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Pickering apart the FCC

Rep. Chip Pickering (R-MS) is at it again. The FCC is once again the target, and limiting their power is the objective. The Telecommunications Subcommittee passed Pickering’s Telecommunications Merger Review Act of 2000 (HR 4019) which gives the FCC 90 days to decide on mergers. The four amendments to the bill not only limit the FCC’s lobbying practices, but also hold the Commission directly responsible for proving why mergers are denied or approved. The bill was forwarded to the full Commerce Committee for a vote.

To add salt to the wound, the full House adopted an amendment to another bill that cuts the FCC’s appropriations for next year. Rep. Cliff Stearns (R-FL) introduced the amendment, which reduces the budget for the Office of Media Relations from $1.1M to $640K.—ED

More tests stations for USADR

News from the American Radio Manufacturers Association (ARMA) convention in Baltimore: USA Digital Radio’s next round of field testing will include the following stations for the next two months: WILC-AM Laurel, MD, WTOP-AM Washington, DC, WCBS-AM New York, KABC-AM and KLCC-FM San Francisco and WRIF-FM and WWJ-AM Detroit. A Los Angeles station is soon to be announced.

USADR’s “EASE” program for early adopter stations now has 500 stations from 109 owners in 105 Arbitron-rated markets. EASE helps stations find the right solutions for upgrading to IBOC DAB broadcasting. Jeff Detweiler, USADR Broadcast Business Rollout Manager, tells RBR he will be key to the EASE program. “We are basically going to be visiting the radio stations. We are doing meetings with the groups initially, hitting as many people as possible, but it will ultimately get down to working on a station by station basis. My role is pretty much putting the right people with the right radio station, ‘Nautel’s got a solution for you, Harris has a solution for you on this’.”—CM

WXTB questions FCC indecency guidelines

The FCC wants its money. Clear Channel (N:CCU) is still refusing to pay a pair of fines totalling $30K imposed for indecent material broadcast on WXTB-FM Tampa, during the time when the station was owned by Jacor. Clear Channel wants the FCC to explain what was indecent about the broadcast, “Bubba, the Love Sponge,” before they pay the hefty fine. WXTB said that indecent material might not have been broadcast if the Commission’s guidelines were clearer to begin with. The Commission acknowledged that there is a need for more precise guidelines, but said there was ample precedent to demand the payment anyway.—ED
Britney boondoggle, the sequel

Another station has treated its fans to a fake Britney Spears appearance, despite the fact that a recent Britney hoax in Binghamton ended in tragedy (RBR 6/26, p. 6). This time the perpetrating station was CHR WBHT-FM in Wilkes Barre-Scranton. Britney’s fans, some of whom had been waiting since 2AM, were then treated to the 8:30AM appearance of a limousine-driven Britney Spears doll.

**RBR observation:** Is it open season on little girls in the Northeast? Is this supposed to be funny? Yes, let’s all rock with laughter as we look into the crestfallen faces of all the young girls who suddenly realize they’ve been duped by their favorite station. Let’s shake with hilarity at all the angry parents who gave up their morning to bring their kids to the big non-event.

In this case, the disgruntled Spears fans had an answer for WBHT, according to a report in the Scranton Times Leader. It was crosstown CHR WKRZ-FM. WBHT managed to drive its fans into the open arms of its chief competitor. What a brilliant promotion!—DS

Japanese listening habits—not so foreign after all

Arbitron snooped around in Japan late last year and found out that when it comes to media habits, the Japanese aren’t all that different from Americans.

Earlier this month, The National Association of Commercial Broadcasters in Japan (NAB-J) presented the study “Media Targeting 2000—Japan” to more than 1,000 broadcasters, advertisers and agencies in Tokyo and Osaka. 1,697 Japanese age 12-69 were asked about their use of major media.

Organized into 124 consumer categories including gender, occupation and key socioeconomic attributes, Arbitron found that about 70% of Japanese listen to radio during the week. Also mirroring American trends, about 74% of Japanese in-car commuters listen to the radio (80% of Americans do). Brad Bedford, VP/Asian Marketing, Arbitron, said that Japanese broadcasters commissioned the survey to enhance the reputation of Japanese radio in delivering consumers for advertisers and agencies.—KM

Noncom’s bark at doing FCC’s bidding

National Public Radio (NPR), the Association of America’s Public Television Stations (APTS) and the Corporation for Public Broadcasting (CPB) filed a suit in federal court to overturn the FCC’s decision to auction non-reserved spectrum to the highest bidder (6/8).

