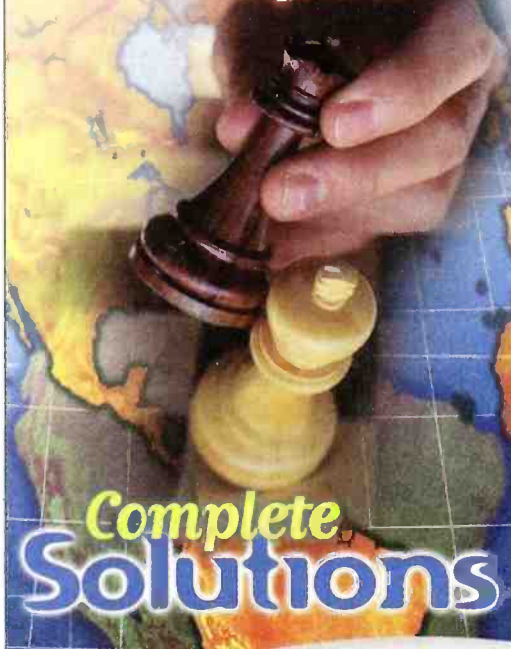


Leaders Know That Complete Market Domination Requires



Complete Solutions

That's why Leaders Look to BE!



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



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



WebVAULT™
Professional Internet
streaming radio
audio management
solution!



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



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

Leaders Look to BE!



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

RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

RADIO NEWS

VS&A sees continued growth for radio in its crystal ball 2
Veronis, Suhler predicts 9.5% annual compound growth for radio over the next five years as the industry purloins market share from newspapers.

Pacing: Level with last year's record results 2
Is ABC or Westwood the One for Liggins? 2
Joyner's DC move to smaller station may have big implications 3
.com and get it: Trumper deal merges broadcast, print on the web 3
IBOC: Competition for iBiquity anything but ubiquitous 3
iCAST baits the web with 153 formats 3
Patent no longer pending for StarGuide's CoolCast 3
Hispanic Newspapers Network says agency buys are biased 4
AWRT awards: Smulyan to pose on his Silver Satellite 4
WW1 + VH1 = new radio network 4
Veep candidates lack strong radio legislation record 4

RADIO AD BIZ™

A look at the new-look Premiere Radio Networks 5-8
Adstats: Format/website relationships, June revenues 5-6
The agency take on the new Premiere 10

MEDIA MARKETS & MONEY™

Two buyers build on the same Ft. Myers fortress 12
InterMart is selling a pair of FMs—one to Meridian Broadcasting and the other to Ft. Myers Broadcasting. The two buyers are already in an LMA.

'PEK-a-boo: Liggins to link FMs in Greenville-Spartanburg 12
AGM plays Four Corners with Roberts² spin-offs 12
Mel-ancholy Karmazin may buy back underpriced stock 12
It's high road/low road for Radio One's pair of stocks 13
Revenues from all over: SBS, Regent, WW1 13
More revs from Salem, Big City 15
Shaw 'nuff? We won't thank Hank for shaky stock tips 15
Wicks shops Down Under for revenue management software 15
BroadcastAmerica barter \$30M for advertising 15
Courting the FCC? Legal eagles fight the battle of LPFM 15

the superstructure for radio websites...

Imagine getting a website with e-commerce system and content that targets your precise audience and format. At a cost of next to nothing. It's all right here. Call us at 203-929-9101.



Home of the BlueDot WebSite NetWork

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

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

VS&A projects continued radio growth

You can add Veronis, Suhler & Associates to the industry analysts who are projecting strong growth to continue for radio. VS&A's latest "Communications Industry Forecast" projects that total radio ad revenues will grow at a compound annual rate of 9.5% for the five year period through 2004, slightly slower than the 10% rate for the five years through 1999.

VS&A also says radio and cable have been claiming market share from newspapers at the local level.

The report says radio's share of local ad spending grew from 17.9% in 1994 to 21.6% in 1999. The only other major media which gained for the same period were cable TV, from 2.6% to 4.2%, and outdoor (billboards), from 1.6% to 1.9%. Those gains came largely at the expense of newspapers, which dropped from 38.4% to 34.4%, although they still claimed the largest share. Also declining were TV, from 20.8% to 20.5%, and yellow pages, from 18.7% to 17.5%.

The chart on page 3 shows VS&A's radio revenue tallies for the past five years and projections for the next five. Note that the historical figures VS&A uses for radio revenues are significantly lower than those reported by RAB and used by most other analysts. For example, it puts total 1999 revenues at \$16.93B, while RAB reported \$17.6B. For this year, VS&A is projecting that total radio revenues will rise 12.2% to \$19.003B. VS&A is a New York investment banking firm which specializes in communications industries.—JM

Liggins looking for syndicator deal: ABC, Westwood competing

Radio One (O:ROIA) President/CEO **Alfred Liggins** is looking to strike a deal with an established syndicator, namely Westwood One or ABC Radio Networks, to handle programming, clearances, sales, advertiser nets, etc. for the new network he's been talking about for months. After getting the Clear Channel spinoffs, Liggins says his station base would be much larger than that of American Urban Radio Networks. That bulk, he adds, is making Radio One the company that Urban talent wants to work for.

"We've got a large Urban business going right now with **Tom Joyner** and **Doug Banks** and we're looking to expand it—we're going to have a new Urban network in January. We've also got a whole dedicated staff that does nothing but Urban from a marketing and sales standpoint," ABCRN President **Traug Keller** tells *RBR*. "So, we view Alfred as a possible

partner in multiple areas. We are definitely going to be doing things together, I can promise you that. Whether it's going to lead to them becoming part of our network or whatever, we will have to work that out."

Both nets have appeal for Liggins. Since Westwood CEO **Joel Hollander** came on board, there have been new programming platforms, some very successful. Knowing he likes to launch new programming and initiatives, we believe Hollander is very interested in doing a deal. Where ABC has well-established Urban properties, Westwood probably has access to more stations than ABCRN.

Liggins says he wants to keep control of the new African-American net(s), and let the syndicator partner handle the execution. The deal also hinges on what Liggins thinks his inventory should be valued at—it

Pacing sticking at record levels

Radio inventory is selling at a pace in line with last year's record levels, which Miller, Kaplan's **George Nadel Rivin** notes were well ahead of any previous year.—JM

RBR/Miller Kaplan Market sell-out percentage report

	2000	1999
Aug. 1	80.1%	83.2%
Sept.	66.2%	68.9%
Oct.	55.3%	50.1%

could be viewed as over-inflated, according to two *RBR* sources close the networks. Both Westwood and ABCRN have had multiple meetings with Liggins so far.—CM

©2000 Radio Business Report, Inc. All content may not be reproduced, photocopied and/or transmitted without written prior consent. Subscription Cost \$220.00

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

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

Joyner deal a triple play

ABC Radio Networks is moving "The **Tom Joyner** Morning Show" from Howard University's 24kw WHUR-FM Washington, DC to its Urban AC competitor, 3kw WMMJ-FM. As you might suspect, there's more to this—a bigger deal with Radio One (O:ROIA) that goes far beyond the DC market. Joyner will also debut on Radio One stations in two other top 10 markets later this month: WILD-AM Boston and KMJQ-FM Houston.—JM

Web-based ad-sellers merge

Consolidation is underway in the increasingly crowded field of companies serving as middlemen to sell traditional advertising via the Internet. Broadcastspots.com and MediaPassage.com are merging, creating a single company which they say will sell over a half-billion dollars worth of advertising over the Internet this year.

