

RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

RADIO NEWS

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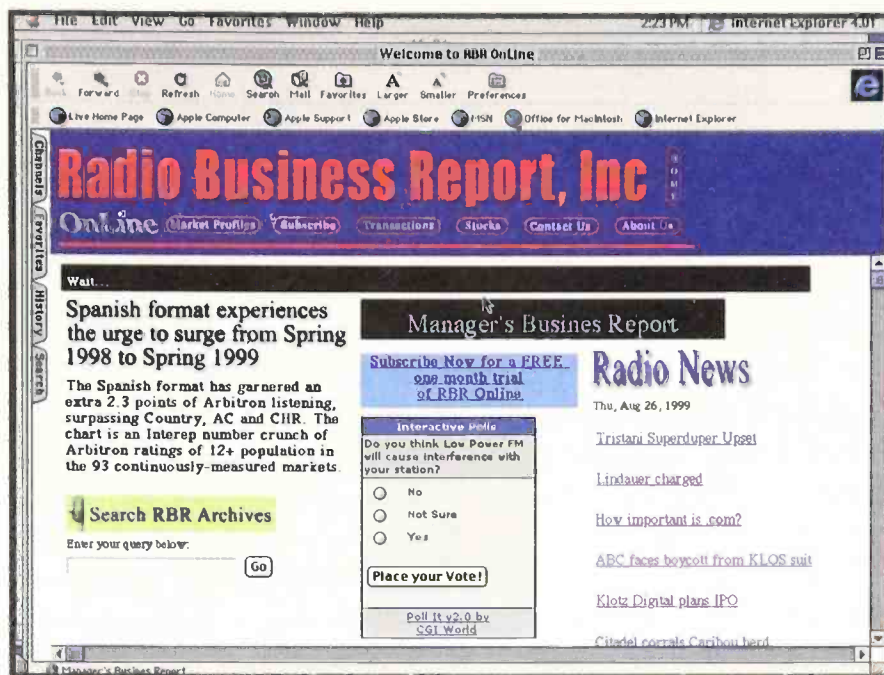
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Tristani fired up over superduopoly grants

FCC Commissioner **Gloria Tristani** is shooting straight from the hip—with her own agency as the intended target.

Last week the Commissioner issued a press statement in which she blasted the Mass Media Bureau for granting Citadel's (O:CITC) acquisition of 10 Fuller-Jeffrey Broadcasting stations in Portland, Maine. Post-transfer, Citadel would own eight FMs—which she claims is three more than the single market limit of five. She denounced the Commission's method of applying local radio ownership caps using signal contour overlaps as "illogical" and "unreasonable."

"The only way this deal can be approved is through the definitional shell game to which I have objected repeatedly. Although Citadel will own eight FM stations in Market three, the Commission does not count all of those stations against the five-station limit," said Tristani. The Com-

mission only counts stations with mutually overlapping contour signals, but does not then deduct those stations *without* mutually overlapping signals from the number of overall stations in the market. "We expand and contract the size of the 'market' to suit our purposes," she said.

Earlier this spring, Tristani and fellow Commissioner **Susan Ness** objected to a similar deal between Seark Radio and Pine Bluff Radio, saying that Seark's possessions would violate Commission rules by owning more than 50% of the stations in a smaller market (*RBR* p. 6, 4/26).

RBR observation: Whether Tristani likes it or not, it is the FCC's job to implement the law as Congress wrote it. As *RBR* has noted numerous times, the contour overlap method used to define markets bears no relationship to real markets and tends to favor big signals over small ones for consolidation.—TS

Court upholds Florida pirate's criminal conviction

The US Court of Appeals for the 11th Circuit has upheld the conviction of a Florida man caught operating an unlicensed radio station, rejecting his arguments that the conviction should be overturned as it "depended on the validity of unenforceable FCC forms and regulations."

Arthur Kobres of Lutz, FL was convicted in 2/98 by a federal jury after he ignored several FCC warnings that his short-wave radio programming airing from 11/95 to 9/97 was illegal. Kobres, whose equipment was confiscated twice—once in 1996 and again in 1997 by the FCC—was sentenced to 36 months of probation, six months of home detention and ordered to pay a fine of \$7,500.

According to the Court of Appeals, Kobres' argument that certain FCC regulations are unenforceable under the Paperwork Reduction Act and the Administrative Procedure Act are unfounded, as "his duty to obtain a license is found in a statute rather than in a regulation or form."—TS

Newspapers want a piece of broadcasting, too

Even though the FCC has relaxed its cross-ownership rules, newspaper owners are still considered odd-man out when acquiring a radio or TV station in the same market. And that, says the Newspaper Association of America, is unfair and uncompetitive.

The NAA has filed an Emergency Petition with the Commission, asking it to suspend or grant waivers to a 24-year-old rule that prohibits newspaper-broadcast clusters. Earlier this month, the agency changed its rules to allow radio-TV ownership in the same market but did not mention the possibility of adding newspapers to the mix.

"The Commission's continued discrimination against newspaper owners ignores contemporary competitive realities and violates both the Telecommunications Act of 1996 and the First Amendment," writes the NAA. The group charges that the FCC has failed to complete a biennial review of its ownership rules as mandated in the Telecom Act and therefore must repeal its "anachronistic and unnecessary newspaper/broadcast cross-ownership ban."—TS

Correction

In our NAB Preview (*RBR* 8/23, p. 7), the correct day for the CEA Financial Breakfast featuring FCC Commissioners **Harold Furchtgott-Roth** and **Gloria Tristani** is Wednesday. Also, the dress code for the Marconi Awards is "business attire," so do bring a tie.

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News Briefs

Klotz Digital plans IPO

Munich-based digital audio control systems manufacturer Klotz Digital Audio Communications has changed its name to Klotz Digital AG, giving it a pre-IPO status in Germany. The company plans to be listed on "Neuer Markt," Germany's version of NASDAQ, in Q1. "Due to the vast success that Klotz has experienced over the past two years, this is a logical next step for us," said Klotz President **Thomas Klotz**.—CM

ABC faces boycott from KLOS suit

At a press conference 8/24 in LA, The Congress of Racial Equality (CORE) is demanding an apology from ABC/Disney for KLOS-FM/Mark & Brian Show's "Black Hoe" promotion (*RBR* 8/16, p. 4), which led to an anti-discrimination and harassment lawsuit. A formal boycott of Disney holdings may be called by CORE, NOW and the NAACP. ABC Inc. President **Steve Bornstein** has issued a statement of apology, but it may be too little, too late.—CM

FCC upholds fines

If you tell a caller that you are going to broadcast the conversation, but then place the caller on "hold", are you violating Commission rules by broadcasting what the caller says while on "hold"? According to the FCC, airing that portion of the conversation in which the caller believes he or she is speaking in private is a willful violation of rules.

Infinity's (N:INF) WJFK-FM Washington, DC and KHTK-AM Sacramento, CA were each fined \$4,000 but asked for a dismissal of the charges, saying the broadcast was part of a humorous game show segment of the "Don and Mike Show", and the caller should "expect the unexpected." The FCC says it will uphold the fines as the stations "abused the privacy expectation that the rule confers."—TS

Lindauer's ex-campaign funding runs afoul

After admitting that he lied about funding for his Alaskan gubernatorial run, former radio station owner **John Lindauer** was charged last week with one felony count and 22 counts of misdemeanors. Lindauer, who won the Republican primary last year with a \$1.7M campaign, claimed he funded his own campaign, but prosecutors later found out his second wife, Chicago attorney **Dorothy Oremus**, and her brother, were the main contributors. He lost the general election and now faces up to 10 years in prison for the felony count.—TS

S&P guru sees growth continuing

While McCann-Erickson's **Bob Coen** recently raised his forecast for 1999 radio ad growth (*RBR* 7/5, p. 2) to 9% and Veronis, Suhler & Associates is now looking for a double digit gain (*RBR* 8/23, p. 6) of 11%, the third guru surveyed early this year (*RBR* 1/11, p. 8-10) is standing pat. Of course, Standard & Poor's **William Donald** was the most bullish on radio, so the strong growth recorded so far this year is right in line with his 13% forecast.

"I knew it was going to be strong," he said, adding, "As a matter of fact, I'm probably conservative."

The S&P analyst is projecting a gangbusters millennium year for advertising, followed by a tapering off of radio's growth rate into the high single digits.

