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 Carl Marcucci Associate Editor
 Frank Saxe Associate Editor
 Jim Allen Associate Editor

Cathy Carnegie VP Administration
 Ronald Greene Executive Director of Production
 John Neff General Sales Manager
 Maggie Daley Account Executive
 Beth Dell'Isola Account Executive
 Jane Morrison Admin. Assistant
 April Olson Admin. Assistant

Clutter could cost radio, says RAB panel

by Frank Saxe

Heavy spot loads may help the bottom line, but whether or not they will hurt radio in the long run was the focus of much of the discussion at last week's RAB Board Meeting in suburban New York. There is growing concern from advertisers, agencies and even some within the radio industry about ballooning spot loads. Agencies are particularly worried their commercials are lost in a the middle of stop sets running up to nine minutes.

"The amount of clutter on radio and the impact on radio effectiveness needs to be documented in order to persuade national advertisers to use radio more aggressively and more consistently," said **Steve Farella**, EVP/Marketing, Jordan, McGrath, Case & Partners—the agency that represents such big-name clients as Bounty Paper Towels, Weight Watchers and Dulcolax.

Farella said it is not just the "gross amount" of non-program material that creates clutter, but so too does the length of an average stopset. "Commercials that have the misfortune to air in the middle of longer pods are less likely to be as effective as commercials that air in the beginning or end of such pods," he said. Farella also suggested stations begin selling those premium positions to advertisers willing to pay for them.

"In the past we've turned over our stations to programmers," responded RAB President/CEO **Gary Fries**. "The

perception in the advertising community is that we've significantly increased our advertising loads, and it's true."

Emmis Communications (O:EMMS) CEO **Jeff Smulyan**, incoming RAB Chairman, said advertisers have "always complained about spot placement," so radio should consider selling pod positions. "It's intriguing. It's like additional values on Thursdays and Fridays," he noted.

Both Fries and Smulyan said the radio industry must heed the call, and begin research on whether spot loads impact the medium's effectiveness—both from a programming and advertising perspective.

Broadcasters did get some good news from the ad community. Both Farella

and AT&T's **Mike Neavill** said more national dollars should be earmarked for radio. "I believe it's a good chance to double network radio spending in the next three to five years," said Farella.

One area of research that broadcasters and advertisers seem to be split over is Arbitron. Media planners and buyers are flooded with daily and weekly TV survey results, but must wait for a quarterly Arbitron book—a sore spot for many.

Tests in the UK of Arbitron's so-called People Meter are encouraging, according to GM **Pierre Bouvard**, but the question remains how much data does radio want to release. "We have to balance the stability of the data with giving advertisers what they want," said Bouvard in noting that radio monthlies are already possible.

Broadcasters favor tech rule changes

by Jim Allen

Of the top 15 owners, only Cumulus Media (O:CMLS) and Greater Media filed comments on FCC proposals to streamline radio technical rules in its biennial regulatory review. A majority of the respondents support FCC intentions to allow negotiated interference agreements between FMs (also permitting contingent application agreements for coordinated FM changes) and sanction the supplemental use of "Point-to-Point" (PTP) FM contour prediction.

Fearful of band clutter and possible down-the-road tower-site movement restrictions, the NAB (*RBR* 10/12, p.6) and the Association of Federal Communications Consulting Engineers oppose negotiated interference agreements.

There is practically no opposition to allowing supplemental PTP showings. Its proponents say it provides a more accurate prediction of interfering contours versus the standard method. PTP, however, would still be inadmissible in demonstrating compliance with multiple-ownership requirements.

Extending "First Come/First Served" (FC/FS) processing to AM, NCE FM, and FM translator minor-change applications is very popular. However, V-Soft Communications, a propagation software designer, suggested "under any circumstances, 18 months plus one six-month extension should be set as the absolute limit" to complete construction.

The only proposal to get broad rejection was the idea of creating a new Class 0 (C-Zero) license for certain Class C stations operating under minimum HAAT requirements.

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 Main Phone: 703/719-9500 • Editorial/Sales Fax: 703-719-7910 • Subscription Phone: 703-719-7721 • Subscription Fax: 703-719-7725

Advertising sales information: Ken Lee 703-719-9500 • Fax 703-719-9509

Email the Publisher: JCRBR@aol.com • Email Editorial: radiobiz@aol.com

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OnRadio links with Microsoft; goes streaming

by Carl Marcucci

OnRadio, with its 550 radio station Web site network, has teamed with Microsoft to provide the Windows Media Technologies streaming platform. The partnership is said to provide advertisers a complete end-to-end business solution that also includes streaming video. Streaming media for the network should start rolling out in December. "This was the direction the market was going. The clients are very excited about streaming on-demand programming and live events," said **Paul Campbell**, VP Marketing, OnRadio.

This move puts OnRadio more in direct competition with Broadcast.com (O:BCST), which has offered Real Networks' (O:RNWK) RealAudio streaming from the start. Said Campbell: "At this point, Microsoft with their MSN portal will drive traffic to our affiliates. Also, there is no conflict with what we're doing. Real has a lot of initiatives where it wasn't as clearly differentiated [as

Newt's out, Walden's in

by Frank Saxe

Broadcasters are assessing the likely rise of Rep. **Bob Livingston** (R-LA) to House Speaker as positive. "He is a good friend of broadcasting; he's been receptive to our issues," said NAB SVP/Radio **John David**. NAB met with Livingston two months ago, and David said he had a "good understanding" of broadcast issues.

The House Telecommunications Subcommittee will likely not see a major impact, although insiders expect less micromanagement by the Speaker's office. The subcommittee's chair, Rep. **Billy Tauzin** (R-LA), is a longtime friend to Livingston.

Just hours after Speaker **Newt Gingrich** (R-GA) announced his plans to

step down, the GOP called upon broadcaster-turned-congressman **Greg Walden** (R-OR) to deliver the party's weekly radio address. Walden, who owns KHR-AM/FM and KCGB-FM Hood River, OR, did not address broadcast issues, but focused on the economy and Social Security.

While many in the broadcast industry would love to see Walden land on the Telecommunications Subcommittee, a Walden spokeswoman said he may focus his attentions on agriculture, because of his district's rural nature.

RBR observation: While Walden's down-on-the-farm electorate may love to see him land on an ag committee, we'd be surprised to see him turn down a sought-after seat on the Commerce Committee, if one were offered.

Microsoft's]. Our radio clients want a model that benefits their station and doesn't take listeners away from their brand. OnRadio will push listeners to the stations' web site. Broadcast.com pushes them to its site first."

OnRadio clients include all of Jacor (RBR 10/12, p.6), some of Hefstel,

Clear Channel, ABC, CBS and others. Campbell says CBS radio may change its mind someday on banning audio streaming and is in discussions. "The company wants to see a compelling business model first," said CBS Radio President **Dan Mason** in a 10/18 MSNBC interview.

