required and pledged to do so." It also says that Ingstad had filed an amendment to the applications, submitting a proposal for divestiture and two alternative divestiture plans.

Ingstad believes all these transactions will result in a less concentrated and more competitive Fargo market.—KM

RBR observation: Don't many broadcasters wish that they really operated in DOJ's fairyland where advertisers are unable to play radio against other media and accept rate increases without negotiation?—JM

Richland Towers building in Dallas, other markets

Tampa-based Richland Towers has announced construction of a new 1,535-ft. (2,449 ft. above sea level) supertower near the Dallas-Ft. Worth Cedar Hill antenna farm. Under negotiations, it will house all the FM stations (primary and auxiliary space) of an unnamed major broadcast group, three TV stations and other telecommunications operations. The candelabra-top design will provide open aperture transmission space for up to nine separate analog and digital television signals. Included in the initial phase of the project is a 10,000 sq. ft. transmitter equipment building. Kline Iron and Steel is fabricating the steel for the 810-ton tower, targeted for completion in November. The total cost is estimated at \$8-\$10M. Stay tuned—seven other supertower sites are planned in large markets, two of which will be announced in the very near future.

Richland Towers (RT) was launched in late '97, building cell towers on the existing real estate of parent company Richland Properties (RP). RP is a land owner/developing company that has launched numerous shopping centers, golf courses and residential subdivisions in CA, FL and TX over the last 20 years. RP President **Jack Bray**'s original goal was to leverage his existing properties for smaller telecom towers, and he had bought and sold a few sites. However, he liked the economics of owning tall towers and had the capital to be in the business.

Niel Atkinson (a former aerospace failure analysis engineer and broadcast technical consultant) was appointed RT's president, **Anthony Flores** VP Operations and **Jon Sinton** (outsourced from Atlanta consultancy Sinton Barnes) Director of Marketing. RT has also hired a number of technical experts to facilitate management of the sites, including Director of Technical Operations, **Bert Brown** (see *RBR* interview with Brown—9/21/98, p. 10) from OmniAmerica when American Tower (N:AMT) acquired it (*RBR* 11/23/98, p. 12) in late February.

"We're trying to develop a broadcaster-friendly company directed at helping broadcasters optimize and maximize their local market coverage. Our emphasis is to fully integrate broadcast facilities into these tower projects," Atkinson told *RBR*.

Like American Tower, LeBlanc/Lodestar, RT is positioned as a turnkey solution for TV broadcasters converting to DTV and for FM broadcasters displaced from DTV or looking to upgrade. Through its own staff and other consultancies, it offers planning and construction coordination, facility development, operation and management, project feasibility studies, market coverage signal analysis, RF coverage enhancement analysis and DTV interference studies.—CM

Failure to notify results in fine

A reminder from the FCC to Sinclair Radio's (O:SBGI) WFBC-FM Greenville, SC: before recording a telephone conversation intended for broadcast, inform the speaker of the plan first.

The Commission has ordered the station to pay a \$4K fine for DJ **Skip Church**'s failure to notify the managing editor of a weekly newspaper that he was going to record and broadcast their conversation. Church apparently called the *Creative Loafing* editor to discuss an article concerning WFBC-FM.

The managing editor contends he was never informed that the call was being broadcast or taped for a later broadcast. Sinclair now has 30 days to challenge the fine or pay it.—TS

Eat, drink and be merry

More advice for advice-weary Americans. But Dr. **Dean Edell**'s new book of the same title promises to be different. "I want *Eat, Drink and Be Merry* to provide readers with the tools that they need to make individual health decisions," says Edell. The Premiere Radio Network's syndicated host of "The Dr. Dean Edell Show" dispenses common sense wisdom in his book and battles "media misinformation."

Sales of the new book have been brisk. Available to the public since 5/28, the book is already in its third printing, ranking in the Amazon.com top 100 consistently.

Find out why Americans are bigger cry babies than ever before despite giant leaps in medical science. It is no wonder Edell's favorite prescription is the "chill pill."—KM

Calling all sports junkies

Foursome buddies score a winner with "The Sports Junkies" on Infinity's (N:INF) WJFK-FM in Washington, DC. Evidently, since Westwood One (N:WON) has picked it up for syndication.

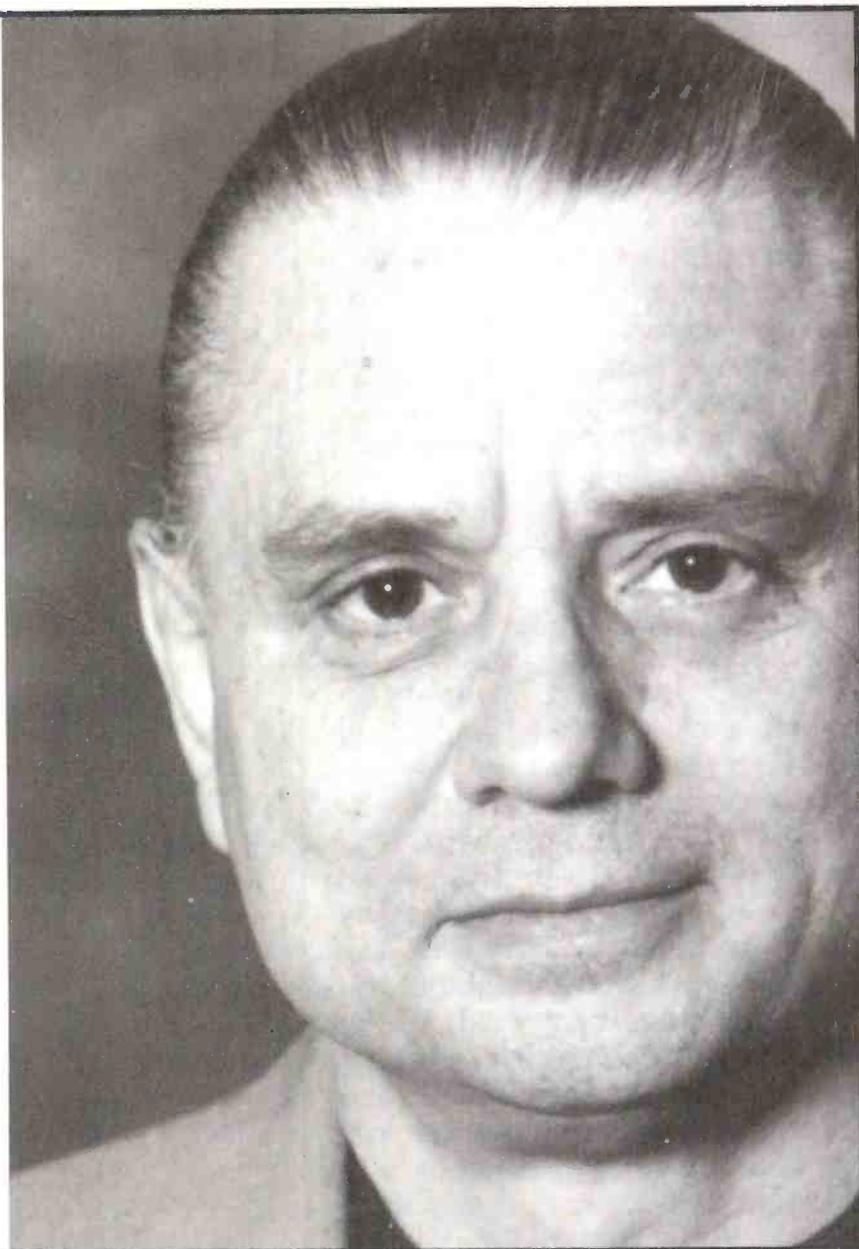
Guys in the DC metro area have given these junkies the thumbs up since their debut in 1996. The program has clinched top spot in many demos including men 18-49 and men 25-54.