"This year is a good year and next year is going to be an even better year for everybody," Donald told *RBR*. For the electronic media, Donald is projecting double-digit growth in all sectors next year—13% for radio, 14% for TV and 22% for cable. The charts (below) provide an update of Donald's five-year outlook.—JM

Electronic media percentage growth

Year	TV	Cable	Radio
1999	8%	25%	13%
2000	14%	22%	13%
2001	5%	18%	9%
2002	8%	18%	9%
2003	6%	18%	8%

Electronic media annual revenues (\$ billions)

Year	TV	Cable	Radio
1999	\$42.25	\$10.40	\$17.00
2000	\$48.00	\$12.70	\$19.22
2001	\$50.50	\$15.00	\$20.99
2002	\$54.60	\$17.70	\$22.90
2003	\$57.70	\$20.80	\$24.75

Source: Standard & Poor's



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Electronic filing system— LPFM friend or foe?

The FCC's answer to swift and accurate information accessible by all—the electronic comments filing system (ECFS)—seems to be the center of the latest low-power FM argument. Opponents of LPFM, namely Greater Media and the NAB, are demanding a 60-day extension for LPFM reply comments in order to compensate for what they believe is the Commission's slow posting of comments on its web site.

"At this point in time," writes the NAB, "it is difficult to tell if, and when, all comments will be available over the ECFS. As of August 12, 1999, there

were over 1,500 comments in the docket, many of substantial size. An extension would benefit all interested parties by assuring that all timely filed comments are available with ample time to respond."

But proponents of LPFM are arguing that the Commission's ECFS is the sole reason why reply comments may be made on time (9/1).

"Had all of the comments been filed only on paper, there might be some validity to their request," retorts **J. Rodger Skinner, Jr.**, who filed one of two Petitions for Rulemaking (RM-9242) which led to the LPFM proposal. "Their argument falls short given that the electronic filing system makes review

of such filings easy and expeditious."

Adds **Don Schellhardt**, National Coordinator for the pro-LPFM Amherst Alliance, "After all of the extensions which have already been granted, we cannot imagine how another extension could possibly be justified."

Whether the FCC decides to grant a 60-day extension or not, Rep. **Cliff Stearns** (R-FL) and Rep. **Michael Oxley** (R-OH) are warning Chairman **Bill Kennard** to "give close and careful consideration of the NAB comments... (and to) report back to us on your analysis of these filings and how the FCC could implement an LPFM service without interference to existing radio stations."—TS

Hendrie picked up for syndication

Phil Hendrie, KFI-AM LA's 7-10P host has been picked up for nationwide syndication by "one of the majors," according to his agent, **David Katz** of Don Buchwald and Associates [**Howard Stern**]. The deal will be announced at the NAB Radio Show. MediaAmerica, Westwood One, ABC and Premiere make up the short list.

Hendrie's unique program is really a farce of a typical call-in show. He creates annoying, outrageous guest characters using high-tech equipment and voice tracking, while using his standard host voice to give the impression of an interview. The characters often inflame the callers in a humorous way. I.e. one "guest," **Bobbi Duffy**, is suing her neighbors for \$5000 for injuring her leg in a hole in

their yard while taking down their Christmas lights. "The lights were an eyesore and they shouldn't have put them up before Thanksgiving," she tells the enraged callers.

Hendrie, who bears an uncanny resemblance to "Mr. Clean," entertained listeners on WIOD-AM Miami until moving to KFI in 10/96. His ratings tell the tale: KFI-AM L.A. Spring P12+ 7P-Mid: 2.7 vs. KLSX-FM: .9.—CM

CBS eyes up AWRT mentor program

According to the FCC, only 35% of women hold management positions in broadcasting—minorities only 18%. But the CBS Foundation has vowed to improve those statistics by underwriting a brochure.

The "Mentoring in Broadcasting" brochure aims to promote career development by setting guidelines for mentor relationships in radio and television and suggesting ways to find a mentor. AWRT plans to distribute copies to broadcast companies, state broadcaster associations and schools.

"Experience shows that mentoring can be an essential career advancement tool to launch women and minorities into those decision-making roles," said **Jacci Duncan**, AWRT's Exec. Director. "This brochure delivers to broadcast employers and employees the tools and knowledge to make that happen." **Helene Blieberg**, VP and Exec. Director for CBS Foundation, added that her company is "pleased to support" the initiative which will "benefit all."—TS

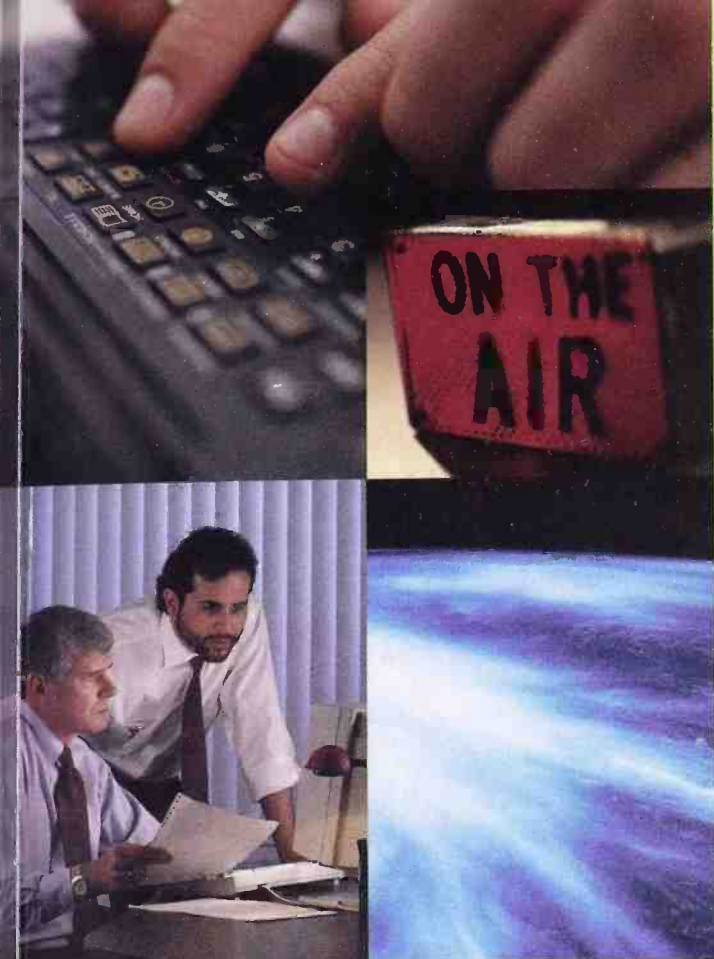
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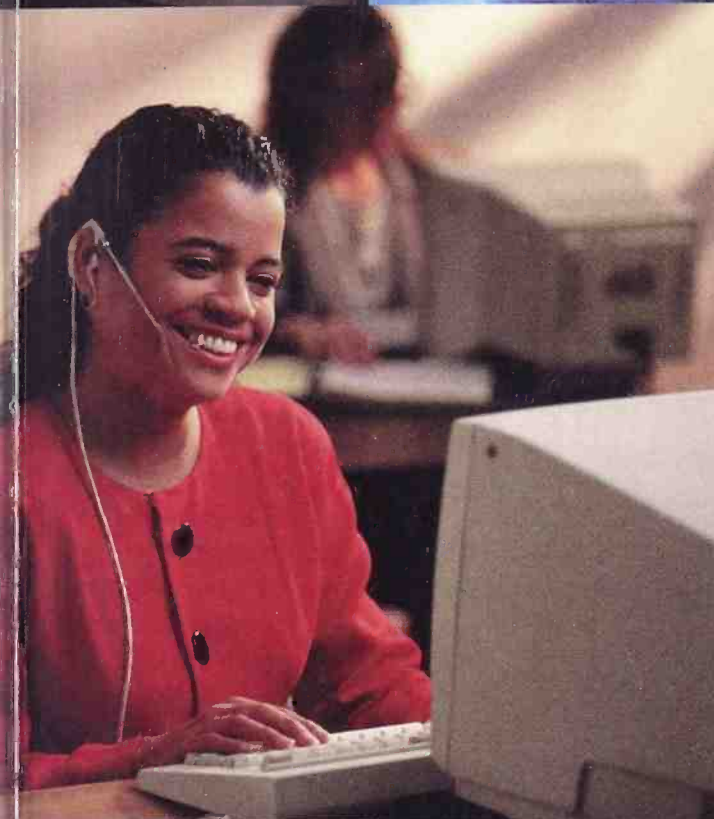
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Radio moguls make their political picks

You know how much these guys are really worth (*RBR's Mogul List*, 8/2, p. 7), but what are radio's biggest moguls actually doing with their big bucks? Some want to be king-makers and have put up cash to try to steer the American political agenda in the direction of their favorite candidates. Here, listed in alphabetical order, are some of radio's bigwigs and a few industry notables along with their 1999 and 1998 political campaign contributions as filed with the Federal Elections Commission. Check out who is in who's corner.—TS

Individual, Title, Company 1999 Contributions

Steven Dodge, CEO, American Tower
\$1,000—George W. Bush (Pres.)

