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WEATHERING THE STORM IN '07

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What am I bid for 448 radio stations?

That is how many smaller market radio stations Clear Channel Communications put up for sale after announcing a deal to be taken private in a $26.7 billion buyout by the Mays family and a consortium of two private equity companies, Thomas H. Lee Partners and Bain Capital. The buyout, which is still subject to a shareholders' vote and regulatory approvals, will pay public shareholders $37.60 per share—a far cry from the peak of $95.50 in January 2000, but up 25% from where Clear Channel was trading before it announced that it was taking bids for the entire company.

The 448 stations to be divested are in 60 Arbitron-rated markets, ranging from #108 Boise, ID to #297 Casper, WY. There are also 30 unrated markets on the block. The new Clear Channel Radio will be focused on the top 100 markets, although the company is holding onto some 100+ markets where it sees healthy growth ahead. "The decision to sell the stations in your market was not made quickly or easily nor is it a reflection on the efforts and performance of you and your team. It is a business decision that we believe will result in a better operating opportunity for your stations and is in keeping with the strategic direction of Clear Channel Radio," CC Radio CEO **John Hogan** wrote in an email to employees in the 90 markets to be sold off.

Clear Channel also put its entire 42-station TV group up for sale. Still to be decided is how many larger market radio stations will have to be divested to make the change of ownership comply with the new FCC local market rules.

RBR observation: Clear Channel Communications CEO **Mark Mays** told *USA Today* he hoped the FCC would allow Clear Channel to keep its radio stations that were grandfathered under the old contour-overlap rules, but that is just wishful thinking. Not gonna happen, since this is clearly a major ownership change, with more than 90% of the company changing hands. More likely the new owners will request a temporary waiver to deal with divestitures, much as the owners-to-be of Univision have asked for six months after closing to deal with their required station sales.

As for the 448 radio stations officially up for sale, most if not all have been quietly shopped by Clear Channel for months. Fargo, ND is on the list and that sale has already been announced. It just takes a long time to move that much inventory through the pipeline. Clear Channel wants to make sure it gets good prices for the stations being sold, so we expect the sell-off to proceed slowly but deliberately.

Say hello to the new broadcasters

Private equity funds are moving into broadcasting in a big way. A private equity consortium bought VNU, where Nielsen Media Research is the big profit center. That didn't require any FCC filing, but the purchases of Susquehanna Radio by one private equity consortium and Univision by another did. In fact, the two have some overlapping ownership that requires station divestitures to comply with FCC rules. And private equity firms from both of those big broadcasting buys are involved in the Clear Channel buyout group. That creates some landmines at the FCC that the private equity firms have to avoid.

Thomas H. Lee Partners already has a 23.3% attributable interest in the group buying Univision and both it and Bain Capital hold 25% attributable ownership stakes in Cumulus Media Partners, which bought Susquehanna Radio, so it is going to take a creative ownership structure to make their $26.7 billion buy of Clear Channel comply with the FCC's ownership rules. The companies didn't immediately say how the acquiring company would be structured, but the contract filed with the SEC indicated that the issue had already been dealt with and that the voting interests in the new company which will acquire Clear Channel will be organized so that no divestitures are required because of any other broadcast holdings.

RBR observation: Lowry Mays and other folks have dealt with this issue before, so they know how to solve FCC attribution problems. Back when Clear Channel merged Heftel Broadcasting, which it owned 100%, with Tichenor Media to create what was then the nation's largest Hispanic radio group, it took a non-voting and non-attributable stake in the new company, Hispanic Broadcasting Company (now part of Univision) so both Clear Channel and HBC could each own up to the maximum allowable number of stations in the same markets. Hicks, Muse, Tate & Furst, a private equity firm that has been active in broadcasting for a long time, was formerly a major shareholder of Clear Channel as a result of its merger acquisition of AMFM Inc. To avoid an attribution problem when Hicks, Muse became the largest shareholder of LIN Television, it took only non-voting stock in LIN, while two super-voting shares were created to make sure that outside directors were able to oversee LIN management. After selling its shares in Clear Channel last year, Hicks, Muse recently acquired one of those super-voting shares and now has an attributable interest in LIN. The folks at Thomas H. Lee Partners and Bain Capital are investors, not operators, so they don't care about having direct voting control of Clear Channel (or Cumulus Media Partners or Univision), just so long as someone they trust is looking after their financial interests.

Clear Channel to exit TV business

Clear Channel Communications has never been a major player in television. It bought several independent stations for the launch of the new Fox network many years back, but since then has not been an aggressive buyer of TV properties. Many of the stations in its portfolio were acquired in deals focused primarily on radio and/or outdoor assets. So, it was hardly surprising that Clear Channel announced plans to sell its entire 42-station TV group as the company announced a deal to be taken private for $26.7 billion. The TV sales, which could bring north of $1 billion, will help the new owners quickly reduce their hefty debt load.

