

Radio Business Report™

Voice Of The Radio Broadcasting Industry®

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IBOC comments sought

The FCC has AM IBOC test results from iBiquity (submitted 4/15) and from the NAB's/CEA's National Radio Systems Committee (submitted 4/16). Both filings are available on the FCC website. Comments are being sought. Deadline is 6/18, with a 7/18 deadline for replies.

XM strikes deal with Wal-Mart

In XM Satellite Radio's Q2 conference call, the company announced it has signed a distribution deal with Wal-Mart to offer a \$199 Pioneer XM Radio. The program will launch as a pilot effort in 1000 of Wal-Mart's 3000 outlets nationwide. More on p.2.

More LPFMs licensed

The FCC issued licenses to two more LPFMs: Mana'ORadio's KEAO-LPWailuku, HI, (91.5); and to Mount Pleasant Baptist Academy's WRFK-LP Mount Pleasant, MI (107.7). This brings to 13 the number of LPFMs with permanent licenses.

Eagle Research closes up shop

Atlanta-based radio research firm Eagle Research closed up shop earlier this month. Most of the company's staff has already exited and calls are presently being taken by Eagle's **Joe Schwartz**. Cox Radio and Cox TV absorbed the individuals doing research for them, previously under the Eagle name.

Cokie to emcee NADEF

The fourth annual Service to America Celebration of the NAB Education Foundation 6/10 will be held in Washington, DC. The all-day summit and awards banquet is to recognize and encourage public service activities by broadcasters and their community partners.

Up year for CRL/Orban

2001 was a big growth year for Circuit Research Labs/Orban (O:CRLI), primarily due to strong Orban sales. Sales rose 79% to \$13.1M. Sales by the Orban division nearly doubled, rising 86% to \$12.1M. CRL division sales were \$975K, up 28%.

Hawaii price is \$750K

The sale of Cox Radio's (N:CXR) KCCN-AM Honolulu has now been filed with the FCC and the price being paid by **Duane Kirisu** is indeed between \$500K and \$1M (RBR 4/22, p. 5)—exactly halfway in-between. The local businessman, who's calling his new company Blow Up LLC, is paying \$750K for the station.

Ad legend Jay Chiat dies

Legendary adman **Jay Chiat**, 70, died 4/23 at his home in Marina Del Rey, CA from a long bout with cancer. Chiat was founder of Chiat-Day, the ad company that created Apple's famous "1984" Super Bowl TV ad, which heralded the release of the Macintosh computer.



Karmazin: Radio on track for up Q2

Q1 was another down quarter for Infinity Radio—the fifth in a row for Viacom's (N:VIA) radio division, but Viacom President **Mel Karmazin** told analysts and investors (4/25) that string is about to come to an end.

"In the second quarter of '02, we are anticipating radio revenues to be up. We're seeing pacing up for the entire company—for the entire radio group—for the month of April. May is up stronger than April and we anticipate June to be up. New York, LA, Chicago, Philly, Detroit, Dallas, Boston, Washington, Atlanta are all up—and San Francisco, as in television, is pacing down. What we're seeing is demand rising currently. It's increasing dramatically. Rates are rising. We're seeing the best rates that we've seen over the last 18 months. And there's no reason to believe that the third quarter will not be the same as the second quarter," Karmazin said.

Radio revenues were down 1% at Viacom for Q1, but with outdoor lagging radio, total revenues were off 4% at Infinity to \$798.9M. Television was off 9% to \$1.86B, but cable network revenues rose 5% to \$1.03B. Overall, Viacom's revenues were down 1% to \$5.67B.

EBITDA was down 15% for Infinity to \$274M, off 20% for TV to \$252.2M and up 12% for cable to \$403.3M. Companywide EBITDA dropped 5% to \$1.09B.

But those declines were less severe than The Street had expected. Viacom handily beat the Thompson Financial/First Call estimate of operating earnings of 16 cents per share. The actual number was 21 cents.

Elaborating on current ad market conditions, Karmazin said life is returning to normal.

"What we're seeing is a moving toward more traditional timing—not buying on Thursday to start Monday. So we're really seeing it going back to a norm. It's still late and it's still short, but it's a whole lot better than it was in the fourth quarter of '01. Scatter pricing is up in the network and cable, helped by under-delivery by ABC and Fox, as well as just general strong demand. The kids' market is benefiting from Fox pulling out of kids and basically the market today is really Cartoon [Network] and Nickelodeon, with Nickelodeon significantly—significantly—leading the way. Pricing is increasing. CPMs are up—over the upfront, and we're seeing pricing up over last year. In outdoor, inventory is firming up. In radio, lead time and pricing are picking up. And in the first quarter, based on the information that we have available, BET, CBS, UPN and all of the MTV Networks picked up market share," he said.—JM

Congressmen support webcasters

20 members of Congress have urged the US Library of Congress and the US Copyright office to ensure that streaming royalties do not devastate the webcasting industry. Executives from seven CA-based webcasters asked the CA Congressional Delegation to support fair royalty rates for Internet radio, as the current rate being proposed by the CARP Panel (RBR 2/25, p.2), webcasters say, would put them out of business.

"Representatives **Lofgren, Honda, Lantos** and **Eshoo** have taken a stand for webcasters today," said **Val Starr** of ChoiceRadio.com, "and more importantly they are supporting music-loving consumers in California who want to access diverse music and culture on the Internet."

The CA webcasting community's stand against the CARP proposal has widespread support. Thousands of webcasters and consumers have recently appealed to the Congress and the Register of Copyrights, who is authorized to review (and possibly reject) the proposed royalty rate 5/21.

"The proposed fees would definitely put us out of business," said **Bill Goldsmith**, owner RadioParadise.com. "If that happens, everyone loses: our listeners, the artists we play, and the record labels themselves. We'd see two years of hard work and sacrifice go right down the drain."

"Webcasters want to pay royalties to recording artists," added **David Landis**, of Ultimate-80s.com. "But if super-high rates cause us to shut down, there will be no music, no royalties paid, and no money going to California recording artists."—CM

11 may be next Chapter for Pinnacle

Pinnacle Holdings' (O:BIGT) latest forbearance agreement with its lenders expired 4/19, putting the tower company closer than before to filing a Chapter 11 bankruptcy petition. In an announcement 4/21, the company said it was continuing negotiations with a potential investor and that it was unlikely to get another forbearance extension from its lenders unless it strikes a deal with a new equity investor. Even if it does line up a deal, Pinnacle said it will likely have to go through a Chapter 11 filing to pull off the recapitalization.—JM

Viacom: Just one happy family at the top

Has the long-awaited turnaround in the ad market healed the wounds in Viacom's executive suite. You might think so, after hearing what CEO **Sumner Redstone** had to say to investors and analysts about Viacom President & COO **Mel Karmazin**—just a few weeks after other directors were reported to have quashed an effort by Redstone to push Karmazin out of the company.



