

# Radio Business Report™

Voice Of The Radio Broadcasting Industry®

June 4, 2001

Volume 18, Issue 23

## AMERICAN URBAN RADIO NETWORKS

# #1

THE URBAN  
RADIO LEADER



AMERICAN  
URBAN RADIO  
NETWORKS

### NEW YORK

655 THIRD AVE. • 24TH FLOOR  
NEW YORK, NY 10017  
(212) 883-2100 • FAX: (212) 297-2571

### CHICAGO

30 NORTH MICHIGAN AVE., SUITE 1218  
CHICAGO, IL 60602  
(312) 558-9090 • FAX: (312) 558-9280

### DETROIT

1133 WHITTIER ROAD  
GROSSE POINTE PARK, MI 48230  
(313) 885-4243 • FAX: (313) 885-2192

### RADIO NEWS

April showers sure aren't made of black ink .....	2
Red ink is the order of the day as radio continues to struggle with the dot-com tough comps. May will be tough, too—after that it should ease.	
FINOVA bides its time over bids .....	2
Working out the KINKs over payola .....	2
New FCC gets Senate nod, begins moving in .....	4
Radio Owner Inc.—as in Radio Owner Incomplete? .....	4
WW1 keeps a pair of jocks in the stable .....	4

### RADIO ADBIZ

Agency perspective: A call for education .....	7
--	---

### PROGRAMMING FOR PROFIT

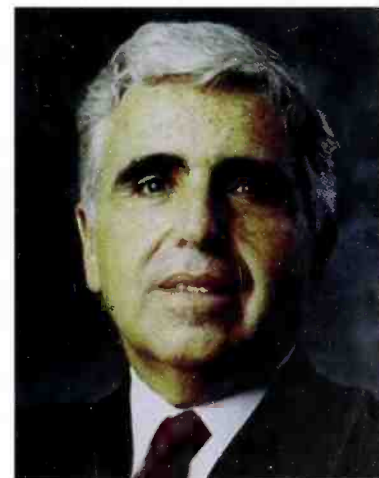
Slicing and dicing News-Talk-Sports .....	8-10
---	------

### MEDIA MARKETS & MONEY

Ackerley earns the opposite of extra credit .....	12
S&P has slashed the credit ratings for The Ackerley Group—is its Seattle radio cluster on the table? Maybe, for the right price.	
Orban adds Avocet to its portfolio .....	12
Ring around the Rosa? Sinclair moves in .....	13
Brill dips its quill in the black inkwell .....	13
Station trading: Cost of doing business unknown .....	15

### Media giant tells P&G to Viacom and get it

Procter & Gamble (N:PG) has entered into a \$300M cross-platform marketing partnership with Viacom (N:VIA) which gives it access to 12 Viacom television properties, which is being called Viacom Plus, and includes CBS Television Network, MTV, MTV2, VH1,



Nickelodeon/Nick at Night, CMT, BET, UPN, TV Land, Paramount Television, King World and Comedy Central. Although the initial deal is only for TV and cable, *The Wall Street Journal* reported that the companies also plan to eventually expand into other outlets, such as radio, outdoor and Blockbuster video rentals.

The deal gives P&G one-

### News-Talk by the numbers

What is the News-Talk environment facing up-and-comer Dave Ramsey? Find out in this issue  
Pages 8-10



### Bubba gets set for his day in court

Not all Florida residents are hog-wild about this shock jock's schtick  
page 6





Under new, improved ownership

# Radio's leading research firm is back!

Radio was a **great** industry to be in just a few years ago: Listeners enjoyed listening to it. Advertisers got good value advertising on it. And we all enjoyed working in the industry.

Today, however, many stations are in the hands of owners who think they can "save their way to success." And they're denying their best PDs one of the most important tools of all -- quality research on their target audience's tastes.

But the best broadcasters know that **listeners**

**still matter** -- and if you're working for one of them, Strategic can help you satisfy listeners' needs.

Strategic Media Research has been **leading the radio research industry** for over two decades: For example, we built the industry's first major, quality-controlled phone center. And we invented the very **concept** of professional callout research! □

To learn more, visit our new and improved website at [www.Strategic.fm](http://www.Strategic.fm) or call Kurt Hanson, Amy Vokes, or Dave Kerr at 1-312-726-8300.

**STAR callout research**

**Perceptual studies**

**Format searches**

**Auditorium music tests**

**Touch Direct Marketing**

**AccuTrack**



**Radio's leading research firm**

180 N. Wabash, Chicago, IL 60601 | 1-312-726-8300 | [www.Strategic.fm](http://www.Strategic.fm)

record labels for songs played on Infinity's KINK-FM Portland, OR. KINK PD **Dennis Constantine** was quoted as denying that station programming decisions were influenced by the Independent record promoter's promotional freebies—prizes for listeners and picking up the tab for KINK staffers to attend out-of-town trade conventions. The *LA Times* story also noted that lawyers for Infinity's owner, Viacom (N:VIA), had recently told KINK to stop accepting outside money for trade show junkets.—JM

## Commission set, sort of

A day after the Senate Committee on Commerce, Science and Transportation registered a 17-0 vote to confirm the nominations of **Michael K. Powell** (R) for chairman of the FCC, and **Kathleen Q. Abernathy** (R), **Kevin J. Martin** (R) and **Michael J. Copps** (D) as Commissioners (5/28), they received the blessings of the full Senate.

Two of them, Abernathy and Copps, were officially sworn in 5/31. Republican **Harold Furchtgott-Roth** and Democrat **Susan Ness** have just as officially exited.

Further change is in store for the FCC, however, as the other Democrat, **Gloria Tristani**, has announced she will be vacating her seat for a run at Sen. **Pete Domenici** (R) back in her home state of New Mexico. She has not yet announced her date of departure.—DS

## FCC approving incomplete applications

Since implementing its electronic filings system early this year, the Federal Communications Commission has granted at least five radio station transfers without providing public access to the sales contracts, as required by the FCC's own rules.

*Radio Business Report* has sought access to each and every station sale contract, whether submitted as a file attached to the electronic form or on paper.

We have also diligently checked back for updated filings. To date, though, the FCC's Mass Media Bureau has granted five transfers where, despite repeated requests, the documents were never made available to *RBR* or the general public. *RBR* is preparing legal filings to have these illegal grants rescinded.

The improperly granted station sales are:

- WGRX-FM CP (formerly WFAL) Falmouth, VA
- KUJ-AM Walla Walla, WA
- WJHW-FM CP Bainbridge, GA
- KWBC-AM Navasota, TX
- KEWE-AM Oroville, CA

Throughout its implementation in stages over the past few months, the FCC's CDBS electronic filing system has been plagued by problems. Many attorneys, engineers, journalists and researchers have complained of difficulties in either submitting or retrieving information. In many cases, the system has refused to accept electronic attachments to FCC forms, so attorneys and engineers have resorted to sending in CD-ROM copies or old-fashioned paper.