The junkies are childhood friends **John Paul Flaim** (JP), **Eric Bickel** (EB), **John Auville** (Cakes) and **John Bishop** (Lurch). Now, they can be heard in stations across the US Mondays to Fridays, 8 p.m. to 1 a.m. ESPN purists need not tune in.—KM

by Jack Messmer

THE AMAZING SUPER SHIRK:

Defying the odds for decades



Bill Shirk hardly seems old enough to be in his fourth decade in radio, but then he started in the business at age 16, when his father, **William Poorman** (the son uses his middle name—his mother's maiden name—on the air), decided to put a new station on the air in Muncie, IN. Poorman, the owner of a local advertising agency, got a construction permit from the FCC and launched WERK-AM, a 250-watt daytimer, in 1965.

"We were a hit," Shirk recalled, and one of the station's early personalities was a student from Muncie's Ball State University, **David Letterman**.

At first, Shirk's broadcasting career consisted of sweeping up and dumping the trash, but after a couple of years his dad let him behind a microphone. Young Bill continued his part-time DJ work as he earned a teaching degree from Ball State. After teaching for one year, Poorman told his son that he should join the family business full time. The son said OK, but only if he could be GM, and the

father agreed. "I tripled the billing in about a year," Shirk said proudly.

By 1970, Shirk said he "got the itch to play the game in Indianapolis." He was hired as PD at WXLW-AM and three months later became GM. Two years later he bought the station and recalled that during his tenure at the Top 40 station he increased monthly billings from \$5K to \$65-70K.

"We were doing alright until this monster started eating away at us, which was called FM." By the end of the decade, Shirk was forced to retire his "Super Shirk" on-air personality and switch the format to Religious, with lower billings but greatly reduced overhead, to keep the station alive. He also replaced himself as manager and "I kind of felt that I was out of radio."

At that point, Shirk devoted himself to perfecting another passion—escape artistry. Strangely, he would join the two passions a few years later.

New life from Docket 80-90

While many broadcasters may cringe at the mention of Docket 80-90, for Shirk it was an opportunity to return to the type of radio he'd loved. He helped lobby the FCC to give daytimers a preference for the new FM allocations. Even with the preference, he had to pay settlements to many of 36 other applicants for the 96.3 MHz allocation in Indianapolis—\$600K before even beginning construction.

To fund the settlements, Shirk sold a 49% stake in WXLW-AM and the FM CP for \$600K to **Art Angotti**, who already owned several stations elsewhere in Indiana. Two years later, Angotti sold his 49% for \$3.5M to **Bill Mays**, a successful businessman in the chemical industry who wanted to get into broadcasting.

"Hoosier Hot 96, WHHH" debuted in the fall of 1991 as Indianapolis' first Rhythmic CHR, planting itself between two of the market's established giants, CHR WZPL-FM and Urban WTLC-FM.

In the intervening years, Shirk Inc. sold WXLW-AM and acquired two more Class A stations, although both are licensed to suburbs in counties adjacent to Indianapolis: Urban AC WBKS-FM "Kiss," licensed to Greenwood, and Smooth Jazz WYJZ-FM, licensed to Lebanon. To maintain goodwill in Lebanon, Shirk established a non-profit corporation and built a 300-watt non-commercial station which took WYJZ's previous call letters, WIRE-FM, and continued broadcasts of local news, community events and high school sports play-by-play.

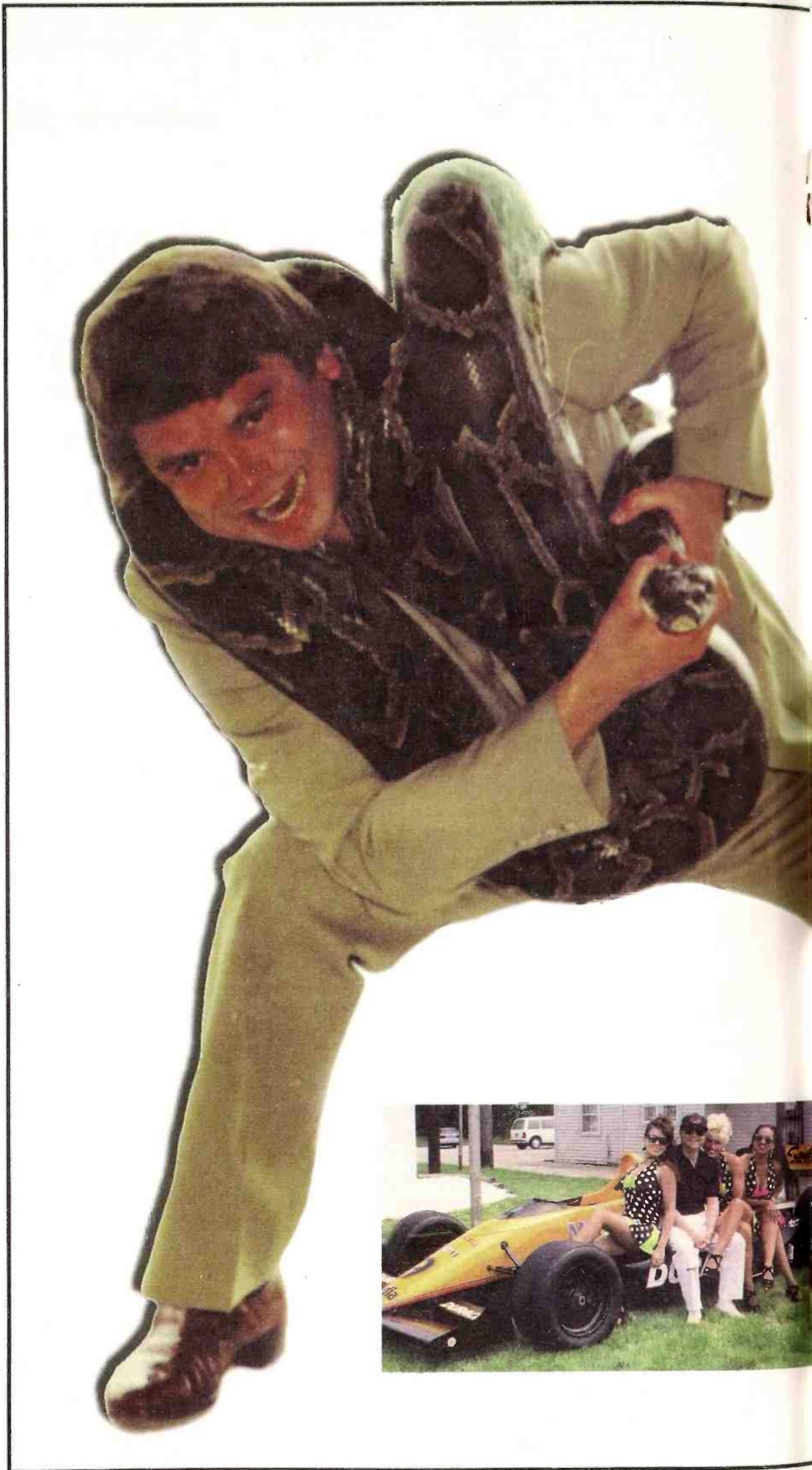
Perhaps reflecting its owners—Shirk is White, Mays Black—the staff of the superduopoly is about 50/50 Black and White, as are the audiences of WHHH and WYJZ.