NPR, APTS and CPB believe that the FCC is violating the Communications Act, which exempts non-commercial educational applicants from bidding in auctions. Prior to the ruling, the FCC granted the spectrum to the applicant with the highest merits.

NPR President and CEO Kevin Klose stated in a press release, “Requiring non-profits to bid for spectrum is bad public policy.” Klose believes that auctioning spectrum will limit diversity in radio and television.—ED

FCC database still fraught with problems

The new FCC AM and FM databases (Consolidated Database System—CDBS) are apparently still having problems and are currently not accepting new applications—each for different reasons. The databases have been labeled as “fraught” with problems.

There was a freeze on AMs for a couple of years which was lifted in the last week in January. “It was extended because they had filing problems. There is a freeze now on FM that began in May,” says RadioSoft President Peter Moncure. “You can’t apply for a new FM or AM station—except LPFMs and they have 722 of them. You can apply for minor changes only.”

Communications Attorney David Tillotson tells RBR when asking the Commission when all of this will be fixed, “We get very vague answers. It seems very obvious that the Chairman’s desire to do Low-Power FM has taken staff resources off of the idea of processing full service.”

Neither Mass Media Bureau Chief Roy Stewart nor Audio Services Chief Linda Blair returned calls asking for comment.—CM
Radio has made a believer out of Bob Coen, Sr. VP & Director of Forecasting at Universal McCann. In the mid-year update of his ad spending outlook, the closely watched forecaster increased his 2000 projections for most media, but raised his radio projection the most—both at the local (to 12%) and national (to 15%) levels.

“Back in December we expected that the many special millennium-year events would provide extra acceleration to the degree that advertising outpaced the US economy this year. The year 2000 census added millions of dollars of extra advertising expenditures in the opening quarter of this year and primary election contests involved exceptionally high advertising outlays,” Coen said in his 6/27 “Insider’s Report.” “This is even before the main contests that will start in the late summer and early fall months, just about the time the Summer Olympics telecasts are aired from Australia in September.”

While others have been warning of a drop-off in dot-com advertising, Coen sees just the opposite: “Despite some losses in dot-com advertising, their advertising activities have not slowed; in fact the importance of advertising has continued to rise as they rush to build their share of on-line commerce.”

Based on Coen’s projections, it looks like radio is having some success in taking business away from newspapers at the local level. While the newspaper industry’s effort to reassert itself as a national advertising medium is making some inroads, Coen has lowered his expectations for print at the local level—now forecasting a 5% gain, rather than 6%. His local TV projection held at 8.5% but radio shot up three full percentage points to 12%.

“Retailers are presently holding down their advertising outlays by switching from display ads in newspapers to less costly pre-prints, with much of the savings going into radio,” Coen explained.—JM

### Bob Coen’s Advertising Forecast
($ in millions)

<table>
<thead>
<tr>
<th>Ad spending</th>
<th>2000 forecast gain as of 12/99</th>
<th>2000 forecast gain as of 6/00</th>
<th>2000 ad revenues forecast as of 6/00</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Big 4 TV nets</td>
<td>9.0%</td>
<td>12.0%</td>
<td>$5,636</td>
</tr>
<tr>
<td>Spot TV</td>
<td>8.0%</td>
<td>9.0%</td>
<td>$11,445</td>
</tr>
<tr>
<td>Cable TV</td>
<td>15.0%</td>
<td>20.0%</td>
<td>$9,000</td>
</tr>
<tr>
<td>Syndication TV</td>
<td>8.0%</td>
<td>9.0%</td>
<td>$3,128</td>
</tr>
<tr>
<td>Radio (net &amp; spot)</td>
<td>8.0%</td>
<td>15.0%</td>
<td>$4,553</td>
</tr>
<tr>
<td>Magazines</td>
<td>7.5%</td>
<td>7.5%</td>
<td>$12,290</td>
</tr>
<tr>
<td>Newspapers</td>
<td>8.0%</td>
<td>12.0%</td>
<td>$7,121</td>
</tr>
<tr>
<td>Direct mail</td>
<td>7.0%</td>
<td>8.0%</td>
<td>$44,715</td>
</tr>
<tr>
<td>Yellow pages</td>
<td>8.0%</td>
<td>7.0%</td>
<td>$2,125</td>
</tr>
<tr>
<td>Internet</td>
<td>75.0%</td>
<td>75.0%</td>
<td>$3,395</td>
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<tr>
<td>Other national media</td>
<td>8.0%</td>
<td>10.5%</td>
<td>$28,469</td>
</tr>
<tr>
<td><strong>Total National</strong></td>
<td><strong>9.1%</strong></td>
<td><strong>11.1%</strong></td>
<td><strong>$141,877</strong></td>
</tr>
</tbody>
</table>