Gore group wants free TV; radio unscathed

by Frank Saxe

Broadcasters held their own, and in the end the so-called Gore Commission chose last week to recommend that stations give candidates five minutes of free TV airtime a day in the month leading up to an election. It is a far cry from the mandate which some advocates had sought. The group instead asked Congress to create minimum standards as part of its overall campaign finance reform effort.

"This will be a dramatic enhancement in political discourse," said co-chair **Norm Orstein**.

But **Gigi Sohn** of the Media Access Project said she plans to issue a

separate report, calling on the FCC to "impose some mandate for freetime if Congress doesn't follow our recommendations."

Several Commission members said they wished broadcasters had jumped onto an idea floated by NAB President **Eddie Fritts**, which suggested giving up three hours of time to candidates in exchange for a ban on political ads.

The panel also recommended broadcasters adopt a voluntary code of conduct, which encourages public interest programs and political dialogue. Some also wanted to dictate a minimum number of PSAs, but sharp disagreements kept the numbers nebulous.

CBS TV President **Leslie Moonves**, a Commission co-chair, refused to back the report until he sees the final

draft. "I will not sign onto this if every other section permits more hardships on broadcasters," he said.

The group also gave FCC Chair **Bill Kennard** (D) more ammunition for his minority ownership efforts by calling for more to be done to allow "underserved communities" to buy into TV ownership.

After a year's worth of deliberations, the Commission's conclusions are intentionally lukewarm. "The less said the better," commented **Robert Decherd**, CEO, Belo Broadcasting.

While radio remained off the panel's radar, it could become subject to whatever Congress and the FCC choose to do with its recommendations. The Commission will present its report to the Vice President next month.

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Death knell for net compensation?

Ever higher programming costs, particularly for sports rights, and increasing competition from cable and new networks are making it increasingly difficult for the major TV networks to turn a profit—and panelists at last month's Kagan Seminar on TV Acquisitions and Finance said one consequence is likely to be the payments from networks to the affiliates who carry their programs.

"Any stations which have a strong dependence on network compensation are in for a rude awakening," said **Dan Sullivan**, president, Quorum Broadcasting.

Although small market TV stations receive smaller payments than their large market brethren, network compensation payments tend to be more important to the bottom line in small markets.

As a small market group owner, **Richard Benedek**, CEO, Benedek

Broadcasting, said the 3% of total revenues that networks pay to their affiliates is a pretty good deal for nationwide distribution. Even so, he's preparing to lose the payments: "I think within five years you won't have any compensation."

Benedek sees a flip-side, though. If the networks don't pay compensation, they lose some leverage. He predicts that station owners will be freer to band together and buy programming from elsewhere to fill part of their schedules.

"X-Files" and "Titanic" power Fox

Despite the General Motors strike, Fox Entertainment's (N:FOX) TV operation posted gains in the fiscal Q1 which ended 9/30—but the most impressive gains came in filmed entertainment, which was supercharged by new movie hits, including "The X-Files", "There's Something About Mary" and the videotape release of "Titanic."

Film revenues rose 32% to \$1.06B and cash flow (operating income before depreciation and amortization) shot up 135% to \$134M. TV (network and O&O stations) revenues gained 8% to \$713M and cash flow rose 4% to

\$157M. Overall, Fox Entertainment's revenues gained 22% to \$1.8B and cash flow rose 53% to \$273M.

Fox priced its IPO last Tuesday (11/10) at \$22.50 per share (see page 11).

Sinclair adds Tampa LMA

Sinclair Broadcast Group (O:SBGI) announced a 10-year contract to LMA WTTA-TV (Ch. 38) Tampa. The station, which has operated as an independent since signing on in 1991, will become the market's WB affiliate in September 1999, displacing Hearst-Argyle's (N:HTV) WWWB-TV (Ch. 32).

RBR observation: LMA negotiations must not have been too difficult with WTTA owner Bay Television, with is 75% owned by **David, Frederick, J. Duncan and Robert Smith**—the same Smith brothers who control Sinclair.

TV Biz Briefs

- CBS (N:CBS) TV President **Leslie Moonves** isn't worried that COO and reknowned penny-pincher **Mel Karmazin's** ascension to CEO will cut into programming and development budgets. "There will be no changes in the way we operate," he told *RBR* last week. Moonves also downplayed Karmazin's cuts to CBS' network news division, saying, "Everyone's making cuts."
- Sen. **Conrad Burns** (R-MT) will take up the LPTV battle left behind by Sen. **Wendell Ford** (D-KY). Burns said he will sponsor a bill that will give LPTV stations the same status as full-power signals.
- Atlanta-based Spectrum Solutions Group, specializing in handling DTV projects for entire markets, recently finished the Sutro tower complex project for 11 broadcasters in San Francisco (doubling its broadcast capacity) and is set to begin a similar project in Salt Lake City with the consortium DTV Utah. "The terrestrial transmission infrastructure in the US is antiquated and at capacity," noted **John Sinton**, partner, Sinton, Barnes, which is part of the Spectrum Solutions Group. Other group members are H/N McClier, OmniAmerica (O:XMIT), Kline Towers and Dielectric.
- ABC (N:DIS) has begun airing its "Monday Night Football" in Spanish. ABC will place the Spanish language play-by-play on its secondary audio programming (SAP) channel. On cable, Nickelodeon last week began offering Spanish versions of some of its top programs, including "Rugrats" and "Blue's Clues," on Telemundo.

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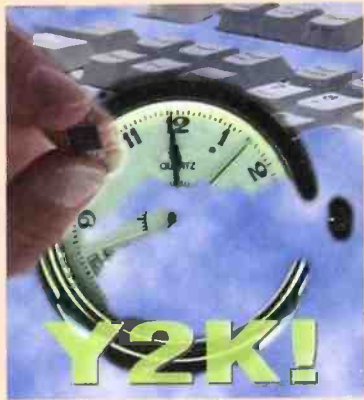
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by Carl Marcucci

Tick...tick...tick... Are we ready for Y2K?

As you know, Y2K, or the "Millennium Bug," as some describe it, is a potential computer catastrophe that threatens to disrupt the world's banking, stock exchange, communications, utilities/infrastructure and general commercial systems beginning January 1, 2000 at 12:00 AM. Even now, some business systems are crashing as year 2000 figures are input.

The potential nightmare is caused by programmers saving hardware space throughout the last 40 years by indicating time-based code with two digits instead of four. So when these programs read 2000, they



interpret "00" as 1900 and crash or produce errors. Until the last few years, most of the programmers didn't use four digit codes because they never thought the systems would still be in use by Y2K. Well, they (or their superiors) were inexcusably wrong.