Sumner Redstone

"I want to recognize Viacom's incomparable management team, led by Mel, which continues to do such an outstanding job in distinguishing Viacom and proving every day that management matters," Redstone said.

"The good news is that the bad appears to be behind us. We have managed our downside admirably. We're beginning to see clear indications of improvement across all of our businesses."

RBR observation: Is Redstone really that quick to bury the hatchet? We doubt it. Even with the rising sea of ad dollars lifting all ships—and Viacom is a veritable aircraft carrier—there could still be a battle of titans next year when Karmazin's contract comes up for renewal. More than anything else, we suspect that Redstone just doesn't like the current arrangement where he, as CEO, doesn't have the final say on many aspects of Viacom's business. That unusual arrangement—giving CEO-like power to COO Karmazin in several key areas—was vital to closing the merger of CBS into Viacom, but Redstone appears to be counting the remaining days that he has to live with it.—JM

February revenues down 5%

Radio revenues were down 5% in February, according to the RAB—a drop that had been expected because usual TV sweeps money was missing. National was actually up for the month—by 1%—but local was down 6%.

Combined with January's gains—the first after 13 straight down months—radio revenues are now off 2% through the first two months of 2002. National is up 1% year-to-date, but local is down 3%.

"Radio has a broad range of advertising categories which has sustained the medium through the recent turbulent economy," said RAB President and CEO **Gary Fries**. "Radio revenues are strengthening each month, and as we look forward, the industry is poised for a steady growth recovery."

RBR observation: February's downturn was no surprise. Although broadcasters reported increased ad spending by many sectors, TV spending was off in pretty much every market. With NBC dominating audiences with the Winter Olympics, other stations decided to forego their usual radio advertising for the February sweeps. NBC stations, on the other hand, didn't need any promotion to handily win the February ratings race.—JM



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RADIO NEWS®

Stolz vows to continue battle for KWOD

Ed Stolz isn't giving up his fight to keep KWOD-FM Sacramento, although a state judge has ordered him to sign the FCC form this week to transfer ownership to Entercom (N:ETM). That surprise order came 4/18 at the end of a hearing to determine damages in the \$25M dispute (*RBR* 4/22, p. 3).

"We continue, without reservation, to have the facts as well as the law on our side," Stolz told *RBR* by email. "Entercom's continuing scheme seeking to hijack a U.S. broadcasting station through subterfuge, deceit and influence-peddling, will fail. The final chapter to this cheap paperback novel will see the toppling of the Entercom house of cards."

RBR observation: Stolz has not responded to *RBR's* questions about just what he intends to do next. If he doesn't sign the transfer forms on 5/2, Judge **Sheldon Grossfeld** could hold him in contempt and appoint a receiver to take control of the station's license.—JM

XM: Subscriptions up, receiver prices down

XM Satellite Radio (O:XMNR) reported that it ended Q1 with 76,242 subscribers—175% more than the previous quarter and 1.9% of the number it needs to break even (4M).

"This result exceeded our own growth projections and most Wall Street analysts' expectations," CEO **Hugh Panero** said in a conference call. "The company remains on track to hit its Q2 ending sub target of 130K subscribers, Q3 ending subs of 200K and our year-end target of 350K. It should be noted that in the late third and mostly the fourth quarter, we expect a significant increase in subscribers from new car sales as General Motors (N:GM) will roll out XM Radio in 25 2003 car models."

XM is preparing to roll out its lowest-priced receiver yet in Wal-Mart (N:WMT) stores and other retailers. Beginning this week (5/1), Wal-Mart, the world's largest retailer, will begin offering XM receivers produced by Pioneer and Sony in 1K of its 3K US stores. One of those receivers will be a new

\$199 unit from Pioneer, the Pioneer Universal Receiver—the lowest-priced free-standing satellite receiver to date. That doesn't include an antenna, which costs an additional \$49-79.

For its second quarter of actual revenues, XM reported subscriber revenues of \$1.4M and ad sales of \$455K (minus \$64K in commissions paid to Premiere Radio Networks). Total revenues of \$1.8M were still far short of covering the start-up company's cash burn, so XM had a Q1 operating loss of \$98.4M and a net loss of \$112.3M. EBITDA was a negative \$75.9M.

RBR observation: Only 3,923,758 subscribers to go until XM can start thinking about procuring some black ink.—JM, CM

Sherman continues AOL's radio connection

Add yet another radio vet to the AOL executive team: **Bob Sherman**, former President of Time Warner Cable Ad Sales, has been named President, of AOL Interactive Marketing (4/22). Sherman was **Bob Pittman's** [current AOL CEO and incoming AOL/Time Warner COO] partner in

owning Roberts Radio, which was sold to Clear Channel for \$65.9M (*RBR* 6/19/00, p. 13).

Sherman will lead the company's ad initiatives across all AOL brands and services, reporting to recently appointed AOL Interactive Services President **Jimmy de Castro** (*RBR* 4/15, cover). Time Warner Cable Advertising Sales will now report to **John Billock**, Vice Chairman/COO of Time Warner Cable.

Sherman's other claims to fame include EVP of NBC's owned-and-operated radio stations; CEO of ad agency Della Femina, Sherman; GM of WNBC-AM NY and WCAU-AM Philadelphia.

Says Sherman of the appointment: "I look forward to working with Bob Pittman, Jimmy de Castro and the entire AOL team to develop creative ways to leverage our audience and their increasing time spent with us to grow our partners' businesses as well as our own. AOL has the most valuable audience online and the know-how to reach these consumers effectively. We have a great opportunity to build on the innovative new program-based solutions that are creating buzz and build-

Washington Beat

FCC wants a rehearing on ownership

The FCC is arguing that the US Court of Appeals for the District of Columbia Circuit went too far when it remanded the 35% national audience cap on television ownership (NTSO) and simultaneously vacated the cable TV/broadcast TV cross-ownership ban (CBSO). It would like a rehearing.

The FCC notes that the Court did not find such rules to be outside of the Constitution, and in the case of the NTSO noted that the rules may well be justified. The court's decision, argued the FCC, "...could be read to mean that the Commission must repeal a rule...unless it can conclude, for example, that the rule is indispensable or essential to achieving its regulatory goal. Such a construction is not compelled by the language of the statute or its context, and it threatens to impose a continuing and unworkable burden on the agency in carrying out its biennial review responsibilities."