Eddie Fritts, CEO/Pres., NAB
\$454—*TARPAC

Robert Glaser, CEO, Real Networks
\$1,000—Al Gore (Pres.)

Thomas Hicks, Chairman, AMFM
\$25,000—Rep. Nat'l Committee

Jeffrey Marcus, Dir., AMFM
\$1,000—Rudolph Guiliani (US Senate, NY)

James May, Exec. VP/Gov't Relations, NAB
\$520—TARPAC

Ken O'Keefe, COO/AMFM Radio, AMFM
\$1,000—George W. Bush

David Smith, CEO, Sinclair
\$1,000—Robert Ehrlich (US H of Rep., MD)

Jeffrey Smulyan, Chairman, Emmis
\$5,000—Americans for Responsible Leadership
\$1,000—Al Gore

Mac Tichenor, CEO, Hispanic Broadcasting
\$5,000—TARPAC

1998 Contributions

Edward Atsinger III, CEO, Salem
\$1,000—TARPAC

Steven Dodge, CEO, American Tower
\$5,000—TARPAC

Richard Ferguson, COO, Cox Radio
\$250—John McCain (US Senate, AZ)

David Field, Pres., Entercom
\$2,500—TARPAC

Joe Field, CEO, Entercom
\$2,500—TARPAC

Eddie Fritts, CEO/Pres., NAB
\$4,576—TARPAC

Steven Hicks, CEO, Capstar
\$2,000—Conrad Burns (US Senate, MT)

Mel Karmazin, CEO, Infinity
\$1,000—John McCain

Jeffrey Marcus, Dir., Chancellor Media
\$5,000—TARPAC

James May, Exec. VP/Gov't Relations, NAB
\$2,184—TARPAC

Mark Mays, Pres., Clear Channel
\$2,500—TARPAC

Randall Mays, CFO, Clear Channel
\$1,000—TARPAC

Randy Michaels, CEO, Jacor
\$1,000—TARPAC

Mac Tichenor, CEO, Hispanic Broadcasting
\$5,000—TARPAC

Larry Wilson, CEO, Citadel
\$1,000—TARPAC

*TARPAC—NAB's Television and Radio Political Action Committee

Sutherland fighting for stations

Under threat of imprisonment, **Rita Sutherland**, former joint owner of WABN-AM & FM Abingdon, VA (Johnson City-Bristol-Kingsport), has petitioned the FCC to deny the transfer of her former stations to Bristol Broadcasting so that bankruptcy issues may be decided.

After filing for bankruptcy in 1994 and years of legal proceedings, Sutherland and her husband **Craig's** Legend Radio Group has now secured the funds needed to pay off the debts, but the US District Court had already ordered the transfer of licenses.

"What we're trying to do is to get the FCC to deny this transfer or at least to not act on this until the 4th Circuit Court of Appeals can hear our plan to pay off the creditors," Sutherland told *RBR*. "The 4th Circuit Court has given us a stay which means they are going to hear our case, and we're just hoping that the FCC will not OK the transfer in the meantime."

Sutherland also said that she had to resign from Legend in order to file the petition with the FCC as a pri-

vate citizen, and that US District Court Judge **Glenn Williams** has ordered her to stop a campaign to save the stations or face charges of contempt of court and risk possible imprisonment.—TS

DRE announces test program; to work with ST Microelectronics

IBOC proponent Digital Radio Express (DRE) is in the process of concluding a technical agreement with Italian-based ST Microelectronics for the development of chip sets based on DRE's technology. ST is currently producing chip sets for WorldSpace receivers and is contracted to do the same for XM Satellite Radio.

It would be a logical sequence (*RBR* 6/21, p. 4), since ST is XM Satellite Radio's future chip provider, to merge technologies into one chip set, or at least one receiver, to be cost-effective for manufacturers and consumers. "Clearly, that's the path that the receiver manufacturers are going to want—the lowest cost solution to provide total digital radio," said **Norman Miller**, President, DRE.

DRE expects to test its technology in seven to 10 markets soon (the first

tests were at KSAN-FM—*RBR* 9/21/98, p.13). It has already begun AM tests in San Francisco on a station with a Nautel transmitter. It was operational in only two hours.

However, FM presents a bigger challenge (*RBR* 5/17, p.7) for both field testing and future implementation. "There is no simple solution to combine FM analog and digital signals. It can take significantly longer [than AM]," said Miller. "It may result in fewer FM test sites near term."—CM

USADR tests at NAB; Energy Onix and Continental join coalition

USA Digital Radio will host a full field test of its FM IBOC system with Cox Radio's (N:CXR) Adult Alternative WMMO-FM, 98.9 MHz. Visitors will be able to hear the IBOC and analog comparisons at the booth (#729), or from driving around town in the USADR van—by appointment only. The Orlando field test will use a separate QEI digital amplifier paired with the USADR exciter, combined at high levels with the analog transmitter with an Andrew passive power combiner.—CM

Every 6 seconds, for the next 17 years, someone in the U.S. turns 50.

(Source: Georgia State Center for Mature Consumer Studies, Atlanta, GA.)



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Orlando: Battle of the behemoths in Mousekemarket East

Mickey Mouse's East coast digs are also home to the #1, #3 and #5 radio groups (AMFM, Clear Channel, Cox) in terms of revenue and total listeners, and they are locking horns, each with an impressive array of stations and a substantial share of the market's audience.

It is the smaller of the three, Cox, which has the upper hand, boasting a seven-station superduop which packs a major wallop with two of the market's top three stations, Country WWKA-FM and News-Talk WDBO-AM. Cox was also successful in upgrading its cluster last year, getting Religious WTLN-FM (RBR 3/2/98) and converting it to CHR WPYO. While yet to become a major force in the market, it has gone from a 1.0 share 12+ in Fa98 up to 2.4 Sp99, and it provides Cox with upside potential currently lacked by the other two.

Not that either Clear Channel or AMFM are likely to complain too loudly about a cluster which tops a combined 20-share. AMFM ceded 2nd place to Clear Channel over the course of the year. While Hot AC WOMX was steady, AMFM sustained ratings losses at its CHR WXXL and Urban WJHM. The group is hoping to rebound with the switch to Rhythmic Oldies at WOCL. Clear Channel enjoyed modest overall ratings gains during the year. Its one major move was to pick up the Oldies format which was abandoned by WOCL and install it on WSHE-FM.

Rounding out the competition is Gross Communications, which pulls a respectable share of the audience with its Smooth Jazz standalone WLOQ-FM.

RBR observation: There is great potential for change here if the oft-rumored merger of AMFM into Clear Channel takes place. Clear Channel has room for only one of AMFM's FMs. The required 3-FM spin-off could bring Gross near signal parity. Otherwise, the spin-offs will be a golden opportunity for a new entrant.

And make no mistake—this is a lucrative place in which to conduct the business of radio. Its \$105M in estimated 1999 radio revenue is comparable to radio earnings in markets with twice Orlando's population.