Without going further into who's to blame, this story focuses on what broadcasters and vendors are doing to get their own houses in order. It is a story, for the most part, of proper planning and cooperation. However, all broadcasters depend on infrastructure to operate...

allowing those programmers to be brought out of retirement to fix code, without losing any Social Security or Medicare benefits.

Y2K has already caused problems. "A Y2K test of the Northwest power grid threw several states into darkness. It's one thing to track down whether the computers in your home and office are ready, it's quite another to deal with the thousands of programs used in the largest government and business institutions with millions of lines of code. And what about all those computer chips deep beneath the ocean, in energy and communications systems, and high above us in satellites? Those are virtually unreachable and therefore unfixable," says Iowa-based radio consultant **Jay Mitchell**, president, Jay Mitchell & Associates (www.kmedkick96.com).

Background on Y2K implications

The problem has been described as the greatest challenge ever to face information system managers. Estimated worldwide costs of fixing the mess will be \$300-\$600B, with costs of lawsuits from disruptions caused by the Y2K problem totaling at least that much, according to the FCC's Y2K site (www.fcc.gov/year2000).

"Fixing old software systems requires programmers to go line-by-line through millions of lines of code to correct the way their software calculates dates. Unfortunately,

there are a limited number of programmers with the skills needed to debug old software and there is no way to get an extension on the December 31, 1999 deadline. Many companies are simply replacing their systems with new "Y2K compliant" software and hardware," the FCC site says. The government is now



Broadcasters' houses in order

Every broadcaster that cared to comment is well on the way to getting its own house in order. Committees and task forces have been formed, equipment is being tested and/or replaced and contingency plans are being addressed.

"We are in the middle of replacing a lot of our hardware and it will all be Y2K compliant. We are a little bit luckier at Capstar because we have a young company and a young department. We bought a lot of our MIS equipment as new," said **Jeff**



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Ballantine, partner, Arthur Andersen, who is consulting for Capstar (N:CRB) as its Chief Information Officer.

"We've got some people who focus on the Y2K issue. We are required as part of our SEC filing to file updates on the progress of Y2K. We are evaluating all the systems and computers that have to determine compliance. I can tell you that a number of our systems have been outright replaced, or are in the process," said **Bill Suffa**, VP, strategic development, Jacor (O:JCOR).



Richard Weening

Both Jacor and Capstar, because of recent WAN buildouts to distribute programming, are almost guaranteed compliance with those new systems. However, there are many business systems that also need to be looked at. Says Sinclair's (O:SBGI) Director of Information Systems **John Larrabee**: "It has been a real fight, to be honest with you. We have a lot of mid-range systems like AS-400. Those are certified by IBM as long as you are above a certain level of the OS. Then you still have the problem with the vendors themselves—like Columbine, certainly the big one. We have to be vigilant about those older systems." To be vigilant, Larrabee says in-house date testing and Y2K software are the first and easiest methods to check for compliance.

Richard Weening, Executive Chairman, Cumulus (O:CMLS), with a tech-based background (Quaestus), helped build a proprietary performance reporting, monitoring and control system (MBR May, p. 12) that runs over a WAN. "We have not had to undertake significant Y2K expenditures, because so much of our stuff is new. I would say that the older, the more established the group, the more the issues. We are basically validating every system we have beginning with the photocopiers, all the way up to our traffic systems." Weening says Cumulus will be Y2K compliant by Jan. '99.

Vendors' houses in order

Like the broadcasters, vendors (including networks) are getting their houses in order if they want to stay in

business into the next millennium. Luckily, the new age of broadcast technology is so new that most on-air, remote monitoring, processing and production/editing systems were manufactured within the last few years have been deemed compliant. However, "It can get a little tricky, because you can buy two units of these exact same item from a vendor. Receive it, install it the same day, probably one will be Y2K compliant and the other won't. They shop out the guts of some of these things. They may have different processor boards with different chips. You have to test every single piece of equipment," said **Rick Ducey**, SVP, Research and Information Group, NAB.

Y2K tip #1: Don't fire your attorneys

Broadcasters are already caught in the middle of a "vertical legal letter ladder," where they must send letters of Y2K compliance to the banks and SEC, and to assure those compliances, they must get similar letters from vendors, and vendors the same from their suppliers. Is a legal house of cards is being built? 1/1/2000 may be the day it collapses. Says Ducey: "It's a massive information management task. Fire letters off to your vendors, getting letters off to your customers. You have to deal with your own stations, you have to deal with corporate. LMAs if you're dealing with those guys—it's up and down and across."

Says Larrabee: "I reply to 30-40 letters a month, mostly banks, asking for Y2K compliance. We have a full Y2K implementation plan which we sent to them, because we have lenders just like anyone else, and they really pressured us to give them evidence of progress."

And the banks themselves are being pressured by regulators and insurance companies. "Insurance companies have to prove that they have contacted the borrowers and that the borrowers are not going to be in default because they can't do their business," added Larrabee.

"I'm being deluged with e-mails on Y2K status of our products. Last year when we negotiated a large master purchase agreement with a large TV group, they wanted an extensive Y2K compliance statement. Since then, we've had several hundred letter requests from a variety of customers. I've also had calls from banks that finance broadcasters," said Harris' Halpern.—CM

One vendor, CBSI, is so confident its systems are compliant, it has made it a focal point of marketing strategy. "The reason we coined the name 'millennium-certified' was after they started talking about the terrible problems that the Federal government was going to have because the software wasn't going to work, we wanted to reassure our clients that they didn't have to worry about the year 2000 as long as they are using CBSI software," said CBSI VP Marketing **Steve Kenagy**. "For us, it is a question that we solved back in 1981 when we redesigned one of our packages."



Probably broadcasting's biggest vendor, Harris (N:HRS), has to not only be concerned with its own products, but those of others it resells. "We handle 10,000 different supplier products in studio/production, radio and TV. In our radio area, we list roughly 100 products. I counted five that are not listed as currently compliant. Overall, we're about 90% compliant on transmitter products. Some of the older ones have been determined not compliant. The next step is to determine how to make them compliant or if they cannot be made compliant," said Director of Contracts **Bob Halpern**.

The first system USA Radio Network checked was billing. In some cases there were upgrades, in others, internal tinkering. "We're smaller than your ABCs or CBSs. We've got all of our operations in Dallas, except for studios in LA and news bureaus—those are relatively easy to fix," said

Tom Tradup, VP, GM, USA. "I wouldn't say we're 100% Y2K compliant yet, but our MIS people have been on it. I'll deliver the show to the radio stations.

However, if a fellow in Seattle or Paducah, KY doesn't address this problem between now and then, my morning show is still going to go to all 200 cities, but if only 198 of them are compliant, two won't get it."