Despite efforts by FCC staffers to update the electronic filings from the CD-ROM submissions or to dispatch copies of the paper filings to the Public Reference Room, the list of incomplete filings maintained by *RBR* has been growing faster than the problems are being resolved (see page 15 for a market-by-market list of the problem filings).

**RBR observation:** While we don't want to do any damage to broadcasters who have submitted their required documentation, only to have it get lost inside the FCC, *RBR* is standing firm on making the FCC enforce its rules. Station sale contracts are public contracts and transfers may not be granted when there has been no public access to those public documents.—JM

## Business still shy in Chitown

*RBR* has acquired a Chicago radio revenue forward pacing report for the week ending 5/20 prepared by Hungerford, Aldrin, Nichols & Carter from an anonymous source. While it does not paint a pretty picture, there are signs of better times ahead. August advance sales on the national side are 200-250% better than in June and July. One factor skewing the local/national numbers is said to be the fact that national buys are being placed on a regional basis, and often get counted as local. Q4 is said to be looking good.

**RBR observation:** There is a good chance radio will have righted itself by Q4. The biggest problems are in the largest markets, and radio groups which are further down the market totem pole have, in many cases, already turned the corner. Further, the end of tough dot-com comps was the month of May, up 25% last year. However, in Y2K radio continued on a double-digit parade throughout the summer, per the RAB—June was 14%/14%/14% local/national/total, July was 11%/9%/11% and August was 11%/6%/10%. It was not until September, with 6%/-6%/3%, that business really began to tank. And September 2001 is when comps will become benign.

## Chicago forward revenue pacing

Month	Local	Natl	Total
June	-8%	-26%	-12%
July	-6%	-33%	-12%
August	-9%	-13%	-9%

Source: Hungerford, Aldrin, Nichols & Carter



## Infinity/ Westwood One syndicating Opie and Anthony



It was a battle, but apparently Infinity/Westwood One (N:WON) will emerge victorious. Rumor had it that Premiere Radio Networks was actively pursuing WNEW-FM NY (Infinity) funnymen **Opie** and **Anthony**. It's become a bidding war. However, a source close to the situation says it's not happening for Premiere. "Here's the deal: Clear

Channel (N:CCU) is trying to run the price up on Infinity. So Infinity has a right to match, and obviously if Infinity gets them, Westwood's going to syndicate them. That's really the bottom line deal."

So Premiere has been trying, but they won't get the show? "Right. It's not been signed yet, but it's not going to happen."

What's the timing on this? "Probably, it will come down in the next week or two—it's imminent."

The duo will be placed in "multi-markets."

Premiere President/COO couldn't be reached at deadline.—CM

**MIDWEST BROADCASTING, INC.**  
**PRESIDENT JONATHAN R. YINGER**  
**AGREES TO LMA & ACQUIRE THE ASSETS OF**

**WAUR**

**IN SANDWICH (CHICAGO), IL.**

**FROM CATHOLIC RADIO NETWORK**  
**FOR 4 MILLION DOLLARS**

**JOHN PIERCE REPRESENTED THE BUYER**  
**IN THIS TRANSACTION.**

**8 5 9 6 4 7 - 0 1 0 1**

**FAX 8 5 9 6 4 7 - 2 6 1 6**

**INFO@JOHNPIERCECO.COM**

**JOHN**  
**PIERCE**  
**& COMPANY LLC**

## ABC News trims down

ABC News has reportedly given buyout packages to 85 staffers, including producers, editors and editorial assistants—all part of Disney's ongoing effort to trim 4,000 out of 120,000 staffers by 7/1. "We think to get to the number that we need to get to to satisfy Disney, there will be another 25-30 layoffs. The whole process will be completed by July 1. ABC News Radio will be really diminutive because it is a small staff to begin with—they get their stuff from ABC News," two *RBR* sources explain.—CM

## New court date set for Bubba

WXTB-FM's **Bubba The Love Sponge's (Todd Clem)** attorney appeared before a Florida judge to answer the charges of felony animal cruelty (a boar castration/slaughter) for his client. Clem had pleaded not guilty to the charges last month. While Bubba didn't appear in court, he and the other defendants (including two listeners that performed the act) must appear during the next appearance, set for 6/11. The crime is punishable by up to \$10K fines and five years in jail. No word yet on whether the slaughter video will be released to the media (*RBR.com* 5/29).—CM

## Internet radio listening stable

Internet radio listening during the weekend leading into Memorial Day increased 38% over the previous weekend, according to the MeasureCast Internet Radio Report for the week of 5/21-5/27.

However, MeasureCast's Internet Radio Index for the entire week was unchanged at 149. Saturday, 5/26 and Sunday, 5/27 saw the highest percentage of weekend listening so far this year. Internet radio listening over the weekend accounted for 14% of the total number of hours streamed last week.

11 of the top 25 stations measured by MeasureCast experienced an increase in Total Time

# Radio News®

## RBR News Briefs

### Karmazin marries former Viacom VP Terry Malia

Viacom (N:VIA) President **Mel Karmazin** tied the knot 5/19 with **Terry Malia**, who recently retired from Viacom with a VP title. The two had first met, and worked together, pre-Viacom.—CM

### Traficant at the mic in Youngstown

Rep. **Jim Traficant** (D-OH), currently under indictment for tax evasion, bribery and racketeering began a four-day run at the mic on Clear Channel's WKBN-AM Youngstown, OH on 5/29. He's filling in for host **Dan Ryan**. The tell-it-like-it-is Congressman says his legal drama is the result of Justice Department harassment and blames the FBI for much of his district's local corruption.—CM

### NYC pirate radio operator arrested

US Marshals have arrested **Ibar Mohamed** from operating an unlicensed station at 89.3 MHz in Queens and Brooklyn NYC. Prior FCC warnings and enforcements had not convinced Mohamed to shut down. Marshals had also seized Mohamed's equipment on two previous occasions.—CM

### Launch Media announces financing

Launch Media (O:LAUN), producer of online music destination site Launch.com, announced 5/29 it has completed \$2M short-term secured debt financing from a "major media company." This financing replaces the secured convertible note financing that the company had previously announced pursuant to a non-binding letter of intent.—CM

### WJZM-FM Cleveland switches to Active Rock

Yet another Clear Channel Jammin' Oldies outlet is retired: this time WJZM-FM Cleveland. The switch took place on the morning of 5/25, over to Active Rock. The new name: "Xtreme Rock." The entire staff was terminated and the station is currently running without DJs. The new PD is **Michael Luczak**.—CM

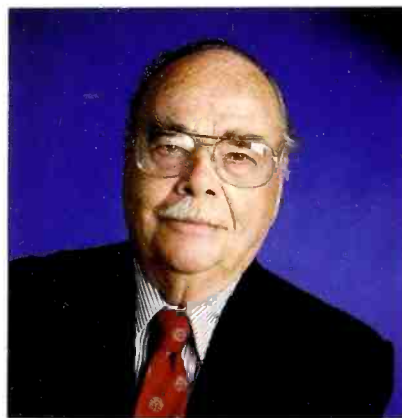
Spent Listening (TTSL). 16 stations showed an increase in cume. Significant increases in TTSL were made by ESPNRadio.com (40%), and WolfFM.com (28%). The total number of hours streamed by on-line broadcasters measured by MeasureCast has increased 49% since January.