Even before the official announcement, LIN Television CEO **Vince Sadusky** told analysts during his Q3 conference call that he would be a willing bidder for the Clear Channel TV group, although he cautioned that it would be difficult for LIN to make such a large acquisition. These two companies are not strangers. Hicks, Muse, Tate & Furst is a huge shareholder of LIN and was, until 2005, a major shareholder of Clear Channel as well. "We've looked at those Clear Channel Television stations many times over the last decade. We are interested in them. We know the portfolio very well and we do think that there is an excellent opportunity there," Sadusky said.

TVBR observation: Whether one company, such as LIN, buys all of Clear Channel TV, or it is sold off in pieces to several buyers, the new owner(s) will almost certainly be more focused on television than Clear Channel ever was. The TV unit wasn't neglected—indeed, it even made a creative, strategic acquisition in Rochester, NY last month, acquiring the local cable-only CW affiliate and making it a digital multicast of WHAM-TV—but TV was such a small part of Clear Channel that it was lumped into the "other" category for financial reporting. You could make the analogy that the TV unit at Clear Channel is like the ABC Radio unit at Disney—neither outstanding over-performance nor dismal under-performance could make any dent on the corporate bottom line. Just as Disney is divesting radio to a radio-focused buyer, Clear Channel is divesting TV.

Woes for newspapers and Yellow Pages are good news for TV

If you have been following the news about the major newspaper groups, you know that this is not a happy time for the print guys. Readership is deteriorating, particularly with young demos, and advertisers are fleeing newspapers for the Internet and other media. But while the focus has been on the pains of such major newspapers as the Boston Globe, Los Angeles Times and New York Times, to name just three, the rapid erosion of newspaper readership and advertising is not just a big market phenomenon.

Barrington Broadcasting CEO **Jim Yager** says he is seeing the same erosion of ad spend for newspapers in his medium and smaller markets. And he says the Yellow Pages are also being hit as consumers increasingly go online for the same type of information. "This is a great opportunity for television," Yager told analysts in his quarterly conference call. He said there is very little audience erosion for local TV, and where there is erosion for one channel, it is to fragmentation—"which means that they are still watching primarily their local television stations. Local newspapers can't say they are still reading their local newspapers, because they are not."

And that is an opportunity for TV. "We think that television is stepping into the void left by newspapers," Yager said of the local news landscape. Meanwhile, Barrington's TV stations have compiled their own databases of local businesses and services as part of the company's Internet strategy to fill the needs of consumers who now go online rather than opening the Yellow Pages.

TVBR observation: Is the Internet taking market share away from all other ad-supported media? Yes, but the impact is not the same for all. The Web is taking away the bread and butter for newspapers—classified ads—while their own websites are cannibalizing their news readership. Less so for TV, where there is some local news audience erosion, but even more an opportunity to compete head-to-head with the news product being produced by the local newspaper and create new advertising inventory without giving up anything on-air. As for the Yellow Pages, when is the last time you looked at them? There only hope for survival is on the Internet and that is where your station's website can outflank them by being more user-friendly and more local.

Much ado about Google...

By **Rich Russo**, JL Media's SVP/Director of Broadcast Services

The last few weeks have brought about some speculation regarding Google's foray into the radio world. It has steamrolled since a conversation I had with **David Bank** at RBC that later was discussed in RBR. RBR has asked me to elaborate somewhat so before I outline my theories on this, please realize that I hold no stock positions in any of the radio companies nor Google, so my opinions are not dictated by any personal gain on my part.

Here's my take on Google in simplistic terms and for comparison purposes only. They are Wal-Mart, or at least want to be to the advertising community what Wal-Mart is to retail. They want to be involved in everything from internet, search, radio, TV and print. They are the conduit and will provide access to all of these mediums. We are already aware of the newspaper deals they are doing, one would assume the YouTube deal will somehow morph into TV inventory and the dMarc deal will further morph deeper into radio. A few months ago I joked that Google was "trojan horsing the industry," I would now like to change that to "they are stormtrooping the gates despite the fact they are unlocked and no guards are present." Just like what Wal-Mart did to retail. They are and will continue to be that. In a capitalist society, market share and domination is the goal and despite potential future whining from competitors or the government down the road, they are playing within the rules and making our country proud. You see, I am all for the smart taking advantage of the less smart or the "proudly, obnoxiously ignorant." I loved how Apple repurposed the record industry, even though the record labels could have done it themselves but were defiant and didn't see it coming. I love the story of Wal-Mart and how the retail business was altered by someone who was ahead of the curve. And of course I love Google because they, unlike the 1999 internet fool's gold rush actually have money and know how to spend it. Now, wait a second, "trojan horsing or stormtrooping the gates" doesn't that go against Google's "don't be evil" mantra? No because when you take advantage of people or industries that won't concede that someone is smarter than them and are actually evil at times themselves, it's good business and better for the world in general.

