

Leaders Know That
Complete Market
Domination Requires

Complete
Solutions

That's why
Leaders Look to BE!



AudioVAULT®
Enterprise wide/
WAN/LAN/Internet
ready multi radio
studio digital audio
management system.



VAULTXPRESS™
AudioVAULT® power
for small to medium
sized radio operations
without the price!



WebVAULT™
Professional Internet
streaming radio
audio management
solution!



eSTREAM™/
eSTREAM™ STUDIO
Live and post-
production. On-air
sound quality over
the Internet power!



BE Transmitters
New robust, high
performance, global
standards designed
FM/AM technology!

Leaders Look to BE!

Broadcast Electronics
Quincy, Illinois
888.232.3268 • 217.224.9600
www.bdcast.com
www.AudioVAULT.com

RADIO BUSINESS REPORT

Voice of the Radio Broadcasting Industry®

RADIO NEWS

Soft July revenues are mere valley between peaks 2

National business stopped growing at the breakneck pace seen so far this year—but business is strong for August and on into the Fall.

RBR, Broadcast Electronics team for web radio station	2
Nassau backs off of the Street, onto showroom floor	2
FCC opens another LPFM window; Congress asks for a C&D	3
Blade escapade: CCU doesn't have a leg to Standiff on	3
SBS's Hispanic FM makes the most in Miami	4
South Florida station's premature move nets fine	4
Kennard hits the 700 mHz spectrum auction pause button	4
LA stations increase gross, market share	4
Citadel bolts from the Emmis LMIV consortium	4
Ford, Qualcomm put Wingcast into development	4
NBG to hook some business for Fisher	6
The dope on Interep, Dr. Laura, London, Napster	6
XM stocks up on PDs	7
Hey, advertisers: Older demos ripe for the taking	7

MANAGEMENT SALES & MARKETING™

Entravision charges into radio and onto Wall Street 8-10

RADIO WARS

HBC gets lion's share of Los Angeles Hispanic treasure 11

MEDIA MARKETS & MONEY™

Entravision finds a home on Wall Street 12

Entravision toolled onto the Street at a price over the top of its projected offering range, and closed its first day \$2.50 ahead of that.

Infinity closing in on once-mythical \$1B quarter	12
Clear Channel takes the spin off of some of its stations	12
Viacom rides its media assets to a successful quarter	13
Dalton gang beds down in the Clear Channel stable	15
CCU splits the difference between TN markets	15
Basso's profundo deal turns Texarkana quintet to Ash	15

repeat after me...streaming revenue...

Imagine getting a website with streaming audio for your signal and an e-commerce system for your wallet. At a cost of next to nothing. It's all right here. Call us at 203-929-9101.

site shell .com
Home of the BlueDot WebSite Network

Jim Carnegie Publisher
 Jack Messmer Executive Editor
 Dave Seyler Managing Editor
 Carl Marcucci Senior Editor
 Elisabeth Derevitz Associate Editor
 Mona Wargo FCC Research Consultant

Ken Lee VP/GM Associate Publisher
 Cathy Carnegie VP Administration
 Ronald Greene Executive Director of Production
 John Neff General Sales Manager
 Susanna Pritchett Account Executive
 April Olson Admin. Assistant

July softness a blip?

"July did slow down considerably," Interrep (O:IREP) CEO **Ralph Guild** told *RBR*, echoing the comments of several group owners. "However, August and September seem to be picking up." The rep company chief also notes that Q4 is already pacing strong and is on track to be the strongest growth quarter in an already strong year.

It's not just political advertising that's showing growth for the remainder of this year. "There is significant growth in other categories," Guild said. "Everybody talks about the Internet, but take away the Internet and there still is significant growth from other advertisers, for instance computers and soft and hardware combined are up 137%, credit cards are up 123%, political issues [not candidates, but lobbying ads] are up 110%, even things like electronics and appliances up 44%. So it's going to end up as a very strong year." Guild noted that those percentages are based on current pacings.

"July did have some softness to it," agreed **Stu Olds**, President of Katz Radio Group. And he says that may carry over a bit into August for national spot sales. "Once you get outside of August, you look pretty good going forward." Even with a brief pull-back in national business, Olds said local ad sales were still "humming

along" for client groups, which is a much bigger revenue source for stations than national.

Olds said dot-com business is softer for Q3 after being hot in Q1 and Q2, but the hot growth areas now for national spot are such areas as automotive and retail. "The normal accounts are still leading the parade," he noted.

"Too many observers and investors are over-reacting to a soft July, which is a typical, overdue 'blip' month," said **Jim Boyle**, Media Analyst at First Union Securities. Boyle told *RBR* that there have typically been a couple of such "blip" months each year in radio's recent string of strong growth years.—JM

Nassau pulls back IPO; considering sale

Nassau Broadcasting's planned IPO failed to generate enough interest and has been withdrawn. Lead underwriter Merrill Lynch gave up 8/1 on trying to place 12.4M shares after delaying the pricing from the previous week. Investors were less than enthused about the regional radio group, which is focused on New Jersey, adjacent areas of Pennsylvania and the wealthy New York and Connecticut suburbs of the Big Apple. CEO **Lou Mercatanti** noted that radio stocks had been beaten down recently: "Radio stocks generally trade in sympathy with the technology stocks and we believe we would be

RBR.com to use WebVAULT & eSTREAM

Radio Business Report announced (8/1) a deal with Broadcast Electronics which will have RBR.com use BE's WebVault and eSTREAM as an enabling technology for RBR.com's rapidly expanding Internet radio streaming operation. "We wanted a platform that was stable and could be used without crashing," said **Ken Lee**, *RBR* VP/Associate Publisher. Rather than taking a chance on recent Internet technology startups, Lee said *RBR* wanted a company with on-air digital audio management for radio stations.

"WebVAULT is built on the AudioVAULT platform, which is the radio industry standard for a digital audio system" noted **Mark Jamieson**, VP/Sales & Marketing at BE. "With WebVAULT, you'll be able to create dynamic programming on the fly, as if it were a radio station."

RBR became the first radio trade publication to offer an audio stream on its website 5/23 and has been producing a daily newscast since 6/15. The 24/7 service utilizes WebRadio.com's streaming technology. The addition of BE's technology will expand the audio offerings on RBR.com and allow for seamless integration of audio streams with other offerings on the site and provide Internet ad insertion tools.—JM

Unbelievable!

www.rbr.com web site has the most hits ever with 219,210* in July alone!

*Microsoft site analysis

©2000 Radio Business Report, Inc. All content may not be reproduced, photocopied and/or transmitted without written prior consent. Subscription Cost \$220.00
 All material is protected by copyright law. Any violations will be dealt with legally. Publishers of Radio Business Report, Mid-Week News Brief, The Source Guide, Manager's Business Report, Radio AdBiz and the Information Services Group database. Material may not be reproduced without permission. EDITORIAL/ADVERTISING OFFICES: 6208-B Old Franconia Road, Alexandria, VA 22310 (or)
 P.O. Box 782, Springfield, VA 22150 Main Phone: 703/719-9500 • Editorial Fax: 703-719-7910 • Subscription Phone: 703-719-7721 • Subscription Fax: 703-719-7725 • Sales Fax: 703-719-9509

Email the Publisher: JCarnegie@rbr.com • Email Editorial: RadioNews@rbr.com Email Sales: KLee@rbr.com • JNeff@rbr.com • SPritchett@rbr.com

better served withdrawing the offering at this time."

The next day (8/2), Mercatanti announced that Nassau had retain Salomon Smith Barney to "explore strategic alternatives." That's Wall Street speak for hanging out a "for sale" sign. Nassau said it projects that, on a pro forma basis, it will have 2001 revenue of roughly \$80M and broadcast cash flow of \$31M.