Tom Tradup

continued on page 10

Here are three ways Eventide can help:

Consolidation brings market efficiencies, but also big headaches and challenges. It's essential for management to keep track of multiple stations. And keeping a legal record of what was said and when commercials aired is also more important than ever. Several groups have standardized on **Eventide Digital Audio Loggers**. Our economical VR204 records up to 550 hours on a tiny palm-sized cassette. VR204 records up to 4 channels simultaneously so you can keep tabs on the competition's spot loads, play lists and talent while you record your own stations. New!! Now Eventide loggers let you record/play in Hi-Fi for full "broadcast quality." Ideal for show replays, time zone delays, etc.

Eventide's **BD500 Broadcast Delay** makes talk shows run smoother and sound better, for less. The BD500's multiple dump feature divides the delay time into several "slices" so you're still safely in delay even right after a "dump." It's the hassle-free talk solution... even when air talent is working without a producer. No other delay offers Eventide's high quality patented catch-up technology for clean audio combined with fast catch-up. And it's the only delay with optional digital inputs and outputs for new all-digital studios. Yet the BD500 costs thousands less than our previous delay unit.

Want to increase creativity without adding personnel? Add life to drive-time shows? Win new advertisers with better station-produced spots? An **Eventide Ultra-Harmonizer**® brand effects processor really does all that. Designed specifically for radio and production, the new DSP4000B Ultra-Harmonizer features radio effects designed by production whiz Jay Rose. Hundreds of comic voices, sound effects, reverbs, pitch changers and more are instantly accessible at the touch of a button. Plus, the DSP4000B has superb Timesqueeze® time compression/expansion capability. The DSP4000B has optional digital I/O to interface easily with digital editors and consoles. It's the radio effects box designed to bring stations more business and more listeners. *The bottom line:* Eventide broadcast products are potent tools for today's radio. To learn more, talk to your broadcast distributor, call Eventide direct at 201-641-1200, or see our website, www.eventide.com.

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Power grids, infrastructure—dependable?

So, we have determined that the radio broadcasting industry is well on its way to compliance. That could be a story in itself, but there is concern that our society's support infrastructure relies upon computer systems much bigger than a few PCs. Says RAB President **Gary Fries**: "I think there are three fronts of concern: The satellites, the computer automation systems and overall support mechanisms—the power companies, telephone companies—that we're dependent upon. Are they going to continue to function and provide the services that we rely upon?"

"My real concern is the utility companies and the water companies. We just don't have a good feeling back from these guys. We were talking today about do we get back-up generators with diesel fuel so that we can keep our servers running. Capstar broadcasts a lot of our music across the Star System network. If we don't have any power, we're in trouble," said Ballantine.

GulfStar president **John Cullen** echoed the concern: "Getting our own house in order was really the first and foremost responsibility. We've broken down areas of responsibility—MIS and engineering. In the engineering phase, we'll be working for the next six or so months making sure that we've got sufficient generators. I think power grid is one of the things we keep hearing is an opportunity to have losses at."

"There are going to be problems, but I think that everybody is so hyped up for a total breakdown of society that I think when it turns out that a couple of traffic lights malfunction, everybody will go, 'oh well, we dodged the bullet'," said Tradup.

Regardless of what happens, there's a good chance broadcasting won't be seamless around the country on that dreaded day. We could be looking at a whole new kind of broadcasting—some real serious PSAs, like where to go for water and firewood in certain areas. Unless you live in Miami, January is usually a pretty cold time to be without power.

Just have to wait and see...

Says Jacor's Suffa: "I think that you can do all the planning and everything else you want. You can demand compliance. You can achieve compliance. The fact of the matter is that, like anything else, what you are doing is risk medication. There is still somewhat of a risk that there could be glitches here and there that have not been picked up in the process. The whole goal here is to mitigate that risk and contain it so that it is not disruptive to business operations. I think that holds true for anybody."

Maybe the best way to look at Y2K is humorously summed up by USA's Tradup: "Are you familiar with **Chuck Harder**? This is like Christmas for him.

Everything has been a big government conspiracy and this, that and the other. We kind of laugh at it. But when it comes to this, when he's talking about having your own generators, dehydrated food, all of a sudden, it doesn't sound so dopey—even to a competitor like me. Come to Dallas, we'll go over to **David Kantor's** house—he's at AMFM. He has a nice big house and we can hole up there and shoot anybody that tries to get our dehydrated food."



John Cullen

Are those 500+ satellites in the sky compliant?

A more intangible estimate of compliance lies with the satellite operators—GE Americom, PanAmSat, Comsat, Hughes, etc.—remember when only one (Galaxy 4) became non-functional (*RBR* 5/25, p. 3). Says Mitchell: "My estimate would be that about half of the satellites in the sky today are not Y2K compliant—meaning they've got some embedded systems that rely on time."

"People are very evasive about the whole thing. As far as the operators go, the evasiveness has kind of permeated the entire issue because people are afraid to a) not say enough or b) say too much. Either to overpromise and underdeliver. So the whole Y2K issue among the satellite industry is kind of reflective of the bigger picture of what all computer-type services are facing," said **Mike Odneal**, director of marketing, Spacecom Systems.

Jokes Cullen: "So do I hear that the notion of doing Star Systems, that isn't satellite-based, is a good idea? Oh my God, I'm not vilified!. We aren't looking as stupid as everybody said we were!"

Most operators are stating compliance, or are in the process thereof, but providing a signed letter isn't always in the cards. "We're not going to sit here and sign a letter that nothing would ever happen with a client's service. There's a lot of things that can be drawn into this," said **Fred Kane**, director, satellite services, GE Americom, which provides service for such large network entities as Westwood One and AP.

"We've been addressing the problem for some time as most businesses have. We have assembled a team and have tried to wring out as many of the opportunities for concern as possible. It's not just the com-

puters themselves, it's the software and all of the systems that contribute to it. It's all of our providers and vendors that we are dependent upon to be Y2K compliant," said **Monica Morgan**, director, marketing communications, GE Americom.

And, according to PanAmSat's Web site, (panamsat.com), "PanAmSat has begun an evaluation of its major business and operations software systems for Y2K compliance and expects to complete that evaluation in 1998. Nearly all of PanAmSat's satellites are less than 10 years old. In addition, the ground-based satellite control software systems were largely developed in the last 10 years, and many new software systems and enhancements have been added in the last five years. Instances where date corrections may be necessary are anticipated to be far fewer than in older Cobol-based computer systems used in other industries."