So, how does this translate to radio? How does Google's staffing up heavily in major markets for their radio division with only the dMarc inventory available at this point make any sense? Here begins a few random theories and freewheeling thoughts...

Maybe Clear Channel could cut a deal with Google for 20% of all of their inventory at "rack rate" which Google can afford and will give Clear Channel a guaranteed up year because "rack rate" and selling of the rest of inventory at normal rates is a positive uptick no matter what happens to the industry. Google, although overpaying at first, gets legitimate top tier inventory and gives their newly formed group something substantial to sell. They also now get the dMarc setup into all of those stations and a platform for the online buying tools and programs. Or maybe Google buys stations 100+ and becomes a new rep firm while also getting inventory across all of the markets? Clear Channel has often wondered out loud about selling inventory on radio like with airline seats, and this could be the start.

Or then there is this theory, the radio groups all get together (kinda like the HD alliance) and agree that none of them will give up inventory to Google because Google (dMarc) may have jumped the gun on a few occasions and let the cat out of the bag on groups that committed inventory before the ink was dry, and those groups changed their position because of that. Google's radio division is supposedly hurt and maybe the industry doesn't see that they may be kinda like the record labels felt when they took down Napster and Kazaa, but then all get blindsided when one of their own breaks the pact and takes the deal for a short term fix and job security. All is fair in love and war and a capitalist society breeds cutthroat means. All Google needs is to break one of them and maybe they all give in. Kinda like Wal-Mart, they only need to strike a deal with one company and the rest might follow. You get Coke, Pepsi follows. The first guy in the pool gets the most favorable deal, Google has the brains and the resources to make someone blink. And who are we kidding, none of these people are **Jack Bauer** in the hands of terrorists trying to squeeze info, I would imagine someone collapses like a house of cards.

Of course none of this can happen, and maybe the deal is that Google gets to sell the HD inventory, but where's the fun in that? And at this point, why staff up for that? Or maybe Network radio works for them? Could Google get someone's inventory? A few networks have stated they want to be more in the content business and we know content is king. If the inventory is in program and non-bumpable by stations, maybe this is the fit. I don't think it justifies the staffing up by Google, but you never know. The upside is more positive for a network and maybe an implied association with Google can help lift a stock price but where's the upside for Google? Unless of course it is attached to secured inventory from another source and then we may have something to think about.

As seen in Adweek, Brandweek and Mediaweek; placed by Arbitron on behalf of the radio industry.

Radio Listeners Stay Tuned During Commercials

92%

On average, radio holds onto more than 92% of its lead-in audience during commercial breaks.

Arbitron's Portable People Meter (PPM℠) reveals *What Happens When the Spots Come On: The Impact of Commercials on the Radio Audience*. Get your free copy of this study from Arbitron, Coleman, and Media Monitors℠ at **www.arbitron.com/92percent**.

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MEDIA MONITORS

ARBITRON

By Carl Marcucci

Traffic systems evolving to meet industry needs

In our yearly traffic systems update, we ask just about everyone in the business to discuss their latest product upgrades, along with addressing a lineup of important issues agencies and broadcasters are concerned about. We also spoke with **Larry Keene**, President of TDGA/ Traffic Directors Guild of America for his insights.

One issue that seems to have been resolved in the industry, and as evidenced by their responses, was how well their systems integrate across large station groups. All responses were along the lines of they're designed to run multiple stations efficiently across large station groups, ensuring large station groups can function and grow in their space.

Another resolved issue, especially for radio, was how handling the new 10's, 15's, 20's and 30's compared to the more standard 60's. Most can now handle any spot length as well as multi-impression spots like bookends. For television, the responses we got back mentioned capability to handle non-primary spots such as snipes, logos, bugs, crawls, etc. Demands from the networks on promotional spots are also no longer an issue. Spots are coded and scheduled in advance using station-defined parameters and priorities. This provides control over the placement of network and promotional ads—more where they're needed; less where they're not.

And the last resolved issue was whether traffic systems can handle same-day orders. Keene says a big problem in radio (and it can apply to TV), is if a salesperson sells something the same day or after the next day's log is done, you can go in and tell the digital automation system to insert these additional spots and it will, but that sometimes doesn't reflect back on the log that the master control is using. The general response was salespeople can now enter orders from any online computer and be on the air as fast as production or management approval allows—verification is now automatic.