RBR observation: Just who are the likely bidders for Nassau? That's a tough one, since big groups who already have stations in New York and/or Philadelphia would face too many spin-offs for a Nassau buy to make sense. Maybe Cox (N:CXR), since it would fit with their stations on Long Island and in Connecticut. Beasley (O:BBGI) isn't full-up in Philly, so it could be a regional play. Citadel (O:CITC) is certainly big enough and plays in Nassau's size of markets, but there's no particular synergy. At that point, Salomon Smith Barney will have to start looking for less obvious potential buyers, perhaps someone (another type of media company, perhaps) who doesn't currently own radio stations.—JM

FCC opens LPFM window #2

The FCC has announced the opening of the second LPFM filing window. As we said about a month ago (*RBR* 7/10 p.2), the FCC can probably expect more applications this time than they got in the first window (over 700). From 9/29 to 9/1, schools, churches and community groups in Connecticut, Illinois, Kansas, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, Puerto Rico, Virginia and Wyoming

will be able to file for a LPFM station.

LPFM is not without problems. As *RBR* found in the first filing window, (*RBR* 6/27 p.2) many of the applications were seriously flawed or even filed by individuals who are prohibited from filing at all. There are three more filing windows after this one later this year and into 2001.

Also, on July 27th, Senators **John McCain** (R-MO) and **Bob Kerrey** (D-NE) introduced a new version of their prior LPFM bill, which changes the responsibility to resolve interference disputes from the National Academy of Sciences to the FCC. The other change is in the "loser pays all" clause, where all costs incurred by the FCC—instead of the NAS—would be paid by the station causing the interference.

Eddie Fritts, NAB president/CEO said, "The McCain/Kerrey Low-Power Radio Act introduced should be renamed the 'Interference Assurance Act.'" Fritts also said that the NAB is "not opposed to LPFM—we are opposed to the FCC changing the current interference standards to implement it."

Meanwhile on Capitol Hill, a bipartisan group of 11 Senators and Representatives (six Republicans and five Democrats) sent a letter to FCC Chairman **Bill Kennard** asking the FCC to discontinue licensing LPFM stations until more field testing is completed. "As you are well aware," the letter says, "a mountain of technical evidence exists which shows that low power FM stations create significant signal interference, and we are perplexed at the Commission's decision not to conduct its own field testing. An overwhelming majority in the House of Representatives has spoken

on this issue. The Senate is now poised to act as well. We believe it would be imprudent for the Commission to move forward with the licensing of low power FM stations at this time."

RBR observation: Well, gee, how can we put this? How about: What they said!—ED

Holy Toledo: Radio station runs afoul of newspaper

Lucas County Common Pleas Judge **Ronald Bowman** has ordered Clear Channel News-Talker WSPD-AM Toledo to properly attribute news and information it broadcasts which came from local newspaper *The Blade*, which is owned and operated by Block Communications. In particular, the order places restrictions on host **Mark Standriff**'s use of the phase "I read *The Blade* so you don't have to." He is now required to state that *The Blade* produced the stories he is using as commentary material.

Standriff must also acknowledge, per the judgement, "that each edition of *The Blade* contains vast amounts of printed information, including news reports about local events, that WSPD-AM Radio and Mark Standriff do not and cannot provide to their listeners."

Said Block Communications general counsel **Fritz Byers**, "Radio and television stations around the country have a long history of using newspapers' stories without attribution. The order...sets forth the correct legal rules that should govern the relationship between the print media and the broadcast media. We appreciate WSPD's and Mr. Standriff's cooperation in producing this landmark order."—DS

Big Numbers • Hot Sales • Better Radio



SHANE MEDIA
Programming • Research • Strategic Solutions
713-952-9221
www.shanemedia.com

RBR News briefs

SFX now a Clear Channel company

Clear Channel's (N:CCU) \$4.4B cash/stock acquisition of SFX Entertainment closed 8/1, right on schedule. **Brian Becker** took over as head of SFX, which produces and promotes concerts, manages live event venues and represents professional athletes, among other things. That deal sailed through US and European antitrust reviews and did not need an FCC OK. SFX founder **Bob Sillerman** is now a large Clear Channel stockholder, but is going off to start a new company with some sports-related Internet operations which are being spun off from the merger.—JM

Ocean Broadcasting adds new Wilmington FM

Ex-Voyager Communications honcho **Carl Venters** and his partner **Chuck Sullivan**, under the banner of their Ocean Broadcasting, have added a new station to their Wilmington, NC cluster (7/27). Activating its Class C3 CP for WAZO-FM 98.3 in front of the "Good Morning Carolina" show on the local ABC affiliate, the new station is Wilmington's first CHR and Ocean's fourth in the market, with Rock WRQR-FM, Smooth Jazz WLGX-FM and News-Talk WMFD-AM 630.—CM

Lujack's back

Legendary WLS-AM and WCFL-AM Chicago jock **Larry Lujack** has been lured out of retirement in New Mexico to do a weekly show that began Saturday (8/5) on Chicago's Jammin' Oldies, WUBT-FM "The Beat." "The Larry Lujack Weekend Show" airs 10A-2P Saturdays and re-airs Sundays. Lujack spent over 20 years at the competing Top-40 giants.—CM

SBS teams with AOL for "LaMusica.com"

Spanish Broadcasting System (O:SBSA) and America Online (N:AOL) announced an alliance (8/2) where SBS's LaMusica.com will offer its Latin music, editorial and entertainment content across several AOL brands—AOL.com, CompuServe, Netscape Netcenter, Digital City, Spinner.com, Winamp, ICQ and Gateway.net. In exchange, AOL gets promotional mentions on SBS stations as part of a large ad campaign. In addition to Hispanic-oriented content, LaMusica.com also streams SBS's 25 (some upon completion of announced acquisitions) US and Puerto Rican stations.—CM

WXDJ Miami: Top of the class

Spanish Broadcasting System's (O:SBSA) WXDJ-FM Miami, has beaten out all other stations in the Southern Florida market to rank number one in sales revenue for June according to Miller, Kaplan, Arase & Co. revenue figures. "We are absolutely thrilled at having beaten out every other South Florida radio station, and we intend on continuing our winning streak as the year goes on," says VP/GM of SBS's Miami stations **Maria Elena Llansa**. WXDJ is now ranked second in YTD revenue among all of South Florida radio stations.

RBR observation: WXDJ pulled a 3.7 12+ rating in the just-released Arbitron Spring 2000 survey, putting it in a tie for eighth place. Usually we hear about minority station ratings being undervalued by advertisers. It is great to be able to report about a station where the opposite is true.—ED

WRHC fined by FCC

The FCC fined WRHC Broadcasting Group, licensee of WRHC-AM Coral Gables FL, \$22,500 for broadcasting at an unapproved frequency and location. The station was licensed for 1550 KHz at 10kw-D and 5kw-N with a directional antenna. When Hurricane Andrew destroyed the station, they rebuilt at the specifications in their construction permit—1560 KHz at 45kw-D and 4.4kw-N, but began to broadcast without any clearance from the FCC. Then the station began to exceed its night power, putting out 5kw, which caused interference with WQEW New York. It was WQEW's complaint which put all the regulatory wheels in motion.—ED

Commission delays 700MHz auction...again

FCC Chairman **William Kennard** has again announced the auction delay of 700MHz spectrum (747-762 and 777-792 mHz, which partly resides on UHF channels 60-69), highly desired by wireless operators, "in order to provide additional time for bidder preparation and planning." The auction of these licenses moves from September 6, 2000 to March 6, 2001.