Despite being a beneficiary of Docket 80-90, Shirk is no supporter of the FCC's current low-power FM (LPFM) proposal.

"I think the unfortunate thing is it will hurt minority broadcasters," he said, since the most likely targets for LPFMs will be Spanish and Urban stations. "I think they will hurt the people that the FCC doesn't want to have hurt."

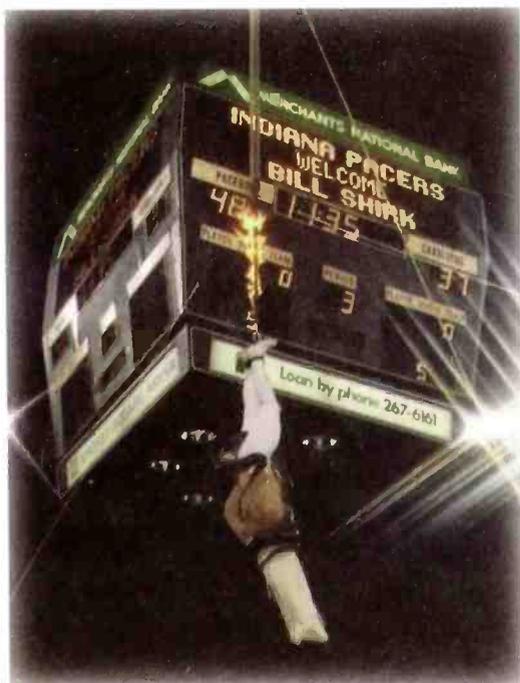
Running with the big dogs

Although he has three FM signals, Shirk's stations are all Class A, while his competitors have Class Bs. "I do



Laughing in the face of death! (and selling spots!)

Wrestling with a giant snake is just practice for Bill Shirk, before taking on an advertiser who is demanding make-goods. Clockwise from right, the veteran broadcaster has been buried alive several times; Halftime at an NBA game finds Shirk in the rafters, hanging upside down as his rope burns away; But there's also time for a visit with WHHH's Hoosier Hot Girls, where the only threat may come from Shirk's wife.



have the weak puppies, so to speak," he admits.

"If you have a heavyweight in the boxing ring and you put three lightweights in with him, you'd better know what you're doing if you want to live," Shirk noted. "I didn't say beat him, just live!"

All three stations, plus the non-commercial FM and a low-power TV station, are housed in a 17,000 square-foot facility in northern Indianapolis. Shirk readily admits that his "warehouse concept" doesn't compare to the grandeur of Emmis Communications' (O:EMMS) new headquarters on Monument Circle in the heart of downtown, "but I'm only paying \$4.50 per square foot."

Keeping overhead low is key to keeping Shirk's operation on the air. In the Indianapolis radio landscape that's been built since the 1996 Telcom Act, he figures Emmis, Susquehanna and Capstar (N:CRB) each take 27¢ to 30¢ of each dollar spent in the market on radio advertising, with MyStar Communications claiming 10¢ or so. That leaves Shirk fighting to hang onto 3¢ to 5¢. "It's a never-ending battle."

How does he stay in the game?

"I feel I have to stay five-to-seven years ahead of my fellow broadcasters just to stay on an even keel," Shirk told *RBR*. To operate four radio stations (including the non-comm), he figures his staff is about the size most companies would use for 1 1/2 stations. All of the stations run off ENCO Systems computerized on-air systems, utilizing lots of hard drive capacity. "I've got enough hard drive to do 10 stations," Shirk claims.

Bill's father passed away a few years ago, but his 78-year-old mother is still the bookkeeper for Shirk Inc.

Shirk himself and other on-air personalities do a mix of live and virtual programs, with most of them appearing on more than one station. One female staffer airs on three stations at the same time—as DJ, sidekick and newscaster—and only one is taped. Breaks are carefully timed to allow her to do the other two shows live.

Smooth Jazz WYJZ utilizes virtual programming from Broadcast Architecture. "If I couldn't do that, I couldn't survive," Shirk said.

Escaping disaster—for fun

If there's one thing Shirk doesn't have to worry about is a threat from any

competitor to "bury" him. He'll do it himself.

No one at WHHH has to worry about thinking up something to be the station's big promotion of the year. The boss will think up something new to escape from.

"On October 31 I always do something to commemorate **Houdini** [the famed escape artist died on Halloween] and the anniversary of Hoosier Hot 96," Shirk says.

Two years ago that something was a fund-raiser to send an inner city Boy Scout troop to camp, completely outfitted with tents and gear. Shirk had himself buried for 96 hours, with a couple of "friends" who shared his coffin: a 14-foot python and a Venezuelan Goliath bird-eating spider, the world's largest spider.

"After about 40 hours and trying to sleep, I woke up with this unbelievable headache," Shirk recalled. It turned out that the air pump which was supposed to send fresh air down a tube into his coffin had gotten shut off. Somewhat panicked, Shirk contacted staffers on the surface and had emergency oxygen pumped down the tube. "If I'd gone a couple of hours breathing carbon dioxide, I'd have been dead."