That leaves us with a few other hot industry issues:

The participants who responded:
Bob Lamb, Pilat Media CTO
Dave Scott, Scott Studios' RadioTraffic.com
Jeff London, Sr. Director of Business Operations, Marketron International
Arthur Drevnig, Director of Sales & Marketing, BroadView Software
Neil Klar, SQAD
Crist Myers, Director, Sales & Marketing, Myers Information Systems (MIS)
Jay Batista, VP Sales and Marketing, VCI
Ro Catalfo, LAN International
Pete D'Acosta, CEO, Wicks Broadcast Solutions
Sheena Koshy, Marketing Coordinator, Harris' OSi Sales, Traffic and Research Solutions

What are the most important recent breakthroughs from your company? What's coming in the next year to two years?

Lamb/Pilat Media: Cross media campaigns. Ability to package air-time sales with non air-time sales components such as internet banner advertising, in one proposal with subsequent integrated billing and invoicing. Higher degree of integration with automation and playout systems allowing last minute "context" sensitive sales – allowing customers to adjust advertising to latest worldwide events – maximizing advertising impact for clients. Within the next two years: targeted advertising for both mobile TV and IPTV and cross media campaigns across these TV delivery platforms.

Scott/RadioTraffic.com: RadioTraffic.com has brought to the radio industry order entry via PDA and Internet. Your station's people also get up-to-the-minute avails reports via text messages and/or emails. Also, RadioTraffic.com allows unlimited numbers of users and sites (with computers connected to a secure Internet host), yet doesn't require a file server or a WAN. The system also can handle nearly all of its routine processes (except new orders via Internet) without any Internet connection.

London/Marketron: Marketron has consistently been first-to-market with innovations such as paperless sales-to-billing Windows functionality, real-time demand-based pricing, user-customizable reports, electronic invoicing, relational database architecture with corporate roll-up tools, and a completely remote/online application hosting environment. Recent breakthroughs include functionality that enables Marketron Traffic to be the primary tool at the center of new-media radio and television sales. Our robust functionality is being used to manage, traffic and bill podcasting, HD, streaming, outdoor/signage, in-store, and web sales. We are currently working on further advancing integration and consolidation points for inventory tracking, order fulfillment, and proof of performance metrics relating to all of these new-media outlets with exciting new products in 2007.

Drevnig/BroadView: We continue to integrate new complementary features into our software. Besides traditional traffic and billing for television (and radio), BroadView also integrates program scheduling, program management and amortization features. Most recently, we have just announced support for Video-On-Demand.

Klar/SQAD: SNAP3 can now access cable network ratings on a local market basis through Nielsen's Expanded Quarter-Hour data. New features to SNAP3 in the next year are requesting data by station, owner, or rep instead of only by market and an easy-to-use television lineup building report. An initial version of SNAP Express, an application that reports Nielsen metered market overnight data, was launched in 2006.

Myers: Two exciting developments have been our continued expansion in the development of bi-directional interfaces to automation and incorporating real-time spot inventory into our product. Looking ahead, we plan to incorporate functionality that will allow for the ordering/scheduling of VOD, podcasting and websites.

Batista/VCI: The acquisition of VCI Automation allows VCI to offer a point-of-sale to point-of-air one stop solution. We are actively talking with clients and technologists in and around the industry as we work on creating our enterprise platform for business systems.

Catalfo/LAN: Bottom line efficiencies that shorten the sales cycle provide critical enterprise metrics, enhance advertiser satisfaction and automate public files. CRM and Sales Force Automation maximize A.E. efficiencies, shorten the sales cycle and allow for seamless transition of accounts for both your sales force and your customers. Workflow coupled with electronic order import reduces errors and provide more reliable fulfillment. Fully integrated ratings, pricing and avails allow quick turnaround and enables management to evaluate each buy against the station's strategic plan while closely monitoring inventory usage. Our patent pending scheduler is customizable by station and schedules inventory as far into the future as desired, all in real time. ePIF, a ground breaking electronic public inspection file, enables a group to administer files from a central location and/or locally, control of internal access via permission levels based on roles within your organization.

D'Acosta/Wicks: Important breakthroughs include Control Tower 3.0 using SQL and Analysis Services Business Intelligence tools. With nearly 6,500 radio stations using WBS traffic systems, WBS software manages a diverse set of radio operational environments, including the following scenarios: 1. Windows-based traffic system installed at the radio station for their logging and billing needs. 2. Several radio groups have migrated to a centralized data center with distributed data-entry at the market sites using the internet or a wide area network. 3. Other radio groups have chosen a more centralized data center approach including centralized order entry. In addition, with the announcement of Control Tower in 2003, WBS continues to be the only vendor offering complete consolidated corporate data roll-up and sales analysis tools for any of the above traffic system environments. The latest enhancements include the ability to process electronic orders as well. In addition, the traffic system will be the key component in the evolving future of the electronic exchange. In the next two years we intend to help automate the buy process with inventory and rate information automatically generated for electronic inquiries.