The two are a good fit, to be sure. MediaPassage.com, which launched three years ago, handles print advertising for newspapers and magazines. Broadcastspots.com, which is only eight months old, sells radio and TV spots. Combined, the two offer the full spectrum of print and broadcast ad buying on the Internet.

"All of the channels will sit on top of their transaction engine," said Broadcastspots.com founder and President **Jeff Trumper** of his new parent company. "They have a print channel. They have a magazine channel. We now have broadcast channels—radio, TV and cable. And if you start to think a little bit clearer, and further down the road, you start to see other channels being put on this. The ultimate goal of everyone is to have the 10-thousand-pound gorilla, which is the ultimate platform which holds all of the various media channels, including outdoor, interactive, all of that—one Website, a one-stop shop for any agency, any buyer in the world."

Broadcastspots.com is now a wholly-owned subsidiary of MediaPassage.com, headed by Chairman & CEO **Gilbert Scherer**. In addition to continuing to run the broadcast operation, Trumper is a director of the parent company.—JM

VS&A radio revenue projections through 2004

(\$ in millions)

Year	Local	Natl Spot	Total Stn Advg	Netwk Radio Advg	Natl* Radio Advg	Local Radio Advg	Total Radio Advg
1995	\$8,899	\$1,959	\$10,858	\$480	\$2,439	\$8,899	\$11,338
1996	\$9,611	\$2,135	\$11,746	\$523	\$2,658	\$9,611	\$12,269
1997	\$10,476	\$2,455	\$12,931	\$560	\$3,015	\$10,476	\$13,491
1998	\$11,628	\$2,823	\$14,451	\$622	\$3,445	\$11,628	\$15,073
1999	\$13,140	\$3,135	\$16,275	\$655	\$3,790	\$13,140	\$16,930
2000	\$14,756	\$3,543	\$18,299	\$704	\$4,247	\$14,756	\$19,003
2001	\$16,055	\$3,968	\$20,023	\$756	\$4,724	\$16,055	\$20,779
2002	\$17,660	\$4,404	\$22,064	\$812	\$5,216	\$17,660	\$22,876
2003	\$18,896	\$4,845	\$23,741	\$872	\$5,717	\$18,896	\$24,613
2004	\$20,314	\$5,353	\$25,667	\$938	\$6,291	\$20,314	\$26,605

*Network and national spot

Source: Veronis, Suhler & Associates Communications Industry Forecast

NRSC seeks IBOC proposals

Anybody out there got an IBOC system? The recent merger of USA Digital Radio and Lucent Digital Radio into iBiquity Digital appears to leave only one developer working on an In-Band-On-Channel system for digital terrestrial radio. Just in case, though, the National Radio Systems Committee has issued a request for proposals to participate in the NRSC's development of IBOC standards. Responses will be due 9/15. The RFP is posted on the NRSC portion of the Science and Technology section of the NAB.org Website.—JM

Format offerings blossom on the web

iCAST website www.icast.com has gone from 35 to 153 Internet-only radio formats. A division of CMGI Inc. (O:CMGI), it features musical styles from Electronica to Dixieland, with a "now playing" window which provides artist, album and track info. Also available are over 1,100 cuts from bands competing in an iCAST contest for new talent.

iCAST just inked a distribution deal with The AltaVista Company in which it was named AltaVista's entertainment channel. AltaVista's presence allowed iCAST to upgrade website features, including improved navigation and usability, and includes a new version of its downloadable iCASTER software, which plays CDs, among other things.—DS

CoolCast gets patent approval

The US Patent Office has issued a patent to StarGuide Digital Networks for a "High Bandwidth Broadcast System Having Localized Multicast Access to Broadcast Content." That's StarGuide's proprietary streaming technology that's showcased on its CoolCast Internet portal, www.coolcast.com. The technology is designed to let PC users receive streams of broadcast quality video and audio while simultaneously using other Internet services, such as email and Web pages. StarGuide has a deal pending to merge with DG Systems (O:DGIT).—JM

RBR News briefs

Global Media buys Magnitude

As we reported (*RBR* 7/31, p.7), CMGI's iCast division has sold Magnitude Network and its existing streaming, website development and e-commerce services contracts to GlobalMedia for \$6M. Global recently bought all 212 of OnRadio's radio website client accounts. Magnitude was originally bought for \$23M.—CM

Web wedding: Dalet and Hiwire join forces

Dalet Digital Media Systems, which provides content management software for audio webcasting and other applications, has entered into a partnership with Hiwire Inc., which brings its live-stream, targeted ad insertion capabilities to the table. The partnership aims to provide webcasters the means to generate revenue via streaming operations.—DS

The bird is working

Sirius Satellite Radio (O:SIRI) has some good news for its shareholders. Not only is its first satellite orbiting the earth following its 6/30 launch, but all systems are working properly. Payload and signal testing of Sirius-1 wrapped up 7/31 and the bird got a clean bill of health. The company's second of three satellites has arrived at the launch site in Kazakhstan and is scheduled to launch in early September.—JM

Radio Hall of Fame enshrines new members

Bruce DuMont, president of the Chicago-based Radio Hall of Fame, has announced the roster of inductees for the year 2000. Joining industry immortals will be ABC Oldies producer/host **Dick Bartley**, engineer **Amar G. Bose**, old-time legend **Eddie Cantor**, announcer for The Lone Ranger **Fred Foy**, veteran WOR AM-driver **John A. Gambling** and baseball play-by-play man **Milo Hamilton**.—DS

CMR joins AAF

Competitive Media Reporting, which was recently acquired by Taylor Nelson Sofres, has joined the American Advertising Federation. The move gives the advertising trade group access to CMR's extensive data on ad spending. "We have concrete plans to utilize these important statistics," noted **Wally Snyder**, President & CEO of AAF.—JM

Ad agency says suit "without merit"

Dow Jones—Britain's WPP Group (O:WPPGY) and its Oglivy & Mather and J. Walter Thomson units called a discrimination lawsuit filed against them by Hispanic Newspapers Network Inc. "frivolous and completely without merit." Hispanic Newspapers sued WPP Group and the advertising agency units for more than \$1B, alleging biased practices.