Shirk's escape artistry is also put to use at sponsored remotes and draws especially well for his biggest client, 500-pound "Crazy Micky, The Beeper King." The broadcaster/escape artist is also likely to show up at public events, hanging upsidedown by a burning rope as he frees himself from a straightjacket (see photo, page 9).

That may look tough, but Shirk says the most difficult thing he's ever done didn't involve escapes or radio—it was getting cable systems to carry his low-power TV station. Against all odds, he convinced most of the cable systems in Marion County to clear the station and it now attracts a measurable share of the local TV audience, especially for play-by-play sports—Cincinnati Reds baseball, Butler University women's basketball and Notre Dame sports.

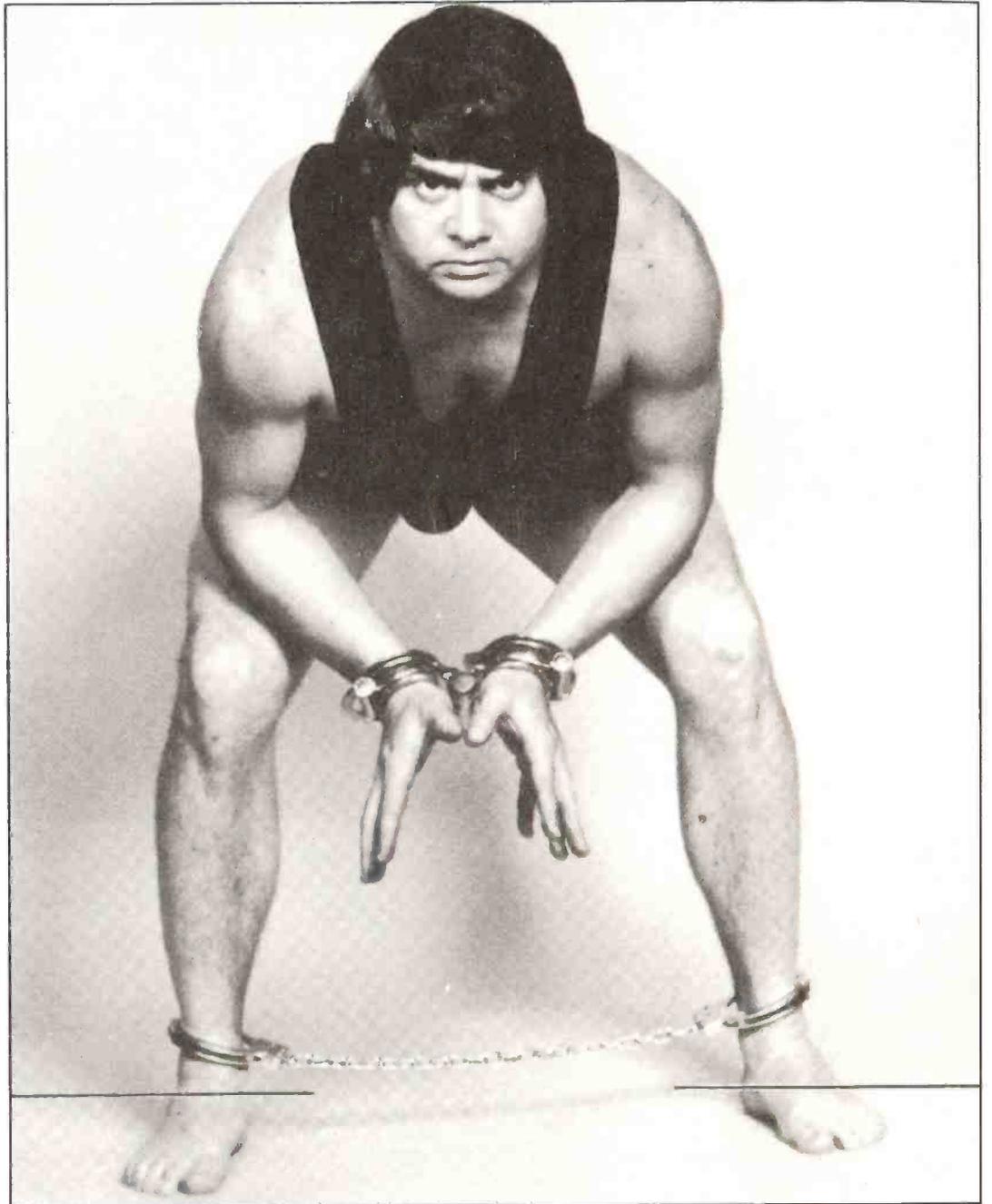
"You have to realize what it is," Shirk says of TV 53. "It is not a competitor to other television stations. Some people just can't afford \$3,000 spots or even \$300 spots, but they can afford \$25 spots."

One thing the low-power TV station

is, though, is a free promotional outlet for three radio stations and Shirk believes in heavy cross-promoting. "You can't miss my radio stations on my TV station."

Battling in the trenches every day for ad dollars with three of the smallest radio stations and the smallest

TV station in his market sounds like the definition of a high-stress life. We wonder if Shirk took up escape artistry for relaxation. That 96-hour break underground—with no client calls or staff crisis to deal with—could start to look rather attractive to modern radio GMs.