RadioTraffic.com's main dashboard

Koshy/OSi: OSi's software includes two distinct products: OSi-Traffic, the traffic product and OSi-AdConnections, the sales product. OSi-Traffic is helping more than 550 call letter stations and a growing number of media networks manage their inventory using a single, centralized database, single executable and single-server platform. This enables media organizations to truly centralize their operations to realize efficiencies of scale and provide the corporate backbone with consolidated reporting and centralized management capabilities. OSi-Traffic's newest release, version 7.0 includes innovations like automated notification alerts, enhanced credit management functionalities, automated accounting exports, etc. In addition to these advantages, OSi-Traffic's integration with a wide range of automation systems, media buying systems, and sales systems gives the broadcaster the right solution for their needs.

Handling websites, podcasts, HD channels

Keene says one thing most stations are asking for—and he knows several companies are working on it—is a way to bill Internet advertising: "Stations are selling their websites more and more. They used to give it away, now they are actually selling it and creating more revenues but the problem would be the traffic systems can handle the billing of it. Let's say you buy a box or a banner or a URL link or something like that they can easily bill it and it works in conjunction with their other advertising on the station. What is missing is the ability to schedule boxes, banners, listings and so forth on the websites. I know a couple are trying to have that ready. The problem is they can bill it but they can't schedule it. Some of them can handle iPods and other types of programming like HD channels and so forth but this Internet scheduling is really what seems to be the missing ingredient."

He adds, "I don't think you buy a traffic system anymore just for your radio station or your television station because it now does have to handle additional HD TV channels, maybe they program cable channels in addition to their regular service. HD Radio—when they are ready for commercials, traffic systems have to handle that."

Can your system handle ordering/scheduling for podcasting, HD multicast channels and websites?

Lamb/Pilat Media: Yes, Pilat Media already has customers using its IBMS (Integrated Broadcast Management System) product for HD multicast and content download based distribution. IBMS has been architected to easily support the addition of other non-linear / non-traditional content distribution platforms.

Scott: Yes.

London/Marketron: Yes. More than 20% of Marketron's new business in 2006 was a direct result of our support for streaming, HD multicasting, podcasting, or other new/digital-media. Marketron Traffic provides traffic, sales, and billing capabilities for all digital media outlets from the initial sale through invoicing and reporting.

Drevnig/BroadView: Yes, BroadView can manage scheduling, traffic and billing for these new media.

Myers: ProTrack can handle scheduling and invoicing for HD multicast channels and invoicing for podcasting and websites.

Batista/VCI: Yes

Catalfo/LAN: Our roots are in the multi channel environment so our software is well positioned to support these exciting initiatives.

D'Acosta/Wicks: Yes. The days of simply selling and tracking :30 and :60 second commercials in radio are over. In an era where radio stations are trading across multiple selling platforms, a local station today may sell commercial time for their Internet (streaming) signal, sponsorships to podcasts, scrolling text sponsorships on weather and traffic overlays on digital radios, and many other selling or sponsorship opportunities. The WBS traffic systems allow for multiple logs and multiple types of revenue streams to interface with a single A/R or multiple A/Rs at the user's discretion. This includes the ability to handle podcasting, HD, internet-based revenue streams, publishing, tower rent and more.

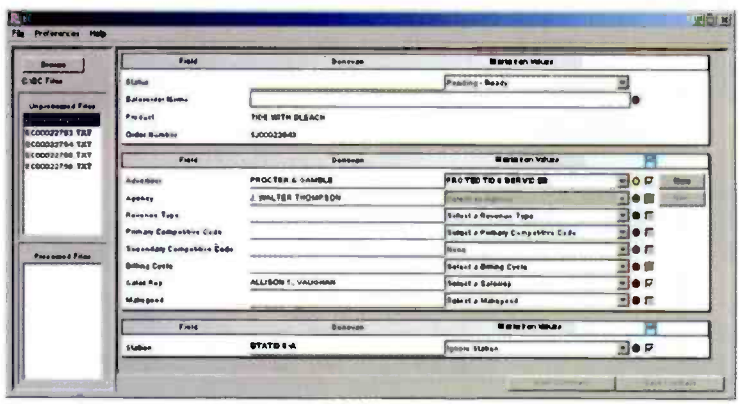
Koshy/OSi: OSi-Traffic features an extremely flexible database that allows broadcasters to run virtually unlimited numbers and types of channels from a single database.

How is EDI integrated into this system?

Lamb/Pilat Media: IBMS supports a wide range of industry standard EDI interfaces for system inputs and outputs such as order and proposal input as well as invoicing and billing. These can be suitable for radio.