The FCC further argues that the biennial review of ownership regulations ordered by Congress does not mean that radical change is in order. "There is no reason to conclude...that Congress intended a dramatic change in the standard applicable to the Commission's determination of whether those rules should be retained."—DS

Commissioners take a field trip

The FCC is taking a long, hard look at its regulations which ban the crossownership of print and broadcast properties. The oft-waived 26-year-old rule is deemed by many to unnecessary in this day and age—it was written before the advent of CNN and the Internet, to name just two sources of information currently available. Others, however, say that the ban remains necessary to preserve enough independent voices in a community to make sure that news is reported fairly and all sides are heard.

FCC Commissioners **Kevin Martin** and **Kathleen Abernathy** (both are Republicans) recently took a trip to Tampa-St. Petersburg, where Media General (N:MEG) owns both *The Tampa Tribune* and WFLA-TV (Ch. 8, NBC) to get a first-hand look at how such an operation functions.

This particular media property combination is a result of grandfathering. Media General has owned the newspapers since the 1920s, and constructed the television station itself back in the 1950s.—DS

RBR Stats

Total duopoly count remains flat

The percentage of stations in Arbitron-rated markets which are in some form of duopoly combination has stayed at 80% since the end of 2001 (*RBR* 2/25, p.1). This is despite a return to station trading in the past month or so, which while modest by 1996-2000 standards, has still increased over the snail's pace established in the second half of 2001.

Superduopolies are up a bare 0.1% to 60.8%.

The big consolidating groups have largely remained on the sidelines, other than doing some minor tweaking to station lineups here and there. It seems that every time somebody ups the consolidation count somewhere, another group will spin an AM station out of a consolidated cluster to become a Radio Disney standalone. Thus, the overall duop percentage responds to pressure from both directions by staying where it is.—DS

Mkts	Stns	Super	Consol
1-50	1568	58.5	81.6
51-100	1156	64.0	81.2
101-150	865	57.6	77.7
151-200	887	62.1	78.9
201-250	698	65.2	78.7
251-smr	436	56.9	79.6
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RBR News Briefs

KGO signs the 49ers for another five years

The San Francisco 49ers and KGO-AM announced 4/24 an extension of their long-standing broadcast agreement for another five years, through 2007. KGO has been broadcast home to the 49ers since 1986.—CM

Stern makes the return to Charleston

Howard Stern is returning to Charleston, SC on WYBB-FM 5/1, replacing **John Boy** and **Billy** there. Stern was dropped by WAVF-FM there 2/22.—CM

KOMO-AM Seattle gets the Mariners

Fisher Communications (O:FSCI) and Major League Baseball have signed a new radio rights deal that will move the Seattle Mariners broadcasts from their current home at Entercom's (N:ETM) KIRO-AM to Fisher's KOMO-AM in '03. The six-year deal (through the 2008 season) will cost \$10M, close to what WCBS-AM paid to get the Yankees. KIRO was the team's flagship since '85.—CM

AOL/TW report record loss

AOL/Time Warner (N:AOL) reported a \$54.2B loss for the Q1 2002, mostly due to changes in their accounting methods. The loss represents the largest total drop in a quarter by a single company in US history. Two years ago when the merger was announced, the two companies had a combined stock market value of \$290B. Today the stock is worth about \$85B.—CM

Dr. Laura back in Albany

Premiere's Dr. **Laura Schlessinger** is back on the airwaves in Albany, thanks to her listeners insistence. Dropped by WGY-AM last month, the show has been picked up by crosstown WROW-AM for 9-11A weekdays.—CM

Ed De Fontaine dead at 72

Ed De Fontaine, who helped launch AP Radio in 1974 as Assistant Managing Editor, died 4/23 at age 72. De Fontaine, by then Managing Editor, left AP Radio in 1982 for the Voice of America. He retired from VOA five years ago as Director of Broadcast Operations. De Fontaine was a life-long broadcaster. His career began as a teenager working at KDTH-AM in his hometown, Dubuque, IA.—JM

ing brand awareness to enhance consumer relationships for major offline brands."

AOL Time Warner also announced that **Robert Friedman** has been named SVP/Corporate Marketing. He will be charged with integrated marketing and promotions, reporting to EVP **Mayo Stuntz**. Friedman has been with AOL Time Warner for over 10 years.—CM

Court rules in favor of Infinity on "skank" suit

A California state appeals court has ruled it is not libel to call someone a "skank" on the radio. The state's 1st Court of Appeals, ruling in a case stemming from the show "Who Wants to Marry a Multimillionaire," found that participants in the program "voluntarily subjected themselves to inevitable scrutiny and potential ridicule by the public and the media."

A contestant, **Jennifer Seelig**, who competed to marry a multimillionaire on the Fox television program, sued two morning DJs at Infinity's KLLC-FM San Francisco after they called her a "local loser," a "chicken-butt" and a "skank" for declining their invitation to appear on their show. She sued the DJs, their producer and Viacom, citing slander, invasion of privacy and infliction of emotional distress. The appeals court judges, in their ruling, instructed the trial court to dismiss the case, saying the on-air discussion involved "a television show of significant interest to the public and the media" and thus was a protected form of free speech.—CM

Affluent households increasing in number

The Media Audit says that in the 85 metro markets surveyed regularly with an adult population of

128M, that in spite of the recession, 9/11 and other negative events, the number of households earning \$75K+ and \$100K+ increased in '01. And, the number of households with liquid assets of \$100K+ and \$250K+ also increased in real numbers.

"Some researchers have been predicting 3 and 4% declines in the number of affluent households (income exceeding \$100K), but in (our survey) the decline did not materialize, and our numbers traditionally mirror national survey results," said **Bob Jordan**, Media Audit co-chair.

Adults with annual household incomes of \$75K+ increased from 28,279,000 to 31,189,000 or 24.3% in 2001. From 2000 to 2001 the number of adults with liquid assets of \$100K+ declined from 20.5 to 20.1%.—CM

Rumsey strikes with Impact in two states

A new company headed by **Dennis Rumsey**, Impact Radio LLC, is becoming an instant group owner by purchasing two combos from two related companies. Impact is buying WQCT-AM & WBNO-FM Bryan, OH from Williams County Broadcasting Systems Inc. and WLKM-AM & FM Three Rivers, MI from Voice of Three Rivers Inc. Both sellers are owned by **J. William Middendorf II**, **Merrill Baumann Jr.** and **Melissa Siebert**. Broker: **Tony Rizzo & Joe Rapchak**, Blackburn & Co.—JM

Dilles buy out Hicks estate

Following last September's death of veteran broadcaster **David Hicks**, his partners in owning WRBR-FM South Bend, IN are buying his former interest in the station. Under terms of the LLC's

operating agreement, **Alec Dille**, **John Dille IV** and **Sarah Dille Erlacher** are paying Hicks' estate \$750K for its 51% stake in Hicks Broadcasting of Indiana LLC. In addition, the company will pay Hicks' widow, **Sally**, nearly \$91K under a non-compete agreement. The Dilles do not have an attributable interest in Federated Media, which owns four other stations in South Bend. It is controlled by their father.—JM

NBC harassed by harassment suits

Bloomberg News reports NBC must defend lawsuits by five employees who say they suffered pervasive racial and sexual harassment during their years working as technicians, a federal judge ruled 4/22. The employees say co-workers and supervisors posted racist cartoons, made sexist comments and denied them job opportunities that were afforded to white men. When they filed their lawsuits two years ago, the plaintiffs said they wanted more than \$200M in damages.