BROADCAST INVESTMENTS™

May 19—RBR Stock Index 1999

Company	Mkt:Symbol	5/12 Close	5/19 Close	Net Chg	Pct Chg	5/19 Vol (00)	Company	Mkt:Symbol	5/12 Close	5/19 Close	Net Chg	Pct Chg	5/19 Vol (00)
Ackerley	N:AK	17.812	17.875	0.063	0.35%	111	Harris Corp.	N:HRS	39.062	40.000	0.938	2.40%	6160
Alliance Bcg.	O:RADO	0.562	0.562	0.000	0.00%	0	Hearst-Argyle	N:HTV	25.875	25.000	-0.875	-3.38%	691
Am. Tower	N:AMT	26.000	24.187	-1.813	-6.97%	3022	HefTel Bcg.	O:HBCCA	61.625	60.250	-1.375	-2.23%	812
AMSC	O:SKYC	14.562	15.125	0.563	3.87%	839	Infinity	N:INF	27.500	29.437	1.937	7.04%	6014
Belo Corp.	N:BLC	23.375	23.125	-0.250	-1.07%	1554	Jeff-Pilot	N:JP	68.937	67.500	-1.437	-2.08%	2295
Big City Radio	A:YFM	4.125	4.000	-0.125	-3.03%	101	Jones Intercable	O:JOINA	58.000	52.500	-5.500	-9.48%	427
Broadcast.com	O:BCST	125.500	118.000	-7.500	-5.98%	2417	Metro Networks	O:MTNT	51.875	50.500	-1.375	-2.65%	116
Capstar	N:CRB	27.625	27.437	-0.188	-0.68%	873	NBG Radio Nets	O:NSBD	2.687	3.000	0.313	11.65%	34
CBS Corp.	N:CBS	46.187	44.250	-1.937	-4.19%	17123	New York Times	N:NYT	35.125	34.812	-0.313	-0.89%	4540
CD Radio	O:CDRD	26.000	26.500	0.500	1.92%	1093	Otter Tail Power	O:OTTR	38.625	38.375	-0.250	-0.65%	49
Ceridian	N:CEN	36.562	35.625	-0.937	-2.56%	2982	Pacific R&E	A:PXE	1.000	1.500	0.500	50.00%	107
Chancellor	O:AMFM	56.937	56.687	-0.250	-0.44%	16741	Pinnacle Hldgs.	O:BIGT	19.875	19.062	-0.813	-4.09%	2772
Citadel	O:CITC	33.875	32.250	-1.625	-4.80%	74	Radio One	O:ROIA	39.500	37.187	-2.313	-5.86%	1451
Clear Channel	N:CCU	69.000	70.500	1.500	2.17%	12869	RealNetworks	O:RNWK	94.500	90.750	-3.750	-3.97%	19853
Cox Radio	N:CXR	51.312	52.625	1.313	2.56%	428	Regent Pfd.	O:RGCIP	5.000	5.625	0.625	12.50%	81
Crown Castle	O:TWRS	18.250	21.000	2.750	15.07%	5487	Saga Commun.	A:SGA	20.125	20.125	0.000	0.00%	59
Cumulus	O:CMLS	17.750	17.625	-0.125	-0.70%	390	Sinclair	O:SBGI	14.062	14.187	0.125	0.89%	2319
DG Systems	O:DGIT	6.562	6.562	0.000	0.00%	925	SportsLine USA	O:SPLN	42.625	34.000	-8.625	-20.23%	5063
Disney	N:DIS	29.187	29.937	0.750	2.57%	88937	TM Century	O:TMCI	0.937	0.937	0.000	0.00%	0
Emmis	O:EMMS	45.500	44.250	-1.250	-2.75%	637	Triangle	O:GAAY	0.055	0.059	0.004	7.27%	74838
Entercom	N:ETM	36.000	32.687	-3.313	-9.20%	1042	Tribune	N:TRB	81.437	78.812	-2.625	-3.22%	2338
Fisher	O:FSCI	61.000	62.000	1.000	1.64%	15	WestTower	A:WTW	30.000	26.250	-3.750	-12.50%	571
Gaylord	N:GET	31.750	31.875	0.125	0.39%	204	Westwood One	N:WON	35.312	34.875	-0.437	-1.24%	79
Granite	O:GBTVK	6.937	7.000	0.063	0.91%	1104	WinStar Comm.	O:WCII	52.875	50.750	-2.125	-4.02%	5810

WesTower sold in stock swap

WesTower (A:WTW) is merging with SpectraSite Holdings in a stock-swap which will make WesTower, a builder, owner and manager of tower sites, a wholly owned subsidiary of SpectraSite, a major consolidator in the tower industry. Although SpectraSite, based in Cary, NC, is currently privately held, it plans to become a public company and trade on Nasdaq once the deal with WesTower closes.

Each share of WesTower stock will

be converted into 1.81 shares of SpectraSite in the tax-free merger. The companies said WesTower's current shareholders will end up owning about 20% of the merged company. The merged company, headed by SpectraSite CEO **Stephen Clark**, will own 2,400 towers and have annual revenues of approximately \$150M. **Broker:** Goldman Sachs & Co. advised SpectraSite; BancBoston Robertson Stephens advised WesTower.

RBR observation: It was no secret

that WesTower had been in play and some of the speculators had been looking for a cash deal, rather than this stock swap. WesTower's stock price dropped \$2.625 to \$27.375 when this deal was announced 5/17. Shareholder approval of the merger is all but guaranteed though, since WesTower CEO **Calvin Payne**, other managers and major shareholders have pledged to vote a total of 49% of the company's outstanding shares in favor of the deal.—JM

TV upfront looking strong

Wall Street Journal—The annual mating dance between Madison Avenue and TV broadcasters, now underway, could turn some former wallflowers into belles of the ball.

Wall Street analysts expect the TV networks as a group to reap at least an 8% gain to \$6.5B in advance sales of prime-time ad slots for the fall—a relief after last year's flat ad sales season. Fox Broadcasting (N:FOX) is expected to sprint to perhaps a 12% increase, closely followed by CBS (N:CBS), up 9%, Merrill Lynch estimates.

A big jump in ad revenue also seems likely at Time Warner's (N:TWX) WB, albeit off a much smaller base. The smallest rise this season could come at General Electric's (N:GE) long-dominant NBC, still struggling to recover from the exit of "Seinfeld."

Despite the overall gain, an explosion of TV-viewing choices is undermining the ad-boosting potential of a strong economy and newer ad categories such as Internet companies and pharmaceuticals. Cable this past year outdrew the Big Four networks in terms of viewership. Excluding the WB, all the major networks saw ratings continue to slide in the first 33 weeks of the 1998/99 TV season.

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RealNetworks selling shares

RealNetworks (O:RNWK) filed with the SEC to sell 4M shares, including 475K being sold by CEO **Robert Glaser** and two other directors. Glaser will still own nearly 28M shares after the sale.

The add-on stock offering was announced the same day (5/17) that RealNetworks announced a deal with Snap.com to offer rich media—the new generation of audio and video content—to Internet surfers. Snap.com is a web portal owned by GE's (N:GE) NBC and CNET (O:CNET).—JM

by Jack Messmer

Triad adding Fargo and Rapid City

David Benjamin's Triad Broadcasting is picking up stations in two more markets, Fargo, ND and Rapid City, SD, in a \$37.8M deal to buy stations from various companies owned by brothers **Tom and Jim Ingstad**. The Fargo sales should also help clear the way for Jim Ingstad to close a pending \$24M purchase of the Fargo stations now owned by Otter Tail Power Company's (O:OTTR) KFGO, Inc. (RBR 3/22/99, p.13). That deal had raised antitrust questions at the Department of Justice (see page 3).

One of the five Fargo stations being sold to Triad is coming from Otter Tail, KVOX-FM. The others, all currently owned by one Ingstad or the other, are KQWB-AM & FM, KPFX-FM & KLTA-FM.

In Rapid City, the Ingstads will sell Triad KKLS-AM, KBHB-AM, KRCS-FM, KKMK-FM, KOUT-FM & KFXS-FM. The deal also includes a JSA of KIMM-AM, which is owned by Tom Ingstad's stepson, **Matthew Ward**.
Broker: Elliott Evers, Media Venture Partners

RBR observation: Other than changing who owns which superduopoly, the only real change in the Fargo radio market from these chain-reaction deals would be the substitution of CHR WDAY-FM for Country KVOX-FM, splitting up the latter's powerhouse combination with Country KFGO-FM. That should make DOJ happy.