WPP Group said the suit alleges that it restrained trade by not spending enough federal advertising dollars on Hispanic Newspapers' 14 market publications. The newspaper group contends that WPP Group and the advertising units violated antitrust and civil-rights laws by excluding minority-owned publications when buying media for the federal government.

Federal accounts handled by the agencies include the Marine Corps, the White House Office of Anti-Drug Policy, the Census Bureau and the Postal Service, among others.

WPP Group said it has fully complied with government and contractual provisions to include minority businesses in federal advertising campaigns. ©2000 Dow Jones & Co.

Broadcast women smile on Smulyan

The American Women in Radio and Television kicks off August 28-29, and several radio execs will enjoy prominent roles at the event. Among the honorees are Emmis (O:EMMS) CEO **Jeff Smulyan**, who will receive one of two 2000 Silver Satellite Awards—the other goes to Premiere Radio Network's **Leeza Gibbons**. Nassau Radio Network's **Joan Gerberding** is one of several receiving a Star Award. Among those presenting panels and discussions are **Edie Hilliard** of Broadcast Programming and **Lynn Anderson** of the RAB.—DS

WW1 launching VH1 Radio Net

Westwood One (N:WON) has a three-year deal with Viacom's (N:VIA) VH1 to market the VH1 Radio Network, with launch set for 10/1. VH1 will develop a radio network with products for both Hot AC and Rock stations. Both services will offer affiliates show prep, audio cuts, news and information from the cable music channel. Although WW1 is not directly owned by Viacom, its largest shareholder is Infinity Broadcasting (N:INF), which, in turn, is majority owned by Viacom.—JM

NEWS ANALYSIS

Veep-stakes changed little

Now that both major party tickets are assembled, there's no indication of any significant change in broadcast policy leanings on either side. Sen. **Joseph Lieberman** (D-CT), who's been tapped by Democratic Presidential nominee-to-be **Al Gore** has been a co-sponsor of several campaign finance reform bills, but hasn't been an active advocate of free airtime. Lieberman has, however, been a vocal critic of what he perceives to be too much sex and violence on TV and in music lyrics. On the GOP side, **George W. Bush's** VP choice, **Dick Cheney**, had left the House long before deregulation and media morals became hot-button issues. He's not known to have been involved in any media-related issues while serving in Congress.

Bush has not encountered broadcast issues as Governor of Texas, but broadcasters expect him to be more to the industry's liking than Gore. After all, AMFM (N:AFM) CEO **Tom Hicks** is a former Bush business partner and a member of Bush's so-called "kitchen cabinet" of advisors.

Communications policy has been one of two areas overseen by the Vice President in the Clinton-Gore administration (the other is the environment) and broadcasters have frequently clashed with Gore's views. He spearheaded the Blue Ribbon Panel that attempted to ramrod through "voluntary" requirements for free campaign airtime and public service mandates. Gore's office also dispatched the DOJ's Antitrust Division to try to roll back the Republican Congress' deregulation of radio ownership limits. And of course, the VP was behind the selection of his longtime friend **Reed Hundt** to chair the FCC—setting up the open warfare with Congress and the broadcast industry that's continued under **Bill Kennard**.—JM

Radio advertising news, trends, strategies & stats for stations, networks, syndicators, advertisers and agencies.

Radio AdBiz™

From the Publishers of Radio Business Report Inc., 17 Years

Volume 4, Issue 8 August 2000

The New Premiere Radio Networks

by Carl Marcucci



Agency Perspective

Agencies react to the new Premiere
Page

AdStats

Format choice predicts website preferences

Strategic Media Research is conducting a study in LA which links a station's core listeners to planned Internet usage. The study, called Strategic Attrax, asks about planned rather than past Internet usage, which mirrors a study on planned purchases. Thus, the information becomes valuable for stations when they make presentations to potential advertisers. Below is a list of top website destinations linked to specific radio formats.—DS

Oldies

Sports, entertainment sites

CHR/Rhythm

Entertainment, business sites

Spanish

News, business, travel sites

Jazz

Music, investment, entertainment sites

Modern Rock

Business sites

Country

Radio station, travel sites

Classic Rock/AOR

TV station sites

Adult Contemporary

Auction, travel sites

Source: Strategic Media Research

Radio AdBiz™

August 2000, Volume 4, Issue 8

Executive Editor Jack Messmer
 Managing Editor Dave Seyler
 Senior Editor Carl Marcucci
 Associate Editor Elisabeth Derewitz
 Creative/Production Director Ronald Greene
 VP Administration Cathy Carnegie
 FCC Research Consultant Mona Wargo
 Administrative Assistant April Olson

Publisher **Jim Carnegie**
 VP/GM, Associate Publisher Ken Lee
 General Sales Manager John Neff
 Account Executive Susanna Pritchett

Editorial/Advertising Offices

6208-B Old Franconia Road
 Alexandria, VA 22310
 or
 PO Box 782
 Springfield, VA 22150

Main Phone: 703/719-9500
 Editorial Fax 703/719-7910
 Sales Fax: 703/719-9509
 Subscription Phone: 703/719-7721
 Subscription Fax: 703/719-7725

Advertising Sales Information

Ken Lee Phone: 703/719-9500
 John Neff Fax: 703/719-9509

Email Addresses

Publisher: J.Carnegie@rbr.com
 Editorial: RadioNews@rbr.com
 Sales: KLee@rbr.com
 JNeff@rbr.com
 SPritch@rbr.com

©2000 Radio Business Report, Inc.
 Material may not be
 reproduced without permission.
 Printed in USA.

RBR Family of Products



Managers Business Report

RADIO BUSINESS REPORT
 Mid-Week News Brief
Source Guide
 and Directory
 The All-Radio Yearbook

AdStats

Revenues cool but are still hot

For the first time in 2000, radio's monthly revenues did not soar by 20% or better. However, a 14% gain for the month of June is nothing to sneeze at. The gains were equally distributed between local and national business, and have brought overall YTD revenues to 21%.

Differences in regional results were more pronounced than usual. The coasts were substantially ahead of the other three regions locally. On the national front, the East and Southwest topped the 20% threshold while the Midwest suffered a drought (but still managed to keep its number in the black).—DS

June 2000	Local	National	Jan-June 2000	Local	National
East	17%	23%	East	19%	36%
Southeast	10%	18%	Southeast	14%	25%
Midwest	9%	3%	Midwest	15%	20%
Southwest	10%	25%	Southwest	15%	37%
West	20%	9%	West	22%	34%
All Markets	14%	14%	All Markets	18%	31%

Source: Radio Advertising Bureau

Radio's Sporting chance

Interop has put together a profile of the Sports radio audience based on information from Simmons and Miller, Kaplan, Arase & Co. Here are a few stats:

Sports stns, rated mkts	206
Stn in top-25 market	92%
25-54 demo	75%
Male	82%
College compared to avg.	83%
\$100K house compared to avg.	100%
Professional compared to avg.	72%
Manager/exec compared to avg.	100%

According to Miller, Kaplan, Arase & Co., the Sports format has the highest ratings-to-revenue rating in the radio business. With its well-to-do, essentially gender-specific audience, it is a good format for financial, automotive, travel and computer advertisers.—DS

PC/radio cohabitation confirmed

The relationship between radio listeners and cyber surfers is very strong, according to numbers just released by Statistical Research Inc. Perhaps radio's greatest attribute from the perspective of a website operator is its ability to drive surfers to the site. In fact, a resounding 46% of on-line users in the past month checked out a website because of something they heard on the radio, or to learn more about a radio station or program.