Newcomers to the latest MeasureCast Top 25 list include: aliceonair.com, a Swedish Internet-only station, and WMVY-FM, a AAA station in Martha's Vineyard, MA.—CM

### Emmis mourns Heckman

The grand old man of Indiana radio newscasters, **Fred Heckman**, has died of cancer at age 77. Heckman served for 35 years as news director of WIBC-AM, from 1957 until exiting in 1993 in a dispute with new owner Horizon Broadcast-

ing. He returned on a part-time basis when the station was acquired by Emmis (O:EMMS) a year later and continued to deliver his "My Town Indy" com-



mentaries until retiring as senior news analyst just last year. Heckman was inducted into the Indiana Journalism Hall of Fame in 1982 and the WIBC newsroom was dedicated to him after his retirement.

**RBR observation:** (A personal observation from Executive Editor

**Jack Messmer**) As I was growing up in central Indiana, hearing Fred Heckman on WIBC was a big factor (perhaps the biggest) in making me want a career in radio news. He led an aggressive, hard-hitting news team—and a class act as well. Years later, I told **Randy Odeneal**, whose Scornix Broadcasting then owned WIBC, that my ultimate career goal had always been to become news director of WIBC—but it appeared that Fred would never retire! Of course, he did eventually step down, but not until after Odeneal had sold the station. Fred and I never worked together and I only met him face-to-face a few times over the years at various industry gatherings. People who knew him better are obviously feeling his loss more, but I join them in mourning a top-notch newsman whose influence was felt in ways he never even knew.—JM

## Radio Rx—Get more drug ads

According to a report from the Interep Marketing Group, radio has benefited greatly from the 1997 relaxation of rules governing the advertising of prescription drugs. Its take from this category grew from \$9M in 1999 to \$33M in 2000.

If that seems good, think again. It is a mere drop in the bucket compared to the \$2.3B the sector spends annually on advertising. 50% of that currently goes to TV.

According to Interep's **Debbie Durben**, some prescription drug companies have seized on advantages offered by radio. "Marketers are beginning to recognize the tremendous share of voice opportunity available on radio, particularly as television becomes increasingly crowded with competing DTC (direct-to-consumer) prescription brands," she said.

Here are radio's the top ten spenders: Claritin (allergy), Tamiflu (flu), Prilosec (heartburn) Glucovance (diabetes), Procrit (anemia), Avandia (diabetes), Allegra (allergy), Lymerix (Lymes disease) and Patanol (allergy).—DS

## Olds' swan song to feature Billy Dee Williams

With domestic auto makers cutting back on all types of advertising this year, it seems that the only US car spots being aired are for Oldsmobile's going out of business sale. Now the nameplate that General Motors (N:GM) is phasing out has signed **Billy Dee Williams** for new radio spots to air on Urban AC and R&B stations in 15 markets, mostly east of the Mississippi.

The '60s feature Williams chanting "They got your back," to reassure potential Olds buyers that GM is standing behind the vehicles with its five-year/60K mile warranty. The popular actor is not identified by name, but Olds and its "diversity marketing" agency, E. Morris Communications, are confident that listeners will have no trouble identifying Williams' distinctive voice.—JM

# Radio AdBiz®



## Sounding a call for education

By Marianne Busse Cohn

I participated in an agency/network panel discussion recently with a majority of the New York network radio buying community. Again and again I heard the same story...we as buying departments and supervisors need help in the education and promotion of the medium. For the past two years the networks have basked in the glow of large ad budgets, the new dot.com advertisers and a booming economy. Was it short-sighted thinking and failure to realize that the client, planning and account groups for the more traditional accounts and long time supporters of the medium were being ignored or not recognizing the personnel changes in the new merging media buying services? With all the new network configurations and

buy-outs, information was being disseminated to buyers that could not possibly keep updated their ever growing client base and personnel changes in planning and account groups.

I beg to differ with a well-respected colleague who said there was no need for a Network Radio Association. Both the often limited-staffed network radio buying departments and the networks elimination of dedicated new business teams has hurt this business significantly. While I believe we put our best effort forward to promote the medium and educate our agency staff and clients, our time is usually dedicated to the budget currently on our desk. Networks and agencies both need additional educational and informational resources in today's marketplace of 10 second networks, split copy abilities, satellite, Internet, network reconfigurations, multitude of syndication properties, sponsorships, multi-platform packaging, copy reads, promotions, merchandising, etc.

We have history, flexibility, personality, affordability, efficiency, choices and a group of great people who can make network radio a part of almost any advertiser's marketing plan. I still believe that in the age of Internet and "reality based television" that today's consumer still turns on their radio for music, sports and news. So network management...if you are listening...until you can rebuild a working Network Radio Association, get yourselves together and build a solid generic presentation that demonstrates all the great things network radio can do with success stories, creative copy examples, promotions and then USE IT! And if anyone at any radio network is confident that they did their due diligence with regard to educating clients and agencies I welcome you to sit at my desk for just one day and answer the questions I do...you may be surprised!

Marianne is Supervisor of National Radio for Initiative Media. She can be reached at 212-403-7727 or marianne.cohn@im-na.com.

## Stiff problem in Washington State

A California ad agency is going out of business, leaving a Washington agency and the state's Department of Health with egg on their face, and leaving 120 radio and television stations with a dead-beat account, according to a story in Advertising Age.

The Department of Health shelled out \$1.2M to a local ad agency for an anti-smoking campaign. The local agency in turn subcontracted a second agency based in California. The ads were created, booked and aired. But the California company is disbanding and renegeing on paying for the airtime.

The agency apparently offered to pay at least one radio station 50 cents on the dollar to close the account.

In the interim, attorneys for all sides are warming up in the bullpen, including the Health Department, which is consulting with its own attorneys as it considers its options.—DS

## Charting the News-Talk-Sports audience

Stations running News, Talk, Sports or some combination of the three are the most listened to stations in the Arbitron market universe. This is largely by virtue of their popularity in the largest markets. Four other formats claim at least 10% of the listening audience: Adult Contemporary (14.0%), CHR (11.3%), Country (11.0%) and Urban (10.5%). For more informa-

tion on general format groups, see *RBR* 5/14, p.10.

The charts presented in this study measure the News-Talk-Sports audience in four groups: 12+/AM/FM, audience by market size, audience by region, and audience by demo. The N-T group rank shows its position for a given category

compared to 14 other format groups. The rank in parentheses for the subcategories show rank among a total of 31 format subcategories.