Regent into Erie

Jim Embrescia is selling his Media One Group duopoly in Erie, PA—WRIE-AM, WXTA-FM & WXKC-FM—to Regent Communications (O:RGCI) for \$13.5M. It's a new market for Regent honchos **Terry Jacobs, Bill Stakelin and Joel Fairman**.

Embrescia had a deal last year (RBR 2/9/98, p. 13) to add Rambaldo Communications' two Erie FMs for \$5.35M, but DOJ got involved (RBR 7/13/98, p. 2) and the deal was finally dropped at the start of this year. **Broker: Michael Bergner, Bergner & Co.**

Catholic net gets first duopoly

John Lynch's Catholic Radio Network (CRN) is buying WYPA-AM Chicago for \$10.5M, which will give CRN its first duopoly. CRN's current station, WAUR-AM Sandwich, IL, is well to the west side of the Chicago metro, while the new addition is actually licensed to the Windy City.

Although WYPA was part of the roll-up of the remains of Douglas Broadcasting into Z-Spanish Media, it has continued to carry **John Douglas'** Personal Achievement Radio while awaiting its final disposition—well, at least as far as anything is final in radio. **Broker: Austin Walsh, Media Services Group**

Anchoring in Anchorage

New Northwest Broadcasters Inc. is doubling from two FMs to four in Anchorage. **Michael O'Shea and Ivan Braiker** previously cut a deal to buy KFAT-FM and an FM CP from **Chester Coleman** (RBR 4/26, p. 13). Now they're paying \$1.3M for Williams Broadcasting's KKRO-FM and \$1.1M for Ubik Corporation's KQEZ-FM. LMAs are now in effect.

Ubik won't be leaving the market, though. It has a deal pending to buy Northern Television's KNIK-FM for \$1M, including a \$500K note, or \$800K all in cash. **Broker: (KKRO & KQEZ) Austin Walsh, Media Services Group**

Cumulus Broadcasting, Inc.

has agreed to purchase the assets of

**WLRO-FM WLTO-FM
WVLK-AM/FM WXZZ-FM**

Lexington, Kentucky

from

HMH Broadcasting, Inc.

for

\$44.5 Million Cash*

Scott M. Knoblauch and George R. Reed
of Media Services Group, Inc.

initiated this transaction and assisted the Buyer in the negotiations.

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Tripling in Fresno

Cliff Burnstein's Digisphere group is getting its third FM in the Fresno market, where it also has an AM. Mondosphere Broadcasting (all of the group's companies are a "sphere" of some sort) will pay \$2.5M for **Susan Lundborg's** KVPC-FM, a new station on 105.5 MHz. The Class B1 signal is licensed to San Joaquin, CA. Broker: **Tony Rizzo**, Blackburn & Co.

Brokers buy more stations

Larry and Susan Patrick don't just sell stations for other people—sometimes they buy a few for themselves. The latest example is an \$890K deal to buy KODI-AM & KTAG-FM Cody, WY from Yellowstone Ventures, owned by **Don Price and Roger Sedam**. That's not surprising, since the Patricks' Legend Communications already owns KZMQ-AM & FM Greybull, WY and this deal will create a double duopoly.

Mel in merging mood?

The stock price of Outdoor Systems (N:OSI) has been rising on increased speculation that a merger deal with Infinity Broadcasting (N:INF) is nearing. Outdoor Systems is the largest outdoor company in the US (although behind Clear Channel worldwide). Infinity's outdoor division, TDI, is focused primarily on bus/subway/rail advertising and CEO **Mel Karmazin** is known to be interested in acquiring more outdoor assets for Infinity, which is controlled by CBS (N:CBS).

Granite exiting radio

Granite Broadcasting (O:GBTVK) is getting out of radio, selling its only station, WEEK-FM Peoria, to **Bud Walters' Cromwell Group** for \$1.15M. Cromwell already has one AM and three FMs in Peoria. Broker: Blackburn & Co.

Salem Communications Q1 up double digits

Salem Communications (N:SLC, IPO pending) reported double digit gains for revenues, cash flow and EBITDA in Q1 as the nation's largest commercial Religious broadcaster prepared to make its stock market debut. There's no word yet, though, on when the IPO (*RBR* 4/26, p. 12) will be priced.

Salem's Q1 revenues gained 21.5% to \$21.5M. Net broadcasting revenues were ahead 15.3% to \$20.4M. Broadcast cash flow shot up 15.4% to \$9M and EBITDA increased 11.1% to \$7M.

On a same station basis, revenues were up 12% and cash flow 10.3%.

For the first time, Salem included a line for "other media revenue," with \$1.1M coming from its recently acquired publishing and Internet businesses.

In a conference call with analysts, Salem CEO **Ed Atsinger** announced that *Aspire* magazine, a piece of the publishing deal which Salem decided to spin off, was being sold to Guideposts.

Atsinger was upbeat on the new Internet business, OnePlace.com, noting that Salem had recently developed "Christian Pirate Radio" for the web site.

RBR observation: Finally, an Internet radio station created by broadcasters! Instead of mimicking a jukebox, Christian Pirate Radio actually sounds like a radio station. It even has DJs and spots. Whether or not you're interested in the musical offerings (Christian Rock), it's worth a listen. It's also a nice looking web site (and the first radio site we've seen with a "Statement of Faith").

More earnings reports on page 4.

CLOSED!

WRBQ-AM
Tampa, Florida
from
Clear Channel
Communications, Inc.
to
ABC, Inc.

Elliot B. Evers
and
Charles E. Giddens
represented ABC.

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ELLIOT B. EVERS
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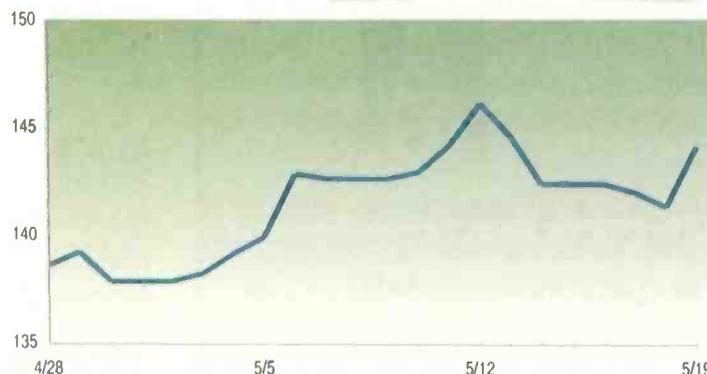
The Radio Index™

RADIO BUSINESS REPORT

THE WALL STREET JOURNAL

RADIO NETWORK

The Radio Index™ closed last Wednesday (5/19) at 144.13, which was 2.01 below the record of 146.14 set a week earlier.