Commissioners **Harold Furchtgott-Roth** and **Gloria Tristani** both voiced dissenting opinions, claiming, "We cannot support today's decision...This action is in stark disregard of this agency's statutory obligation to ensure that all proceeds of such bidding are deposited not later than September 30, 2000. As Commissioners, we are sworn to uphold the law. Today we are obligated to object to this direct violation of our governing statute."—CM

Revved up revenues fuel LA heat wave

Miller, Kaplan, Arase & Co.'s revenue numbers for Los Angeles radio in June 2000 are in, and they provide good news on several fronts. The \$78.4M raked in by market radio stations is \$7.2M better than 1999's best month. LA radio's six-month YTD total of \$428.7M is better than the entire year of 1993. Perhaps most important of all, radio's share of the total media pie has grown from 15.6% in 1998 to 16.9% so far this year.

Southern California Broadcasters Association president **Mary Beth Garber** credits LA's infamous freeway system for a lot of radio's success, noting that 83% of those trapped there listen to radio as opposed to 12% who pop in a CD and 5% who choose some other option. "Stanford research, Yankelovich research and Fairfield research have indicated that time spent with radio is increasing while time spent with print and often with TV is diminishing," she noted. "It's really pretty simple—radio is garnering more of people's time and advertisers have noticed that their sales go up when they use it."—DS

Citadel pulls the plug on LMIV

Tired of waiting for Emmis-inspired Local Media Internet Venture (LMIV) to launch, and because of contractual disagreements, Citadel CEO **Larry Wilson** has officially dropped out (7/28) of the consortium that still includes Greater Media, Entercom, Jeff-Pilot, Bonneville and Susquehanna. Over the last few months, Citadel has already struck its own deals with BroadcastAmerica.com for streaming, Ubrandit.com for e-commerce and CoolLink for streaming and ad insertion.—CM

When I got the idea for a station group,
the first thing I wanted to do was

BROADCAST IT.

Getting your company off the ground
was big, but now you've got your sights
set on something bigger: building a
successful business.

It's your own station group. Not a net-
work to compete with the majors, just the
fulfillment of a dream that's been years
in the making.

At Silicon Valley Bank, we understand
that entrepreneurs' dreams come in all
shapes and sizes, whether you run a
local or regional broadcast outlet, cable
TV system, or outdoor media company.
Not coincidentally, our approach to lend-
ing is flexible, too. It means working as
partners to help you acquire new stations,
refinance your existing capital structure,
or upgrade your facilities. Whatever it
takes, in a timeframe that makes sense.

After all, this is your dream. It
shouldn't have to wait on anybody.



Silicon Valley Bank

BEYOND BANKING - PARTNERS FOR INNOVATION

www.svb.com

MEET Acquisition/Refi facility SVB

TO SEE WHAT OUR MEDIA PRACTICE CAN DO FOR YOU, CALL 415-344-4830.

MEET equipment vendor at NAB
Wed: State Broadcasters Assoc, Meeting
Also - Investor Conference

RBR News briefs

Cox goes to college

Cox Enterprises has lent its name to family business education. The Family Enterprise Center at Kennesaw State University's Michael J. Coles College of Business will now be called the Cox Family Enterprise Center. Atlanta-based Cox believes that the Cox Family Enterprise Center displays the same values of family-owned businesses that have defined Cox Enterprises for 102 years. The official name change at the Georgia college comes later this month.—ED

Z-Spanish Radio Nets signs with Broadcastspots.com

Z-Spanish Radio Networks, a division of Z-Spanish Media, signed on as the latest affiliate (7/31) of broadcastspots.com to sell spot availabilities real time on the net. Z-Spanish Radio Nets has 68 affiliates coast to coast.—CM

WQOP-AM displays good faith

This time the higher power was the FCC. Queen of Peace Radio Inc.'s WQOP-AM Atlantic Beach FL, was granted an application for review after a complaint was filed for not complying with the main studio rule. The FCC revoked the \$7,000 fine because the station "made significant good faith efforts to comply with the main studio rules."—ED

BroadcastWeb.com chooses MediaAmerica as rep

International Internet's The Broadcastweb.com Network has signed MediaAmerica as its rep (8/2) for integrated streaming audio and banner advertising. MediaAmerica will sell the audio ads in conjunction with interactive banner ads where if the listener is interested in an audio ad, a click on the banner ad will send them to the advertiser's website. The Broadcastweb Network offers Classic Rock, Jazz, Blues and Soul, and will also offer CHR, AC and Young Country formats within the next few weeks.—CM

Elway joins SportsLine team

It may be fantasy football, but CBS.SportsLine.com has a real life quarterback to promote its fantasy football site. **John Elway** will compete in the fantasy league, which has switched from subscription to being offered free for the upcoming season. He'll also participate in chats, write an online column and appear in radio and TV spots. CBS.SportsLine.com is the flagship site of SportsLine.com (O:SPLN), which is partly owned by CBS parent Viacom (N:VIA).—JM

Ford to launch "Wingcast" with Qualcomm; compete with OnStar

In an effort to catch up to GM's OnStar for telematics and wireless web functionality, Ford Motor Co. and Qualcomm announced a joint venture (7/31) to form "Wingcast."

"We want all of our cars and trucks to become personalized portals for our global consumers," said Ford President and CEO **Jac Nasser** during the announcement at Ford HQ in Metro Detroit.

That will include Internet and wireless services including real-time traffic info, voice-activated e-mail, e-commerce and location tracking. Ford plans on installing Wingcast in more than 1M cars by '02; more than 3M by '03 and most new cars and trucks by '04. Ford and Qualcomm also are working with Nissan to install Wingcast technology in some of its vehicles.—CM

NBG and Fisher renew sales rep agreements; add "Victory"

NBG Radio Network (O:NSBD) announced (8/1) it has renewed its contract with Fisher Entertainment for several sales rep agreements for the following Fisher programs: "Wireless Flash," "The Ed Tyll Show," "Al Bandiero's Jammin' Party," "The John & Jeff Show" and "The Rick Emerson Show."

NBG and Fisher also announced (8/2) that NBG will rep "Victory," Fisher's one-hour weekly Contemporary Christian music show hosted by **Billy Burke**. Currently airing on WHTZ-FM NY, KBIG-FM LA, WIOQ-FM Philadelphia and KIOI-FM San Francisco (among others), the agreement begins 1/1/01.—CM

Interep chosen as national rep for MusicBooth affiliates

Interep (O:IREP) has struck a deal (7/31) to sell targeted audio advertising for MusicBooth's AdAcoustics Network. The AdAcoustics Network offers targeted streaming audio ads for radio station websites. Launch of the service is expected within 45 days.

"We are committed to assisting our client radio stations in their efforts to profitably enter the streaming arena," said Interep CEO **Ralph Guild** about the deal. "To that end, we are very optimistic about the new revenue potential for our stations."—CM

Dr. Laura issues call to action

Fed up with the organized lobbying asking advertisers to drop her show, Premiere's Dr. **Laura Schlessinger** has issued a call to action that urges listeners who like her show to show support for advertisers who have stayed.

A number of advertisers have dropped the show, mostly from overwhelming amounts of letters, complaints and calls from gays and gay activist organizations enraged over her depictions of gays as "biological errors" and deviants. A total of 10% of the show's advertisers have dropped the show, some not due to the controversy.