| Local       |                                |                               |                                     |
| Newspapers  | 6.0%                           | 5.0%                          | $42,304                             |
| TV          | 8.5%                           | 8.5%                          | $13,758                             |
| **Radio**   | **9.0%**                       | **12.0%**                     | **$14,847**                         |
| Yellow pages | 6.0%                           | 5.5%                          | $11,253                             |
| Other local media | 7.1%                      | 8.0%                          | $11,606                             |
| **Total Local** | **7.1%**                  | **7.0%**                      | **$93,768**                         |
| **Grand Total** | **8.3%**                  | **9.4%**                      | **$235,645**                        |

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Lenders and radio: Money is plentiful, but how can you get some of it?

By Jack Messmer

Despite rising interest rates this year, there's still plenty of money available for lending to broadcasters who want to grow. Of course, you'll have to pay a bit more for it than you might have just a few months ago, so you'd better be sure that revenues will be sufficient for the payback. Also, just as the case has always been (except, perhaps for a few crazy years in the late 1980s), experience is required if you want to borrow money to buy a radio station.

“Our preference is to be backing experienced operators,” said John Brooks, Sr. VP and Manager of the media division at Silicon Valley Bank in San Francisco.

That doesn't mean that the borrower has to already be a group owner. Someone with experience running stations for others—a proven track record—can still fulfill their dream of becoming an owner. If you go in with a strong resume and a business plan with reasonable growth “we certainly wouldn't want to say no without looking at it,” Brooks said.

Silicon Valley Bank's media lending targets smaller companies—those below the radar screen of major money center banks. Brooks says he'll do senior debt up to $10M, but the core of his business is loans under $5M. “We concentrate on the other 75% or so stations that are not owned by the top consolidators,” he noted. “That's a market that is generally underbanked.”

That means Brooks, whose bank lends nationwide, will lend money to buy stations in unrated markets as well as those with Arbitron books. For lenders, he notes, there's less of a risk now of being stuck with a bad loan on a small market station that no one will buy. “With deregulation there are exit opportunities that didn’t exist before,” Brooks said.

“At this stage of the game there is plenty of capital chasing a few select transactions,” said Jeff Kilrea, Sr. VP at FINOVA Capital Corp. (N:FNV) and head of its Communications Finance Group. With an increasing number of large group owners able to tap Wall Street for both debt and equity, there are fewer big deals for the lenders.

“The banks are moving down market and are willing to entertain credits that historically were passed on,” Kilrea noted. “This makes it more difficult for FINOVA, so we must differentiate ourselves but be more aggressive with the closing leverage, repayment terms, response time, etc. in order win transactions and return acceptable levels of profitability.”

For borrowers, the competition among lenders may mean better terms and/or more financing options. However, from the lender’s perspective, Kilrea notes that competition means lower spreads which are not always indicative of the risk profile of the transaction.

FINOVA (and its predecessor company) has been a broadcast lender since 1987. “Our focus is on transactions in the small and middle markets, which tend to be in the $3M to $50M size range,” Kilrea said. “We do, however, have the ability and desire to do larger transactions.”

Many lenders have moved in recent years to pricing business loans with rates tied to the internationally recognized LIBOR (the London Interbank Offered Rate), rather than domestic measures. Kilrea said FINOVA's rates generally run on a grid from LIBOR plus 3.5 points to LIBOR plus 4.25, depending on the specific borrower and the specific deal. The loans generally run for five years with a 10-to-12 year amortization schedule and closing fees are generally 1% to 1.5%. FINOVA, based in Chicago, lends nationwide.

The story is similar for Silicon Valley Bank: Seven-year loans with 10-12 year amortization.

While big market groups are able to borrow six to seven times their trailing cash flow—and leverage existing cash flow to buy sticks with little or no cash flow, the multiple get a bit lower
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Internet strategy? Ho-hum

The Internet may someday fulfill the expectations of the venture capital firms and IPO buyers who've poured billions and billions of dollars into dot-com businesses (less this year than last), but for now a spectacular Web strategy isn't going to draw financing to a radio deal that otherwise couldn't stand on its own merits.