Owners Scorecard

Owner	AM	FM	Sp98	Owner	AM	FM	Sp99
**Cox	3	4	29.4	**Cox	2	5	30.7
**AMFM	0	4	25.0	**Clear Ch	2	4	24.7
**Clear Chan	2	4	22.1	**AMFM	0	4	21.7
Gross	0	1	3.8	Gross	0	1	4.1
Moffitt	1	1	1.4	*Rama	2	0	1.9
*Rama	2	0	1.2	*Q Bcg	2	0	1.6
*Q Bcg	2	0	0.9	Radio Luz	1	0	0.8
Radio Luz	1	0	0.4	*Moffitt	2	0	0.6

** = superduopoly; * = duopoly

Duopoly Dimensions

Stations	25	
Superduop	17	68%
Duop	6	24%
Total consol	23	92%

Market Statistics

Rank	39
12+ pop	1,104,600
%Black	13.1
%Hispanic	12.1
Radio revenue	\$105M

Famous groups which have left the market since 1992

American Media	NewCity
#Beasley	OmniAmerica
Granum	Paxson
Guy Gannett	#Root
Metroplex	Shamrock
Nationwide	Taylor

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Sources: Arbitron, RBR Information Services Group



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Scott gives you industrial quality 19" rack computers, but *nothing* is proprietary: functional equivalents are available at computer stores. You also get 24 hour *toll-free* tech support!

Scott lets you choose your operating system: Linux, Novell, NT, Windows, DOS or any combination. You also choose from *three* systems: Good, better, best. One's right for *you!*

The screenshot shows a grid of song titles and artists. The top row includes 'R-E-S-P-E-C-T Aretha Franklin', '1-2-3 Len Barry', '409 Beach Boys', and '96 Tears'. Below the grid are navigation buttons: 'Stack', 'Artists', 'Time', 'Year', 'Cat.', 'Auto', 'Back', 'Forward', 'Pre-view', and a large ':04' timer. At the bottom, there is an alphabet keyboard from A to Z.

The Scott System is radio's most user-friendly. You get instant airplay or audition of any song simply by spelling a few letters of its title or artist. You see when songs played last and when they'll play next. You also get voice tracking while listening to music in context, hot keys, automatic recording of phone calls and graphic waveform editing, all in one computer!

Good Spot Box

The screenshot shows a list of spots with details like '1023 Boston Market - \$1+', '1025 Boston Market - Lunch', '1034 Both of You - Maternity', '1035 Bright Truck Leasing', '1036 Burns Security Syst', '1038 Car Nation - Tuesday', '1039 Car Nation - Wed', '1040 Central Bank & Trust', '1041 Cinema 12', and '1043 Charley Horse Saloon'. There are also buttons for 'Start', 'Auto', and 'Stop'.

Scott's Spot Box delivers the *simplicity* of a triple-deck "cart" player plus *compact disc quality* digital sound.

Spot Box has only the one screen, so announcers always know what's playing. On the left of the screen, three digital players have legible labels for each spot and VU bars show levels. Buttons show countdown times and flash as each recording ends.

At the right of the screen, "Cart Walls" let you pick and play any recording by name, number or category. Or, number keys at the bottom load spots quickly from your log.

Scott's Spot Box includes a recorder and is *very* inexpensive. Options include log imports from traffic computers and music on hard drive.

Better AXS 2000+

The screenshot shows a list of spots with details like 'Hotel California', 'Southwestern Bell', 'Celeste', 'Tears of Motor Speedway', 'Southwest Ready Mix', 'Dancing in the Streets', 'Don't You Know', 'Foolish Girl', 'Foolish Girl', 'Singles', 'CompUSA', and 'Interstate America'. There are also buttons for 'Start', 'Auto', and 'Stop'.

AXS' (pronounced ax'-cess) 2000+ is radio's premier digital audio system for automation and live assist. AXS' 2000+ is fully featured, with 99 sets of 28 instant play Hot Keys, log editing in the studio, live copy on-screen, big countdown timers, recording and editing of phone calls, spots and network shows.

You also get auto-fill of network breaks to cover missing spots, a Real Time Scheduler, unattended net recording, timed updates, macros and optional time announce and WAVE file imports.

For stations with large CD music libraries, AXS' 2000+ can also control inexpensive consumer CD multi-pack and 300 CD juke box players.

See Scott Studios' Booth 607 at the NAB Radio Show in Orlando, Aug. 31-Sept. 2

Best Scott' System

The Scott' System (pictured above) is radio's most powerful digital system!

Your log is on the left side of the LCD touchscreen. Instant access Hot Keys or spur-of-the-moment "Cart Walls" are on the right with lightning-quick access to *any* recording. Phone calls record automatically and can be edited to air quickly. You can also record and edit spots or voice tracks in the air studio or go on the air from production.

Scott's options include *Invincible* seamless redundancy with self-healing fail-safes, newsrooms, 16-track editors, time and temperature announce, and auto-transfer of spots and voice tracks to distant stations over WAN or Internet.

You'll easily make the move to digital audio because every system includes a week of Scott School at *your* station!

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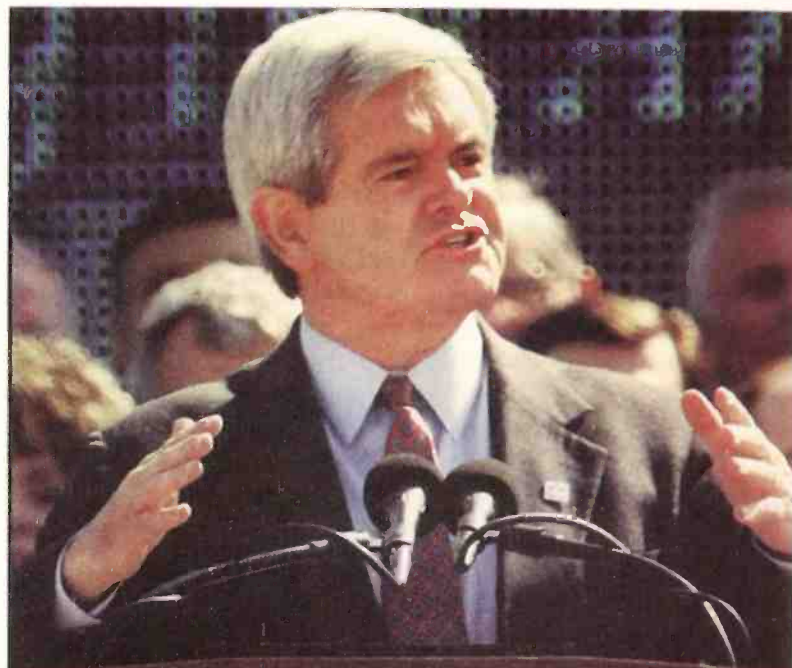
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Newt's Age of Possibilities

by Carl Marcucci

The Gentleman from Georgia is back. With an emphasis on the positive, Former Speaker of the House **Newt Gingrich** is hitting the airwaves to deliver a daily message for America. Since resigning a speakership often credited with the first GOP congressional majority in 40 years, he's been busy—especially when it comes to breakthroughs in health and technology. Debuted 8/9, 90-second “The Age of Possibilities” is just that, informing listeners of the critical issues—past and present—that can and are determining our future.

Politician, teacher, consultant, fellow and student, author (*Contract with America, To Renew America*) and now radio commentator, Newt gives *RBR* a glimpse of his new show and some unabashed insights on America.



CONTRACT WITH AMERICA



**PROMISES
MADE,
PROMISES
KEPT.**

What purpose does your daily commentary on Premiere Radio Networks hope to serve?

I want to communicate ideas, stories about how America can be a better place, about things that are succeeding, about new ideas, new breakthroughs and about people who are personal heroes. People who have done something positive to make this a better country. I think we have too much negativity and this is a great country with a lot of interesting, very good things happening from Silicon Valley right to your neighborhood.

So this is a positive commentary.

It will mostly be positive. Occasionally, there will be a moment of describing **Gephardt** or **Gore** or somebody in that vein—it's a little hard to

be positive there. However, there are some real threats, such as terrorism and biological warfare. I'll comment on those because while this is about America and the age of possibilities—not all the possibilities are positive. Mostly, I want to try three or four times out of every five to be on a new idea—a breakthrough in science, a new volunteer story about somebody who is making a difference, or a new entrepreneur who is creating jobs and doing well. So that people really get a sense of “Here's what works in America.” And maybe there are some lessons to learn for my life.

What made you decide on doing this show?

I spent about 5 months going out and studying—I'm a student one day a month at Georgia Tech and a student for the Center for Disease Con-

trol, a fellow at the Hoover Institution at Palo Alto and Stanford working on health and health care and how science and technology will affect the future, I work at the American Enterprise Institute in Washington and am working with Internet venture capital people. As I was going around learning, I began to realize that there are so many great stories and so many breakthroughs occurring in America and almost none of them get coverage.