Several of the workers said they were harassed while working on the set of the "Late Night With Conan O'Brien" show. One, **Julie Perez**, said a co-worker dropped a 75-pound TV monitor inches from her foot and that another asked her, "Why aren't you home making babies?"

After reviewing the accusations, Judge **Shira Scheindlin** said NBC must defend claims of racial and sexual bias and retaliation but dismissed some other claims. A spokesman for NBC said the company was "pleased that the court dismissed the majority of the claims in the lawsuits. We are fully prepared to rebut the remaining charges at trial."—CM

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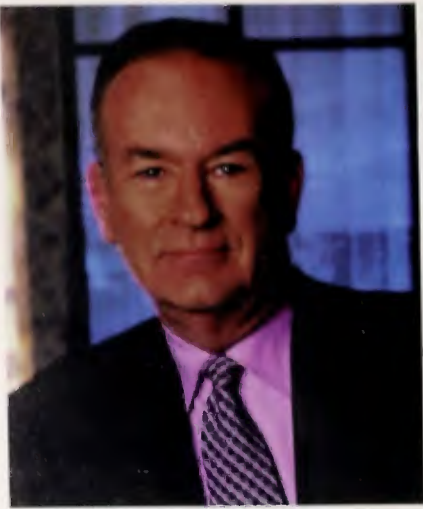
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A Factor of one: Bill O'Reilly

The top-rated Fox News Channel TV personality is also a best-selling author, investigative reporter, TV correspondent, champion of causes, columnist, father and soon-to-be nationally syndicated radio talker with Westwood One, launching 5/8. According to the Museum of Television and Radio, "The Radio Factor with **Bill O'Reilly**" is the biggest launch in the history of Talk radio: 140 affiliates. Hard-driving O'Reilly is a national sensation, riding a wave that has yet to crest.

Tell us how your crusade against the Red Cross began. Why did someone need to take that bull by the horns and expose the injustice?

Well, it was very personal to me, because 29 people in my town in Long Island were killed in the terror attack on the World Trade Center. I have a little baby, and she plays with some of the kids whose parents were killed. And I see the widows and widowers and they were telling me in October that they hadn't heard from the Red Cross. Nobody was helping them, they couldn't get any information, it was all confused and all of that. They asked me to help them. So basically I said, "Sure, I'll help." And that's how I got started looking into the Red Cross and The United Way.

The more we looked into it, the more we found it was abject chaos and that there were enormous sums of money flowing into the United Way and the Red Cross. That money wasn't being accounted for and then the leaders of those charities came out and said, "Well, you know, we're not going to give all the money to the families. We're going to do X, Y and Z with it." I felt that was wrong, unfair and fraud in the inducement because they said (these people on television) this is all going to go to the families.

So we started our crusade and we won, we beat them both and they were forced to give more than \$300M, between the Red Cross and The United Way, that they weren't going to give to the families. It was a worthy journalistic endeavor and I'm glad it happened. But it certainly opened my eyes to those charities, that's for sure.

After graduating college, you were a teacher for two years at a Catholic high school in Miami. Then, it was back into school for a broadcast journalism degree at Boston U. What did you think about teaching and what inspired you to change careers?

Well, I liked teaching, but I knew I didn't want to do it the rest of my life. I knew that I had some writing talent that was God-given. My philosophy is that everybody gets some gifts, and that's why I believe in God. Because if there were no God—it was just chance—some people would be just walking into walls. I mean they wouldn't have any gifts, they wouldn't have anything. Every human being is blessed with some talent. And the key to life is finding out what your talent is and then making a living from doing it.

And that's what I decided to do. I was a good writer, so I went back to grad school and got a Journalism degree. At that time, there were many more jobs in television news than in newspapers. So I just went over to TV and started in Scranton, PA and worked my way up, and it's worked out very well.

You earned your stripes in investigative reporting, with two Emmys to prove it. What is it about uncovering misdeeds that drives you?

I get angry that people are getting away with bad stuff, and I don't know really where that comes from. Not too many people have it at the highest levels. I think **Robert Kennedy** was the last attorney general of the US who really got furious about criminals, people who were depriving other Americans of their rights. There is sort of a kind of lip service, but they don't take it personally. I do. I take it personally and I think all journalists should. So I get very angry at people who exploit the defenseless and do bad things. As a journalist, it's my job that holds people accountable, so that's why I was an effective investigative reporter.

Your radio program launches in a week. What will be its formula for success?

We're going to do two hours every day of what is happening in America that day. And it's not going to be politically-driven. It's not going to be ideological; it's not going to be me bashing [Sen.] **Tom Daschle** [D-SD] or [Sen.] **Trent Lott** [R-MS]. It's going to be what Americans are talking about, what affects their lives. It's going to be a lot lighter than the television show, in the sense that we're going to have some fun, we're going to listen to the folks. Every day we're going to do "No Spin Advice" on "The O'Reilly Radio Factor." You call me anything you want, any problem you have—I'll solve it. I'll solve it right there—for free! We're going to make it a very entertaining, but informative, two-hour listen.

This is your first foray into radio. Are you at all apprehensive about being as compelling as your TV presence?

No, I'll do the best that I can; I can't be worried about that. We're going to integrate the television show with the radio show. We're going to use a lot of material the next day that happened on "The Factor" TV show, on the radio show. And people will react to what happened on TV, so now they will be able to talk to me. I think it's going to be a great fit.

You were pretty ticked off at Matt Drudge earlier about his take on you launching a show against Rush. I know that's a sore spot, but can you tell us from your side what happened?

When the radio offers kept getting better and better and bigger and bigger, we figured out a way to help the television program with the radio program—to boost it, reaching people we don't reach. Now simultaneously, **Rush Limbaugh's** hearing problem arose, and I was very conscious of that because I knew that one of the slots that was being offered was directly head-to-head with Mr. Limbaugh. I did not want to be perceived as exploiting his personal problem. I put everything off until I knew what that cochlear implant was going to be. I didn't want to cause him any angst, I talked with his brother [**David**] extensively on the telephone, and would have walked away from the deal had Mr. Limbaugh said, "Look, this is not the right time, I don't want any more pressure, it's going to hurt me personally," I would have walked away.