Stats are based on the Arbitron Fall 2000 survey, compared to the *RBR Source Guide and Directory* database. Ratings numbers are adjusted by market popula-

tion to permit comparisons across markets. Below-the-line stations are generally not included, and, for the purposes of this study, the adjusted above-the-line ratings are considered to be 100% of the listening for that market. Each format's overall 12+ number is the benchmark used for calculating its index.

by Dave Seyler

### 12+ population, AM and FM dials

Again, the strength of the format group in the top markets boost it to the number one format group in the US. It is far and away the king of the AM dial. Only the Standards format keeps its subcategories from a clean sweep of the top four rankings.

The formats as a group have made few inroads onto the FM dial, but what little is there is almost all in the All Talk category.

12+ population					
Rank	Format	AM	FM	Pct	Index
1	N-T group	965	70	15.9	100
(3)	News-Talk	505	22	8.1	100
(14)	All Talk	167	25	3.1	100
(17)	Sports	249	20	2.3	100
(18)	All News	44	3	2.3	100

AM dial					
Rank	Format	AM	FM	Pct	Index
1	N-T group	965	0	67.9	427
(1)	News-Talk	505	0	37.1	458
(3)	All News	44	0	10.6	461
(4)	Sports	249	0	10.4	452
(5)	All Talk	167	0	9.9	319

FM dial					
Rank	Format	AM	FM	Pct	Index
12	N-T group	0	70	1.6	10
(18)	All Talk	0	25	1.2	39
(25)	News-Talk	0	22	0.2	2
(27)	Sports	0	20	0.1	4
(29)	All News	0	3	0.1	4

### News-Talk formats by market size

News-Talk is particularly strong in the largest markets. In fact, it is only in recent years, with the proliferation of syndicated offerings, that smaller markets have been able to afford to run these otherwise labor-intensive formats. Once out of the top 50, the category never again achieves a break-even index of 100, and it is rare for any subcategory to post an index of 100 or better.

Note that, in particular, the All News subcategory has virtually all of its strength in the top 50 markets. In fact, it is in less than half of the top 50, with only 21 stations generating all of the audience for the format. Few stations program an All News format, but the ones that do are among the biggest stations in the country.

# Programming for Profit

### Markets 1-50

Rank	Format	AM	FM	Pct	Index
1	N-T group	292	21	17.5	110
(3)	News-Talk	136	4	7.8	96
(11)	All Talk	62	12	3.8	123
(14)	All News	21	2	3.2	139
(16)	Sports	73	3	2.7	117

### Markets 51-100

Rank	Format	AM	FM	Pct	Index
4	N-T group	204	19	11.9	75
(3)	News-Talk	99	8	8.6	106
(15)	Sports	65	7	1.9	83
(18)	All Talk	33	3	1.3	42
(29)	All News	7	1	0.1	4

### Markets 101-150

Rank	Format	AM	FM	Pct	Index
4	N-T group	151	12	11.8	74
(4)	News-Talk	79	4	8.8	109
(17)	All Talk	20	5	1.6	52
(18)	Sports	48	3	1.3	57
(28)	All News	4	0	0.1	4

### Markets 151-200

Rank	Format	AM	FM	Pct	Index
4	N-T group	137	8	9.5	60
(6)	News-Talk	81	3	7.2	89
(17)	All Talk	19	2	1.0	32
(20)	Sports	29	3	0.8	35
(26)	All News	8	0	0.4	17

### Markets 201-250

Rank	Format	AM	FM	Pct	Index
4	N-T group	117	7	10.4	65
(3)	News-Talk	78	2	8.2	101
(18)	All Talk	17	2	1.2	39
(20)	Sports	20	3	0.9	39
(28)	All News	2	0	0.0	0

### Markets 251-283

Rank	Format	AM	FM	Pct	Index
3	N-T group	64	3	9.5	60
(6)	News-Talk	32	1	6.9	83
(14)	All Talk	16	1	1.6	52
(17)	Sports	14	1	0.7	30
(18)	All News	2	0	0.6	26





"I had to borrow from my 401K just to pay the mortgage."

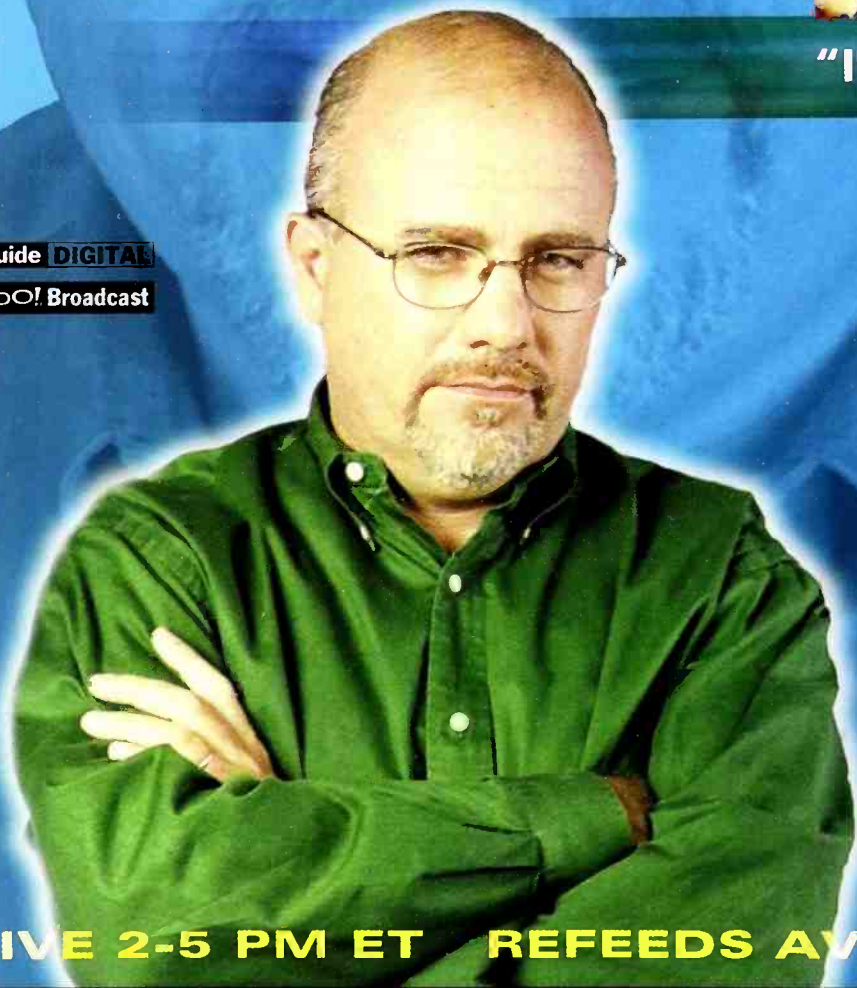
# YES, It is Personal.

It's not *just* about money...  
It's all about *real* people.  
And, It's all about *real* life.