Using both GE and PanAmSat, **Phil Avner**, assistant chief broadcast engineer, AP, is also optimistic his network will be delivering the news 1/1/2000. "We are in the process of rolling out a new generation of satellite receivers which are all Y2K compliant. We know that we are good on everything concerned with our uplink side. We're doing a thorough top to bottom Y2K compliance of our facilities and things that are contracted out like telephone lines. People are giving us assurances that they are compliant generally in the form of letters. There are going to be surprises for everyone, we are being as protective as we can."—CM

BROADCAST INVESTMENTS™

November 11—RBR Stock Index 1998

Company	Mkt:Symbol	11/4 Close	11/11 Close	Net Chg	Pct Chg	11/11 Vol (00)	Company	Mkt:Symbol	11/4 Close	11/11 Close	Net Chg	Pct Chg	11/11 Vol (00)
Ackerley	N:AK	20.625	20.000	-0.625	-3.03%	3	Harris Corp.	N:HRS	36.813	37.750	0.937	2.55%	3111
Alliance Bcg.	O:RADO	1.031	1.000	-0.031	-3.01%	1731	Heftel Bcg.	O:HBCCA	43.500	44.625	1.125	2.59%	718
Am. Tower	N:AMT	21.313	19.625	-1.688	-7.92%	647	Jacor	O:JCOR	53.500	55.062	1.562	2.92%	10287
AMSC	O:SKYC	4.688	4.750	0.062	1.32%	133	Jeff-Pilot	N:JP	62.125	64.562	2.437	3.92%	3125
Belo Corp.	N:BLC	18.250	18.500	0.250	1.37%	6936	Jones Intercable	O:JOINA	28.188	27.812	-0.376	-1.33%	2203
Big City Radio	A:YFM	6.000	5.500	-0.500	-8.33%	13	Metro Networks	O:MTNT	35.875	38.125	2.250	6.27%	410
Broadcast.com	O:BCST	50.188	51.250	1.062	2.12%	3687	NBG Radio Nets	O:NSBD	1.313	1.250	-0.063	-4.80%	151
Capstar	N:CRB	17.063	18.500	1.437	8.42%	2229	New York Times	N:NYT	28.875	29.125	0.250	0.87%	2549
CBS Corp.	N:CBS	29.063	27.937	-1.126	-3.87%	23489	News Comm.	O:NCOME	0.438	0.406	-0.032	-7.31%	116
CD Radio	O:CDRD	31.750	32.062	0.312	0.98%	1051	OmniAmerica	O:XMIT	20.313	17.750	-2.563	-12.62%	1147
Ceridian	N:CEN	53.813	57.250	3.437	6.39%	3240	Otter Tail Power	O:OTTR	39.188	38.750	-0.438	-1.12%	57
Chancellor	O:AMFM	36.500	38.750	2.250	6.16%	9608	Pacific R&E	A:PXE	1.875	1.625	-0.250	-13.33%	0
Childrens Bcg.	O:AAHS	3.375	3.500	0.125	3.70%	33	Pulitzer	N:PTZ	83.125	82.312	-0.813	-0.98%	122
Citadel	O:CITC	20.563	21.125	0.562	2.73%	190	RealNetworks	O:RNWK	37.188	41.625	4.437	11.93%	11144
Clear Channel	N:CCU	43.875	43.750	-0.125	-0.28%	9447	Regent Pfd.	O:RGCI	5.125	6.000	0.875	17.07%	2
Cox Radio	N:CXR	43.000	42.625	-0.375	-0.87%	28	Saga Commun.	A:SGA	17.375	17.750	0.375	2.16%	137
Crown Castle	O:TWRS	12.500	12.750	0.250	2.00%	222	Sinclair	O:SBGI	13.250	13.687	0.437	3.30%	7337
Cumulus	O:CMLS	9.688	9.500	-0.188	-1.94%	932	SportsLine USA	O:SPLN	16.000	16.125	0.125	0.78%	7987
DG Systems	O:DGIT	2.563	3.000	0.437	17.05%	109	TM Century	O:TMCI	0.600	0.437	-0.163	-27.17%	0
Disney	N:DIS	28.688	28.875	0.187	0.65%	43246	Triangle	O:GAAY	0.037	0.031	-0.006	-16.22%	792
Emmis	O:EMMS	33.125	33.750	0.625	1.89%	468	Triathlon	O:TBCOA	11.000	10.750	-0.250	-2.27%	0
Fisher	O:FSCI	61.000	66.400	5.400	8.85%	19	Tribune	N:TRB	58.375	60.375	2.000	3.43%	1877
Gaylord	N:GET	27.875	27.875	0.000	0.00%	476	Westower	A:WTW	20.875	20.562	-0.313	-1.50%	42
Granite	O:GBTVK	5.938	6.750	0.812	13.67%	1586	Westwood One	O:WONE	18.250	18.062	-0.188	-1.03%	4760
							WinStar Comm.	O:WCII	27.875	29.687	1.812	6.50%	14571

Networks post Q3 gains

• Shadow Traffic's revenue gains are being credited with boosting Westwood One's (O:WONE) Q3 net revenues by 5% to \$66.7M. New CEO **Joel Hollander** took over in late October (*RBR* 11/2, p. 7), so Q4 will be the first test of his success in getting WW1's network business back on track. Q3 operating cash flow rose 7% to \$15.1M and after-tax cash flow rose 9% to \$12.2M. Net income dropped 50.7% to \$3.9M. During Q3, WW1 took a \$2.275M one-time charge for shutting down its suburban Washington news operation and consolidating news with CBS Radio in New York. CBS (N:CBS) owns a large stake in WW1 and manages the company.

• Metro Networks (O:MTNT) posted a 25.7% gain in Q3 ad revenues to \$44M. Cash flow (EBITDA) gained 16.5% to \$11.3M and net income rose 17.8% to \$5.3M. At the end of September, Metro Networks's affiliate count was 1,655 for radio services, 632 for expanded radio services, 153 for TV services and more than 400 for Metro Source, its competitor with traditional wire services. "Demand for Metro Source has been so great that it has taken us significantly ahead of our annual affiliate goal," said CEO **David Saperstein**.

11/16/98 RBR

Fox IPO a Wall Street hit

Rupert Murdoch's spin-off of News Corp.'s (N:NWS) US TV and movie operations into a separate company, Fox Entertainment, was so well received by investors that the IPO was boosted from the planned 85M shares to 124.8M. The issue was priced right in the expected range of \$21-24 (*RBR* 10/26, p. 12) at \$22.50, so Murdoch raised an extra \$768M for a total take of \$2.8B. That made it the third biggest IPO of all time. Meanwhile, Fox reported Q3 gains (see page 6), with the biggest boost coming from its movie operations.