Now what Drudge did was he took what somebody said who called him up and fed him this stuff [as the truth]. And I know who did it, because this is a very small business. This person didn't want me to go on the radio because by me doing so, this person may be hurt in his business. I told Drudge he was being used by this person and that what he printed was absolutely untrue and unfair. That's life in the fame lane, that's what happened, but I'm not going to sit for it.

What advertisers are interested in the national radio show? Any moving over from the TV side?

We have a lot of interest, obviously, from the corporate community. Bose I think is on board, we're trying to get Ruth's Chris. There's a lot of interest, because we bring the 25-54 audience in—the audience that goes out and spends money and likes quality. The Factor television program is all Fortune 500 companies and I think that's going to translate over to the radio side as well.

What realities does the American public need to wake up to, if any?

If you look at the American public, it's divided into 25% left, 20-25% hard right and the other people in the middle. So you have 50% of the American public that's not aligned with Conservatism or Liberalism. And those people, half of them, don't care. They're mall people, I call them. They're just kind of zombies. So really, 25% of the population are saying to you, "I can be persuaded. I can be convinced—make your best argument and I will listen to both sides." Those are the people that make my job interesting.

Now I don't mind if you're Conservative or Liberal, but my advice is don't let ideology make you a captive. Don't be a prisoner so that you're knee-jerking everything when you look at something. I'll give you an example. **Rosie O'Donnell** is on this crusade to legalize gay adoption in Florida. 47 states have gay adoption legal, three don't—Mississippi, Utah and Florida. Now, knee-jerk, Right-wing Christian conservatives, right away: "This is a bad thing, homosexuality is an abomination, everybody is going to hell who practices it. I'm against it."

Now, I say to those people, "That's your belief and I respect that belief, OK?" But, look at it from another point of view—is it better to have a child that nobody wants to adopt bounce around the foster system with no permanence at all, no security at all. Or, have responsible gay parents adopt that person and give him a loving home? Throw out the ideology for a minute and look at it as what's better for the kid? What would Jesus do? He'd say this is better for the child. So, I want people in America to keep an open mind on all issues and not be trapped by ideology—don't become fanatics.

[All of RBR's exclusive interview with Bill O'Reilly can be seen at RBR.COM]

O'Reilly the latest in a string of Westwood launches

The launch of the Radio Factor is the latest of many at Westwood One (N:WON) under the management of CEO **Joel Hollander**. In the fall of '98, Hollander was named to the position by now-Viacom President/COO **Mel Karmazin**. Under his stewardship, the company moved from Nasdaq to the NYSE and into the billion-dollar club with the Metro Networks acquisition. Overall, Westwood has grown by leaps and bounds—as well as its stock price, which has been one of the best performing stocks over the last 15 months. On the technology side, Hollander is also credited with establishing the Electronic Commercial Schedule and Online Affidavit System and acquiring Smart Route Systems.

In all program categories—news, traffic, sports, talk and music—the company has made significant acquisitions and launches. Milestones include launching the Fox Radio Network, The British Open, US Open Golf, Wimbledon, CBS Marketwatch, **Laura Ingrahm**, **John Madden**, **Boomer Esiason** and **Chris "Mad Dog" Russo's** "In the Huddle," The American Country Music Awards, **Tom Martino**, along with adding The VH1 Radio Network, MTV's "Total Request Live" and Comedy Central's **John Stewart** from the Viacom synergy.

Westwood also does well maintaining partnerships, reupping in the past four years with Infinity, the NFL, NHL, Loveline, Olympics, **Martha Stewart**, **Don Imus**, MTV, The Grammys and CNN.

"We've worked very hard to create new products for our advertisers, and extremely hard for our existing products. And that is why we have long-term relationships," Hollander tells RBR. "The company is very well positioned right now in all facets—from programming, sales and marketing—for the future."—CM

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A close-up portrait of Bill O'Reilly, a middle-aged man with short brown hair, wearing a dark suit, a light purple shirt, and a patterned tie. He is looking directly at the camera with a neutral expression. The background is slightly blurred, showing what appears to be a television screen with some indistinct text.

the

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This time we quizzed:



Laura Morris,
Market Manager,
Infinity, Houston:
KILT-AM & FM,
KIKK-AM & FM



Tom Bender,
General Manager,
Greater Media, Detroit:
WRIF-FM,
WCSX-FM,
WMGC-FM

Is the worst over? Are sales rebounding as we've been hearing?

Morris We are cautiously optimistic at this point and the market has definitely tightened up. Being in Houston, I think one of the things that I'm familiar with—and I've lived through this history before after 22 years in the market—Houston kind of lags behind the rest of the country and the national economy. We feel the negative impacts later and so I think we feel the recovery later as well. But the Houston's economy in general has remained extremely robust. Our unemployment rate for the last year was really flat, where we've seen a lot of other cities have pretty large negative numbers.

Inventory is tightening. What we're seeing is a lot more optimism from advertisers and greater consumer confidence levels.

Bender I tentatively think so. In Detroit, we've seen an acceleration in the local marketplace in the last four or five weeks that really is quite heartening. Whether or not it's sustainable is exactly what we're trying to work our way through right now. And I think from that angle, it's a little too early to tell. This may be a spike or it may be a plateau, and we're just walking into it now so it's hard to tell.

In Detroit, we were down after 9/11—the beginning of March, it was really a buyers' market and it was very slow in terms in demand. The pick-up started gradually and it's picked up speed. It seems like it's now closer to the normal pace of business for this time of the season. I'm not sure that the total dollar values are back, but the activity is there, which is really what I've been looking for.

How are local and national faring for you?

Morris Actually, both are pacing very healthy right now. The Houston market is up significantly on the national side. National has been the leading edge of the media recovery, but local is pacing really well and is positive.

I think for us there was definitely a downturn impact pre-9/11, just because of general economic conditions. But certainly post-9/11, things definitely crept along.

Bender Local is primarily driving the last five-six weeks. National is still lagging, although it is better. It has started to come back, but it is clearly lagging behind the local marketplace, which seems to have much more velocity to it.

Are people booking further out?

Morris No, I don't think people are booking further out. I do think that is likely, in my humble opinion, to be one of the lasting effects of this. The dot-com bust really turned around people's ability to forecast and place further out. It's so last minute, and frankly, what we're seeing is that has really had an impact on the national market. It used to be that you could go into a month expecting to be pretty much working the next two-three months out. We're still going into months with lots of budgets coming up in the month with one and two week lead times.