The website stopdrlaura.com has been the hub of anti-Schlessinger hype. Schlessinger was quoted in *The New York Times* as comparing her views to those of Pope **John Paul II**, saying "I don't see stopthepope.com, do you?"—CM

London out at Gaylord

The abrupt departure of **Terry London** as CEO of Gaylord Communications (N:GET) has tongues wagging in Nashville. Was his exit really as voluntary as claimed in the company's announcement? London, who's only 51, had been with the company for 22 years and had been CEO for three and a half years. It was London who oversaw Gaylord's \$1.5B sale of its stake in two cable networks, TNN and CMT, to Westinghouse (now Viacom). Since then Gaylord has been focusing on building its hotel business and expanding into the Internet by acquiring music sites. Those Internet investments have increased Gaylord's quarterly losses (\$14.2M in Q2), but the *Nashville Tennessean* (8/1) quoted Chairman **E.K. Gaylord II** as denying that those losses led to London's departure. Gaylord is now serving as interim CEO until a permanent successor is named.—JM

Napster gets stay; back in business

The Ninth US Circuit Court of Appeals granted Napster a stay late Friday (7/28), just in time to save the free music file sharing site from shutting down under a court injunction imposed 7/26—it would have taken effect 7/29 12:00AM. The decision gives Napster CEO **Hank Barry** time to be heard in his injunction appeal and also time to work on a settlement with the RIAA. Napster's brief is due 8/18; RIAA has to respond to the brief by 9/8.

During the Senate hearings, Napster was willing to work with RIAA to develop encryption technologies and distribution deals. Instead, a wave of new music download sites are cropping up, not likely to cooperate with RIAA in the least: oth.net, Napigator.com, OpenNap.com, Gnutella.com and Freenet.com.—CM

Gary Acker passes away

Metropolitan Radio Group owner, **Gary Acker** died 8/1 in Ozark, MO at age 67. Acker spent nearly 30 years in the radio industry and owned 18 stations nationwide. The group operates AM stations, many with Religious formats, in five top-100 markets, including St. Louis and Tampa, as well as combos in smaller Arbitron and unrated markets. He is survived by seven children.—ED

XM announces first wave of programmers

Chances are you've met or heard of most of these radio pros. All reporting to Chief Programming Officer **Lee Abrams**, the following programming team was appointed at XM Satellite Radio (O:XMSR): Director of Talk, **Kevin Straley**; Director of News, **Irina Lallemand**; Director of Channel Production, **Dan Turner**. XM's Program Directors include **Kenny Curtis** (Children's), **Kurt Gilchrist** (70s), **Rick Lambert** (Classic Alternative), **Blake Lawrence** (Dance), **Charlie Logan** (Rock), **Mark Parenteau** (Comedy), **Redbeard** (Classic Rock) and **Eddie Webb** (Hard Rock). XM's Music Directors include **Ward Cleaver** (Hard Rock), **Josh Cunningham** (90s) and **Sari Zalesin** (Classical). **Matt Wolfe** joins XM as a Production Director.—CM

Drive 55: Radio is key portal to older demo

Americans aged 55 years and older offer an excellent opportunity for advertisers to attract a large share of a growing market. In a media world long fixated on the 25-54 "money" demo, older consumers are often neglected. However, evidence suggests that it may be more important now than ever to pay some attention to this group. Interep has released a study providing key information.

For starters, older Americans are wealthier, healthier and far more active than at any time in history. Long gone are the days when retirees were content to while away the hours rocking on the front porch. This group gets out there, and it spends.

And it has money to spend. While income tends to decrease as retirement becomes a reality, net worth tends to grow well into the 70s, and net spending power is impressive due primarily to the lack of mortgage payments, college tuitions, etc. which significantly burden younger households.

Most important of all is the fact that the massive boomer generation is now on the threshold of the 55 line. The demo, which accounts for 21.3% of the general population, is expected to swell to 25% by 2010 and 29.4% by 2020. The growth of this demo will be even more marked in gray-friendly climes. Watch for Florida markets to move up the population rankings over the next 20 years.

The average member of this group spends 138 minutes daily watching TV, followed by radio at 98 minutes, newspaper at 41 minutes and magazines at 40 minutes. However, while the TV audience is fairly fragmented, certain radio formats offer an excellent way to get this group *en masse*. Stations programming Standards, Easy Listening, News-Talk and Classical offer a very high gray concentration.

Below is a list of the 15 markets in the top 100 with the highest current concentration of 55+ individuals. Florida takes the top six slots and eight over all. Pennsylvania makes the list three times and Ohio twice.—DS

55+		12+	
Rank	Market	Rank	%55+
1	Sarasota	78	48%
2	Ft. Myers	71	42%
3	West Palm Beach	50	40%
3	Daytona Beach	93	40%
5	Tampa	21	37%
6	Lakeland	98	34%
7	Wilkes Barre	64	33%
7	Melbourne	95	33%
9	Pittsburgh	22	32%
9	Youngstown	97	32%
11	Miami	12	31%
11	Buffalo	45	31%
11	Allentown	67	31%
14	Cleveland	24	30%
14	Providence	33	30%

Source: Interep

by Jack Messmer

Entravision close up: Who runs it, where is it?

It's the biggest radio group that most people in radio don't know much about. Entravision Communications Corp. has suddenly become the third-largest Spanish radio group owner in the US and just misses the top 20 for all radio groups, ranked by revenue (#21, according to BIA).

Entravision has had radio stations in the Yuma, AZ-El Centro, CA market for many years and entered El Paso, TX in 1997 with a radio/TV buy. Otherwise, though, Entravision had been strictly a TV company, buying station after station in markets with large Hispanic populations.

That TV-centric focus changed in a big way just before last Christmas, when Entravision announced a \$250M deal to buy Latin Communications Group, including the 17 EXCL Communications radio stations, which *RBR* estimated accounted for \$210M of the deal (*RBR* 1/3, p. 12). As that mega-deal closed, Entravision signed an even bigger radio deal to buy Z-Spanish Media for \$475M in cash and stock and filed with the SEC to go public. In addition to lots of radio stations, the EXCL deal gave Entravision its first newspaper properties and the Z-Spanish deal brought along 10,000 billboards.

That 46M share stock offering was priced 8/1 at \$16.50 per share (see p.12). The stock now trades on the NYSE as EVC. In conjunction with the IPO, TSG Capital (Z-Spanish's financial backer) and Univision (N:UVN) were to buy \$200M in additional Entravision stock. Virtually all of Entravision's TV stations are affiliates of Univision's network. As the chart at right (cont. on p. 10) shows, Entravision now has a radio and/or TV presence in 30 of the nation's 50 markets with the largest Hispanic populations. As the company noted in its SEC filings, the

Entravision stations by market (including Z Spanish Media)

Hispanic Market Rank	Arbitron/Nielsen Rank	Market	Station call letters (TV channel)	Format* or network
1	A-2	Los Angeles	KACD-FM/KBCD-FM KSSE-FM	Super Estrella
embedded	A-28	Riverside-San Bern.	KCAL-AM/KSZZ-AM	Super Estrella
3	A-12	Miami	WLQY-AM	Radio Tricolor
4	A-4	San Francisco-San Jose	KBRG-FM KLOK-AM KZSF-AM	Time brokered Radio Romantica Radio Tricolor
5	A-3	Chicago	WRZA-FM/WZCH-FM WNDZ-AM	La Zeta Time brokered
6	A-10	Houston	KGOL-AM	La Zeta Time brokered
8	A-6	Dallas-Ft. Worth	KRVA-FM/KRVF-FM KZMP-FM KRVA-AM KZMP-AM	La Buena La Zeta La Buena La Bonita
9	N-102 A-63	McAllen-Brownsville-Harlingen, TX	KNVO-TV (Ch. 48) KFRQ-FM KKPS-FM KVLY-FM KVPA-FM	Univision Classic Rock (Eng.) Tejano AC (Eng.) Intl. Spanish Hits
10	A-16	Phoenix	KLNZ-FM KVVA-FM KUET-AM CP (710 kHz)	La Zeta Spanish CHR
11	N-26	San Diego	KBNT-LPTV (Ch. 19) KTCD-LPTV (Ch. 46) KHAX-LPTV (Ch. 49)	Univision UPN UPN
		Tijuana, Mexico Tecate, Mexico	XHAS-TV (Ch. 33) XUPN-TV (Ch. 49)	Telemundo UPN
12	N-49	Albuquerque	KLUZ-TV (Ch. 41) K48AM-LPTV (Ch. 48)	Univision Univision
	A-72		KRZY-FM KRZY-AM	Radio Romantica Radio Tricolor
13	N-99 A-70	El Paso, TX	KINT-TV (Ch. 26) KINT-FM KATH-FM KOFX-FM KSVE-AM KBIV-AM CP (1650 kHz Expanded Band)	Univision Spanish CHR Country (Eng.) Oldies (Eng.) Talk (Radio Unica)
14	A-65	Fresno, CA	KZFO-FM KHOT-AM	La Zeta La Bonita
15	A-29	Sacramento	KHZZ-FM KRCX-FM KRRE-FM KZSA-FM	Z MegaHits Radio Tricolor Radio Romantica La Zeta

Congratulations Rush,

as you begin your 13th year of

Excellence in Broadcasting

and...