Scott/RadioTraffic.com: Very well. Every line of code in Radio Traffic.com's software has been written new in 2005 and 2006. Since day one, we've built EDI into everything we do.

London/Marketron: Marketron offers an electronic contracting module that allows users to bring local and national orders directly into the traffic system from other systems (Tapscan, DDS, Katz, etc), avoiding the error prone and time-consuming challenges of duplicate entry. Marketron's Electronic Invoicing product was the first on the market and is used by more than 600 stations. It provides invoices with multiple format options to any or all agencies that request this delivery method.



Marketron's EDI page

Drevnig/BroadView: BroadView's customers are mostly television-based today and we do manage EDI for our television customers.

Myers: MIS has integrated the functionality that will allow for ProTrack (both our TV and Radio application) to submit invoices electronically in accordance with the EDI initiatives of the TVB and AAAAs for hub standards and open systems with XML formats.

Batista/VCI: It is not.

Catalfo/LAN: VIERO provides EDI integration for orders, network spots and invoices. Our list of EDI integration partners is extensive and we are always open to expansion as needed by our customers. Our participation in the radio EDI task forces insures we are instep with industry needs.

D'Acosta/Wicks: Over the past 5 years WBS has led the way in EDI for the radio industry. We developed the electronic invoice exchange system at AgencyMinder.com which allows any traffic system (even our competitors) to send orders to any agency who join. It is currently free for agencies. More than 2,000 stations and over 1,000 agencies are EDI-capable in this system. Several months ago our system, AgencyMinder.com, surpassed the 20,000 electronic invoice mark in a single month. We have now perfected the electronic order process and are starting to roll that out to stations and agencies as well.

Koshy/OSi: OSi has both electronic contracting and electronic invoicing capabilities across multiple formats.

Discreps

Keene warns: "The agencies ask for all these make goods which just further clogs up the pipeline. The reality, from what I'm hearing from the traffic end, is that it is not unusual to have anywhere from 5-10 copy revisions as an order takes to the air and each one changes the original order. So yes there are discrepancies because they keep changing the order and the billing department at the agency looks at the original order and says well that's not what this invoice says. Of course it doesn't because they've changed or someone else in their department had changed it without them knowing it."

Agencies are frequently saying invoices don't match the original broadcast order or time order. How does your company address that?

Lamb/Pilat Media: We address this from two perspectives: 1. Accurate capture of the agency's requirements order via an electronic interface for the customer to use directly such as a web based interface – "E-bookings". 2. An end-to-end integrated solution that integrates program management with air-time sales and traffic. Such a solution ensures accuracy of program schedules against live inventory for sales proposals – so the sales team know exactly what they have available for sale at the time of selling. With an end-to-end solution such as IBMS reports can be easily generated to cross-match orders and what was actually aired – allowing errors to be caught before invoice stage.

Scott/RadioTraffic.com: The order and invoice are normally formatted identically for ease of understanding. Further, with the account's password, RadioTraffic.com invoices and statements can be viewed on the Internet 24/7 with up to the minute ads included (like bank statements or credit card statements). Click on any affidavit's spot and hear its air check on line.

London/Marketron: Marketron Traffic provides several features that ensure agency orders are handled efficiently and accurately. Marketron's inventory reports allow approving managers and Traffic Directors to see the available inventory before approving ordered spots, thus avoiding unnecessary preempts. Marketron's scheduler enforces the ordered criteria and places warnings where users have manipulated spots outside of the original order parameters. Marketron also provides auditing reports and traffic-selected bump/preempt/reconcile reasons that address any spots that run out of the ordered parameters and provide reasons why any changes were made. These same reports have options for balancing orders against invoices and provide proof that what was ordered indeed matches what was invoiced. Spot placement reports can be called at any time and provided to agencies for proof of performance during a running campaign.

Drevnig/BroadView: BroadView invoices can (optionally) show all changes that were made – including all pre-empts and makegoods.

Myers: MIS will work with stations and agencies to resolve any discrepancies

Batista/VCI: Agencies do not have this problem with our system because VCI invoices match the orders.

Catalfo/LAN: Fulfillment of the sales order is facilitated through tools such as electronic order import, which reduces data entry errors, our Booking Agent which schedules according to very defined rule set and auto verification which reconciles spots back to the specific order line parameters. If missed, spots can automatically be made good with reason displayed on the invoice. Our reconciliation report provides thorough tracking and is especially useful for auditing orders or researching at the request of a client or agency.

D'Acosta/Wicks: We believe the increase in electronic orders, confirmations and invoices will help close the discrepancy gap and lead to greater accountability in the radio industry.

Koshy/OSi: OSi has strict controls that do not allow spots to be placed outside of the contract rules. OSi also has full audit capabilities across the system that ensures broadcasters have an audit trail.