"I'm so far in debt how do I get out?"

StarGuide DIGITAL  
YAHOO! Broadcast



## SEE THE IMPACT!

Arbitron Ratings Fall 2000 - Winter 2001

WMEN Knoxville, TN 0.8 → 2.0  
P 25-54

WWKY Louisville, KY 0.9 → 4.2  
P 25-54

"Business Radio 650"  
Houston, TX **First Book!** ↑ 0.6  
P 25-54

WTMA Charleston, SC 1.8 → 5.8  
P 25-54

WTKG Grand Rapids, MI 1.5 → 3.6  
M 18-34

LIVE 2-5 PM ET REFEEDES AVAILABLE 24 HRS / 7 DAYS

# THE DAVE RAMSEY SHOW<sup>®</sup>

"Where life happens; caller after caller..."

SYNDICATION INFORMATION

BOB BORQUEZ

1.877.410.DAVE

WWW.DAVERAMSEY.COM

## News-Talk formats by region

The Northeast, Midwest and Pacific regions are strongholds for the N-T group, in that order. It holds its own in the Mid-Atlantic, and struggles in the South and Southwest/Rockies.

The All News format is particularly concentrated in the Northeast. The fingerprints of New York's (and Infinity's) WCBS and WINS are all over the format's 274 index there. It

is the only region where the most common News-Talk hybrid stations are not the most listened-to.

The Sports format does well in the Northeast and Mid-Atlantic, then gradually fades away as one proceeds west.

# Programming for Profit

Northeast (CT, ME, MA, NH, NY, RI, VT)					
Rank	Format	AM	FM	Pct	Index
1	N-T group	111	8	20.8	131
(4)	All News	5	0	6.3	274
(5)	News-Talk	56	2	6.2	77
(9)	All Talk	21	3	4.9	158
(13)	Sports	29	3	3.4	148

Mid-Atlantic (DE DC KY MD NJ OH PA VA WV)					
Rank	Format	AM	FM	Pct	Index
1	N-T group	176	9	15.0	94
(6)	News-Talk	91	2	7.1	88
(12)	All Talk	30	3	3.0	97
(13)	Sports	47	3	2.9	126
(20)	All News	8	1	2.0	87

South (AL AR FL GA LA MS NC SC TN)					
Rank	Format	AM	FM	Pct	Index
5	N-T group	227	35	10.7	67
(4)	News-Talk	121	17	7.3	90
(17)	Sports	60	9	1.7	74
(19)	All Talk	35	9	1.2	39
(25)	All News	11	0	0.6	26

Midwest (IL IN IA KS MI MN MO NE ND SD WI)					
Rank	Format	AM	FM	Pct	Index
1	N-T group	194	10	19.3	121
(2)	News-Talk	112	1	10.5	130
(9)	All	22	12	4.2	135
(15)	All News	6	1	2.4	104
(17)	Sports	47	3	2.2	96

Southwest-Rockies (AZ CO ID MT NV NM OK TX UT WY)					
Rank	Format	AM	FM	Pct	Index
3	N-T group	139	3	12.6	79
(4)	News-Talk	66	0	9.0	111
(14)	Sports	34	1	2.2	96
(19)	All Talk	31	2	1.4	45
(28)	All News	8	0	0.1	4

Pacific (AK CA HI OR WA)					
Rank	Format	AM	FM	Pct	Index
1	N-T group	118	5	17.5	110
(3)	News-Talk	59	0	8.6	106
(10)	All Talk	21	3	3.9	126
(14)	All News	6	1	3.0	130
(19)	Sports	32	1	2.0	87

## News-Talk formats by demo

The older a person is, the more likely they are to tune into a News-Talk-Sports station, and men are much more likely to tune in than women.

This is especially true of the Sports format. Even the young guys, who put up an index of only 64 for the N-T group, put up an impressive 157 for this subcategory.

What women in general have in common with the young men is that they, too, generally find something else to listen to. The older women are almost at par for the All News category, but have an index of only 78 for the group as a whole. It all goes down from there into the younger female demos.

Men 25 and up carry the day for the formats as a whole, and tune into Sports at double the rate of the general 12+ population.

Persons 18-34					
Rank	Format	AM	FM	Pct	Index
8	N-T group	965	70	7.0	44
(12)	News-Talk	505	22	2.3	28
(14)	Sports	249	20	2.1	91
(15)	All Talk	167	25	2.0	65
(21)	All News	44	3	0.6	26

Persons 25-54					
Rank	Format	AM	FM	Pct	Index
2	N-T group	965	70	13.3	84
(8)	News-Talk	505	22	6.0	74
(15)	All Talk	167	25	2.8	90
(16)	Sports	249	20	2.8	122
(19)	All News	44	3	1.7	74

Persons 35-64					
Rank	Format	AM	FM	Pct	Index
1	N-T group	965	70	17.5	110
(2)	News-Talk	505	22	8.9	110
(12)	All Talk	167	25	3.3	106
(14)	Sports	249	20	2.7	117
(15)	All News	44	3	2.6	113

Men 18-34					
Rank	Format	AM	FM	Pct	Index
4	N-T group	965	70	10.1	64
(9)	Sports	249	20	3.6	157
(10)	News-Talk	505	22	2.9	36
(11)	All Talk	167	25	2.8	90
(20)	All News	44	3	0.7	30

Men 25-54					
Rank	Format	AM	FM	Pct	Index
1	N-T group	965	70	18.0	113
(4)	News-Talk	505	22	7.4	91
(10)	Sports	249	20	4.7	204
(12)	All Talk	167	25	3.9	126
(19)	All News	44	3	2.0	87

Men 35-64					
Rank	Format	AM	FM	Pct	Index
1	N-T group	965	70	22.5	142
(2)	News-Talk	505	22	10.5	130
(8)	Sports	249	20	4.6	200
(9)	All Talk	167	25	4.4	142
(14)	All News	44	3	3.0	130

Women 18-34					
Rank	Format	AM	FM	Pct	Index
9	N-T group	965	70	3.6	23
(16)	News-Talk	505	22	1.5	19
(18)	All Talk	167	25	1.2	39
(21)	All News	44	3	0.5	22
(22)	Sports	249	20	0.5	22

Women 25-54					
Rank	Format	AM	FM	Pct	Index
5	N-T group	965	70	8.3	52
(9)	News-Talk	505	22	4.4	54
(18)	All Talk	167	25	1.7	55
(20)	All News	44	3	1.5	65
(25)	Sports	249	20	0.6	26

Women 35-64					
Rank	Format	AM	FM	Pct	Index
3	N-T group	965	70	12.4	78
(4)	News-Talk	505	22	7.2	89
(15)	All News	44	3	2.2	96
(16)	All Talk	167	25	2.2	71
(24)	Sports	249	20	0.8	35