Fox Entertainment (N:FOX) began trading Wednesday morning at \$24.50 and ended its first day of trading at \$24.50. **Lead underwriter:** Merrill Lynch

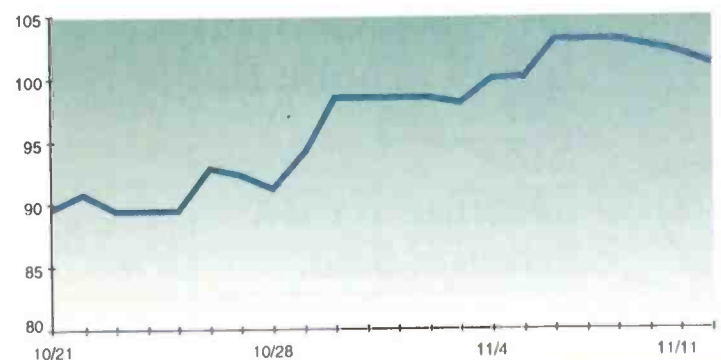
RBR observation: The news couldn't be better for the pending IPOs of Infinity Broadcasting (N:INF), which is a spin-off of CBS' (N:CBS) radio and outdoor divisions, and Entercom (N:ETM). The IPO window is opening a bit, but only for quality issues. Fox's success indicates that demand will be strong for Infinity. If all goes well for that radio IPO, Wall Street should also have an appetite for Entercom, another strong, big market radio group.

The Radio Index™

RADIO BUSINESS REPORT
Voice of the Radio Broadcasting Industry

THE WALL STREET JOURNAL
RADIO NETWORK

Radio stock prices leveled off, but remained above where they began 1998. The Radio Index™ closed Wednesday 11/11 at 101.09, up a modest 1.06 from the previous week.



by Jack Messmer

Cumulus "muscles" its way into Northwest Alabama

Cumulus Media (O:CMLS) is adding another unrated, but substantial small market with a \$6.3M deal to buy WLAY-AM & FM and WKGL-FM Muscle Shoals-Russellville, AL from **Larry Crim's** and **Parker Griffith's** U.S. South Broadcasting Co.

Cumulus Executive Chairman **Richard Weening** noted that acquiring stations "in high potential but presently unrated radio markets" is part of Cumulus' strategy. "Not only do such stations exhibit excellent cash flow and growth potential," he said, "but the markets they serve also warrant consideration for becoming rated markets in the near future as their economic base attains critical mass." Broker: **Don Sailors**, Sailors & Associates

RBR observation: If you pulled out an atlas and are looking in vain for Muscle Shoals on Alabama's Gulf Coast, try looking about 275 miles north, along the banks of the Tennessee River. Muscle Shoals is on the south side of the river, Florence on the north. If it were added as an Arbitron market, Muscle Shoals-Florence would fill most of the gap between Huntsville and Tupelo.

Citadel expands in Pennsylvania capital

Citadel Communications (O:CITC) is adding its third FM and second AM in the Harrisburg, PA market with a \$4.5M buy of Zeve Broadcasting's WHYL-AM & FM. Current owner **Lincoln Zeve** will join Citadel and continue to manage the stations. Citadel currently owns WQXA-AM & FM & WRKZ-FM in Pennsylvania's capital city.

Spring wedding planned for Chancellor/Capstar

If insider buying is an indicator that you follow for stock picking, you might want to consider an investment in Chancellor Media (O:AMFM) or merger partner Capstar (N:CRB). As he announced his company's Q3 figures last week (11/10), Chancellor CEO **Jeff Marcus** disclosed that he's been buying the stock—an additional 100,000 shares in recent weeks. He had a two word explanation for why he's been putting his own money into Chancellor stock: "It's undervalued."

Marcus told analysts and reporters that Chancellor has assembled its multi-media platform with its closed and already announced deals, so only smaller tuck-in deals should be expected in the future. For 1999, Marcus sees four growth areas for radio's largest group: 1) stronger revenues from its radio superduopolies, 2) growth from 13 major market radio turnarounds, 3) "significant" margin development at Capstar, and 4) implementation of its multi-media platforms. As for the latter, Marcus said cross-media sales gains "won't happen quickly, but we will learn to be a one-stop shopping center for advertisers."

Once Chancellor finishes folding in Capstar, Triathlon (O:TBCOA), LIN TV and Whiteco outdoor, Marcus sees the company posting \$1.3B in cash flow for 1999—about 71% coming from radio. The Capstar merger is expected to close in late March or early April.

Christopher T. Dahl, Chairman of
Children's Broadcasting Company

has agreed to transfer the assets of

KKYD-AM
 Denver, CO

KCNW-AM
 Kansas City, KS

WPWA-AM
 Philadelphia, PA

KPLS-AM
 Los Angeles, CA

WWTC-AM
 Minneapolis, MN

WAUR-AM
 Chicago, IL

WZER-AM
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Q3 earnings reports

Chancellor Media

Category	Q3 1998	Gain
Net revenues	\$343.8M	137.1%
Broadcast cash flow	\$168.8M	136.1%

Pro forma for 107 radio stations owned as of 9/30/98

Net radio revenues	\$286.0M	20.8%
Broadcast cash flow	\$148.9M	26.9%

Capstar Broadcasting

Category	Q3 1998	Gain
Net revenues	\$161.9M	215.9%
Broadcast cash flow	\$73.3M	349.5%

Pro forma for all completed acquisitions

Net revenues	\$165.8M	11.3%
Broadcast cash flow	\$73.6M	21.9%

In Capstar's analyst/reporter conference call, CEO **Steve Hicks**, who'll become Vice Chair of Chancellor, noted that Capstar's cash flow margin had improved to 41.8% in Q3 from the previous quarter's 35.8%. Hicks isn't satisfied, though, and wants to get the margin to 45% and more.

What's coming in '99?

In a recent report recommending Chancellor Media, Schroder & Co. analysts **Niraj Gupta** and **Ray Haddad** offered the following to justify their bullishness about radio prospects for the coming year, even if the US economy does experience a downturn:

"Obviously, ad spending increases at an accelerated pace when the economy is strong and, in a slowing

economic climate, advertising growth decelerates. It is important to recognize, however, that advertising can and has grown when corporate profits are down. Since 1979, for instance, S&P 500 earnings have declined six times. Over this same period of time, ad spending has declined only once—in 1991. In fact, over the past 38 years, advertising has declined only twice."

That bodes well for all ad-supported media next year, but the analysts note that radio historically has outpaced growth for TV and overall advertising.

For the record...

The broker for the \$3.5M sale of WGUL-FM Tampa (*RBR* 11/9, p. 14) was Norman Fischer & Associates.

RBR's deal digest

Broadcasting Partners Holdings is selling WKRS-AM & WXLC-FM Waukegan, IL to **Bruce Buzil's** Belvidere Broadcasting Co. LLC for \$4.3M... **Dex Allen's** Commonwealth II is entering Brawley-El Centro CA with a \$2M deal to buy KKSC-AM & KSIQ-FM. Broker: **Tom McKinley**, Media Services Group...

Albert L. Brooks is getting duopoly partners for WWRQ-FM Valdosta, GA with a deal to buy **F. Harrison Cooper's** crosstown WVLD-AM & WQPW-FM for \$1.6M... NBC-TV anchorman **Tom Brokaw** is selling his radio combo, KTOQ-AM & KIQQ-FM Rapid City SD, to **Houston Haugo** for \$1.97M, creating a duopoly with KSQY-FM.