"We continue to be very interested in the Internet strategies of our borrowers from an ancillary revenue source and margin enhancement perspective, but do not assign it any real value when looking at the valuation of the overall entity," said Jeff Kilrea of FINOVA.

At Silicon Valley Bank, John Brooks says he's seen radio business plans that include an Internet component, but "I personally have discounted those." In his view, Internet operations may begin to have an impact on revenues and cash flow first for large market radio operations, then eventually trickle down to the smaller markets.
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- **$156,400,000**
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  - January 24, 2000

- **$25,500,000**
  - Bridge Financing Commitment
  - December 30, 1999

- **$19,500,000**
  - Private Placement
  - November 24, 1999

**RADIO ONE**

- **$350,000,000**
  - Common Stock Offering
  - March 3, 2000

- **$275,000,000**
  - Common Stock Offering
  - November 12, 1999

- **$156,000,000**
  - Initial Public Offering
  - May 5, 1999

**Citadel Communications Corporation**

- **$244,600,000**
  - Common Stock Offering
  - February 8, 2000

- **$293,000,000**
  - Common Stock Offering
  - June 21, 1999

**Salem Communications CORPORATION**

- Acquisition of OnePlace LLC
  - January 1999

**CUMULUS**

- **$1,400,000,000**
  - Common Stock Offering
  - May 20, 1999

- **$175,000,000**
  - Common Stock Offering
  - November 18, 1999

- **$233,000,000**
  - Common Stock Offering
  - July 2, 1999

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tial stock offerings until the overall market gets stronger and a few enthusiastically-awaited IPOs build some momentum for the rest of the crowd. So, what’s it going to take to make Wall Street once again receptive to broadcasting stock sales?

“...and a few essential stock offerings until the overall quality deals from quality companies,” said Marcus. “Our guess is that the follow-up market for the quality names will open much earlier than the IPO market. The IPO market, for the next six months anyway, is probably going to be open only for companies that are real leaders in their fields.”

Even in hot “niche” sectors, investors are being selective about which stocks they want to own. That could bode well for Entravision, which is a large and well-established Hispanic media group (radio/TV/newspaper), while Marcus noted that Spanish Broadcasting System (O:SBSA) and Radio Unica (O:UNCA) have been trading below last year's IPO prices.

Most of the biggest radio groups are already public companies or subsidiaries of public companies (16 of the top 20, including #20 Nassau), so there aren't a lot of candidates left to tap the IPO market. If you discount the possibility of stock offerings by Mormon Church-owned Bonneville International and employee-owned Journal Communications, the pool of potential IPOs is even smaller. In Marcus' view, “future IPO candidates are likely to be roll-ups led by strong management teams—former group heads, former CEOs of public companies”—consolidators who assemble big groups by combining small ones.

Just because the public markets are closed, or at least difficult, it doesn't mean that there's not money available for big radio acquisitions. “One can't overlook the large merchant banks—either money center banks or independent merchant banks—that have large pools of capital still available,” noted Jeff Amling, Managing Director and Head of the Global Media Group at Deutsche Banc Alex. Brown. “Even if we see volatility in the public arena, that doesn’t mean that these pools of capital, or even some institutional investors, wouldn’t do privately negotiated transactions in the convertible debenture or convertible preferred marketplace to satisfy the capital needs of the better companies to fill out their markets.”

Rising interest rates, however, may force merger and acquisition activity to slow down. “I think we're in one of these transition periods where the private market values haven't come down over the past two years in broadcasting to reflect increased interest rates,” said Amling. That will make would-be buyers ever more selective about acquisitions—lest they bump the limit for their credit facility or disappoint shareholders’ growth expectations.

Despite that, the Alex. Brown executives don't expect to ever see transaction multiples drop back to where they were in the pre-Telecommunications Act days. Consolidation has made real changes in the financial structure of the radio industry—changes that are not going away.

“In the pre-deregulation/consolidation era, you reached 13 times in good times and eight times in bad times,” said Marcus, referring to large market station sale multiples. “The good times/bad times range is likely to be 12 to 22 times. I don’t think we’ll ever go back to single digits. A multiple is composed of three factors: 1) Your cost of capital; 2) Your required rate of return; and 3) Your growth expectations. I think we’ve seen permanent improvement in all three of those factors.”