Sources: Arbitron, RBR Source Guide and Directory database



**AMERICAN URBAN NEWS**

The **#1**  
Source for  
News and Sports  
in the  
Urban Market



**SBN SPORTS**



THE *Bev*  
*Smith*  
SHOW



AMERICAN  
URBAN RADIO  
NETWORKS



**SBN NEWS**  
NETWORK



**AMERICAN URBAN SPORTS**

## NetRadio listing drops to Nasdaq SmallCap Market

100-format webcaster Netradio.com (O:NETR) has been moved (5/24) from Nasdaq's National Market to the SmallCap Market listing. While the stock still trades below Nasdaq's minimum of \$1 (35 cents on 5/30), an exception was granted for the company to list on the SmallCap, provided it can trade for at least at \$1 for 10 consecutive days by 6/14. The company says it may try a reverse-split to achieve that. NetRadio now trades with the symbol "NETRC."—CM

# Media Markets & Money™

by Jack Messmer

## S&P cuts Ackerley's credit ratings

Standard & Poor's has cut its credit ratings for The Ackerley Group (N:AK). S&P (5/30) lowered Ackerley's rating for long-term corporate debt to B+ from BB- and its subordinated debt to B- from B. S&P said its outlook for Ackerley is "negative."

Although S&P noted that Ackerley had recently reduced its debt load with the \$200M sale of the NBA Seattle SuperSonics, the company's debt at year end is projected to be around \$275M—up from the current \$230M. With Ackerley's broadcast and outdoor businesses expected to generate

about \$35M in EBITDA (cash flow minus corporate overhead) this year, the company's debt to EBITDA ratio will rise to "the high seven times area," S&P said.

On the plus side, S&P noted Ackerley's "solid market positions and the business and geographical diversity of its outdoor advertising, television, and radio operations." However, it warned that Ackerley's credit ratings could be lowered again if the company's "overall financial profile deteriorates significantly this year from current expectations or if it does not meaningfully improve in 2002."

As reported (RBR 5/7, p. 15), Ackerley officials hinted at an inter-

est in selling the company's four radio stations—all in the Seattle-Tacoma market—in the company's quarterly conference call.

"Right now, we're not marketing the stations, although if someone were to call us and offer us 150 to 175 [million dollars] we would certainly look at that very strongly—but we are not trying to sell our radio group," Ackerley Co-President **Denis Curley** said in the 5/2 discussion with Wall Street analysts. "The other thing is, if we were—to get into Seattle, there are five groups currently in Seattle and there are no stations [available] to buy. If you want in Seattle, you're going to have to pay a premium."

**RBR observation:** Who could we expect to come up with that \$150-175M? Rumors are circulating that Microsoft (O:MSFT) co-founder **Paul Allen**, who owns KXL-AM & KXJM-FM Portland, OR, is one potential buyer who's inquired about the Ackerley stations. The other logical buyer is Viacom's (N:VIA) Infinity, which would have to spin off an FM—perhaps to Salem (O:SALM), which has four operating AMs and an expanded band allocation in the market. The market's other big players are Entercom (N:ETM), which has a full load of five FMs, and two groups which have not been active buyers of late, Fisher (O:FSCI) and Sandusky. Seattle, #14, is the largest US market which has nary a Clear Channel (N:CCU) station, but the mega-group of mega-groups appears to be focused right now on digesting last year's pile of acquisitions and making a few fill-in purchases—not to mention figuring out how to operate 1,200 stations in a tough advertising market.

## Orban/CRL buying Avocet

Circuit Research Labs Inc. (O:CRLI), which lately has been calling itself Orban/CRL, an-

Larry Wilson, Chairman, of  
**Citadel Communications**

*has agreed to transfer the assets of*

**WFPG-AM/FM, WPUR-FM  
and the LMA of WKOE-FM**

*serving*

**Atlantic City, New Jersey**

*for*

**\$19,400,000**

*to*

**Millennium Radio Group**

*a joint venture of*

**UBS Capital Americas**

*and*

**Mercury Capital Partners**

**Star  
Media  
Group, Inc.**

**"Radio's Full Service  
Financial Specialists"™**

5080 Spectrum Drive, Suite 609 East • Addison, TX 75001 • (972) 458-9300

nounced 5/29 that it has an agreement to acquire Avocet Instruments Inc. Avocet is a supplier of audio receivers and coders for the television industry. Saying that Avocet will complement the line of TV products currently produced by CRL and Orban, CEO **Jay Brentlinger** said the acquisition will also "offer production economies that will substantially increase the line's profitability." Operations of Avocet, currently based in Beaverton, OR, will be relocated to Orban/CRL's Tempe, AZ manufacturing plant later this year. Terms of the acquisition were not announced.

Meanwhile, Orban/CRL has amended its annual report (10-K) to the SEC for 2000. After filing its original 10-K, Orban/CRL said, "the Company's management determined that sales totaling \$275,060 that was recorded in 2000 should have been reversed due to their subsequent return by the customer in the first quarter of 2001." Even so, said CFO **Jim Seemiller**, "sales exceeded our goals and budgets and created substantial backorders going forward into 2001, which we are in the process of filling."

### Stations seque in Santa Rosa

Sinclair Telecable has a complicated deal to acquire a trio of stations in the Santa Rosa, CA market from companies owned by **Mary F. Constant**. The local superduopoly owner is identified in the *RBR Source Guide & Directory* as Moonbeam Inc., but neither selling company actually carries that name.

In part one of this deal, Sinclair Telecable, headed by President **J. David Sinclair**, will pay Independent Broadcasting Corp. \$9M cash for two of the FMs—with \$5.5M allocated to KRSH and \$3.5M to KGRP.

Part two is a stock deal, with Sinclair paying Constant \$2.1M for all of the stock of Deas Communications Inc., the licensee of KSNY.

All three have been LMAed by Sinclair since 4/12.

**RBR observation:** You may think this is a complicated deal, but it's actually less complicated than what had been planned. The original contract called for Independent and Deas to swap KGRP and KSNY before the sale, apparently to enhance the tax advantages of the stock sale portion of the deal. According to a contract amendment, the parties subsequently determined that it would actually be more advantageous, tax-

wise, to leave the stations with their original licensees, so the pre-sale swap was called off.

### Brill Media revenues up slightly

Brill Media, whose fiscal year ended 2/29/01, reported that revenues for the year rose a modest 2% to \$45.8M.

Revenues for Brill's radio group were down slightly over \$200K to \$17.7M, but the previ-

ous year's results had included LMA fees from some stations which were in the process of being sold. Excluding those LMA fees, radio revenues were up 2.4%.