CLOSED!

KUIC(FM)
Vacaville, California
from
Quick Broadcasting, Inc.
(Harry Benton)
to
Coast Radio Company, Inc.
(Jim and John Levitt)
for
\$7,000,000.

Elliot B. Evers
represented the Seller.

GEORGE I. OTWELL
513-769-4477

BRIAN E. COBB
202-478-3737

CHARLES E. GIDDENS
703-847-5460

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Q3 EARNINGS

Heftel cash flow up 20%, despite start-ups

Heftel Broadcasting (O:HBCCA) reported Q3 cash flow up 20.4% to \$19M as revenues rose 18.8% to \$44.2M. After-tax cash flow increased 24.2% to \$15.2M. For the period, though, cash flow gains were depressed by the launch of KLVV-FM & KLVV-FM San Diego and still-young start-ups in New York and Houston, which launched in Q2. Excluding losses from those new sta-

tions, Heftel said cash flow would have increased 31.8% in Q3.

"We view our start-up of radio stations in New York, Houston and San Diego this year as important strategic steps for our company," said CEO **Mac Tichenor**. "Like all early-stage start-up stations, these new stations are generating operating losses, so I am particularly pleased with our third quarter performance in the face of those start-up costs."

Sinclair rebounds from GM strike

Sinclair Broadcast Group (O:SBGI) Q3 revenues up 64.4% to \$205M, broadcast cash flow up 63.3% to \$93.6M and after-tax cash flow per share gained 22.2%. The gains, however, were largely due to acquisitions and same station results were held down by the General Motors strike.

"The company's station group met the revised levels of performance we had set out for it in July as the GM strike was ending," said CFO **David**

Amy. The TV group actually exceeded expectations by posting cash flow flat with a year ago. Amy said Sinclair's radio division "met our high expectations" with a 10% increase in revenues and a 16% cash flow gain—both on a pro forma basis.

That 10% gain in radio revenues came in markets that averaged 8% revenue growth, and radio group COO **Barry Drake** proudly noted that the group outperformed its markets without adding any spot inventory.

All-time highs for Radio One

Q3 brought record revenues, broadcast cash flow and net income for Radio One. Net revenues rose 45.3% to \$13.8M, cash flow gained 52.3% to \$6.7M and net income rose 25,100%—that's no typo!—from \$2,000 to \$504,000.

"1998 has exceeded even our most optimistic expectations," said CEO **Alfred Liggins**.

Radio One has publicly-traded bonds and recently indicated that it expects to sell stock to the public in 1999 (*RBR* 10/19, p. 18).

Tower companies post records

Fueled by acquisitions, two tower companies reported quarterly gains of high double-digit and even triple-digit percentages.

•OmniAmerica Inc. (O:XMIT) said revenues for its fiscal Q1, which ended 9/30, were up 91% to \$24.4M. Cash flow (EBITDA) gained 71% to \$3.1M and after-tax cash flow rose 77% to \$2.2M.

•Crown Castle International (O:TWRS), which completed its IPO during Q3, reported revenues up 152% to \$28.9M. Tower cash flow rose 370% to \$10.8M. On a pro forma basis, the company said annualized tower revenues increased 35% over the first nine months of 1998 for more than 1,000 towers which were owned and managed as of 12/31/97.

Q3 reports in brief

•Fisher Companies (O:FSCI) said Q3 net income dropped 24% to \$4.1M. Fisher Broadcasting's operating income declined 24%, which the company blamed on the impact of labor strikes against major advertisers. Income from the company's flour mills and food businesses rose 42% and income from real estate operations gained 48%.

•American Mobile Satellite Corp. (O:SKYC), the 80% owner of XM Satellite Radio, said Q3 total revenues rose 102% to \$21.8M. Cash flow (EBITDA) was -\$8.5M, an improvement from -\$9.4M a year earlier. XM has not been launched and thus does not yet contribute to the parent company's revenues.

•Gaylord Entertainment (N:GET) reported Q3 revenues down 15.2% to \$134.9M. Operating cash flow declined 12.2% to \$22.6M. Much of the revenue decline was due to closing the Opryland theme park at the end of 1997. Revenues for the broadcasting and music segment rose 21.5% to \$59.2M and operating cash flow gained 15.8% to \$10.2M.

•The Ackerey Group (N:AK) posted a decline in net revenues for Q3 of 8.6% to \$48.1M, but operating cash flow increased 6.9% to \$10.9M. On a "same stores" basis, the company said operating cash flow increased 20%. Broadcasting revenues rose 4.7% to \$22.4M, but operating cash flow declined 3.6% to \$5.4M.

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.

\$35,000,000—* WSGW-AM, WMJA-FM, WGER-FM, WIOG-FM, WKQZ-FM & WMJK-FM Saginaw (Saginaw-Midland-Pinconning MI) from 62nd Street Broadcasting of Saginaw License LLC (Mitt Romney, Joshua Bekenstein, Adam Kirsch & others) to Citadel License Inc. (Larry Wilson), a subsidiary of Citadel Communications (O:CITC). \$2M letter of credit as escrow, \$35M in cash at closing. Existing **superduopoly**. Broker: Richard A. Foreman Associates

\$27,000,000—* WWBR-FM Detroit (Mt. Clemens MI), 100% stock sale of Allur-Detroit Inc. from Syndicated Communications Venture Partners II LP (Herbert P. Wilkins Sr.) to Radio One Inc. (Alfred C. Liggins III, Catherine L. Hughes). \$500K escrow, balance in cash at closing. **Duopoly** with WCHB-AM & WDTJ-FM.

\$4,500,000—* WGLF-FM Tallahassee FL from Tallahassee Broadcasting Co. (Bruce Timm) to Cumulus Licensing Corp. (Richard Weening, Lew Dickey Jr.), a subsidiary of Cumulus Media (O:CMLS). \$200K letter of credit as escrow, cash payment at closing based on annualized gross revenue from minimum of \$4M to maximum of \$4.5M. **Superduopoly** with WHBT-AM, WBZE-FM, WHBX-FM & WWLD-FM. Broker: Media Services Group

\$1,970,000—* KTOQ-AM & KIQK-FM Rapid City SD from Tom-Tom Communications Inc. (Tom Brokaw) to Haugo Broadcasting Inc. (Houston Haugo). \$170K cash, \$1.8M note. **Duopoly** with KSQY-FM. LMA since 8/31. Note: Houston Haugo's son, Christian Haugo, is an applicant for a new FM on 92.3 MHz in Rapid City.