By Carl Marcucci

Mike Jackson, VP/Marketing and Advertising for GM North America

Mike assumed his current position at on March 1, 2006, responsible for directing the marketing, advertising, and media efforts for the eight General Motors vehicle divisions. Prior to his promotion Jackson was the regional general manager of GM's Western Region where he led the sales, marketing, and distribution efforts for the region's 16 member states since February 2002.

Mike joined GM in February 2000 as executive director of sales and marketing support based at GM's global HQ in Detroit. He developed and led the team focused on integrating the company's sales and promotional efforts. He received the distinguished Chairman's Honors in 2002 for being a leader in the "Keep America Rolling" program. Prior to joining GM, Jackson held key leadership positions, spanning more than 20 years, in a variety of sales and marketing assignments at Coca-Cola, Pepsi and Coors Brewing.

So far, Detroit Radio Advertising Group President **Bill Burton** is one of the few industry reps that sat down with Jackson to talk at length about their medium. His opinion on Jackson: "Both [**Mark**] **LaNeve** and Jackson are looking for partnerships, new ideas and new thinking. They are two of the most professional people I've ever met, and Jackson definitely did his homework before meeting with me."
Indeed, GM is definitely moving forward to a brighter future, as you'll read.

Tell us about the challenges and opportunities facing US automakers today.

Well it's very challenging, but obviously very opportunistic from our perspective. We think we are well positioned as it relates to the whole global consolidation going on, but at the same time you've got this volatility in oil prices and in the US you've got a capacity challenge that we're working through. But the exciting thing is we've got a lot of new products coming. We've launched like 19 over the last year or so. I think we look at a percent of our overall sales for this year to be about 30%, which is new products, and 40% next year with the pick-ups and the crossovers coming for our Buick, Saturn and GMC. We're continuing to close the gap with our competition as it relates to perception versus reality. We just launched the GM 100,000 mile warranty and that's been well received by dealers and consumers, who are actually placing a lot more value on the warranty then even we expected.

If you look around the world at what's happening with the company, we're number one in China; we're growing in Europe; a 20% increase in Latin America. So it's a pretty volatile time from an industry perspective. We think that will start to lift the middle of next year, according to our internal forecast from an industry perspective.

What kind of stages are you in right now for marketing planning on those new lines?

Well we're really knee-deep into planning for 2007 and are focusing on continuing to ensure that we leverage and differentiate the eight divisional brands. Not just from a creative or advertising positioning perspective, but that we really work on media, work on messaging as well and then obviously on the creative side. So we're really in the middle of it across all eight divisions.

What's the message that consumers need to hear from GM and some of its divisions?

The real core message is around the launch of the GM 100,000 mile warranty—that we're confident in our products. We're confident in our company. We're still the global automotive leader. We still have the largest share in the US. Our products from a quality perspective are the best we've ever built. We believe that going to market with eight differentiated brands is a strength that we can leverage. I guess if I had to sum it all up, I'd really summarize it around confidence and the quality and appeal of our products.

Any interesting things you can note on the media mix on this 100,000 mile warranty effort?

It was undoubtedly the most integrated launch campaign we've ever done. If you look at it from the perspective of the creative and the breakthrough of flying cars and really upbeat music, the message of something is changing at GM, we're confident of our products and that we have a 100,000 mile warranty was at levels that we haven't seen before within the first several days post the launch. The real interesting thing is we probably leveraged our media mix better than we ever have. It had a mix of network television, spot television, national radio, and national print. We did homepage takeovers on the web, sponsorships of network television programming and viral videos going on YouTube and some of those sites. Then on the ground we had these trailers pulling what looked like floating vehicles around high-profile locations. We integrated all the divisional and dealer websites. Within 72 hours we believe most of America knew the key messages that we're trying to reinforce.

Tell us about the new Silverado TV spot with John Mellencamp. What's the message there and will it carry over to other vehicles, lines?

On a broader scope we're really trying to communicate via Chevrolet that it's all about the best value, the best product and one of the biggest brands. So when you look at Silverado the key points of communication were we've got the most dependable, longest lasting real American truck and it's new. That was the bottom line of what we were trying to communicate. Chevy has always had a rich heritage with being a true American truck brand. If you go back in history the

real technical attributes of Chevrolet were communicated in a very emotional way, "Like a Rock," if you will. Clearly that's equity that we believe Chevrolet owns that no other truck brand can infringe upon. We felt that the whole notion of Mellencamp—our country, our truck, most dependable, longest lasting—is the key equity that will be leveraged consistently throughout the campaign. We're excited with the launch.

How much of the sales downturn in the US auto market can get blamed on unstable gas prices?