THE RUSH LIMBAUGH SHOW

on your Nomination

for the 2000

Marconi Award

Network/Syndicated

Personality of the Year.



Hispanic population is growing at a rate six times faster than the general US population.

Heading Entravision as Chairman and CEO is **Walter Ulloa** (pronounced ool-YOH-uh), who went off to start his own company in 1989 after rising through the ranks to become operations manager of KMEX-TV (Ch. 34) Los Angeles. Not coincidentally, that station is the flagship and highest-billing O&O of Univision. Another Univision veteran, **Philip Wilkinson**, joined Ulloa the next year and the two together have built the tiny start-up into a Spanish media powerhouse.

Although the two top guys have no radio background to speak of, two top executives at Entravision are names well-known to radio broadcasters. **Jeanette Tully** became CFO in 1996 and began preparing Entravision for its IPO after her previous employer, Alliance Broadcasting, was sold to Infinity for \$275M. Prior to that she had been a VP at CEA, brokering deals and advising radio and TV groups on acquisitions, sales and financing. Upon closing of the Z-Spanish acquisition, **Amador Bustos** will become President of Entravision's Radio Division. He launched his radio group in 1992 after a long career in California radio and TV.

In addition to its 64 O&O radio stations, Entravision will have 47 affiliates for the 24/7 networks operated by Z-Spanish. The company operates full-power and/or low-power TV stations in 18 markets and, including a recent acquisition, operates 11,200 billboards in the New York and L.A. markets. Its publications are *El Diario/La Prensa*, a daily newspaper, and *VEA New York*, a tourist publication, both based in New York.

Pro forma for its recent and pending acquisitions, Entravision had 1999 gross revenues of \$68.9M for TV, \$67.3M for radio and \$35.1M for outdoor/publishing. Broadcast cash flow was \$47.7M. The company will have \$367M in outstanding debt. Underwriters for the IPO were Donaldson, Lufkin & Jenrette, CS First Boston, Merrill Lynch & Co., Salomon Smith Barney, Bear Stearns & Co. and DLJdirect (yes, the online broker is listed separately from its parent company).

Hispanic Market Rank	Arbitron/Nielsen Rank	Market	Station call letters (TV channel)	Format* or network
embedded	A-85	Stockton, CA	KSQR-AM KMIX-FM KCVR-AM KTDO-FM KZMS-FM KLOC-AM	La Bonita La Buena La Bonita Z MegaHits La Zeta La Bonita
embedded	A-122	Modesto, CA	KCEC-TV (Ch. 50) K43DK-LPTV (Ch. 43) KO3EM-LPTV (Ch. 3)	Univision Univision Univision
16	N-18	Denver	KJMN-FM KMXA-AM	Radio Romantica Radio Tricolor
	A-23		WMDO-LPTV (Ch. 30)	Univision
18	N-8	Washington	WACA-AM	(sale pending)
19 (tie)	N-127	Corpus Christi, TX	KORO-TV (Ch. 28)	Univision
19 (tie)	N-14	Tampa-St. Pete	WBSV-TV (Ch. 62) WVEA-LPTV (Ch. 61)	Univision Univision
21	A-61	Tucson, AZ	KZLZ-FM	La Zeta
24	N-22	Orlando	WNTO-TV (Ch. 26) WVEN-LPTV (Ch. 63)	(purchase pending) Univision
25	N-56	Las Vegas	KINC-TV (Ch. 15) K27AF-LPTV (Ch. 27) K47EG-LPTV (ch. 47)	Univision Univision Univision
26	A-40 N-119 A-74	Monterey, CA	KVBC-FM KSMS-TV (Ch. 67) KLOK-FM KHNZ-FM KRAY-FM KSES-AM & FM KZSL-FM KHMZ-FM KCTY-AM/KTGE-AM	Radio Romantica Univision Radio Tricolor Z MegaHits La Buena Super Estrella La Zeta (divestiture pending) (divestiture pending)
28	N-27	Hartford, CT	WHCT-TV (Ch. 18)	(purchase pending)
31	N-194	Laredo, TX	KLDO-TV (Ch. 27)	Univision
33	N-94	Colorado Springs	KGHB-LPTV (Ch. 27)	Univision
34	N-116	Santa Barbara, CA	KPMR-TV CP (Ch. 38)	
36	N-176	Yuma, AZ-	KVYE-TV (Ch. 7)	Univision
	A-Not rated	El Centro, CA	KWST-FM KMXX-FM KAMP-AM	Country (Eng.) Radio Tricolor News/Talk
37	N-151	Odessa-Midland, TX	KUPB-TV CP (Ch. 18)	
39	N-147	Lubbock, TX	KBZO-LPTV (Ch. 51)	Univision
	A-177		KBZO-AM	La Zeta
42	N-160	Palm Springs, CA	KVER-LPTV (Ch. 4) K05JY-LPTV (Ch. 5) K28ET-LPTV (Ch. 28)	Univision Univision Univision
	A-153		KLOB-FM	Radio Tricolor
43	N-126	Amarillo, TX	K22FP-LPTV (Ch. 48)	(purchase pending)
51	A-128	Reno, NV	KRNV-FM	Radio Tricolor
66	N-195	San Angelo, TX	K31DM-LPTV (Ch. 31)	Univision
69	A-191	Chico, CA	KZCO-FM KEWE-AM	Z MegaHits (purchase pending)

Formats: Radio Romantica is AC, targeting Hispanics 18-49; Radio Tricolor is a Mexican country-style format, targeting Hispanics 18-49; Super Estrella is pop and alternative Spanish rock, targeting Hispanics 18-34; La Zeta is a top hits Spanish format targeting Hispanics 18-49; La Bonita is an international Spanish classic hits/nostalgia format, targeting Hispanics 25-54; La Buena is a Spanish version of "young country" targeting Hispanics 18-34; Z MegaHits is an English-language rhythmic oldies format targeting Hispanics 25-54.

Source: Entravision Communications Corp. SEC Form S-1A filed 7/10; Arbitron; Nielsen Media Research

De Radio Guerras: Hispanic horse race in City of Angels

by Dave Seyler and Elisabeth Derewitz

In the Fall of 1992, KLAX-FM made headlines throughout the radio industry. Not only did it unhorse KLVE-FM as the leading Hispanic station in Los Angeles, it also managed to grab first place among all stations in the market. While it was not quite a worst-to-first performance (the station had scored a 2.0 12+ in the preceding Summer survey), it certainly got everybody's attention.

KLAX remained king of the hill until the Winter 1995. Amazingly, its reign was not ended by one of the many powerhouse English-speaking stations in the market—Spanish KLVE came back to reclaim its old top-Hispanic title, and in so doing, also took over first place overall, jumping from a 3.0 Fa94 to a 5.2 Wi95.