What else have you been doing since resigning the Speakership?

I have a firm called Gingrich Group, which has a consulting relationship with Price, Waterhouse, Coopers and works on ideas. Again, particularly strategic planning on health and health care.

I refuse to do any lobbying of any



The Age of Possibilities

WITH NEWT GINGRICH

Who are we as Americans?
Where are we going as a country?
What should we as citizens care about?

Hosted by former Speaker of the House Newt Gingrich, **The Age of Possibilities** is a daily 90-second commentary about the people who make America succeed and how they, as citizens, are changing the world around them.

From his travels across the country, Newt believes technology and education are transforming society. And the knowledge, ideas, solutions and opportunities are empowering individuals to continue to make this country great.

Draw listeners and sponsors to an exciting daily feature that will introduce them to the people that make America strong.

Consider the possibilities.

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kind. I don't think that is appropriate for the Speaker of the House. I do try to help people think through public policy issues and how to solve problems of the country. I spend an awful amount of my time trying to be a student, visiting laboratories, going and listening to people and just trying to learn.

What will be the show's top issues?

First, I'd start with health—health and health care. I want to do an awful lot on health. What are we learning, where are the breakthroughs? What are the new cures? What is it you should be doing for your own health? Second is going to be the Internet and the whole explosion of communications opportunities—new web sites, new breakthroughs and new technologies. Third, I want to talk about the opportunities and challenges as Americans live longer, including "Social Security Plus," an idea that the younger generation deserves a chance to have the kind of social security system that will give them a safe and sound retirement, while also protecting their parents and grandparents. That is a theme that I will come back to a lot.

Finally, I want to talk about the national defense and the genuine threats there are to the US—I'm serving on the National Strategic Study Group. I think that the dangers, for example, from biological and chemical warfare, the dangers from terrorists and the fact that we have no missile defense, so the Chinese, the Iranians, the North Koreans, or the Russians, could pose a direct threat here at home in the US. I think it is very important in a calm, straightforward factual way to point out the truth about American vulnerability, and that will be a component of the show on a regular basis.

Who are your favorite Talk personalities or TV commentators?

I would say **Sean Hannity**, **Rush Limbaugh** and **Tony Snow** would certainly be on my short list of people that I really find intelligent and thoughtful. **Brit Hume**, frankly I think does a good job for Fox News Channel. Those are the kinds of guys that I would look at when I want to know or get a better sense of what's going on and how people think about it.



I should mention that the other guy I listen to for many, many years is **Neil Boortz** down on WSB-AM Atlanta. He's a fabulous guy, a great talk show host.

What about future political aspirations?

I think my job is to be a visionary, a teacher and a strategic planner. That's the role I want to carve out for the next years. That's how we did the contract with America. I decided to go back to developing new ideas and new solutions. I think that is the contribution that I could make. If we get a Republican president, which I certainly hope will happen, I would love to be available as an advisor. I don't think I will go back into the government. I think I will stay in the private sector.

What are your global-scale views and observations for the upcoming millennium?

I think it is very simple. If we do everything right, the entire human race would be free, safe and prosperous by about 2050. If we Americans fail, and if we fail here at home with education—saving the 1/10th of our population, which is now an underclass—if we fail with taming the government to bring it under control and lowering taxes so we expand freedom, and if we fail with intelligence and defense so we become vulnerable, then I think the human race has a very difficult and probably very violent future. I think we should recognize that we are really at the crossroads where it could be a fabulous millennium or it could be a long, difficult and painful period. We Americans probably have more responsibil-

ity than any other people in the world for which road we take.

As a former history professor, what would you think the founders would say about America in 1999? What mistakes would they think that they made?

I don't think that they would think they made any mistakes. I think that they would say that of the things they couldn't get done, they would say they were glad we abolished slavery. I think that almost all of them thought it was necessary to abolish slavery. They couldn't find a way to do it in their political context. I think that they would say they were astonished at how big the country has become. They are impressed by what science has created, although many of them were scientists. **Jefferson**, **Washington** and **Franklin**, for example, all were into scientific research in different ways.

I think that if they were to lecture us, they would tell us two things more than anything else. First, you cannot retain a Republic without some basic culture of integrity and patriotism and responsibility. Second, I think that they would say that it is wonderful that we now lead the world, but we must be very careful not to let the world drown us and/or power corrupt us. They would say that Republican virtues were real and the collapse of Republic virtues ultimately killed the Roman Republic. And they would warn us that the greatness that 200 years has brought is very transitory unless we follow the basic rules of history and sort of humble ourselves to the obligation to preserve freedom, rather than to simply to pursue our own selfishness.

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Our latest Internet study of Arbitron diarykeepers and Web surfers examines the consumer appeal of a variety of webcasting business models and answers key questions about Web strategy for radio including:

- How can your station use the Web to grow ratings and revenue?
- What webcasting strategy should your station pursue?
- What features will draw consumers to your Web site and keep them coming back?
- What does “over-the-air” radio have to fear from webcasters like Spinner.com and NetRadio.com?

Findings will be presented at the NAB Radio Show on Thursday, September 2, at 9AM in Room 308B.

Come see us at NAB Booth #707

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by Jack Messmer

Citadel corrals Caribou herd

Like many markets, Oklahoma City's radio marketplace is dominated by three players, but one of those players is changing. **Kent Nichols** is selling his five-station superduopoly, the last market remaining for Caribou Communications after Nichols previously sold his Honolulu stations. **Larry Wilson's** Citadel Communications (O:CITC) is paying \$60M to enter the market and compete with Clear Channel (N:CCU) and Renda Broadcasting, along with a few smaller players.

Caribou's stations are WWLS-AM, KATT-FM, KYIS-FM, KCYI-FM & KNTL-FM. OKC, Arbitron market #54, will be the third largest market to date for Citadel, behind #32 Providence and #35 Salt Lake City. Broker: Kalil & Co.

Cox adds radio in Hawaii

Cox Enterprises already owns a huge ranch at Kailua-Kona, HI. Now its radio arm, Cox Radio (N:CXR), is moving to the islands as well with a \$16.375M buy of New Planet Radio's 1 AM/3 FM superduopoly. New Planet is headed by **Scott Fey**. Broker: Kalil & Co.

RBR observation: Remember when no one wanted to buy a station in Honolulu, except possibly as a way to write off Hawaiian vacations as a business expense? **Cecil Heftel's** KSSK-AM & FM ruled the market, which was over-radioed, leaving most competitors struggling to make a buck. The 1996 Telecommunications Act changed all that. KSSK is still the market leader, but it's now part of AMFM's (N:AFM) superduopoly. Three

other cluster operators are also quite competitive: **Jon Ferrari's** New Wave, **Howard Anderson's** KHWY Inc. and New Planet (soon to be Cox).

Clear Channel straddles Ohio River

Parkersburg, WV-Marietta, OH—Arbitron market #221—hadn't been a target for the public megagroups...until now. Clear Channel is paying \$11.5M for the five-station cluster owned or LMA'd by **Don Staats'** Mediacom Inc. Clear Channel will buy WRVB-FM & WRZZ-FM from licensees owned by Staats and his partners. WLTP-AM, WNUS-FM & WDMX-FM will go into the Clear Channel fold from Bennco Inc. The market's other superduopoly belongs to Burbach Broadcasting.

Pumping up Peoria

Proving that single-market startups are viable, **Jack Everett** and **Mike Wild** are expanding from their initial purchase of WMBD-AM & WPBG-FM Peoria to add crosstown WIRL-AM & WSWT-FM. Everett's and Wild's JMP Media will begin LMAing the second combo 9/1. Terms of the sale by **Jim Glassman's** Community Service Radio haven't been disclosed yet, but the price tag is rumored to be a bit over \$10M.

Bayliss ownership era ends

The Bayliss Foundation scholarship program will continue, but **Alice Bayliss** is selling the family's last radio property. **Cliff Burnstein's** Digisphere group is paying \$3.75M for KSMA-AM & KSNI-FM Santa Maria, CA, where Digisphere already owns KXFM-FM. Broker: Larry Patrick, Patrick Communications

Media Markets & Money
continued on page 18

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Keeping up with Jones

Now that **Glenn Jones** has separated all of his non-cable systems businesses from Jones Intercable (O:JOINA) in preparation for a buyout by Comcast (O:CMCSA), much more detail is revealed about his radio operations—all clustered together in Jones International Networks Ltd., a private stock company which has \$100M in public bonds.