For privately-held radio groups that hope to move into the big leagues and make the trip down Wall Street, the best advice the two Wall Street veterans have is to find another group owner of like mind and get married. Otherwise, building a big group piece-by-piece may prove difficult, if not impossible.

“A lot of the beachfront property, which is what radio really is in North America, has already been spoken for,” said Amling. “Unless you were to see a company like a Cumulus (O:CMLS), with its impressive size, break apart, it's going to be difficult for the regional players—unless they’re particularly fortunate in some acquisitions—to develop a national business.”

That doesn't mean that regional groups can't sell public stock, as Nassau (New Jersey, New York, Connecticut and Pennsylvania) is doing. “I think their valuation expectations have to be a little more conservative than perhaps nine months ago,” noted Amling. Just to get Wall Street to look at your IPO, though, he says, you'd better have at least $30M in cash flow.

One advantage to being big, after all, is being able to borrow money cheaply to fund growth and acquisitions. Industry giants Clear Channel (N:CCU) and Infinity (N:INF), for example, are investment grade borrowers able to borrow internationally as well as domestically. Once recent financing was at LIBOR plus 62 basis points—that's the base rate plus 0.62 percentage points, considerably cheaper than the LIBOR plus 3.5 to 4.25 percentage points cited earlier in this article for small- and medium-market borrowers.

Like many of its Wall Street competitors, DB Alex. Brown is a one-stop financial center, albeit for rather large companies. DB Capital, the venture capital arm, might do placements as small as $5M. For media lending, Amling associate Bill Archer and his crew start in the $35-40M range and go up from there, sometimes putting together syndicated loans that run into billions of dollars. Depending on the size and circumstances of the borrower, rates can range from as low as LIBOR plus 75 to 100 basis points to LIBOR plus 300 basis points. Once again, big broadcast loans tend to be cheaper than small loans.
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Fax 860.676.3200
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---

**Galaxy Communications, LP**

$6,550,000 Senior Term Loan

$8,450,000 Revolving/ Acquisition Loan

The undersigned served as the financial advisor to Galaxy Communications, LP and arranged this financing.

May 2000

---

**Radio Works, Inc.**

has acquired

WRWC-FM, Rockford, IL
WKWD-AM, Aurora, IL
WKWD-FM, Aurora, IL

June 2000

---

**Radio Works, Inc.**

has acquired

WNJY-FM
Delphi, Indiana

October 1999

---

**Galaxy Communications, LP**

$5,250,000 Subordinated Notes
w/ Warrants

The undersigned served as the financial advisor to Galaxy Communications, LP and arranged this financing.

May 2000

---

**Radio Works, Inc.**

has acquired

WNJY-FM

Delphi, Indiana

The undersigned assisted in the negotiations and acted as financial advisor to Radio Works, Inc.

June 1999

---

**Radio Works, Inc.**

$20,000,000 Senior Secured Term Loan & Acquisition Line

The undersigned served as the financial advisor to Radio Works, Inc. and arranged this financing.

June 1999
Nassau moves toward pricing IPO

Lou Mercatanti’s Nassau Broadcasting has filled in some of the blanks for its pending IPO (RBR 5/15, p. 12) and increased the maximum amount to be raised to $236,075,000 from the previous $190M. Nassau is projecting that its stock, which will trade on Nasdaq as NBCR, will price between $16 and $19 per share. The US underwriters are offering 9.94M shares in the US and Canada and the international managers are offering 2.485M shares overseas. (There’s also a green shoe of 1.491M shares for the domestic underwriters and 372,750 shares for the international underwriters.)

Including pending acquisitions, Nassau will own and/or operate 17 FM and 15 AM stations in nine markets in New Jersey, Pennsylvania, New York and Connecticut. On a pro forma basis, the company said it had net revenues of $55.9M and broadcast cash flow of $20.6M for 1999 and net revenues of $13M and broadcast cash flow of $4.5M for Q1 2000. The chart (below) shows Nassau’s historical financial results.

“By acquiring, developing and operating radio stations in demographically attractive suburban markets, we have substantially increased the net revenues and broadcast cash flow of our stations resulting in 21.0% and 33.0% two-year compound annual same station net revenue and same station broadcast cash flow growth, respectively,” Nassau said in its SEC filing. “We have organized our stations into four clusters: Northern, Northwestern, Central and Shore. We also have a division called the Nassau Radio Network [in addition to national rep Katz] that markets all of our stations to national advertisers. Our stations currently cover approximately 4.8M people and, if we complete our pending acquisitions, our stations will cover approximately 7.1M people.”