Here are stats describing once-a-week radio/PC convergence habits:

Web visit prompt	Pct.
Radio commercial	13%
Radio program	12%
Station/program info	8%

52% of all PCs are co-located with a radio. The following chart compares PC/radio and PC/TV locations within households:

Location	Radio/PC	Radio/TV
Bedroom	39%	37%
Living room	33%	46%
Office/study	19%	12%

Still not taking the world by storm is on-line radio listening. Still, 14% of past-month surfers tuned in to streamed radio programming.—DS



The New Premiere Radio Networks

With the AMFM (N:AFM)-Clear Channel (N:CCU) merger closing in, the merger details of O&O AMFM Radio Networks and Premiere Radio Networks were recently presented to agencies, advertisers and buyers. Hying a host of innovations, changes and new buying opportunities for agencies and advertisers, Premiere held a presentation 7/24 at the Museum of Radio and Television in NYC. Premiere President/COO **Kraig Kitchin** and AMFM Radio Networks President **David Kantor** were the presenters.

Upon the official radio merger date, all of AMFMRN's feature programming will be folded into Premiere: "American Top 40 with **Casey Kasem**," "Top 20 Rhythm Countdown with **Hollywood Hamilton**," "The **Dave Koz Show**," "The **Bob & Tom Show**," "Rockline," "Reelin' in the Years," "Modern Rock Live," "Country Live Tonight and "Backtrax." In addition, AMFMRN's show prep service, "Brown Bag Productions" and repping services for the Weather Channel Radio Network will be folded in.

New opportunities for buyers include three new RADAR-rated advertiser networks, debuting 1/1/01 (AMFMRN currently has four nets; Premiere five). They include a new morning drive FM network which will complement the current morning drive AM net, and two new 10-second inventory networks—"Action," tar-

geting Adults 18-49 and "Pulse," targeting Adults 25-54.

These 10-second opportunities, made possible by the new StarGuide distribution platform, hearken back to what radio used to be—live DJ reads before traffic, weather or information reports. They are planned to be the first spot coming out of a break. "With StarGuide, Pulse and Action we will provide network radio advertisers with a new paradigm and a new way to reach listeners with live, localized, personality-voiced commercials," Kitchin told *RBR*.

"I'm proud that the quality of the delivery of the RADAR products is going to be every bit as strong as AMFMRN's was—that is sort of a legacy," Kantor, who remains a consultant to Premiere until 3/31/01, added. "I think the innovation with the 10-second networks is

potentially going to revolutionize how network radio is done. The Morning Drive AM and FM networks are really going to allow advertisers to punch through and roadblock in radio in morning drive nationally."

The new Morning Drive FM network will take limited commercial inventory from all of the FM stations within Clear Channel and marry it with inventory inside of programs like "The **Bob and Tom Show**," "**Rick Dees** in the Morning" and other syndicated morning programming. Premiere's Morning Drive AM Network currently accesses 1,250 stations. "It presents a very strong way of reaching audiences listening to the FM dial in the morning," Kitchin affirmed. "Really, this is just meant to complement, because it expands the reach in our same network to allow people that just listen to the FM dial. It doubles the amount of



Presents

THE NEW USA MUSIC MAGAZINE



Each week, John Monds entertains millions of Urban radio listeners with America's top urban music magazine show. Included are such features as...

"Paula's Party Line"

The latest News and Gossip in Entertainment

"Looking Back"

Hits from the recent past

"Celebrity Brain Buster"

Weekly Celebrity Trivia

THIS PROGRAM IS PERFECT FOR URBAN ORIENTATED ENTERTAINMENT PROMOTIONS.

Sales Offices

New York, NY - **212-883-2100**

Chicago, IL - **312-558-9090**

Detroit, MI - **313-885-4243**

ONE OF THE HOT PROGRAMS ON...



A Division of American Urban Radio Networks



From left to right:

Nicole Alexander, Mediacom

Matthew Warneke, Medicaom

Mike Connolly, SVP/Eastern Sales, Premiere

Amy Niles, Account Exec./Eastern Sales

morning drive inventory for use for our advertiser clients."

Demand on station inventory, and therefore clutter, is also going to be reduced. Clear Channel has decided to let AMFM stations sell more inventory locally. Available network unit count will drop from 399 per week in 2000 to 311 in 2001. Premiere's 2001 upfront availabilities begin 8/14. With upfronts expected to be extremely tight given these reductions, Kitchin's new inventory opportunities were largely developed to provide more inventory options. "The new Clear Channel radio stations of the future, which are the previous AMFM stations, will be reducing their network inventory commercial load in the future to a level to be determined and announced in the next eight-10 weeks," says Kitchin. "It's an effort to put commercial inventory back into the hands of the local broadcasters within our group, which obviously is an increased revenue play, and to reduce the commercial load on each of the radio stations."

Premiere is also offering guaranteed Clear Channel/AMFM O&O clearances to advertisers, as was done with AMFMRN. The end result could be increased revenue for Premiere, as Kitchin tells us: "Any time you can tell a group of advertisers that 1,000 radio stations are going to guarantee the commer-

cial placements and the daypart clearance that we've represented is a huge statement of credibility. This drastically increases the cost-per-point (CPP) value in the minds of advertisers."

After the merger, dayparted nets will include Diamond, Emerald, Sapphire and Pearl; Service-based nets will include Axis, Focus and Ruby. All of the existing ad networks will be reconfigured to support the added AMFM stations. "The reconfigured gem networks take into consideration the inclusion of 500+ new stations, augmenting what AMFM has already started. It will broaden the coverage from market #1 to market #260 and it will be split from three networks into four, so we have an even more specific focus on particular demographics and particular lifestyles by format," Kitchin concluded.

The new sales management structure was announced 8/10: **Rhonda Munk** gets VP/director of Network Sales; **Mike Connolly** and **Cathie Mongeralla** get Eastern Sales; **Dan Smith** and **Ken Walker** head up the Chicago office; **Sue Swenson** heads up the Los Angeles office and **Kim Hunter** will run the Dallas office. Premiere will also be getting into repping streaming audio ads for radio station websites, and has already announced it will rep for XM Satellite Networks.

For agency reaction, see "Agency Perspective," page 10.—CM

Tracking Trends:
Married Male

49 years old.

2 kids.