For Q2, Jones International reported a 113.1% gain in revenues to \$15.2M. Cash flow (EBITDA) grew 480% to \$2.9M. In large part, those increases were due to the July 1998 acquisition of MediaAmerica for \$26.7M in cash and \$8.13M in stock. Pro forma (including MediaAmerica as if it were owned a year ago), revenues grew 43.6% and cash flow 89.2%.

Not included in the Q2 report is Broadcast Programming, which Jones International acquired from Broadcast Electronics for \$20.86M. That sale closed 8/2.

A little over one third of Jones International's revenues come from radio, with the larger portion coming from two cable TV networks and satellite uplinking. Here's a breakdown of the company's financial performance for Q2 and the first half of this year:

Jones International Networks Ltd.

(\$millions)

Revenues:	Actual results		Pro forma	
	1999	1998	1999	1998
Radio programming	\$3.91	\$2.16	\$3.91	\$2.89
Radio representation	\$2.28	\$0.00	\$2.28	\$2.73
Cable TV programming	\$6.85	\$4.02	\$6.85	\$4.02
Satellite/other	\$2.20	\$0.97	\$2.20	\$0.97
Total	\$15.24	\$7.15	\$15.24	\$10.61

Cash flow:

Radio prog./rep.	\$1.06	-\$0.36	\$1.06	\$0.71
Cable TV programming	\$0.37	\$0.05	\$0.37	\$0.05
Satellite/other	\$1.85	\$0.80	\$1.85	\$0.80
Corporate overhead	-\$0.38	-\$0.03	-\$0.38	-\$0.03
Total EBITDA	\$2.90	\$0.46	\$2.90	\$1.53

Revenues:	Actual results		Pro forma	
	1999	1998	1999	1998
Radio programming	\$6.87	\$3.74	\$6.87	\$4.97
Radio representation	\$3.86	\$0.00	\$3.86	\$4.76
Cable TV programming	\$12.64	\$7.87	\$12.64	\$7.87
Satellite/other	\$4.38	\$2.13	\$4.38	\$2.13
Total	\$27.74	\$13.73	\$27.74	\$19.72

Cash flow:

Radio prog./rep.	\$0.61	-\$0.94	\$0.61	\$0.24
Cable TV programming	\$0.52	-\$0.08	\$0.52	-\$0.08
Satellite/other	\$3.72	\$1.78	\$3.72	\$1.78
Corporate overhead	-\$0.73	-\$0.42	-\$0.73	-\$0.42
Total EBITDA	\$4.11	\$0.35	\$4.11	\$1.52

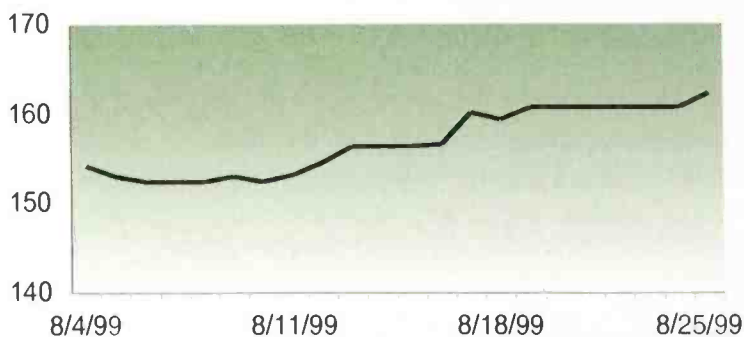
Source: Jones International Networks 8/4 press release, SEC Form 10-Q filed 8/13, SEC Form 10-K filed 3/26

The Radio Index™

RADIO BUSINESS REPORT
Voice of the Radio Broadcasting Industry

THE WALL STREET JOURNAL
RADIO NETWORK

Despite record highs for the Dow Industrials, The Radio Index is still below its all time high of 165.97, set 7/15. The Radio Index closed 8/25 at 162.34, up 2.91 from a week earlier.



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WMBL-AM
Moorehead City, NC

WLQY-AM
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WSSP-FM
Charleston, SC

KCKC-AM
San Bernadino, CA

WBEX / WKKJ
Chillicothe, OH

KWMT / KKEZ
Ft. Dodge, IA

KCBQ-AM
San Diego, CA

WZNZ / WBGB
Jacksonville, FL

WTF-AM/FM
Tiffin, OH

KBET-AM
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continued from page 16

Tidewater deal on tap

There was still no official confirmation at deadline, but the **Crump Family** is set to end its 45-year stint of radio ownership in Norfolk. WCMS-AM & FM is apparently going into Barnstable's superduopoly for a mid-teens (\$M) price.

Tripling in Tupelo

J. Morgan Dowdy's JMD Inc. is getting its third FM in the Tupelo, MS market, paying \$3.1M for WSYE-FM, currently owned by **Frank Holladay's** New South Communications. Dowdy already owns WELO-AM, WWMS-FM & WZLQ-FM. An LMA of WSYE began 7/1.

Alliance adds SC station

Alliance Broadcasting (O:RADO), still the smallest publicly traded radio group, is adding 50kw WCTG-AM Columbia, SC. An LMA is in place and

Alliance has launched "Black and White Radio," combining White and African-American Talk hosts. CEO **Joe Newman** says the format is already getting so much listener and advertiser response that it will soon be cloned on other Alliance stations.

Star gets KC listing

Entercom Communications (N:ETM) has retained Star Media Group to handle the divestiture of its excess stations in Kansas City. As reported (*RBR* 8/2, p. 12), Entercom will have to spin off at least three stations in KC to close its \$824.5M buy of 46 stations from Sinclair (O:SBGI).

Galesburg group grows

John Pritchard's Galesburg Broadcasting Co. is buying Bick Broadcasting's WNKK-FM Carthage, IL for \$1M, creating a superduopoly with KDMG-FM & KKMI-FM Burlington, IA.

LDR incorporates; Pequot Capital is investor

Lucent Digital Radio (LDR) has incorporated with a multi-million dollar private investment from Pequot Capital Management. LDR, which was originally formed as an internal Lucent (N:LU) venture 5/98 after breaking off development work with USADR, will maintain a majority ownership stake in the deal. Pequot invests in public companies through its public funds with special emphasis on technology, communications and media. The new LDR five-member board will include President/CEO **Suren Pai**, two from Lucent and two from Pequot (so far unnamed). LDR would not disclose the size or makeup of the investment.

While USADR's investment base is comprised of 12 major broadcast groups (*RBR* 1/11, p. 2), Pai told *RBR* that Pequot was chosen because it has 10 years experience in dealing with the media industry and because it brings "tremendous value to the table in terms of understanding how to create value with ventures like this one."

Ralph Faison, VP, Lucent New Ventures Group, added: "Our model is to take technologies from Lucent and spin them out, and that is what we're doing here."

Going beyond IBOC, Pai also wants LDR to make it possible to create a multi-mode receiver: "Imagine receiving data on your hand-held Palm Pilot, while listening to a baseball game over the Internet. And all of this will come from your local radio broadcaster, in addition to local news, weather and advertising. Streaming data at up to 100kbps, much faster than wireless data carriers provide today, is possible with IBOC—so too is the vision of switching between a local FM radio broadcast and receiving a satellite concert broadcast while receiving stock quotes at the same time, all in the same receiver."

Jerry Poch, Manager, Pequot Capital Private Equity Fund, said "Lucent's arsenal of technology and experience with digital wireless systems and audio coding technology will not only deliver working IBOC, but will enable the entire digital radio industry—IBOC, satellite and internet—to move toward the common goal of delivering CD-like content to as wide an audience as possible."

RBR observation: To produce multimedia receivers of the type Pai and Poch spoke of, the first step would have to be an integrated receiver chip set with CD Radio, at least for car receivers. Lucent Microelectronics is making CD Radio's chip set and most likely will make LDR's. It doesn't take a rocket scientist to predict what will happen here.—CM

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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.