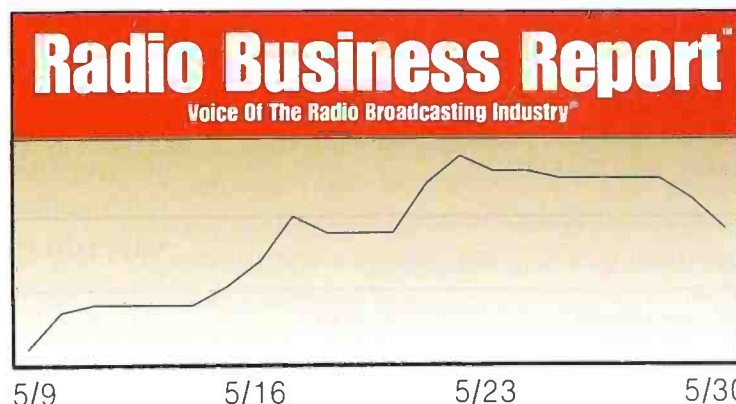
Newspaper revenues rose 4.2% to \$28.1M. Media cash flow for the year declined 9.3% to \$11M, primarily due to increased costs at the newspaper division.

Brill Media is privately owned by **Alan Brill**, but has public bonds.

### The Radio Index™

After hitting a year-to-date high of 218.264 on 5/22, The Radio Index™ pulled back to close 5/30 at 208.141, down 8.044 for the week.

220  
210  
200  
190



## PATRICK COMMUNICATIONS

Station Brokerage  
Debt & Equity Placement  
Fair Market & Asset Appraisals

**Larry Patrick**  
President

**Susan Patrick**  
Executive Vice President

**Terry Greenwood**  
Vice President

**Greg Guy**  
Vice President

(410) 740-0250, [www.patcomm.com](http://www.patcomm.com)

**REAL RESULTS.**

Call now for  
NAB Radio Show  
appointments

Sept. 4-7 at  
Hilton New Orleans  
Riverside

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

**FOR SALE!**

**Full-time AM Station**

Serving the San Francisco market

Asking price \$7,000,000

Contact: Media Venture Partners

Elliot Evers at 415-391-4877

or

eevers@mediaventurepartners.com

**RBR Radio**

Your information  
source featuring:

**1 on 1 Interviews,  
Conference Calls**

and

**The Daily Newscast**

Read about these  
transactions and more  
at our website

**rbr.com**

The place for  
leading industry  
news and information

# Transaction Digest

by Dave Seyler & Jack Messmer

## 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. Broker credits are based on contracts filed with the FCC.

**\$4,500,000 KTFA-FM** Beaumont-Port Arthur (Groves TX) from Voice of the Wilderness Broadcasting Inc (Ralph H. McBride) to Clear Channel Broadcasting Licenses (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). Cash. **Superduopoly** with KYKR-FM, KIOC-FM, KKMY-FM, KLVI-AM. Additional overlap with KTRH-AM from neighboring Houston market. LMA since 7/30. Broker: Jody McCoy, McCoy Broadcast Brokerage (seller).

**\$4,300,000 WHUC-AM & WZCR-FM, WCKL-AM & WCTW-FM** Albany-Schenectady-Troy/Poughkeepsie (Hudson NY, Catskill NY) from Concord Media Group Inc. (Mark Jorgenson) to Clear Channel Broadcasting Licenses (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). Cash. **Superduopoly** with WGY-AM Schenectady, WOFX-FM Troy, WTRY-FM Rotterdam, WRVE-FM Schenectady, WHRL-FM Albany, WPYX-FM Albany, WGHQ-AM Kingston & WRKW-FM Saugerties, forming four distinct markets. The four stations being sold are between the Albany and Poughkeepsie Arbitron markets. WHUC, WZCR and WCKL share more overlapping contour with CCU's Albany stations; WCTW shares more with CCU's Poughkeepsie stations. CCU has waiver through 2004 for common ownership of WXXA-TV Albany.

**\$3,861,175 WMGG-FM** Tampa-St. Petersburg (Dade City FL) from Mega Communications of Dade City Licensee LLC (Alfredo

Alonso) to TAMA Group LC (Charles W. Cherry II, Glen W. Cherry). \$100K escrow, balance in cash at closing. Combo with WTMP-AM. Note: Buyer must change call letters. Brokers: Hadden & Assocs., Minority Media Telecommunications Council (both for seller)

**\$2,000,000 WAAM-AM** Ann Arbor MI from Whitehall Enterprises Inc. (Lloyd R. Johnson) to Clear Channel Broadcasting Licenses (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). Cash. Includes a non-compete. **Superduopoly** with WTKA-AM, WYBN-AM, WQKL-FM, AND WWWW-FM in the Ann Arbor market. Additional overlap with numerous stations in the adjacent Detroit market, forming five distinct contour overlap markets.

**\$1,865,000 WZRZ-FM CP** Flint MI (Frankenmuth MI) from The Frankenmuth Radio Co. Inc. (Thomas J. Beauvais, Gregory P. Theokas) to Regent Broadcasting of Grand Rapids Inc. (Terry Jacobs, Bill Stakelin), a subsidiary of Regent Communications (O:RGCI). \$125K escrow returned to seller, 15,724 shares of Regent Common stock placed in escrow, additional 164,276 shares of Regent Common stock for total of 180,000 shares with estimated value of \$1.296M; \$569K cash for tower, transmitter and other properties. Total price is RBR estimate. **Superduopoly** with WFNT-AM, WCRZ-FM & WWBN-FM. Station is currently operating pursuant to a program test authority. CP is for 93.7 MHz with 3.5 kw @ 436'.



## THE EXLINE COMPANY

MEDIA BROKERS • CONSULTANTS

### VISIT US AT THE NAB

Windsor Court Hotel

September 6 and 7

ANDY McCLURE

DEAN LeGRAS

4340 Redwood Highway • Suite F-230 • San Rafael, CA 94903

Telephone • 415-479-3484 Fax • 415-479-1574

The deal includes WHUC-AM/WZCH-FM out of Hudson and WCKL-FM/WCTW-FM out of Catskill. The foursome splits the difference between the Albany-Schenectady-Troy and Poughkeepsie Arbitron markets, each of which features an existing Clear Channel superduopoly cluster. Six Albany stations and two from Poughkeepsie share at least some territory with the stations to be acquired, forming four distinct contour overlap markets.

Clear Channel also has WXAA-TV Albany in the mix, which the FCC has already cleared it to operate through 2004.

### Safe harbor in Ann Arbor?

Clear Channel (N:CCU) is cornering the market in Ann Arbor MI. It has struck a \$2M cash deal with **Lloyd Johnson's** Whitehall Enterprises to acquire WAAM-AM. The News-Talker will give Clear Channel four out of four stations considered home to the market by Arbitron, and five out of six listed there in the *RBR Source Guide & Directory*. The cluster will be comprised of three AMs and two FMs.

**RBR observation:** Before **Gloria Tristani** writes another objection to a deal which will end the chances of competition within a given market, let us point out that the sum and total of the 12+ ratings garnered by these four stations during the Fall 2000 survey was 11.2 shares. This is less than the total amassed by one leading station in many similarly-sized markets (Ann Arbor is ranked #146).