Listens to 7.4 hours of
news talk radio a week.

Prefers easy listening.

Just stepped in gum.

Want to know what
all this
really means?

Unless you know how to use it, research is useless. That's where Strategic Media Research can help. We give you more than just reams of data. You get actionable, customized solutions that'll help you succeed. To find true meaning, call 312.726.8300 or visit us online at www.strategicmediaresearch.com.

STRATEGIC
media research

What's New. What's Now. What's Next.™

The New Premiere: Three Buyers' opinions

by Carl Marcucci

We asked three major buyers who attended Premiere's 7/24 Museum of TV and Radio presentation what they thought—good and bad—about the changes and innovations the net will make after the merger with AMFM Radio Networks.

Natalie Swed Stone, Managing Partner/Director of National Radio Services, OMD USA. OMD is a division of Omnicom, which acts as a buying conglomerate for BBDO, DDB Worldwide and TBWA/Chiat. She buys for clients such as Visa, McDonald's, Gillette, JC Penney, Chlorox and HBO.

Matthew Warnecke, Group Director, MediaCom.

Buys for clients such as Smith Kline Beecham, Century 21, Days Inn, Warner Bros, The American Egg Board, Pharmacia Upjohn, Autobytel.com and Hasbro.

Mitchell Scholar, Director of National Radio, Horizon Media Inc.

Buys for clients such as GEICO Direct, A&E, The History Channel and Blue Diamond Almonds.

What do you think about the new 10-second networks, Pulse and Action?

Swed Stone: I think I'm most excited about the Action and Pulse Networks because of the use of the technology and what it can deliver—specific copy by market and the fact this is going into RADAR and what it might open up in terms of a marketplace. So, now other networks might do similar things and we might have more inventory in the medium.

Warnecke: I think for retail-driven accounts this may be a great opportunity. But many MediaCom clients using network radio are truly national and don't necessarily need that local push. However, innovations in this medium are welcome as another way to showcase national radio as the place to be. Just look at a cable rating on TV—that's reach? As a percentage of media spending, there is work to be done to show the branding and reach advantages of network radio and these newer options are part of the tools we can use to grow our industry and our client's businesses. That being said, my main concern remains the

retention of inventory that is appropriate and for our clients' schedules.

Scholar: It's hard to tell for the kind of accounts we have right now. I think it's a very exciting thing for retail accounts, but as of this moment, I haven't assessed all of the needs for my clients in 2001. I'm definitely going to keep it in my bag of tricks.

Are you worried Premiere's rates will go up after the merger?

Swed Stone: We are concerned about the rates. The good news is although Premiere is bigger, so are we on the agency side—much bigger. We hope that over time that the size that we bring to the marketplace will ensure that we get the best deals for our clients. If we had one client, what could we say to Premiere? If I have 15-20-25 clients, and I've got a ton of money on the table, then I have some leverage.

Warnecke: I don't think so. Worrying gets you nowhere. There's still a marketplace that these people have to negotiate in. There are many networks, Premiere included, that can build reach, frequency, give great efficiency and have great stations. For example, MediaAmerica—it's not like AMFM is the only way I can get Z-100 on a network buy. If you're a radio station in the top five markets, you may be owned by Clear Channel and now part of the Premiere-AMFM umbrella, but you're still probably doing business with MediaAmerica or Global, so I can still clear great stations without necessarily having to go exclusively to AMFM-Premiere. They don't have a stranglehold on my ability to deliver a great station and a great rating.

The ultimate response that I have is there's always ratings points out there that are efficient and still worthwhile of my client's attention. And so they will still have to compete in a marketplace that exists.

Scholar: I'm very pleased for Premiere. I first met Kraig Kitchin 10 years ago. He's come a long way and I'm excited and pleased for him

and for his company, because I've watched them grow by leaps and bounds. It's been a very exciting thing to see happen, because you like when good things happen to good people.

As a member of the radio community, I'm thrilled to see the positive growth that has taken place and will continue to take place through this mega-merger. As a radio media negotiator and advertiser coordinator, I'm a bit wary of what might be taking place from a cost standpoint. Because to achieve what they are going to achieve, there's always a price to pay. Actually, I'm looking forward to the challenge—it's going to be a delicate dance between myself and them to try to reach an understanding as to what my clients can afford to pay and what they can afford to accept as payment.

What do you think about Premiere's plan to lower inventory?

Swed Stone: We think they had no choice, regarding the AMFM stations. However, we were pleased to see Premiere's creativity in bringing back the inventory through Pulse and Action. They found another way, a unique way, to bring the audience back to us.

Warnecke: I'm still digesting the information we heard recently, but it seems to me that inventory is decreasing on networks that were already limited inventory to begin with. As a percentage of the entire market, I have yet to be shown that there will be fewer units available overall. But in the end, you negotiate in the marketplace as it reveals itself. We make the best deals based on the price relative to delivery in the context of historical data. Healthy markets come and go. What will have lasting impact is consistency together with reasoned negotiations.

Scholar: The reason they they gave for it is to cut down on the clutter of the individual stations. In essence what they're doing...it's obvious that they can make more money, now that they are all part of a very large broadcasting company, by selling the spots individually on a spot by spot basis in each local market than they can by selling nationally. It's going to make the upfront very, very interesting. It's going to be interesting because we're going to face a situation where there's going to be reduced inventory in a market that should continue to have high demand. That, in and of itself should force pricing out, when there's high demand and low inventory. It's going to be a challenge. That's a delicate dance because as media professionals, we don't really want to tell our clients they will have to pay more to get the same, if we can avoid doing so. So I'm going to do my battles first. That's my obligation and my job.

Congratulations Rush,

as you begin your 13th year of

Excellence in Broadcasting

and...

THE
RUSH
LIMBAUGH
SHOW

on your Nomination

for the 2000

Marconi Award

Network/Syndicated

Personality of the Year.



PREMIERE
RADIO NETWORKS



by Jack Messmer

InterMart exits Ft. Myers for \$7M X 2

Jim Martin's InterMart Broadcasting is selling its two Ft. Myers-Naples, FL market stations for \$14M to two buyers.

#1: **Joe Schwartzel's** Meridian Broadcasting is buying WWWD-FM for \$7M. The station is currently a Class A licensed to Labella, FL, but has FCC approval to relocate to Estero, FL (between Ft. Myers and Naples) as a Class C3. Meridian already owns WNOG-AM, WARO-FM & WTLT-FM. It also LMAs WINK-AM & FM & WLTQ-FM from Ft. Myers Broadcasting.

#2: Speaking of Ft. Myers Broadcasting, it's the buyer of the other InterMart station—WCCL-FM, also for \$7M. It's a Class C3 licensed to Punta Rassa, FL and its tower is located between Ft. Myers and Naples. In addition to WINK-AM &

FM & WLTQ-FM, Ft. Myers Broadcasting owns WINK-TV (Ch. 11, CBS). The company is owned by the **McBride** Family.