\$9,000,000 WCOA-AM & WWRO-FM Pensacola FL from Coast Radio LC (Gregory Gordon) to Cumulus Licensing Corp. (Richard Weening, Lew Dickey Jr.), a subsidiary of Cumulus Media (O:CMLS). \$450K escrow, balance in cash at closing. **Superduopoly** with WDLT-AM & FM & WBLX-FM Fairhope-Chickasaw-Mobile AL. Broker: Media Services Group

\$7,350,000 KKDM-FM Des Moines IA from Midwest Radio Inc. (Richard Eychaner) to Clear Channel Broadcasting

CLOSED

Charles River Broadcasting

HAS ACQUIRED

WBLQ FM

Block Island, RI

FROM

Tim Gordon English

FOR

\$736,000

THE UNDERSIGNED WAS EXCLUSIVE BROKER
AND ASSISTED IN THE NEGOTIATIONS

Harold J. Bausemer, President

SALES GROUP

Boston, MA Phone: 781-848-4201

Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$2.5M initial payment, second payment of \$3.38M due 1/1/2000, balance in cash at closing. **Superduopoly** with WHO-AM, KASI-AM, KWMT-FM, KMXD-FM, KYSY-FM & KCCQ-FM. LMA since 7/1.

\$5,000,000 WKXS-FM Jackson MS from Boswell Broadcasting Inc. (H. Mims Boswell Jr., John Boswell) to New South Communications Inc. (Frank Holladay). \$100K escrow, balance in cash at closing. **Superduopoly** with WIIN-AM, WBBV-FM, WJKK-FM & WYOY-FM. LMA since 6/22.

\$3,161,410 WLNF-AM, WIGG-AM & WXAB-FM Wiggins-Lumberton MS, 50% stock transfer of Tralyn Broadcasting Inc. as follows: John McLean (51% before/20% after), Darren Kies (14%/0%), Scott Sands (5%/0%), A.E. Joiner (10%/20%), Wonsuck Kim (10%/20%), Tim Melson (10%/20%), J. Michael Self (0%/20%). Reorganization for release and assumption of liabilities totaling \$3,161,410.

\$3,000,000 WAVF-FM Charleston SC (Hanahan SC), 100% stock sale of Cordes Street Communications Inc. from Haywood Bartlett Jr. to ECRP Charleston LLC, a subsidiary of Emerald City Radio Partners LLC (Paul Robinson, Centre Partners). \$150K escrow, balance in cash at closing. LMA since 7/1. Broker: Sailors & Associates

\$3,000,000 KLEM-AM & KKMA-FM Sioux City IA (Le Mars IA) from KLEM Inc. (Paul Olsen) to Powell Broadcasting Company Inc., a subsidiary of The Powell Group Inc. (Nanette Kelley, Estate of Willis W. Noland, Estate of A.W. Noland, various family trusts). \$150K escrow, balance in cash at closing. Double **duopoly** with KSCJ-AM & KSUX-FM. Broker: Blackburn & Co.

\$2,811,000 KFAR-AM, KWLF-FM & KUWL-FM Fairbanks AK (Fairbanks-College AK) from Borealis Broadcasting Inc. (Louis & Juliet DeLong) to New Northwest Broadcasters II Inc. (Michael O'Shea, Ivan Braiker & others). \$175K escrow, balance in cash at closing. **Superduopoly** with Broker: Media Services Group

\$2,300,000 KEJO-AM & KFLY-FM Corvallis OR from Madgekal Broadcasting Inc. (Mario Pastega) to Clear Channel Broadcasting Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$107.5K escrow, balance in cash at closing. **Superduopoly** with KLOO-AM & FM & KRKT-AM & FM Corvallis-Albany OR.

\$2,300,000 KWOS-AM & KJMO-FM Columbia MO (Jefferson City MO) from Zimmer Radio of Mid-Missouri Inc. (Jerry, Don, John and James Zimmer) to Premier Radio Group (Alan Germond, David Baugher, John Ott). \$187.5K escrow, balance in cash at closing. **Superduopoly** with KFRU-AM, KOQL-FM, KBXR-FM, KPLA-FM & FM CP (below). Note: Sale contingent on settlement among several parties (RBR 8/23, p. 12).

\$1,525,000 WBMC-AM & WTRZ-FM McMinnville TN from Cumberland Valley Broadcasting Company Inc. (Thorold Ramsey) to Citicasters Co. (Randy Michaels), a subsidiary of Clear Channel Communications (N:CCU). \$72.5K escrow, balance in cash at closing. **Superduopoly** with WAKI-AM McMinnville TN, WWEE-FM Spencer TN & WGSQ-FM Cookeville TN. Note: No contour overlap with Clear Channel's other Cookeville stations. **Broker:** Media Services Group

\$1,000,000 WKXY-AM Sarasota FL from Sarasota Broadcasting Co. (Antonio Fernandez) to WGUL-FM Inc. (Carl, Betty Lou, Sharon, David & Russell Marcocci, Stephen Schurdell). \$100K escrow, additional \$800K in cash at closing, \$100K under consulting agreement. **Duopoly** with WGUL-AM Dunedin-Tampa FL.

\$900,000 WAKI-AM & WWEE-FM McMinnville-Spencer TN from Durham Broadcasting Corp. (Aaron Durham) to Citicasters Co. (Randy Michaels), a subsidiary of Clear Channel Communications (N:CCU). \$40K escrow, balance in cash at closing. **Superduopoly** with WBMC-AM & WTRZ-FM McMinnville TN, WSMT-AM & FM Sparta TN & WGSQ-FM & WGIC-FM Cookeville TN.

\$412,500 WQBQ-AM Orlando (Leesburg FL) from WQBQ Radio Corp. (Hugh McComas) to Gateway Broadcasting and Internet Inc. (Bruce Cox, James Spicuzza, Ron Kreup, Hunt Bonan, Rick Fritschle, Steven Delay, Tom McHugh). \$112.5K escrow, balance in cash at closing. **Duopoly** with WKIQ-AM. **Broker:** Donald K. Clark Inc.

\$405,000 KOZQ-AM & KFBD-FM Waynesville MO from B-D Inc. (Richard Triggs) to Fidelity Broadcasting Inc., a subsidiary of Fidelity Communications Co. (John, Katherine, Michael & Andrew Davis, Fidelity Telephone Co. Employees Stock Ownership Trust). \$405K cash. Note: No contour overlap with KTUI-AM & FM Sullivan MO.

\$250,000 WLNR-AM Kingston NC from Conner Media Corp. (Ronald Benfield) to Pellowski Republic Inc. (Timothy Hicks). \$40K downpayment, balance in cash at closing. LMA since 6/29.

\$250,000 WTMC-AM Gainesville-Ocala FL (Ocala FL) from News & Travel Network Inc. (Ken Jones) to Vector Com-

munications Inc. (Robert Maines). \$25K escrow, balance in cash at closing. **Broker:** Doyle Hadden, Hadden & Associates

\$200,000 KLLU-AM Reedsport OR from She Partners LLC (Robert Ratter) to F&L Broadcast Development Corp. (Jerry & Catherine Collins). \$10K escrow, balance in cash at closing. **Broker:** The Exline Co.

\$200,000 FM CP (104.1 mHz) Columbia MO (Jefferson City MO) from Bittersweet Broadcasting Inc. (David Zimmer) to Premier Radio Group (Alan Germond, David Baugher, John Ott). \$200K cash. **Superduopoly** with KWOS-AM, KFRU-AM, KJMO-FM, KOQL-FM, KBXR-FM & KPLA-FM. Note: Sale contingent on settlement among several parties (RBR 8/23, p. 12).

\$65,000 FM CP (106.5 mHz) North Kingsville OH, 51% stock transfer of EWC Enterprises Ltd. from Emily Chismar to David & Richard Rowley (each 50% thereafter). \$65K cash at closing, plus release from all debt obligations. **Superduopoly** with WFUN-AM, WREO-FM & WZOO-FM Ashtabula-Edgewood OH.

\$45,000 WQST-AM Forest MS from Eddie L. Smith to Ace Broadcasting Inc. (Howard Clark, John Eaves, Travis Aycok). \$1K downpayment, balance in cash at closing. LMA since April.

\$37,500 WDRF-AM Woodruff SC from Darlene Shirey to B&B Media Inc. (Larry Bishop, Wayne Brown). \$1K down payment, balance in cash at closing.

\$20,000 KEWI-AM Benton AR, 66.7% stock sale of Landers Broadcasting Company Inc. from Steve & Lance Landers to Jim Landers (100% thereafter). \$20K cash for stock.