I think it makes it harder for the industry as a whole, because it further reduces visibility and forecasting ability. It makes inventory management extremely difficult and far more important than it ever has been before, which makes pricing much more sensitive. And I think psychologically, the difficulty for buyers is expecting that there are going to be "rounds of negotiations," if you will. And when you're placing that late, and at that point, we already have a fairly good idea of where we are with current inventory, there's no time for negotiations—what it is, is what it is.

What compounds that is unrealistic expectations from the buyers' standpoint that it's still such a total buyers' market, and it's not. There is definitely enough pressure on inventory that you do have to manage that.

The other thing that I think we're seeing is kind of a philosophical swing in doing business, and it's quite troubling to me: Stations and groups making unrealistic deals and promising what they could never hope to deliver and then not delivering and blowing out schedules and really moving into the range of, "Well, yeah, but here's what our bump rate is." It's much more like TV, and buyers are not really holding them accountable for that. You would at least hope that at a certain point in that competitive battle, especially with consolidation and clusters attempting to do 100% share deals and take avails off the table before they even hit the table, that kind of thing—that when they don't deliver what they say they are going to deliver, there is some accountability and a future punishment for that. I'm not so sure that is what's happening, although I think that if buyers aren't careful, that they're going to create a new standard, which is "That's the way it is, it's tough that it didn't run." What's happening though is that it's more and more splintered, because the buyers aren't necessarily the ones that are seeing the invoices, they're not even necessarily co-located, so what do they know from what got posted or what they thought they were promised? It's unfortunate, because that really does then further fuel the whole commodities buying aspect of the business—which isn't about value, isn't about delivering results, isn't about all of the things that have made radio such a great local market activation, direct response medium. That's my concern for Q3 and Q4, to see how that's going to shake out, because I know in Houston, there were a lot of Q1 issues—but not for us! Sooner or later, somebody's going to have to pay the piper on that, because you are either dealing with integrity...I kind of come from the philosophical point of view that you do what you say you're going to do and you deliver what you've negotiated.

Bender Somewhat. There are still a sizeable number of clients who are coming late to the party and expecting to turn around, and in fact, what we're in right now is I have two stations that are sold out for this month and one station that is sold out for this month and the majority of next month. So, when you quote a bump rate back to someone for, say, the third week of May, for some people it's a bit of a first time shock. It's like, "What do you mean?!" Hey, we told you we were tight! So, I think that message is being communicated between the buyers and the sellers right now as we speak.

Are capital expenditures coming back into play after everything was put on hold last year?

Morris I would say this about our company in particular. We spend on the things we need to spend on. I wouldn't even say that everything came to a halt, I would say that we probably scrubbed things a lot harder and anything that we could defer, we did. But yes, these are assets that require investment. I know in our particular case here in Houston, we're just launching our inaugural season as the flagship station for the [NFL] Houston Texans. Yeah, we're investing in the things we need to invest in to make sure we're able to maximize opportunity.

I would say it's certainly not being in a candy store and taking what you want, but I don't have any lack of confidence in my company's ability to recognize a reasonable request that is well-defended, and allocate the funds for that. I've had funds allocated for the things that I've needed, but I don't make unrealistic requests. I'm probably one of the cheaper GMs on that front.

Bender One of the great things about Greater Media was that the capital was never put on hold in this company. Being privately held, our ownership made the decision that the investments that we had requested last year were valid and appropriate and so they were funded. Certainly, we exercised some prudence and some caution when making the requests last year and it was also in light of the fact that we knew that we had a major investment in the new facility coming (RBR 4/15, p.4). So it wasn't exactly the year to act on a lot of equipment replacement because we're going to go into a totally digital-based facility. So we were able to ride with some of the older stuff, we put a few Band-Aids on, because the payoff will happen in the next 12 months.

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By Jack Messmer

Crawford snares 4th Birmingham station

Confirming (4/24) a report that emerged a few days earlier in the *Birmingham Business Journal*, Crawford Broadcasting is buying WRRS-FM Birmingham from STG Media. **Don Crawford** is buying the station for \$8.5M, a half million less than STG paid just last year. **Broker: Michael Bergner**, Bergner & Co.

RBR observation: STG and a related company, Black Crow Broadcasting, both headed by **Mike Linn** and **Jim Devis**, have superduopolies in Huntsville, AL, Daytona Beach, FL and Jackson, TN, but no other stations in Birmingham—and few prospects to expand. The market is dominated by Cox (N:CXR) and Clear Channel (N:CCU). Whatever their strategy was in buying WRRS, the two are now having to cut their losses and get out of the market. The *Business Journal's* story quoted sources as saying Crawford was expected to flip WRRS from AC to Southern Gospel.

Six-year engagement heads to the altar

Tom Castro's El Dorado Communications is buying KEYH-AM Houston, more than six and a half years after LMAing the station from **David Best's** Arlite Broadcasting Co. Under the original deal, signed 7/23/95, El Dorado was supposed to buy the station for \$1.7M under an LMA with option running for up to five years. That was amended in 1997 to extend the LMA period (potentially through 1/31/04), but also increase the total price to \$2,531,580. The latest amendment, dated this month, states that after credits for LMA payments, El Dorado still owes \$723,307—an amount that will continue to decrease monthly until this transaction goes through FCC approval and finally gets to the closing table.

After shedding several stations in recent years, El Dorado's only current holding is KQQK-FM Houston-Beaumont, TX.

James Brown sells his radio station

The Godfather of Soul is getting out of radio ownership. Singer **James Brown** has filed with the FCC to sell WAAW-FM Williston, SC, which he bought in 1997. The buyer, for \$700K, is **Frank Neeley**, who owns two AMs in South Carolina. **Broker: John Willis**, Satterfield & Perry.

RBR observation: Although James Brown financed the purchase of WAAW through his James Brown Enterprises, the license has been held by Brown Family Broadcasting Inc., with 100% voting control in the hands of his daughter, La Tonya Brown. That's apparently due to his past run-ins with the law.

Regent boosts stock offering

Regent Communications (O:RGCI) priced its add-on stock offering 4/24—and demand from investors was so strong that the planned offering of 8.25M shares was boosted to 10.5M. The offering was priced at \$7.50 per share, 40 cents below the day's closing price of \$7.90. After offering expenses, Regent expects to put \$74.1M from the \$78.75M total into its coffers. The underwriters, led by Robertson Stephens, have a 30-day option to pick up as many as 1.575M shares (worth an additional \$11.8M) to cover over-allotments. Also participating in the offering were Morgan Stanley, UBS Warburg, CIBC World Markets and Sanders Morris Harris.