KLAX has never recovered. In its heyday, it was scoring five and six shares. Since, it rarely has broken into the fours, and it's been well over a year since it cracked the three threshold.

Although still ahead of KLAX, KLVE is no longer the top Hispanic dog. It plays second fiddle to sister KSCA-FM, and KLAX-FM is fourth behind KBUE-FM (and simulcast partner KBUA-FM). Neither of these stations were even in the format during KLAX's reign. KBUE-FM, formerly known as KNAC, was bought by current owner Liberman from Keymarket for \$13M (*RBR* 2-20-95). HBC (back when it was still known as Heftel) bought KSCA from Golden West for \$112.5M (*RBR* 1-6-97).

Overall, competition for Hispanic ears has increased dramatically since 1992. There were only seven rated Hispanic stations back when the *RBR Source Guide* first included a radio station section. That number has more than doubled, with 15 Hispanic stations listed in the Arbitron Spring 2000 book.

HBC is far and away the leading Hispanic broadcaster in the market. Its stations combined for a 16.9 share 12+ compared to Liberman's 4.7. However, the cavalry has been spotted on the horizon for SBS and Entravision, although how effective it will be

remains to be seen. SBS is picking up KFOX-FM and KREA-FM from Marcos Rodriguez (*RBR* 5/15), and Entravision will be getting 103.1 co-channel simulcast partners KACD-FM/KBCD-FM via the Clear Channel/AMFM spin-off derby (*RBR* 3/13). While none of these are full-market signals, they can't hurt.

"KRCV-FM and KRCD-FM, the new simulcast station we started in February, has done real well," said **Gary Stone**, GM of HBC's cluster. "It just beat KLAX in ratings for the Spring book, so we're excited that the station is just coming on the scene and doing so well. But we don't target trying to do better than KLAX or any other station, we target what is best for the audience. They pay us by listening and we get ratings so it's pretty much a win-win situation."

"One of the advantages of having three or four stations is that people buy three or four deep, so you try to take advantage of getting the larger share of the dollars that are available as a result of that. There are a number of new advertisers that are looking into and purchasing Spanish advertising. That's changing our customer base."

In a teleconference with Wall Street analysts 8/1, Hispanic Broadcasting Corp. (N:HSP) CEO **Mac Tichenor** said that additional station choices could boost listening to Spanish radio in L.A., so long as the market isn't overloaded. In his view, there is still room for the new stations which have launched in recent months and which are due to join the fray soon. "It could take a year to settle itself out, with all of the new entrants that are in there," Tichenor noted.

One thing is certain: The Hispanic population of Los Angeles is a prize worth fighting for. LA's general 12+ population is over 10M, and its Hispanic population makes up 38.7% of it at just over 4M. Put into perspective, 4M is just slightly less than the entire 12+ population of market #5 Philadelphia.

Calls	Freq	Fmt	Own	Su99	Fa99	Wi00	Sp00
KSCA-FM	101.9	SpRg	HBC	6.0	6.8	6.1	5.9
KLVE-FM	107.5	SpC	HBC	5.9	4.9	5.1	5.0
KBUE-FM	105.5	SpRg	Liberman	3.3	3.2	3.2	2.7
KLAX-FM	97.9	SpRg	SBS	2.8	2.1	2.5	2.3
KTNQ	1020	SpNT	HBC	1.3	1.4	1.4	1.8
KSSE-FM	97.5	SpC	Entravision	2.4	1.9	1.5	1.7
KRCD-FM	103.9	SpV	HBC	0.8	0.8	0.9	1.5
KHJ	930	SpRg	Liberman	1.6	1.5	1.3	1.2
KRCV-FM	98.3	SpV	HBC	0.1	0.1	0.3	0.9
KLYY-FM	107.1	SpC	Big City	0.7	0.5	1.0	0.8
KBLA	1580	SpNT	Unica	0.6	0.9	0.5	0.6
KWIZ-FM	96.7	SpC	Liberman	0.5	0.5	0.4	0.5
KWKW	1330	SpNT	Lotus	0.5	0.6	0.7	0.5
KBUA-FM	94.3	SpRg	Liberman	0.5	0.5	0.3	0.3
KWKU	1220	SpNT	Lotus	0.0	0.0	0.0	0.0

Source: Arbitron

by Jack Messmer

Entravision IPO warmly welcomed by Wall Street traders

Wall Street embraced Entravision (N:EVC), bidding up the IPO price to \$16.50—a half-dollar above the top of the already-boosted range projected by the underwriters. Stock in the Hispanic specialist media company began trading 8/2 on the New York Stock Exchange at \$18.75 and closed its first day of trading at \$19.

Entravision, headed by CEO **Walter Ulloa** and President **Philip Wilkinson** had focused almost exclusively on TV until less than a year ago. That was when Ulloa and Wilkinson went on a diversification buying spree, snapping up two radio companies—EXCL and Z-Spanish—plus related billboard and publishing assets. That aggressive acquisition strategy in the fast-growing Hispanic media market paid off in the IPO. The hot offering

was spearheaded by Donaldson, Lufkin & Jenrette.

RBR provides an in-depth, market-by-market look at Entravision on pages 8-10.

Nassau abandons IPO, hangs out "for sale" sign. Details on page 2.

Infinity revenues just miss \$1B

Remember when it was astounding to think of a single radio group billing \$1B in a year? Well, now there are two radio-heavy companies on the verge of billion-dollar quarters. Infinity Broadcasting (N:INF) reported this morning that its Q2 net revenues were \$975M, up 63% from a year ago. Just last week (*RBR* 7/31, p. 13), Clear Channel (N:CCU) had reported

Q2 revenues of \$966M. Infinity's record-breaking quarter sent operating cash flow 73% higher to \$458M. Net free cash flow gained 59% to \$261M. CEO **Mel Karmazin** said Infinity's double-digit gains were across-the-board, with strength in both its radio and billboard operations.

Radio net revenues rose 20% in Q2 to \$555M as operating cash flow increased 24% to \$235M. Outdoor net revenues were up 213% to \$420M and cash flow shot up 452% to \$169M. Those outdoor results included December's acquisition of Outdoor Systems Inc. On a pro forma basis, outdoor revenues were up 17% and cash flow 22%.

Cuts to the Chase deal

As Clear Channel (N:CCU) reshuffled its spin-offs in reaching a final deal with the DOJ (*RBR* 7/24, p. 4), most of the reductions have been from the original \$109M, 11-station sale to Chase Radio Partners. **Tony Chase**'s company is now getting only six stations: WKNN-FM & WMJY-FM Biloxi-Pascagoula, MS, KSDO-AM San Diego, CA, KCNL-FM & KFJO-FM Fremont-Walnut Creek, CA (San Francisco market) and KBRQ-FM Hillsboro, TX (Waco market). The price tag is now down to \$45,604,000. Clear Channel's spin-offs are all tied to the merger with AMFM Inc., which is still awaiting FCC approval.

RBR observation: The Clear Channel-AMFM deal has been taking up a lot of staff time at the FCC, so other broadcasters are also anxious to see the final order pop out of the Commission. Unfortunately, we're now into August. This is traditionally the month when Commissioners and top staffers all take their vacations, so finishing anything that requires a high-level sign-off becomes even more difficult than usual. In other words, don't hold your breath waiting for a



PATRICK COMMUNICATIONS

**Station Brokerage
Debt & Equity Placement
Fair Market & Asset Appraisals**

Larry Patrick
President

Susan Patrick
Executive Vice President

Terry Greenwood
Vice President

Greg Guy
Vice President

(410) 740-0250, www.patcomm.com

Media units drive Viacom growth

"The Viacom/CBS merger is off to an extraordinary start," CEO **Sumner Redstone** said in announcing Q2 results for Viacom (N:VIA). "Our first quarter as a combined entity vividly demonstrates the power of our union and the overwhelming success of the strategy behind it."