\$1,800,000—* KTRR-FM Ft. Collins (Loveland CO) from Onyx Broadcasting Inc. (Tom Gammon) to NCR III LLC (Alan R. Brill), part of the Brill Media Co. \$550K cash, \$1.25M note. **Duopoly** with KUAD-FM, plus an application for a new FM at Wellington CO. LMA since 6/27/96

\$1,700,000—KRCX-AM Sacramento (Roseville CA) from EMI Sacramento Radio Inc., a subsidiary of EXCL Communications Inc. (Athena Marks), to The Freedom Network (George and Adam Lindemann, Otto Miller). \$75K escrow, balance in cash at

by Jack Messmer & Dave Seyler

closing. Note: Also includes expanded band CP for KSXX-AM on 1690 kHz. Broker: George J. Dacre

\$1,300,000—WJFX-FM Ft. Wayne from Allen County Broadcasting (Louis and Joan Dinwiddie) to Ft. Wayne Radio Corp. (Russ Oasis). \$65K escrow, balance in cash at closing.

\$1,200,000—* WWIZ-FM & WLLF-FM Mercer PA from GBS Communications Inc. and Brandt Sarvas Communications (Francis & Catherine Sarvas, Karl & Ann Brandt) to Connoisseur Communications of Mercer

County LP (Jeff Warshaw), an operating company of Connoisseur Communications. \$50K escrow, balance in cash at closing. **Superduopoly** with WBBW-AM & WHOT-FM in the adjacent Youngstown OH market. Note: No overlap with Connoisseur's other Youngstown stations. Broker: CFA

\$325,000—WSJC-AM Magee MS from Eileen Bailey, Trustee in Bankruptcy for WSJC Inc., to Witko Broadcasting LLC (Richard E. Witkovski). \$5K escrow, balance in cash at closing.

\$275,000—* WTNN-AM Knoxville (Farragut TN) from 670 Inc. (Betsy & Ken Crosthwait) to Horne Radio LLC (Douglas & Susan Horne). \$20K escrow, additional \$180K in cash at closing, \$75K note. **Superduopoly** with WATO-AM, WBLC-AM, WLOD-AM & WESK-FM.

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Eliminate Carts for \$5,000

At last! A "cart" replacement system that **works like carts**, but with digital audio quality that **sounds like compact discs**.

It's Scott Studios' new Spot Box. It's the **easiest** hard disk digital system to use!

There are two parts: A triple-deck "cart" player on the left, and a "Cart Wall" pick list on the right.

The triple-deck digital player has everything you would ever want: Big green Play buttons, bright red Stop buttons, VU meters, large countdown timers, flashing End-of-Message signals, and large legible "cart" labels.

You can start each spot manually from the screen, from remote Start buttons (and run lights) on the console, or touch the Auto-Manual button to have Spot Box smoothly start the next deck itself.

Spot Box is really easy to use. There's only the one screen, so jocks never get confused. Even though Scott Studios uses Windows 98 or NT, Spot Box works like carts, **not** a computer.

If you use a paper log, load any cut quickly with the blue number keys at the bottom of the touch screen, or type them in with a 10-key pad. Or, pick and play any recording by number or name from the scrolling "Wall of Carts" showing all your spots, promos and jingles in ABC or 123 order.

As an option, Spot Box can be paper-free. Simply import logs from your traffic computer by diskette or Local Area Network.

You get detailed printouts showing exactly which spots played and when. With the traffic import option, you see at a glance the comparison of schedule and air times.

If you have several stations, record a spot only once. There's no limit to the number of Spot Boxes or hard drives you can connect by LAN or WAN for additional studios and redundancy. Every spot can be instantly played in every studios'

The screenshot shows the Scott Spot Box interface. At the top, it displays the time 8:13:24 and the date Sat AM Aug 1, '98. The interface is divided into three main sections for the cart player and a 'Cart Wall' pick list.

Cart Player (Left):

- Deck 1:** CompUSA - Epson PCM, 2474 :01/1:00/C CM, Q: 1-800-CompUSA. Countdown: :32. Buttons: Play, Auto, Stop.
- Deck 2:** Dallas Morning News NA, 4843 :00/1:00/C CM, Q: the News, You Know. Buttons: Play, Auto, Stop.
- Deck 3:** Pepsi-Cola Jimg, 7327 :00/0:30/C CM, Q: & Diet Pepsi!. Buttons: Play, Auto, Stop.

Cart Wall (Right):

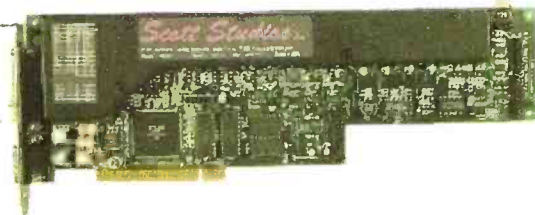
- 1023 Boston Market - \$1+ :00/1:00/C CM
- 1025 Boston Market - Lunch :00/1:00/C CM
- 1034 Both of You - Maternity :00/0:30/C CM
- 1035 Bright Truck Leasing :01/1:00/C CM
- 1036 Burns Security Syst :00/0:30/C CM
- 1038 Car Nation - Tuesday :00/1:00/C CM
- 1039 Car Nation - Wed :00/1:00/C CM
- 1040 Central Bank & Trust :00/0:30/C CM
- 1041 Cinema 12 :00/1:00/C CM
- 1043 Charley Horse Saloon :00/0:30/C CM

Navigation buttons include Up, Sched, Spots, Jingle, Promo, Songs, ABC, Record, and Dn. At the bottom, there are blue number keys 1 through 0.

Here's the simple and easy Scott Spot Box cart replacement. It sounds great, with three channels of uncompressed digital audio on three console channels.

Spot Box. Recordings can be locked so they only play on designated stations, days and times.

Scott Studios is first with a PCI digital audio card that plays **three uncompressed stereo channels with overlap** from one card **while recording** or playing a fourth!



Scott's non-proprietary 32-bit audio card is superior to anything else: >90db signal-to-noise, ruler flat frequency response, and your choice of MPEG II, uncompressed or both, mixed at all popular sample rates. Others use inferior 8- or 16-bit audio cards designed many years ago.

It's a fact: over 1,922 radio stations have 4,162 Scott digital workstations, including **major** groups like CBS, Chancellor, Disney/ABC, Clear Channel, Emmis, Citadel, Cumulus and many more.

Scott Systems are **best** due to:



- the **easiest** user interface;
- **uncompressed** digital audio;
- 3 products and price ranges: Good, Better & Best.

Scott Studios' digital audio is **affordable**. A triple-deck Spot Box Pentium II recorder-player starts as low as \$5,000!

Call Scott Studios to see how a digital system can be tailored to **your** needs and budget.

Scott Studios Corp.
13375 Stemmons Freeway, Suite 400
Dallas, Texas 75234 USA
(972) 620-2211 FAX: (972) 620-8811
Web Site: www.scottstudios.com
8 0 0 7 2 6 8 8 7 7
(800) SCOTT-77