Smulyan selling \$10M in stock

As Emmis Communications (O:EMMIS) is de-leveraging its balance sheet, CEO **Jeff Smulyan** is doing the same—selling some of his Emmis holdings to pay back loans that he took out a few years back to buy more stock. Even after selling 300K shares, worth more than \$9.5M, Smulyan will still own more than 5.4M shares.

Smulyan hasn't often sold any Emmis stock, but he did sell 25,870 shares a year ago—right at tax time.



Ed Atsinger

Salem shelf includes founders' stock sale

Salem Communications (O:SALM) announced the filing of a \$240M shelf registration with the SEC. That will allow the company to raise cash by selling new securities to the public, whether stock, bonds or other securities.

As part of the SEC filing—but not mentioned in the company's news release—Salem's two founders are registering 1.25M shares for sale. The proceeds from that stock sale—approximately \$30M at current trading prices—will go directly to the two sellers.

Chairman **Stuart Epperson** and CEO **Ed Atsinger** are each selling 625K shares of Class A common stock.

RBR observation: Even after this stock sale, Epperson will still own 3.7M Salem shares and Atsinger 3.9M. The two own all of the company's Class B shares, which have the same value as the publicly traded Class A shares, but 10 times the voting power. Thus, even after the stock sales, Atsinger will still control 44% of Salem's voting power and Epperson 43.7%.

KC latest market for Radio Disney

John Hare and Mickey Mouse have been station shopping again. The newest O&O market for Radio Disney is Kansas City. Disney's (N:DIS) ABC Radio will pay \$3.8M for **Bill Johnson's** KHPN-AM. Don't look for very many current listeners to stay around once the 24-hour Children's network takes over on 7/1. KHPN currently carries Business News. **Broker: Bill Schutz**, Schutz & Co. and **John Pierce**, John Pierce & Co.

Beam focuses on Oregon coast

Ernie Hopseker, who's already a minority investor in four Washington/Oregon/Northern California stations, is going it alone to buy KSND-FM Lincoln City, OR—an unrated market on the Pacific Coast. Hopseker's new Radio Beam LLC will pay **William Emery's** Elite Broadcasting Inc. \$400K for the Class C2 station. **Broker: Bob Heymann & Jack Minkow**, Broadcasting Asset Management Corp.

Charleston AM brings \$450K

Judith Aidoo is jumping into station ownership in the Charleston, SC market with a deal for her new Caswell Communications to buy WZJY-AM for \$450K. She'll also pay outgoing owner/GM **Matthew Fulmer** \$1 under a non-compete agreement and \$1 under a consulting agreement.

But wait, that's a real consulting agreement. Fulmer will also be paid a commission on new sales he generates above current revenue levels. **Broker: Doyle Hadden**, Hadden & Associates

Almost Heaven gets a little K-Love

Richard Jenkins' Educational Media Foundation is getting its third outlet for its K-Love Contemporary Christian network in "Almost Heaven" West Virginia. The Sacramento-based non-profit foundation is paying \$320K for **Thomas Friend's** WTBZ-FM Grafton, WV. **Broker: BuySellRadio Online**

Newton holds the latest key for Key

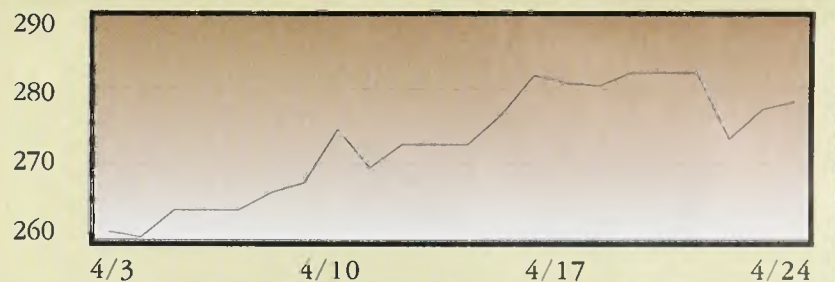
Terry Forcht's Key Broadcasting is sticking to its regional base with yet another station buy in Illinois. A \$600K purchase of **Kent Lankford's** WIKK-FM Newton, IL will give Key its sixth station in Illinois. It also has 10 in Kentucky and three in Indiana. Although this latest acquisition is technically a duopoly with WSEI-FM Olney, IL, the city-grade overlap is minimal and the two serve unrated markets in adjacent counties. **Broker: Ed Henson**, Henson Media

Radio Business Report

Voice of The Radio Broadcasting Industry™

The Radio Index™

Radio stocks retreated, but remained near record highs. The Radio Index™ closed 4/24 at 278.407, down 2.426 from a week earlier.



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Television Business Report

Voice Of The Television Broadcasting Industry

Volume 19, Issue 16

April 29, 2002

Myers sees flat TV upfront



The latest Jack Myers Report is out, and for TV, the prediction is that upfront network spending will experience zero growth for the 2002/2003 season, while three of the four major networks will sustain "significant" revenue declines. The report's projections are based on the quarterly Myers Advertising Confidence Index study conducted by Myers among more than 100 advertising and media buying executives. The upfront period in April and extends into mid-summer.

Overall broadcast network upfront spending is projected to decline 3.3%. As predicted by many, Myers confirms ABC-TV will suffer the biggest declines. However, CBS, WB, UPN and Cable will experience the greatest gains. UPN is predicted to gain a whopping 70%. Cable, he predicts will be up more than 5%. Myers says the 14% growth in upfront revenues for CBS is based on an anticipated 180 degree change from last year's decision to hold inventory from the market in expectations of a much stronger scatter market in late 2002 and the first half of 2003. Said the report: "This strategy was considered to have backfired on CBS until the market gained momentum earlier this year and both ABC and Fox were unable to fulfill demand because of ratings underperformance that required them to provide make-good spots for advertisers. The report concludes that CBS will also be the beneficiary of both ratings growth and improved demographic delivery, while Fox and ABC will be hurt by ratings declines."

Why the big increases in cable, after the big drops previous? "The primary beneficiaries of this shift to cable will be targeted cable networks such as Comedy Central, FX, and Lifetime, which will outperform the market as agencies reward these networks for positive performance," says Myers. "Budgets are expected to shift into major cable network groups, such as Turner, ESPN and Discovery that have been positioned as competitive alternatives to broadcast. 75% of respondents to our survey expect to expand or maintain their budgets for major multi-platform media buys with companies such as AOL Time Warner, Viacom and News Corporation, and leading buyers report that they are already in discussions with several of these companies."