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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.

Duopoly in the Redding market upon construction of KAWX-FM CP and KBHX-FM CP. KBHX is under contract to be purchased from Redding FM Inc. by the seller. LMA since 4/16. Broker: Media Venture Partners (seller)

\$66,000,000—WICC-AM & WEBE-FM Bridgeport (Bridgeport-Westport CT) from WICC Associates and WEBE Associates, subsidiaries of ML Media Partners LP (Martin Pompadur) to Aurora Communications LLC (Frank Osborn, Frank Washington, BancAmerica Capital Investors, Heller Financial). \$3.3M letter of credit as escrow, \$66M in cash at closing. Broker: CEA

\$5,000,000—* KGME-AM Phoenix (Glendale AZ) from New Century Arizona License Partnership (NCA L.L.C. and Century Management Inc.) to Salem Media of Arizona Inc., a subsidiary of Salem Communications Corp. (Edward G. Atsinger III, Stuart W. Epperson et al). \$250K escrow, balance in cash at closing. **Duopoly** with KPXQ-AM. Broker: Gary Stevens & Co. (seller)

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\$5,000,000—* WLSY-FM, WRVI-FM Louisville (New Albany IN, Valley Station KY) from CXR Holdings Inc., a subsidiary of Cox Radio Inc. (Robert Neil, EVP) to Salem Communications Corp. (Edward G. Atsinger III, Stuart W. Epperson et al). \$250K escrow, balance in cash at closing. Existing **duopoly**. Broker: Media Venture Partners (seller)

\$7,000,000—* KCEZ-FM, KRQR-FM, KTHU-FM, KLRS-FM Chico CA (Corning, Orland, Los Molinos, Chico), **KMJE-FM, KKCY-FM Chico CA** (Gridley, Colusa), **KAWX-FM CP, KBHX-FM CP Redding CA** (Weaverville, Shingletown) from Phoenix Broadcasting Inc. (Gary Katz) to Results Radio License L.L.C. (Jack W. Fritz, Jack W. Fritz III, Barry N. Cooper, David Shakes). \$500K cash, \$6.5M note (\$600K escrow deposit will be returned to buyer at closing). Existing **superduopoly** and **duopoly** in Chico market. KLRS-FM is under contract to be purchased from Chico FM Inc. by the seller; KMJE-FM and KKCY-FM overlap each other but none of the other stations in the Chico market.

\$2,806,000—* WJJR-FM Rutland VT from Peak Communications Inc. (Ronald A. Morlino, Kathryn E. Adams, David C. Adams) to Albany Broadcasting Co. Inc. (James J. Morrell). \$92K escrow, balance in cash at closing. **Superduopoly** with WJEN-FM, WJAN-FM.

CLOSED!

WNBR - FM
Arapahoe - New Bern, North Carolina
WZBR - FM
Kinston, North Carolina
\$1.2 Million

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\$1,919,000—* WJEN-FM Rutland VT from Cumberland Blues Co. Inc. (Kathryn E. Adams, Ronald A. Morlino) to Albany Broadcasting Co. Inc. (James J. Morrell). \$58K escrow, balance in cash at closing. **Superduopoly** with WJJR-FM, WJAN-FM.

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\$1,525,000—* WJAN-FM Rutland VT (Sunderland VT) from Radio New England Inc. (Ronald A. Morlino) to Albany Broadcasting Co. Inc. (James J. Morrell). \$50K escrow, balance in cash at closing. **Superduopoly** with WJEN-FM, WJJR-FM.

\$1,560,000—WSRF-AM Miami (Ft. Lauderdale FL) from Gallery Broadcasting Inc. (Carl Nelson) to Urban Radio of Florida LLC, owned 10% by Carl Nelson and 90% by Inner City Broadcasting Corp. (Percy, Pierre, Cheryl, Clifton, Oliver & Renee Sutton, Hal Jackson & others). 2/25 note for \$1.5M to be cancelled at closing, assumption of \$6K debt owed to Stevie Wonder.

\$1,500,000—KAIO-FM CP (102.3 mHz) Salt Lake City (Randolph UT) from Randolph Broadcasting LLC (Victor Michael, Todd Robinson) to Maximum Broadcasting Company LLC (Bruce Buzil, Robert Neiman, Aaron Shainis, Andrew Barrett, Diana Evans Devine as trustee of The Judson Revocable Trust). \$100K escrow, balance in cash at closing. Note: The buyer may terminate this deal if the FCC fails to approve a pending upgrade from Class A to Class C.

\$1,175,000—* WACQ-FM Tallasse AL from Hughey Communications Inc. (Fred Randall Hughey) to Tiger Communications Inc. (Thomas Matthew Hayley, Tracie Wood, Shawn Parker, Eric Bruknee). \$550K cash, \$236K note, \$389K debt assumption. **Duopoly** with WAUD-AM & WTGZ-FM Auburn-Tuskegee AL. LMA since 3/1.

\$1,150,000—WRVX-FM Lynchburg VA from The Shircliff Partnership Ltd. (James Shircliff) to Travis Media Corporation LLC (Robert & Karen Travis). \$50K escrow, additional \$900K in cash at closing, \$200K under contract to employ James Shircliff for five years.

\$800,000—WBZY-AM Youngstown OH (New Castle PA) from Samuel M. Shirley & Robert L. McCracken d/b/a WBZY Radio to Citicasters Co. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$40K escrow, balance in cash at closing. **Superduopoly** with WNIO-AM, WKBN-AM & FM, WKST-AM & FM & WBTJ-FM. Broker: Thorburn Co.

\$775,000—WHIY-AM & WXKI-FM Moulton AL from Moulton Broadcasting Co. and Lawco FM Ltd. (Ray Wallace) to Hundley Batts Sr. and Virginia Caples, joint venturers. \$15K escrow, \$250K (less escrow) in cash at closing, \$525K note.

\$750,000—* WBTO-AM, WQTY-FM Terre Haute (Linton IN) from Linton Broadcasting Co./Greene County Broadcasting Corp. (Robert M. McDaniel) to The Original Co. (Mark R. & Sandra K. Lange). \$37.5K escrow, balance in cash at closing. \$400K is allocated to purchase of FM tower under separate contract attached to WBTO/WQTY contract. **Superduopoly** with WUZR-FM Bicknell IN, WZDM-FM Vincennes IN (100% owned) and WAOV-AM Vincennes, WWBL-FM Washington IN (50% owned). LMA since 12/31/98.