While these stations were snagging their 11.2, Detroit stations were walking off with 57.9 shares of the Ann Arbor ear pool. Even a Toledo station made off with 1.0. In short, Ann Arbor, abutting the southern border of the Detroit market, is not a full-fledged market and cannot be fairly judged in terms of owners home to the market.

Similar situations exist in Sussex NJ, where CCU has all four

above-the-line stations, and Morristown NJ, where Greater Media has agreed to purchase all of the above-the-line stations in the market—both of them.

### Banc of America still banking on radio

It has come as no surprise to the Street-types at Banc of America that most of the radio properties it covers have lowered expectations for Q3. That group, which includes Clear Channel (N:CCU), Beasley (O:BBGI), Cox (N:CXR), Cumulus (O:CMLS), Emmis (O:EMMS), Entercom (N:ETM), HBC (N:HSP), Radio One (O:ROIA) and (although it is a billboard rather than a radio company) Lamar (O:LAMR), has produced a 57% gain in stock price so far this year, blowing the S&P 500 (-10%) and NASDAQ (-20%) out of the water.

However, the group has gone down 3% over the last four weeks while the rest of the radio universe was flat.

BAS's Radio Broadcasting Monthly predicts that Q3 may well be the bottom of the current revenue slump. While they expect continued pressure on stock prices, they also suggest that this may be a good spot for those interested in radio to do some careful bargain shopping.

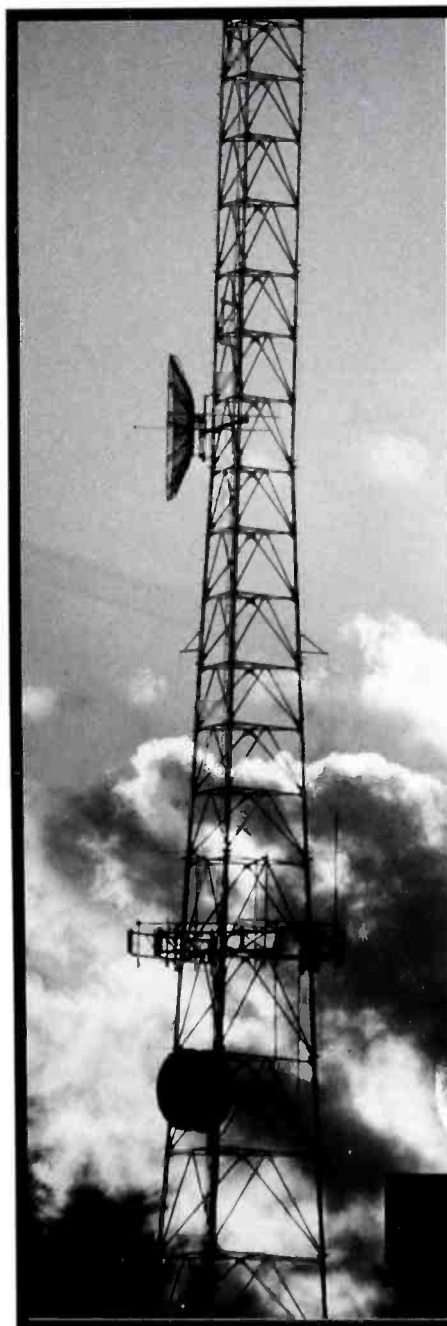
### CCU parks in Parkersburg/Marietta

The **Daugherty** family is sending WBRJ-AM to Clear Channel (N:CCU) for \$450K. The Sports outlet will mark the sixth station and second AM for the radio giant in this small market with stations in both West Virginia and Ohio straddling the Ohio River.

### Working at La Crosse purposes in Wisco?

Faith Sound is getting into the radio business with a \$1.5M deal to buy a combo from Riverview Communications. WKBH-AM Holmen and WFBZ-FM Trempeleau are both part of the La Crosse WI market. La Crosse was once an Arbitron market but has not been measured for over two years.

There is one potential snag which could cause this deal to fall apart, although it would replace it with another. Mississippi Valley Broadcasters, which bought WKBH-FM West Salem from Riverview last year for \$2,335,500 (*RBR* 11/13/00, p.14), has been running WKBH-AM/WFBZ-FM in an LMA and has 30 days in which to exercise its right of first refusal to buy the stations itself.



## Recent Transactions!

**SOLD!**

**WPEZ-FM, Macon, GA, \$55.0 Million**

**CLOSED!**

**KOYN, KBUS & KPLT-AM/FM, Paris, TX, \$2.575 Million**

**CLOSED!**

**KFTZ-FM, KOSZ-FM, KLCE-FM, KCVI-FM, KECN-AM & KICN-AM, Idaho Falls - Blackfoot, ID, \$13.0 Million Cash**

**CLOSED!**

**WKQB-FM, Southern Pines-Fayetteville, NC, \$6.15 Million Cash**

**CLOSED!**

**KPCR-AM/FM, Bowling Green, MO, \$725,000**

**CLOSED!**

**WYPA-AM, Chicago, IL, \$10.5 Million Cash**

*Stop by the Windsor Court Hotel in New Orleans  
Sept. 5-7 during the NAB  
for a confidential discussion!*

## Media Services Group

[www.mediaservicesgroup.com](http://www.mediaservicesgroup.com)

# Digital Audio Just Got Easier !

**CartWorks** File Edit Scripts Options Recorder Help

346	Marines	:30	1	Stop
218	Coca Cola	:60	2	Rdy
398	Pizza Hut	:60	3	Rdy
			4	Stop
			5	Stop
			6	Stop

00:02:03     Loop     Trip     Unload    **Pause**

12:16:35

**ON THE AIR**

**Tools**

- Recorder
- Files
- Spot Sets
- Rotation
- Instant
- Switcher
- Meter
- Searcher

Navigation: ⏪ ⏩ ⏴ ⏵

**Music Log [ 06-06-2009 ]**

Time	Cart	Title	Artist	Length	Intro	End	Type
12:13:07	L002	Liner # 2		00:05			LC
12:13:12	M1012	Photograph	Def Leppard	04:54	:22	F	MUS
12:18:06	M2174	Friends	Elton John	02:20	:05	C	MUS
12:20:26	M1732	Dance The Night	Van Halen	02:47	:13	F	MUS
12:23:13	V026	Voice Track 26		00:12			VTK
12:23:25	DALIVE	SPOT SET		03:00		I	COM
12:26:25	J011	Jingle / Fast		00:06			Jin
12:26:31	M0713	Listen To Her Heart	Tom Petty	02:48	:11	C	MUS
12:29:19	V027	Voice Track 27		00:15			VTK
12:29:34	M2214	Black Friday	Steely Dan	03:40	:12	F	MUS
12:33:14	M0015	All Day Music	War	04:04	:19	F	MUS
12:37:18	L015	Liner # 15		00:15			LC

**AUTO**    **STOP**    **EDIT>**    00:03:23

Booth  
1433

# CartWorks

www.cartworks.com

By: dbm Systems, Inc.

1-800-795-7211