Radio One has two in Greenville

While still waiting to close on its Clear Channel (N:CCU)-AMFM (N:AFM) spin-offs, Radio One (O:ROIA) is picking up a partner for one of those standalones. Radio One is paying \$7.5M for Alpeak Broadcasting's WPEK-FM in the Greenville-Spartanburg market. FM Talk may be a hot new format, but don't look for Al Liggins to stick with it. He says Radio One will offer "a powerful and complementary station combo" with soon-to-be-acquired Urban WJMZ-FM.

RBR observation: Guess what? Greenville-Spartanburg does not cur-

rently have an Urban AC station. Don't be surprised to see Radio One repeat the formula it's used successfully in other markets, beginning with its home base of Washington, DC, of pairing Urban and Urban AC stations.

RobertX2 spin-offs to AGM

Clear Channel (N:CCU) is spinning off six stations from its \$65.9M Roberts Radio group buy to Winton Road Broadcasting, part of the **Brandon** Brothers' American General Media group. They'll pay \$5M for KDGO-AM, KENN-AM, KNNT-AM, KPTE-FM, KRWN-FM & KISZ-FM in the Four Corners market of CO, NM, UT and AZ. **Broker: Charles Giddens**, Media Venture Partners

The FCC was poised to approve the long-pending Clear Channel (N:CCU)-AMFM Inc. (N:AFM) merger as RBR went to press. DOJ had given its blessing three weeks earlier, so the \$23.5B mega-merger could close in a matter of days.

Infinity buyback talk reiterated

With Infinity Broadcasting's (N:INF) stock price languishing as revenues and cash flow shoot through the roof (RBR 8/7, p. 12), CEO **Mel Karmazin**, like many other radio group heads, is frustrated by the way Wall Street is undervaluing his stock. Unlike most other radio CEOs, he has an option which could potentially remedy the situation. In a conference call with analysts, Karmazin repeated his past warning that if Infinity's stock price doesn't move up to a more reasonable level, majority owner Viacom (N:VIA) could buy back all of the Infinity shares (about 36%) that it doesn't now own.

In Viacom's conference call, Karmazin (who's also President & COO of Viacom) noted with pride that the cash flow margin for Infinity's radio group is at 53%, with some markets at 60%. "Those margins will continue

Petracom of Texarkana, LLC

has agreed to purchase of the assets of radio stations

KEWL-AM/FM KGAP-FM
KCAR-AM KHSP-FM

Texarkana, Texas

from

Basso Broadcasting

for

\$3.2 Million*

William L. Whitley

of Media Services Group, Inc.

served as the exclusive broker in this transaction.

Tel: (972) 231-4500 Fax: (972) 231-4509 E-mail: 110446.3066@compuserve.com

www.mediaservicesgroup.com

MEDIA SERVICES GROUP, INC.
ACQUISITIONS • VALUATIONS • FINANCING • CONSULTATION

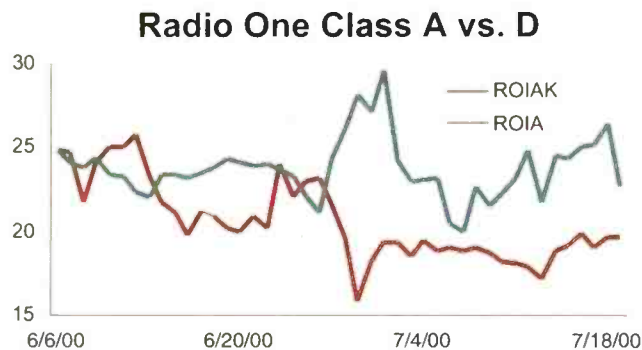
San Francisco • Philadelphia • Dallas • Washington • Kansas City • Providence • Salt Lake City • Jacksonville • Richmond

*Pending FCC Approval

Radio One: Stocks take divergent paths

When Radio One split its publicly traded stock into two classes back in June, the idea was to increase liquidity for stockholders and allow the company to raise additional equity without losing its identity as a minority-owned firm. In theory, the new Class D stock (O:ROIAK) has exactly the same value as the original Class A shares (O:ROIA). In practice, though, the stock prices have followed very different paths. In a recent conference call with analysts, the only explanation CEO **Alfred Liggins** could offer was that the company's private placement of \$260M in convertible preferred stock had the conversion option tied to the non-voting Class D stock. He theorized that some investors shorted the Class D stock to hedge their purchases of the preferred issue. Liggins also promised that those short positions would be money losers.

The gap between the two classes of stock was the widest 6/29, when the Class A closed at \$28.125—\$12.25 above the Class D at \$15.875. As the chart below shows, there have been a few, brief periods where the Class D stock actually traded above the Class A and the recent trend has been for the two to move closer together. In the long run, it would seem that they will have to trade in lock-step, much as Viacom's Class A (N:VIA) and Class B (N:VIAb) have for years.



to grow going forward because revenues still exceed fixed costs," he said.

SBS ATCS soars 70%

You'd never guess it by looking at the company's stock price chart, but Spanish Broadcasting System (O:SBSA) saw its after-tax cash flow (ATCF) rise 70% in the first three quarters of its fiscal year to \$19.5M. For the fiscal Q3, which ended 6/25, ATCF was up 49% to \$7.9M. Net revenues for the quarter were up 28% to \$34.8M and broadcast cash flow rose 15% to \$18.9M. Although the company's stations are racking

up gains elsewhere, SBS sent a shudder through Wall Street last month when it warned of slower growth at its Los Angeles station (*RBR* 7/17, p. 13).

Regent rings in record

Q2 brought a record \$10.7M in net revenues to Regent Communications (O:RGCI), a gain of 69% from a year ago. Broadcast cash flow rose 86% to \$3.6M. On a same station basis, revenues were up 9% and cash flow 12.6%.

Triple-digits for Westwood One

Forget double-digit gains. Westwood One (N:WON) reported triple-digit gains

SOLD!

KFGO(AM/FM),
KULW(FM),
WDAY(FM), KRVI(FM),
and KVQX(AM)
 Fargo, North Dakota

from
Companies Controlled by
Tom and Jim Ingstad

to
Clear Channel
Communications
for
\$46,300,000.

Charles E. Giddens
and
Elliot B. Evers
represented the Seller.

ELLIOT B. EVERS
415-391-4877

BRIAN E. COBB
202-478-3737

CHARLES E. GIDDENS
941-514-3375

RADIO and TELEVISION
BROKERAGE • APPRAISALS



**MEDIA VENTURE
PARTNERS**

*Subject to F.C.C. approval.

The Radio Index™

RADIO BUSINESS REPORT
Voice of the Radio Broadcasting Industry

THE WALL STREET JOURNAL
RADIO NETWORK

You call this movement? The Radio Index™ closed 8/9 at 167.76, down 0.06 from a week earlier.



McCoy Broadcast Brokerage, Inc.