Total revenues were up 64% to a record \$4.9B. Excluding a merger-related charge of \$698M, cash flow (EBITDA) was up 101% to \$971M and after-tax cash flow rose 79% to \$601M. On a pro forma basis, every segment except Blockbuster Video (N:BBI) and publishing posted double-digit cash flow growth. TV was up 48%, Infinity (as noted on page 12) was up 24%, cable TV 22% and entertainment 16%. Even Blockbuster managed 8% cash flow growth, but publishing cash flow dropped 50%. That analysis doesn't include Viacom's fledgling online operations, which are growing revenues at a triple-digit pace, but are still operating with negative cash flow.

Viacom Q2 results by segment

(\$ in millions)

	Actual Q2 2000	Pct. change	Pro forma Q2 2000	Pct. change
--	-------------------	----------------	----------------------	----------------

Revenues

Cable networks	\$945.9	34%	\$994.9	16%
Television	\$1,278.4	147%	\$1,786.2	7%
Infinity (radio/outdoor)	\$672.6	—	\$974.9	22%
Entertainment	\$757.7	15%	\$757.7	15%
Blockbuster Video	\$1,214.4	17%	\$1,214.4	17%
Publishing	\$133.2	-9%	\$133.2	-9%
Online	\$24.2	—	\$27.8	266%
Adjustments	-\$113.9	-63%	-\$123.3	-73%
Total revenues	\$4,912.5	64%	\$5,765.8	13%

Cash flow (EBITDA)

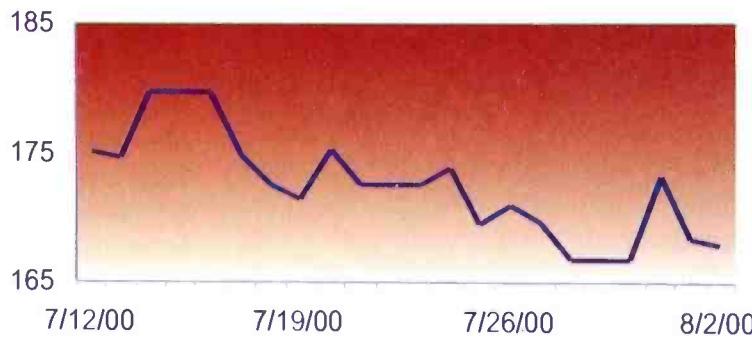
Cable networks	\$335.0	53%	\$353.3	22%
Television	\$183.0	105%	\$346.7	48%
Infinity (radio/outdoor)	\$324.1	—	\$457.6	24%
Entertainment	\$114.4	9%	\$114.4	16%
Blockbuster Video	\$113.2	8%	\$113.2	8%
Publishing	\$8.5	-50%	\$8.5	-50%
Online	-\$67.3	—	-\$83.3	—
Adjustments	-\$738.1	—	\$105.7	—
Total EBITDA	\$272.8	-43%	\$1,204.7	18%

Source: Viacom news release 8/3/00

The Radio Index™



Strong earnings, strong outlook. Wall Street doesn't care. The Radio Index™ dropped 3.10 for the week to close 8/2 at 167.82.



SOLD!

Pride
Communications, LLC
(Six FM and Three AM
stations serving
suburban Chicago)
to
NextMedia Group, LLC
for
\$56,200,000.

Elliot B. Evers
represented the Seller.

CHARLES E. GIDDENS
941-514-3375

ELLIOT B. EVERE
415-391-4877

BRIAN E. COBB
202-478-3737

RADIO and TELEVISION
BROKERAGE • APPRAISALS



MEDIA VENTURE
PARTNERS

*Subject to F.C.C. approval.

Bringing Buyers & Sellers Together Nationwide

Jorgenson

Broadcast  Brokerage

Mark Jorgenson (813) 926-9260 Tampa	Peter Mieuli (408) 996-0496 San Jose
---	--

HAMMETT & EDISON, INC.
CONSULTING ENGINEERS
RADIO AND TELEVISION

Serving the broadcast industry since 1952...
Box 280068 • San Francisco • 94128



707/996-5200
202/396-5200
engr@h-e.com
www.h-e.com

W. John Grandy
Broadcasting Broker
805-541-1900
Fax 805-541-1906

APPRAISALS

Radio and Television
Every type of appraisal
Expert witness services

Art Holt or Chris Borger
1-610-814-2821

HOLT
Media Group

**Transactions@
rbr.com**

CHECK IT
OUT TODAY

TRANSACTION DIGEST

by Jack Messmer & Dave Seyler

\$9,400,000 WLCL-FM & WKRS-AM

Chicago (Waukegan IL) from Belvidere Broadcasting LP, related to Marathon Media (Bruce Buzil, Christopher Devine et al) to NextMedia Group LLC (Carl G. Hirsch, Steven Dinetz, Skip Weller et al). Cash (escrow amount under negotiation). Daisy chain overlap with pending acq of WLIP-AM & WIIL-FM Kenosha WI and WEXT-FM Sturtevant WI from Pride Communications. Broker: Star Media Group (seller)

\$7,000,000 WJRZ-FM Monmouth-Ocean (Manahawkin NJ) from Jersey Shore Broadcasting Corp. (James Haber) to Central New Jersey Broadcasters LP, a subsidiary of New Jersey Broadcasting Inc. (E. Burke Ross). \$306,250 escrow, balance in cash at closing. LMA since 6/2. Broker: Patrick Communications Corp. (seller)

\$6,500,000 KWFS-AM & FM, KNIN-FM & KTLT-FM Wichita Falls TX from various subsidiaries of Apex General Partner LLC (Bruce Holdberg) to Clear Channel Broadcast Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$500K escrow, balance in cash at closing. **Superduopoly** with KLAZ-FM & KZCD-FM Lawton OK. Note: 38 stations in market.

\$6,500,000 KHLB AM & FM Burnet TX; **KRPS-AM & KINL-FM** Eagle Pass TX; **KVOU-AM, KYUF-FM & KUVA-FM** Uvalde TX; **KVOP AM & FM, KKYN-FM** Plainview TX; and **KBST AM & FM, KBTS-FM** Big Spring TX from Equicom Inc. (W. Bennett Springer) to Cornerstone Radio Holdings LLC (James R. Clark, Howard E. Clark, A.C. Musgrave, Peter Schulze, Equicom Inc.). \$100K escrow, balance in cash at closing. Existing **duopolies** in Uvalde, Plainview and Big Spring. LMA since 6/30. Broker: Kalil & Co. (seller)

\$6,150,000 WKBQ-FM Fayetteville NC (Southern Pines NC) from Muirfield Broadcasting Inc. (C. Walker Morris) to Cumulus Licensing Corp. (Lew Dickey Jr.), a subsidiary of Cumulus Media (O:CMLS). \$600K escrow, balance in cash at closing. **Superduopoly** with WFNC-AM & FM, WQSM-FM & WRCQ-FM. Broker: Media Services Group

more transactions @ rbr.com

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.