\$99 WGLH-AM & WQLA-FM LaFollette TN, 99% stock sale of LaFollette Broadcasters Inc. from Ronald Scott to Clifford E. Jennings (100% thereafter). \$99 cash for stock. The agreement also includes renegotiated terms for payment of notes totalling \$406,900 which the corporation owes to other parties.

N/A WSEY-FM Mt. Morris IL (changing city of license to Oregon IL) from Farm Belt Radio Inc. (Jack Hackman) to Marathon Media Midwest LP (Aaron Shainis, Bruce Buzil). Exchange for WOXM-FM, currently licensed to Oregon IL, which is moving to Genoa IL. Marathon had agreed to take whichever station ended up in Oregon IL as the result of a multi-station FCC rulemaking decision so that Farm Belt could honor its obligation to sell the station which ended up in Genoa IL to Larry & Pam Nelson. This transaction is contingent upon the sale of WOXM to the Nelsons. **Duopoly** with WIXN-AM & FM Dixon IL.

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BROADCAST INVESTMENTS™

August 26—RBR Stock Index 1999

Company	Mkt:Symbol	8/19/99 Close	8/26/99 Close	Net Chg	Pct Chg	8/26/99 Vol	Company	Mkt:Symbol	8/19/99 Close	8/26/99 Close	Net Chg	Pct Chg	8/26/99 Vol
Ackerley	N:AK	15.250	15.313	0.063	0.41%	68700	Hearst-Argyle	N:HTV	25.938	24.875	-1.063	-4.10%	81200
Alliance Bcg.	O:RADO	0.531	0.406	-0.125	-23.54%	562000	Hispanic Bcg.	O:HBCCA	70.875	71.625	0.750	1.06%	71900
Am. Tower	N:AMT	22.938	23.875	0.937	4.08%	250100	Infinity	N:INF	26.188	27.688	1.500	5.73%	2142800
AMFM Inc.	N:AFM	51.000	51.250	0.250	0.49%	938500	Jeff-Pilot	N:JP	69.938	71.375	1.437	2.05%	105200
AMSC	O:SKYC	17.000	18.000	1.000	5.88%	95100	Metro Networks	O:MTNT	52.500	55.156	2.656	5.06%	32800
Belo Corp.	N:BLC	19.375	18.875	-0.500	-2.58%	133500	NBG Radio Nets	O:NSBD	1.938	2.938	1.000	51.60%	239900
Big City Radio	A:YFM	4.250	4.000	-0.250	-5.88%	4900	New York Times	N:NYT	37.500	38.188	0.688	1.83%	340200
CBS Corp.	N:CBS	46.563	50.000	3.437	7.38%	4774900	Otter Tail Power	O:OTTR	41.750	41.438	-0.312	-0.75%	21100
CD Radio	O:CDRD	28.625	26.125	-2.500	-8.73%	101000	Pacific R&E	A:PXE	2.250	2.250	0.000	0.00%	100
Ceridian	N:GEN	29.625	28.563	-1.062	-3.58%	334200	Pinnacle Hldgs.	O:BIGT	24.250	24.125	-0.125	-0.52%	51500
Citadel	O:CITC	31.938	37.625	5.687	17.81%	496600	Radio One	O:ROIA	43.000	42.125	-0.875	-2.03%	21700
Clear Channel	N:CCU	69.500	71.250	1.750	2.52%	881600	RealNetworks	O:RNWK	83.813	85.938	2.125	2.54%	870800
Cox Radio	N:CXR	53.625	53.000	-0.625	-1.17%	5100	Regent Pfd.	O:RGCI	7.000	7.250	0.250	3.57%	1000
Crown Castle	O:TWRS	16.938	16.625	-0.313	-1.85%	350300	Saga Commun.	A:SGA	22.688	22.875	0.187	0.82%	1700
Cumulus	O:CMLS	28.500	28.625	0.125	0.44%	224900	Salem Comm.	O:SALM	26.500	27.063	0.563	2.12%	1900
DG Systems	O:DGIT	4.438	4.500	0.062	1.40%	33400	Sinclair	O:SBGI	17.938	17.313	-0.625	-3.48%	1433500
Disney	N:DIS	29.188	29.875	0.687	2.35%	5177500	SportsLine USA	O:SPLN	21.813	27.000	5.187	23.78%	882500
Emmis	O:EMMS	57.875	56.875	-1.000	-1.73%	112200	TM Century	O:TMCI	0.469	0.750	0.281	59.91%	4000
Entercom	N:ETM	35.750	36.000	0.250	0.70%	139100	Triangle	O:GAAY	0.186	0.165	-0.021	-11.29%	2097000
Fisher	O:FSCI	61.625	61.750	0.125	0.20%	2600	Tribune	N:TRB	91.250	93.875	2.625	2.88%	210600
FTM Media	O:TFTMM	9.125	9.750	0.625	6.85%	4500	WesTower	A:WTW	25.000	24.625	-0.375	-1.50%	10700
Gaylord	N:GET	31.000	30.688	-0.312	-1.01%	11400	Westwood One	N:WON	35.438	37.000	1.562	4.41%	54700
Harris Corp.	N:HRS	28.063	27.625	-0.438	-1.56%	189700	WinStar Comm.	O:WCII	49.188	52.813	3.625	7.37%	11087000

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Toy buy for Disney

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**Petry Media
Corp.**

\$30,000,000

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Financing

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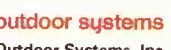

Communications and Media Finance Group

Contact: Hank Kush (609) 987-3497
Mike Thomson (609) 987-3325
Catherine O'Brien (609) 987-3615

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 American Tower American Tower \$675,000,000 Follow-on Offering Co-Manager February 1999	 American Tower American Tower \$745,800,000 Initial Public Offering Co-Manager July 1998	 American Tower American Tower \$900,000,000 Credit Facility Co-Agent June 1998*	 Chancellor Media Corporation of Los Angeles \$750,000,000 8% Senior Notes due 2008 Lead Manager November 1998	 Citadel Broadcasting Company \$115,000,000 9.25% Senior Subordinated Notes due 2008 Co-Manager November 1998
 Clear Channel Communications, Inc. \$1,412,500,000 Follow-on Offering Joint Book Manager May 1999	 Clear Channel Communications, Inc. \$809,100,000 Follow-on Offering Joint Book Manager December 1998	 Clear Channel Communications, Inc. \$2,000,000,000 Credit Facility Co-Agent July 1998*	 CUMULUS Cumulus Media Inc. \$106,400,000 Initial Public Offering Co-Manager June 1998	 ENTERCOM Communications Corp. \$306,600,000 Initial Public Offering Co-Manager January 1999
 Infinity Broadcasting Corporation \$3,181,900,000 Initial Public Offering Co-Manager December 1998	 Lamar Advertising Company \$212,600,000 Follow-on Offering Lead Manager June 1998	 Lamar Advertising \$250,000,000 5.25% Convertible Notes Co-Lead Manager August 1999	 Pinnacle Holdings Inc. \$308,400,000 Initial Public Offering Lead Manager February 1999	 Pinnacle Holdings Inc. \$275,000,000 Follow-on Offering Lead Manager July 1999
 RADIO ONE Radio One, Inc. \$171,600,000 Initial Public Offering Co-Manager May 1999	 Salem Communications Corporation \$189,000,000 Initial Public Offering Joint Book Manager June 1999	 SBA Communications Corporation \$90,000,000 Initial Public Offering Co-Manager June 1999	 USA Digital Radio, Inc. Undisclosed Private Placement Sole Agent December 1998	 Capstar Broadcasting Corporation Sale to Chancellor Media Corporation for \$4,287,500,000 Financial Advisor Pending
 Chancellor Media Corporation Acquisition of Whiteco Outdoor Advertising for \$930,000,000 Financial Advisor December 1998	 Clear Channel Communications, Inc. Acquisition of More Group plc for \$760,000,000 Financial Advisor June 1998	 DAME MEDIA Dame Media, Inc. Sale to Clear Channel Communications, Inc. for \$85,000,000 Financial Advisor July 1999	 outdoor systems Outdoor Systems, Inc. Sale to Infinity Broadcasting Corporation for \$8,500,000,000 Financial Advisor Pending	 SBG Sinclair Broadcast Group Sale to ENTERCOM Communications Corp. \$821,500,000 Financial Advisor Pending

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