REAL RESULTS.

Under Contract!
KSNA 104.5 FM
Laramie, WY



JOSEPH BENNETT MCCOY, III
COLORADO SPRINGS, COLORADO
719-630-3111 PHONE
719-630-1871 FAX

HAMMETT & EDISON, INC.

CONSULTING ENGINEERS
RADIO AND TELEVISION

Serving the broadcast industry since 1952...

Box 280068 • San Francisco • 94128



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

Radio Acquisition Seminar

Learn how to get financing and buy right. Six hours, one-on-one. Topics: 2000 industry update, search, values, negotiation, market and station due diligence and others you choose from experienced owner. For details call Robin Martin - 202/939-9090

TheDeerRiverGroup

Jobs!

Over 150 Media
Career Opportunities!
70 Great Places to Live!
Free Service to Candidates!
\$295 Total Cost To Employers!
www.MediaRecruiter.com
303-368-5900



THE EXLINE COMPANY

MEDIA BROKERS • CONSULTANTS

SOLD \$3.6 MILLION
KZZF-FM/KPTL-AM
South Lake Tahoe/Reno

ANDY McCLURE **DEAN LeGRAS**

4340 Redwood Highway • Suite F-230 • San Rafael, CA 94903
Telephone • 415-479-3484 Fax • 415-479-1574

TRANSACTION DIGEST™

by Jack Messmer & Dave Seyler

The deals listed below were taken from recent FCC filings. RBR's Transaction Digest reports on all deals that involve assignment of a station license (FCC Form 314) and substantial transfers of control of a licensee via a stock sale (FCC Form 315), but not internal corporate restructurings (FCC Form 316). All deals are listed in descending order of sales price.

\$5,025,000 KXSS-AM, KLZZ-FM & KKSJ-FM St. Cloud MN (Waite Park-Sartell MN), 100% stock transfer of RepCom Inc. Sartell FM Inc. from StarCom Inc. (Dennis Carpenter) to Regent Broadcasting (Terry Jacobs, Bill Stakelin), a subsidiary of Regent Communications (O:RGCI). \$250K escrow, balance in cash at closing. **Superduopoly** with WJON-AM, WWJO-FM & KMXX-FM. LMA since 6/15.

\$5,000,000 KCBQ-AM San Diego from Concord Media Group of California Inc. (Mark Jorgensen) to Radio 1210 Inc. (Ed Atsinger, Stuart Epperson), a subsidiary of Salem Communications (O:SALM). \$250K escrow, balance in cash at closing. **Superduopoly** with KPRZ-AM San Diego and KEZY-AM, KIEV-AM & KLTX-AM L.A. LMA in place. Broker: Gary Stevens & Co.

\$2,925,000 WPVQ-FM Turners Falls MA from Cardwell Broadcasting Inc. (Robert Shotwell) to Great Northern Radio LLC (Bruce Danziger, Jeff Shaprio), part of the Vox Radio Group. \$146,250 escrow, balance in cash at closing. **Duopoly** with WGAM-AM & WRSI-FM Greenfield MA.

\$2,250,000 KDB-FM Santa Barbara CA, 75% stock sale of Pacific Broadcasting Company Inc. from the Robertson & Henryetta Scott Trust (Robert Scott, Trustee of Decedent's Trust, 48%), Harvey Pool (15.26%) and Robertson Scott Jr. (27.64% before/15.9% after) to Michael Towbes (25%), David Anderson (25%), Arent Schuyler Jr. (12.5%) and Jean Schuyler (12.5%). The remaining 9.1% will continue to be owned by the Robertson & Henryetta Scott Trust (Robert Scott, Trustee of Survivor's Trust). \$2.25M cash for stock.

\$1,100,000 KZJH-FM Jackson WY from Alpine Broadcasting LP (Scott Parker) to Chaparral Broadcasting Inc. (Jerrold Lundquist). \$55K escrow, balance in cash at closing. **Superduopoly** with KSGT-AM, KBHJ-FM & KMTN-FM Jackson WY. Note: Eight stations in market. Broker: Media Services Group

\$1,050,000 WHOF-AM Wildwood FL from Walker Heart of Florida Broadcasting Inc. (Keith Walker) to Senior Broadcasting Corp., a subsidiary of The Villages of Lake-Sumter Inc. (H. Gary Morse, Mark Morse, Jennifer Parr, Tracy Mathews). \$325K cash, \$725K note.

\$380,000 KCLW-AM Hamilton TX from Charles Martin to Lasting Value Radio Inc. (Meredith Beal). \$10K escrow, balance in cash at closing.

\$375,000 WTKI-AM Huntsville AL from McDaniel Media Inc. (Mark McDaniel) to Mountain Mist Media LLC (Roger Rinn, David Barnhart, Ronald Creque, James Menefee Jr., MMM Ltd.). Payment of \$100K cash with 4/19 LMA, \$275K note.

\$150,000 WWOW-AM Conneaut OH from Contemporary Media Inc. (Doyle Flurry) to WWOW Broadcasting Inc. (John & Mary Ann Kanzius, Antoinette & Todd Palmer, Sherrie Kanzius). \$15K escrow, balance in cash at closing.

\$150,000 KAZU-FM Monterey-Salinas CA (Pacific Grove CA) from Monterey Bay Public Broadcasting Foundation Inc. (Ken Peterson, Pres.) to Foundation of California State University Monterey Bay (Peter Smith, Pres.). Series of payments totalling \$150K.

more transactions @ rbr.com

across the board for Q2. Net revenues rose 106% to \$136.5M, operating cash flow shot up 166% to \$43.1M and after-tax cash flow gained 175% to \$26.3M. Those figures reflect the acquisition of Metro Networks. On a pro forma basis, revenues were up 18% and cash flow 40%.

Steady growth at Salem

Salem Communications (O:SALM) reported Q2 revenue growth of 15.9% to \$24.8M. Broadcast cash flow rose 8.7% to \$11.3M. On a same station basis, revenues rose 11.2% and cash flow 9.6%. After-tax cash flow grew to \$5.5M from \$3.7M a year ago, but on a per share basis the gain was a single penny to 23 cents, since there are now 6.8M more shares. Salem's Internet (OnePlace.com) and publishing businesses generated a loss of \$2M for the quarter.

Big City reduces red ink

The broadcast cash flow deficit for Big City Radio (A:YFM) shrank to \$151K in Q2, compared to \$1.26M a year earlier. Revenues rose 65% to \$7.7M. CEO **Charles Fernandez** says the second half of 2000 will focus on "growth in all our markets as we implement engineering enhancements and begin cross-promotional programs with the radio stations and the portal site [TodoAhora.com]."