Specifically, Myers is predicting the broadcast network upfront market for the six major nets will total \$6.7B, down from last year's \$6.925B. Cable nets will grow from \$4.0B in the 2001 upfront to \$4.2B. Total TV upfront spending in the 12-month TV season that begins 9/02 is projected to decline from \$10.925B to \$10.900B.—CM

Washington Beat

FCC invites new services into DBS band

The 12.2-12.7 GHz band, home to DBS services such as EchoStar and DirecTV, is being opened up by the FCC to new service providers via open auction. These could include new direct competitors to existing satellite television services, as well as broadband providers. Entry of new services is conditioned on not causing undue interference to existing services. The new services are referred to under the umbrella MVDSDS (Multichannel Video Distribution and Data Service).

Chairman **Michael Powell** and Commissioner **Kathleen Abernathy** issued a joint statement, saying, "This proceeding has challenged the Commission to balance conflicting goals, promote competition through new technology, and minimize interference to existing licenses. We believe the Commission and its wonderful staff have done an admirable job."

They continue, "...the Commission has wisely chosen not to saddle MVDSDS licensees with regulatory burdens based on the types of services that may be provided."

Commissioner **Michael Copps**, in a separate statement, objected to this while generally approving the plan. Noting that one such regulatory obligation waived here was carriage of local signals, Copps wrote, "These obligations were imposed to advance the public interest; I see no reason for jettisoning them here."

Copps would also prefer to see controls on the auction process. He said it should be set up to further the following goals: "(1) provide new competition to cable and DBS; (2) increase the distribution of local television channels; (3) ...combine multi-channel video services with broadband telecommunications services so as to speed broadband deployment; and (4) use the spectrum efficiently and intensively."

Commissioner **Kevin Martin** also dissented in part, while applauding the general direction of the action. "Unfortunately, today's Order settles on a licensing approach that sanctions unlimited interference to some DBS licensees and KVIDS deployment on their backs."

The Satellite Broadcasting and Communications Association was not happy with the FCC decision. The organization said, "This decision is particularly difficult to understand in light of the fact that there is ample spectrum available outside the DBS band to allow a MVDSDS competitor into the market without causing interference to DBS subscribers."—DS



Michael Powell



Kevin Martin

TV up 2% for Post-Newsweek

Q1 revenues were up 2% to \$75.4M for the Post-Newsweek Stations, the TV division of The Washington Post Co. (N:WPO). The company said that was due largely to a boost from the Winter Olympics at its NBC affiliates. Operating income rose 5% to \$33.6M. Total revenues for The Washington Post Co. were up 2% to \$600.3M, with cable TV and education contributing even stronger results than the TV group. Newspaper and magazine revenues were down 8% and 10%, respectively. Company-wide, operating income was off 19% to \$48.9M.—JM

CBS jumps to CCU in Jacksonville

CBS has found a new home in Jacksonville, FL. As predicted (TVB 4/18, p. 14), Viacom (N:VIA) has displaced UPN in market #53 to make room for sister network CBS, which is losing long-time affiliate WJXT-TV (Ch. 4) this July. CBS will then begin airing on Clear Channel's (N:CCU) WTEV-TV (Ch. 47), currently home to UPN. Jacksonville will become a night owl market for UPN, with the network's primetime far airing on Clear Channel's other Jacksonville outlet, WAWS-TV (Ch. 30), but only after Fox finishes its programming day.

"With this affiliation agreement, CBS begins a great new partnership with Clear Channel," said CBS President & CEO **Les Moonves**. "We intend to maximize the strengths that each of us brings to this new relationship in Jacksonville—strong CBS programming, the talented team at WTEV, and Clear Channel's powerful multimedia presence in the market. We're not going to miss a beat in Jacksonville."—JM

Tribune buys Hoosier pair for \$125M

Tribune Co. (N:TRB) is expanding its role as the largest WB network affiliate group. Tribune is paying \$125M for WTTV-TV (Ch. 4) Indianapolis and its satellite, WTRK-TV (Ch. 29) Kokomo, IN. The acquisition will give Tribune a powerful duopoly in Indianapolis, where it already owns WXIN-TV (Ch. 59, Fox).

Seller Sinclair Broadcast Group (O:SBGI) is trumpeting the deal multiple as 38-times, based on 2001 cash flow. Tribune prefers to call it 11-times pro forma 2002 cash flow, including cost-savings from the synergies of having a duopoly. Tribune also saves on taxes, since it will use this buy for tax-deferred reinvestment of most of the cash it's getting for selling its three Denver stations to Enterecom (N:ETM) for \$180M—a multiple Tribune pegs at 17-times.

"It makes both strategic and financial sense—we are exiting Denver radio at a premium cash flow multiple and are acquiring WTTV/WTRK in an excellent Midwest market," said Tribune President **Dennis Fitzsimons**.

In his quarterly conference call with analysts, Fitzsimons said the Indianapolis combination will create upside for both stations—and he noted that the demos are compatible for Fox and WB affiliates. "We see \$5M in additional cash flow benefit from the duopoly within the first 12 months," he said.

TVB observation: This big buy may be just the start of a buying spree for Tribune. The company is said to be one of the bidders in the hunt for ACOM's (O:ACME) KPLR-TV (Ch. 11, WB) St. Louis and the two big-market WB affiliates that Granite (O:GBTVK) has put on the auction block—WDWB-TV (Ch. 20) Detroit and KBWB-TV (Ch. 20) San Francisco.—JM

TV broadcasters ask Powell for DTV must-carry on cable

In a 4/18 letter to FCC Chairman **Michael Powell**, a group of broadcasters including LIN Television, Benedek Broadcasting and Raycom Media asked that the Commission place more pressure on cable and satellite companies to carry their digital signals.

"We are counting on you and our partners in other industries to ensure that consumers have convenient and ubiquitous access to broadcasters' DTV offerings," the letter read.

TVB observation: As it stands, however, most cable systems don't have the bandwidth capacity to add the digital signals to their roster. Would Powell now mandate cable systems to increase capacity, as it did terrestrial broadcasters to build out DTV signals?—CM

2001 upfront revenues based on JMR estimates as of 7/30/01

Network	2001	2002	% Change
ABC	\$1.680B	\$1.400B	-16.7%
CBS	\$1.390B	\$1.580B	+13.7%
NBC	\$1.950B	\$1.820B	-6.7%
Fox	\$1.300B	\$1.120B	-14.0%
WB	\$0.475B	\$0.560B	+18.0%
UPN	\$0.130B	\$0.220B	+70.0%
Total B'cast	\$6.925B	\$6.700B	-3.3%
Total Cable	\$4.000B	\$4.200B	+5.0%
Both/total	\$10.925B	\$10.900B	-0.2%

The breakdown (2002 figures are a projection):