\$550,000—WKOT-FM Marseilles IL from Pride Radio Licensee Inc. (James Hooker) to LaSalle County Broadcasting Corp. (Peter Miller, Joyce McCullough). \$55K escrow, balance in cash at closing. Combo with WLPO-AM LaSalle IL, but no overlap with WAJK-FM LaSalle IL. Note: The 1 mV/m contour of WKOT does not cover the entire city limits of LaSalle (it misses a tiny northwest section along I-80) where the Miller family publishes the *News-Tribune*, a daily newspaper.

\$480,000—KBYE-AM Oklahoma City from SCI Corp. to Tyler Broadcasting Corp. (Ty A. & Tony J. Tyler). \$40K escrow, balance in cash at closing. Combo with KKNB-FM.

\$425,000—WBNI-AM & FM Evansville (Boonville IN) from Boonville Broadcasting Co. Inc. (Norman Hall) to CCM Ministries Inc. (Todd Lavine, Troy Smith, Robert Kerney, Terry Noffsinger, Gregory Kahre, Timothy Adkins). \$20K escrow, balance in cash at closing. Broker: Joseph Tito, American Communications Partners

\$228,000—WMBL-AM Greenville-New Bern (Morehead City NC) from Ashley L. Moseley, sole proprietor, to Citicasters Co. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$6,250 escrow, balance in cash at closing. Broker: Jorgenson Broadcast Brokerage

\$175,000—KRVS-AM & KQAZ-FM Springerville AZ from Double Z Enterprises Inc. (Theodore Barbone) to William Konopnicki. Note for \$175K minus payments under LMA. **Duopoly** with

KTHQ-FM Eager AZ. LMA since 6/30/97.

\$67,500—WMLR-AM Hohenwald TN from Lewis County Broadcasting Company Inc. (Revis Hobbs, Bryan Lane) to Cochran Communications Corporation of Lewis County (Harold Cochran). \$67.5K cash.

\$60,000—WBDO-AM (760 kHz) Ft. Pierce-Stuart-Vero Beach (Palm City FL) from KMO Inc. (James L. Blaine) to Star Development Group (Carl Como Tintera, Carmine J. Tintera). \$10K escrow, balance in cash at closing.

\$28,333.34—* KQEO-FM Grants NM from Don Davis to Palmer Radio L.L.C. (Gaylen C. & Laurel W. Palmer). \$3,333 escrow, balance in cash at closing. **Duopoly** with KMIN-AM, KAIU-FM.

\$28,333.34—* KAIU-FM Grants NM from Philip D. Vanderhoof to Palmer Radio L.L.C. (Gaylen C. & Laurel W. Palmer). \$3,333 escrow, balance in cash at closing. **Duopoly** with KMIN-AM, KQEO-FM.

\$28,333.32—* KMIN-AM Grants NM from Davis Broadcasting Co. Inc. (Don & Dorothy Davis) to Palmer Radio L.L.C. (Gaylen C. & Laurel W. Palmer). \$3,334 escrow, balance in cash at closing. **Duopoly** with KQEO-FM, KAIU-FM.

\$3,500—KHAT-FM CP (100.5 mhz) Malin OR from The Jesuit Mission Inc. (Frank Kato) to Malin Christian Church Inc. (Rev. Sandra Soho). Transfer for reimbursement of expenses up to a maximum of \$3.5K.

N/A—KSFS-AM & KCGN-FM Sioux Falls (Sioux Falls SD-Ortonville MN), 100% stock transfer of CGN Corp. from Robert Kuhlman and 19 other people to Praise Broadcasting Inc. (Willis Wubben, Chair). Donation to non-profit corp.

N/A—KMBQ-FM Anchorage (Wasilla AK). 100% of the stock of KMBQ Corp. from Garry E. Buell (husband) to Clyde T. Boyer Jr., trustee for Caroline E. Buell (wife and British citizen) for no consideration.

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Market Profile

Cleveland Consolidation catch-up in progress

By Dave Meyer

Cleveland was among the last large markets to enter the superdupoly era. As recently as Fall 1997, there was only one superdupoly in operation (Nationwide), and with three unconsolidated FMs, it was, from a strict standpoint, as small as a superdupoly could be. In November 1997, Jacor bought Nationwide, building a station superdupoly here and kicking off a year of incredible change in the market.

Cleveland's Edmond Jaca, adding together a consolidation cluster of its own to do with (one separate owners Jaco later swapped one of its stations to Capstar, a company which since the latter announced it was merging with Clear Channel. This swap-up, Clear Channel's cluster to seven stations, assuming all deals are completed. Meanwhile, Clear Channel announced a deal to shortly Jacor. There was no way to combine the existing in-market stations of the two groups, and the Clear Channel three station group was put on the block. Surprisingly, the stations were split up, with two going to Radio One and one to Infinity. **RBR misreading** Well, not all that surprisingly when you consider what has happened since. Clear Channel has gone on the block with Clear Channel as the only serious seller, but not much else happens here. Both groups are at or near the ownership ceiling already. In "The 14th what-if sale: Clear Channel/Infinity divestitures (RBR 3-1, pp. 6-8) we noted that there were no large groups already in the market which might be interested in spin-offs. This statement didn't remain true for long. We now find two of the most station-hungry groups in America lurking in the shadows, waiting for a tasty morsel to drift their way. Radio One must be particularly interested in the Urban-flavored trio which recently belonged to Ken Zapp, leaving plenty more for Infinity to go after. And Clear Channel was pretty ready to work the pond with some fish which not only will line his bank, but which will also be able to pay up double for the last it may well have to offer.

Fall 1997				
Rank	Owner	AM	FM 12+	
1	**Nationwide	0	3	19.6
2	**Jacor	1	1	17.6
3	Enderscote	1	1	12.4
4	Radio One	1	1	11.0
5	**Clear Channel	1	1	9.5
6	WJ	0	1	5.0
7	Elyria-Lorain	1	1	4.7
8	Radio Station	0	1	2.0
9	Linn	1	0	1.0
10	WJ	0	1	0.5
11	Divine Mercy	1	0	0.4
12	WJ	1	0	0.1

Fall 1998				
Rank	Owner	AM	FM 12+	
1	**Chancellor	3	4	50.0
2	**Clear Channel	1	1	17.6
3	Elyria-Lorain	1	1	5.5
4	Infinity	0	1	5.1
5	Radio One	1	1	2.8
6	Radio Station	0	1	2.1
7	Linn	1	0	1.0
8	**Ford	2	0	1.1

* = dupoly, ** = superdupoly

Duopoly Dimensions			
Owners	Stns	Pct	
Total Own/Stns	8	22	
Stns/owner	3	10.1	
Duop	1	2	9.1
Standlone	7	18.2	
Standlone	5	13.6	
Total Consolidation	3	6.8	

Market Statistics	
Rank	Value
Rank	24
12+ population	1,765,500
Black population	422,000
% Black	18.5
Hispanic population	17,000
% Hispanic	2.6

Source: Arbitron, RBR Information Services Group

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