Surfing the wild, wild Web

It looks like a self-styled "analyst" on a notorious short-seller site has been trying again to manipulate radio stocks. In recent days, **Hank Shaw** has posted "analysis" on StreetAdvisor.com which urges readers to bail out of Clear Channel (N:CCU), "Clear Channel Radiating Static," and Infinity (N:INF), "Infinity Stops Here," but buy into Cox Radio (N:CXR), "Tuning Our Radio Dial to Cox." Shaw, by the way, underestimated Infinity's net revenues by \$50M and EBITDA by \$17.6M. Although he waited until after Clear Channel reported its Q2 results, he admitted that revenues beat his expectations by \$106M, but insisted that it "represented the last easy top line comparison for the company."

RBR observation: If you're trying to figure out how much weight, if any,

to give to Shaw's opinions, note the fine print at the bottom: "Hank Shaw, CFA is an analyst at a major investment management firm. He may, from time to time, own or short stocks mentioned in, or alluded to, in his articles." OK, if it's a "major investment management firm," why isn't it named? And why isn't there an email link or phone number listed to contact him?

Wicks buys RateMinder

Wicks Broadcast Solutions has acquired RateMinder, a revenue management software system. RateMinder, which was developed in Australia, can be integrated with Wicks' traffic software systems, CBSI and Datacount, as well as those of

competitors. Terms of the acquisition were not disclosed. Wicks says RateMinder integrates a full range of sales proposal and management functions into a simple paperless system to develop sales proposals and maximize yields.

BroadcastAmerica in \$30M deal

BroadcastAmerica announced a \$30M deal to swap equity for advertising. In exchange for a 1% equity stake in BroadcastAmerica, Commerce Exchange International will provide advertising on its outdoor video screen billboards, \$10M worth of advertising per year for three years. BroadcastAmerica streams programming on the Internet from more than 600 radio stations and 70 TV stations.

LPFM update: NAB vs. FCC

At face value, it seems as though nothing had happened since 2/16 in the NAB vs. FCC case over LPFM. The FCC is finally expected to file its formal response soon, but there have been other developments.

The first of the many confusing additions to this case comes in the form of something that all broadcasters are familiar with: consolidation. The Center for Constitutional Rights represents **Greg Ruggiero**, who sued to lift the FCC's ban on giving LPFM licenses to pirates who continued broadcasting after being told to shut down. He also wants the court to strike down second-adjacent channel protection as arbitrary and capricious.

Ruggiero's case was filed in the Second Circuit Court and has been merged with NAB's suit at the U.S. Court of Appeals for the District of Columbia. The cases are only similar in the fact that both are for changes in LPFM. Ruggiero wants to "increase LPFM to its maximum threshold" whereas the NAB wants LPFM ended or limited.

By March 10th, all 50 states, as well as the Southern California Broadcasters Association, had filed a Motion for Leave to Intervene in the case, stating their support of the NAB. And a week later, the Educational Media Foundation added its name to the list.

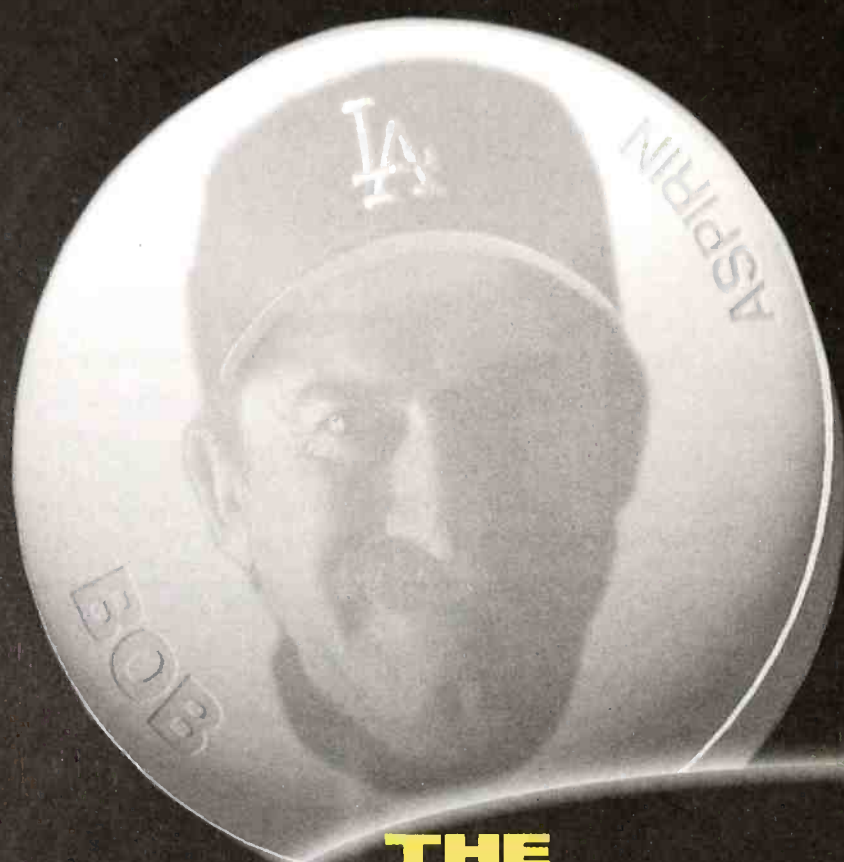
A change came on March 16th, when the religious organizations that really want to see LPFM come about, placed their names in the already long list of Motions for Leave to Intervene. This time though, the support went with the FCC. The Consumer Electronics Association also asked to intervene, since its members are manufactures who will be affected by "any action to affirm, vacate, enjoin, set aside or suspend low-power FM."

Shortly thereafter, the NAB made a Motion for Expedited Consideration, arguing that "delay will cause irreparable injury and that the decision under review is subject to substantial challenge." The FCC filed its first response in the case in the form of a plea to disregard the motion made by the NAB. The Commission argued that if the proceedings were sped up, the case would go forward before the FCC could act on the pending reconsideration petitions. The FCC filed a Motion to Hold in Abeyance, until the reconsideration petitions were acted upon, but the Court denied the motion. The oral arguments are scheduled to be heard in November.

On March 24th, a non-binding statement of issues to be raised by the NAB was filed. In this, the NAB listed the three main points that they would stress in the arguments against the FCC's LPFM initiative. They want to prove whether or not the FCC acted "arbitrarily and capriciously" in allowing LPFM stations to operate without third channel separation requirements that apply to other FM stations; acting despite prior views that low-power FM does not take full advantage of the spectrum; and ignoring the possible economic effects on existing FM stations.

The 50 state associations, the Southern California Broadcasters Association and the Educational Media Foundation also want the court to consider the impact that LPFM will have on smaller markets, stations owned by minorities and women and radio reading services for the blind.—ED

TAKE TWO OF THESE



**THE
BOB & TOM
SHOW**

**AND CALL US ABOUT
YOUR MORNINGS**

Ratings Success You Can Sell!

**NAB Marconi Award
1999 Network/Syndicated Personalities of the Year**

Market Customization

Call 972.239.6220 For More Information