\$65,900,000 WBWZ-FM, WRWD-FM & WGHQ-AM/WBPM-FM

Poughkeepsie (New Paltz, Highland, Kingston, all NY); **KBAC-FM & KSFQ-FM** Santa Fe (Las Vegas NM, White Rock NM); **KSKE-FM** Vail CO; **KFMQ-FM/KGLX-FM, KFXR-FM & KXT-C-FM** Gallup NM (Gallup, Chinle AZ, Thoreau NM); **KLTC-AM, KCAD-FM & KZRX-FM** Dickinson ND; **KRRZ-AM, KZPR-FM & KIZZ-FM** Minot ND; **KSDN AM & FM, KCAA-AM, KQAA-FM & KBFQ-FM** Aberdeen SD from various subsidiaries of Roberts Radio LLC (Robert Sherman et al) to Clear Channel Communications Inc. (N:CCU) (Lowry Mays et al). \$3.295M escrow, balance in cash at closing. Existing **superduopoly** in Poughkeepsie, plus additional overlap with pending acq of Straus stations WRNQ-FM, WCTJ-FM, WKIP-AM, WCTW-FM & WRKW-FM which will require spin-offs, see below; existing **duopoly** in Santa Fe and additional overlap with some of CCU's Albuquerque stations; existing **superduopolies** in Gallup NM and Aberdeen SD; existing **duopolies** in Dickinson ND and Minot ND. Broker: Media Venture Partners (seller)

\$24,400,000 WRNQ-FM, WCTJ-FM, WKIP-AM, WCTW-FM & WRKW-FM

Poughkeepsie (Poughkeepsie, Catskill, Saugerties); **WTHK-FM, WHUC-AM, WCKL-AM** Albany-Schenectady-Troy (Hudson, Catskill); **WTHN-FM & WELV-AM** Newburgh-Middletown (Ellenville) from Straus Media LLC (Eric Straus et al) to Clear Channel Communications Inc. (N:CCU) (Lowry Mays et al). \$2M initial payment, balance in cash at closing. Existing **superduopoly** in Poughkeepsie, and additional overlap with pending acq of WBWZ-FM, WRWD-FM & WGHQ-AM & WBPM-FM from Roberts Radio which will require spin-offs (see above); **superduopoly** in Albany with some CCU stations, spin-offs required. JSA since 5/12. Broker: Gary Stevens (seller)

quick issuance of the final approval needed for the merger to close.

Dalton dealing for Clear Channel

Clear Channel (N:CCU) is still busy adding new markets. The latest is Dalton, GA—not yet an Arbitron market, but likely to become one. Clear Channel is buying WDAL-AM, WBLJ-AM, WQMT-FM & WYYU-FM from Radio Center Dalton for \$9.35M. The seller is owned by **Paul Fink** and the **Watts Family**. **Broker: Don Sailors**, Sailors & Associates

Tennessee pair to Clear Channel

Clear Channel (N:CCU) is filling a gap between two of its strongholds. Warren County, TN isn't in an Arbitron metro, but it is between #264 Cookeville, where Clear Channel already owns the dominant operation, and #104 Chattanooga, where Clear Channel is buying a powerhouse superduopoly from Cumulus Media (O:CMLS). The combo going into the Clear Channel stable from that gap county is WBMC-AM & WTRZ-FM McMinnville, TN, which Cumberland Valley Broadcasting is selling for \$1.525M. **Broker: Scott Knoblauch & George Reed**, Media Services Group

Petracom polishes off Brasso

Henry Ash's Petracom is moving into a second market. It's paying **Mike Basso's** Basso Broadcasting \$3.25M for five stations in the Texarkana market: KCAR-AM, KEWL-AM & FM, KGAP-FM & KHSP-FM. Petracom already has stations in the Joplin, MO market. **Broker: Bill Whitley**, Media Services Group

Epperson enters Florida

Nancy Epperson's Chesapeake-Portsmouth Broadcasting Corp.—which operates independently of her husband's public company, Salem Communications (O:SALM)—is branching out into a new state. She's buying WKLN-AM St. Augustine, FL for \$250K. The seller is named Betty's Communications Co., although it's not headed by a Betty, but rather a Harold—**Harold Osborne**. **Broker: Don Sailors**, Sailors & Associates

Hispanic Q2 right on target

Q2 results for Hispanic Broadcasting Corp. (N:HSP) were right where Wall Street analysts had expected them to be. Net income rose 24.8% to \$64.8M and broadcast cash flow grew 19.9% to \$29.8M. After-tax cash flow gained 19.1% to \$22.4M. Same station revenues gained 18.6% and cash flow 17.8%. The company noted that same station revenues rose 21% for its music-formatted FMs, compared to 8.6% for its News/Talk AMs.

HBC rolled out the first phase of its interactive station websites during Q2. Phase two will involve local Spanish web portals. HBC spent \$400K on its Internet strategy in Q1, \$700K in Q2 and expects to spend even more in Q3 and Q4. Interactive revenues are expected to become a significant factor next year, as Internet-related costs also begin to decline.

Like some other broadcasters, HBC noted a slowdown for ad sales in July, but said pacing has since picked back up. "It just kind of stopped in mid-June and has now picked up again in mid-July," said CFO **Jeff Hinson**. "August and September are fine."

Beasley beats the street

Beasley Broadcast Group (O:BBGI) beat estimates with after-tax cash flow up 61% to \$5.2M (21 cents per share, which was a nickel above the consensus estimate of 16 cents). Broadcast cash flow gained 21% to \$8.9M as net revenues rose 18% to \$27.1M. On a same station basis, cash flow gained 12% and revenues 14%.

Despite being such a new public company, having sold its IPO in February, Beasley had a positive number on the bottom line for Q2. Net income was \$987M, or four cents per share. In a conference call with analysts, COO **Bruce Beasley** noted market-by-market gains and said that WWDB-FM Philadelphia had managed to maintain flat revenues, despite losing Premiere's "**Rush Limbaugh Show**" and "**Dr. Laura Schlessinger Show**." Those flat revenues came despite lower ratings, which were counterbalanced by 36 additional units per day to sell locally.

Radio One growth across all markets

Radio One (O:ROIA) CEO **Alfred Liggins** says the company enjoyed growth across all of its markets for Q2. Net revenues rose 55% to \$32.6M and broadcast cash flow rose 72% to \$16.5M. After-tax cash flow per share increased 40%.

Radio One is waiting for the FCC to approve another growth spurt. It is buying \$1.3B in spin-offs from the Clear Channel (N:CCU)/AMFM (N:AFM) merger, which is the biggest purchase ever by a minority-owned company in any US industry.

Record Q2 for Entercom

Entercom's (N:ETM) after-tax cash flow nearly doubled (+82%) to \$25.1M. Broadcast cash flow more than doubled (+101%) to \$41.4M and net revenues gained 73% to \$96.9M. On a same station basis, Entercom said revenues gained 17% and cash flow 34%.

Unica revenues up 69%

Q2 revenues rose 69% for Radio Unica (O:UNCA) to \$7.7M. The company also reduced its negative cash flow, which came in at \$5.9M, compared to \$10.7M a year earlier. "We have cut our EBITDA loss by 61% for the quarter and 45% for the first half of the year," noted CEO **Joaquin Blaya**, "highlighting our rapid transition from a developing company into a viable broadcaster with valuable content resources and distribution assets, supported by a growing blue-chip advertiser base."

In a conference call (8/3), Blaya said that Radio Unica is essentially finished building its O&O portfolio. "We do not see the need to expand into additional markets."

Both Blaya and CFO **Steve Dawson** complained about Arbitron diary placement and said Radio Unica and other Spanish broadcasters are planning to meet with the ratings company to air their concerns. The Radio Unica executives say Arbitron isn't doing enough to get diaries into the hands of people who are not just Hispanic, but speak Spanish as their primary language.

Other publications talk about internet radio stations...

we have one

Come see
us live at
BOOTH 2347

RADIO BUSINESS REPORT

Tune in now and listen to rbr.com

Daily radio news from the
Radio Business Report newsroom



AudioVAULT Technology for Internet Radio!
WWW.AudioVAULT.COM
866.231.3268

Powered by Web Radio