If the IPO prices at the top end of the anticipated range, $19, Mercatanti’s 1.2M+ super-voting Class B shares will be worth over $23M. He, his financial backers—Spectrum Equity Investors, Grotech Partners and Toronto Dominion Capital—and other top managers will own 27.2% of the company’s equity and have 79.1% voting control. US-Canada underwriters for the IPO are Merrill Lynch, Salomon Smith Barney, Banc of America Securities, Lazard and Prudential Volpe Technology, a unit of Prudential Securities. The international offering is being managed by Merrill Lynch International, Salomon Brothers International, Bank of America International, Lazard Capital Markets and Prudential-Bache International.

Nassau Broadcasting Corp.
Historical financial results
($ in thousands)

<table>
<thead>
<tr>
<th>Category</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>Q1 ‘99</th>
<th>Q1 ‘00</th>
</tr>
</thead>
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<tr>
<td>Net revenues</td>
<td>$19,079</td>
<td>$24,996</td>
<td>$31,402</td>
<td>$6,267</td>
<td>$7,281</td>
</tr>
<tr>
<td>Operating income</td>
<td>$(158)</td>
<td>$1,309</td>
<td>$ 3,177</td>
<td>$ (131)</td>
<td>$ (86)</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>$(6,739)</td>
<td>$(3,981)</td>
<td>$(4,640)</td>
<td>$(2,554)</td>
<td>$(1,024)</td>
</tr>
<tr>
<td>Broadcast cash flow</td>
<td>$ 5,642</td>
<td>$ 7,769</td>
<td>$10,608</td>
<td>$ 1,697</td>
<td>$ 1,963</td>
</tr>
<tr>
<td>After-tax cash flow</td>
<td>$(4,600)</td>
<td>$(4,116)</td>
<td>$(2,573)</td>
<td>$(2,093)</td>
<td>$(1,835)</td>
</tr>
</tbody>
</table>

Source: Nassau Broadcasting Corp. SEC Form S-1A, filed 6/28/00

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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.

$300,000,000 WALR-FM Atlanta (Athens GA), WSUN-AM Tampa-St. Petersburg (Plant City FL) & KLUP-AM San Antonio (Terrell Hills TX) from Ring Radio Co., a subsidiary of Midwestern Broadcasting Inc. (Lewis W. Dickey Sr.) and CXR Holdings, a subsidiary of Cox Radio Inc. (N:CXR) (Bob Neil, pres) to South Texas Broadcasting Inc., a subsidiary of Salem Communications Corp. (O:SALM) (Edward G. Atsinger III, Stuart W. Epperson et al). Midwestern receives $280M for the stock of WALR-FM from Cox. Cox will move the intellectual property of WALR-FM to the facilities of the current WJZF-FM, and will swap the WALR-FM facility to Salem, along with WSUN and KLUP, for KKHT-FM Houston. Total value of deal is an RBR estimate. Superduopoly in Atlanta between WALR-FM and WNIV-AM, WLTA-AM & WGKA-AM. Duopoly in San Antonio between KLUP and KSLR-AM. Broker: Media Venture Partners (Cox)

$300,000,000 KKHT-FM Houston (Conroe TX) from South Texas Broadcasting Inc., a subsidiary of Salem Communications Corp. (O:SALM) (Edward G. Atsinger III, Stuart W. Epperson et al) to CXR Holdings, a subsidiary of Cox Radio Inc. (N:CXR) (Bob Neil, pres). Swap for the facility of WALR-FM Atlanta, WSUN-AM Tampa and KLUP-AM San Antonio. Total value of deal is an RBR estimate. Superduopoly in Atlanta between WALR-FM and WNIV-AM, WLTA-AM & WGKA-AM. Duopoly in San Antonio between KLUP and KSLR-AM. Broker: Media Venture Partners (Cox)

$113,000,000 KCMO-AM & FM & KCFX-FM Kansas City (Kansas City-Harrisonville MO) from Entercom Kansas City Licensee LLC (Joe & David Field), a subsidiary of Entercom (N:ETM) to Susquehanna Radio Corp. (David Kennedy, pres). $6.3M escrow, balance in cash at closing. Creates new duopoly. Broker: Star Media Group

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