It's really hard to put a number on it. All along when the gasoline prices were fluctuating, our internal economists didn't believe that it was going to be long lived, if you will. But going back to Katrina, clearly the whole volatility impacted largely at a time when we were launching full-size SUVs and mid-sized SUVs. The great thing that we talk about most is, on the full-size SUV segment, we absolutely own that segment. When you look across the Escalade brand, Yukon, Denali, Yukon XL and then the workhorse Tahoe and Silverado, we garner a huge share of that business and even though the segment is down from where it was a couple of years ago, it's still a very viable segment with consumers.

We like to believe that while we clearly have franchise players in the full-size SUVs, we've got a lot of other products, like I said, that we're launching. We've got the Saturn Vue Green Line, the most economical hybrid on the market. We also are in the process of launching the two-mode hybrid system in the full-size SUVs next year and there is a lot of excitement around that. For 2007 model year we have 23 vehicles that get 30 miles per gallon or better. So while you have this huge shift going on, the best quarter that we had from a sales share perspective was the third quarter. Even though you had this volatility, products like Cobalt and HHR on the Chevy side and the Saturn Vue clearly saw a real nice momentum at it relates to fuel prices.

What advice can you give traditional media in making presentations to your office?

Consumers aren't sitting, taking messages from any one medium and even though the whole notion of integration is important, we feel that all of these mediums are very, very viable and very, very valuable. So we're looking at ensuring that all of our marketing and media plans are really totally integrated. Network television plays a very important role. Print plays a very important role. We really want the best ideas, the best integrated ideas. We're focused on value and ROI. If you look at some of the things that we're doing as it relates to GMC and the NFL sponsorship, they are basically being communicated via the web. We're tied in with ESPN and also ABC. There is a radio component as well.

We're looking for our media partners to bring us their best highly integrated significant return on our investment—and frankly their best ideas. One of the things that we're excited about is our media partners are really stepping up. I'll be attending a meeting at Time Warner headquarters in New York and they are going to bring together all of the various media entities that they own to hear from us regarding what our go to market strategies are and how they can better integrate and leverage the multiple media properties under the Time Warner umbrella. We're having those discussions across the board with all of our major media partners.

Both GM VP/Sales, Service and Marketing Mark LaNeve and yourself have stated you're looking for breakthrough advertising and marketing concepts moving forward. What might we be seeing more of down the road?

We're trying to be more consistent and raise the level of discipline. Look at some of the current work like the Cadillac Life Liberty and Pursuit Campaign; look at the Silverado launch; the work that Sierra is doing with GMC; some of the Pontiac work as well which is highly integrated between NCAA and major television properties. As well [General Motors Director of Pontiac Marketing], **Mark-Hans Richer** has done a really nice job leveraging digital and the Internet. We're looking for stronger, more compelling creative. We understand that our target has got to be folks that don't consider GM—which is a younger, more affluent really diverse, urban buyer. The way that we're going to get it done is having clear, concise messaging. We want to tell the story over time. We obviously need to make an emotional connection in this category. Then, last but not least, we talked about ensuring that our media plans are big and bold and we leverage all the available mediums to ensure that we are communicating with the consumer.

Tell us about Chevrolet's offer to students to produce a Super Bowl ad.

That's a fun idea that kind of came to us from some of our team members. On a broader scope, to position Chevy to really go after that young more well educated, more affluent consumer that's out there, we really need them to learn about Chevy. So while we have this ad challenge, imagine the number, there are 820 student teams from 230 schools in 46 states. These folks are all educating themselves about Chevy and about Chevy products. So a by-product of ultimately engaging these young people is the fact that we've got thousands of them currently today running around the country researching Chevy online; visiting dealerships, driving products, all in preparation for competing for this Super Bowl Contest. So we're pretty excited at the level of engagement and we didn't really publicize this beyond a press release and/or on the web.

What are the GM Dealer Associations telling you?

I recently attended a couple meetings, out in Phoenix with GMC Dealers and in LA with Chevy Dealers. We're continuing to make significant progress with our local marketing groups. They really like our strategy as it relates to less focus on incentives and lowering the starting MSRPs earlier this year. They like the fact that we are going to market talking about fuel economy and that we're leveraging the GM 100,000 mile warranty. So we continue to feel really good with the feedback that we're getting from the local marketing groups as we work to simplify the communications in the market and be less focused on incentives and/or price. A lot of work to do there—obviously it's a long term strategy, but the dealer groups have really, really embraced that and it leads to higher quality retail work from our perspective.

Anything else you'd like to say?

The real key is we're excited, very optimistic here. We've got a long-term strategy that we believe in, a lot of new products, and we're looking forward to a great 2007.

Read any good books lately?

By Kim Vasey, Senior Partner/Director of Radio, mediaedge:cia

Back in the October issue I promised so share with you some of the things that I've learned by going to seminars around the country or from books that I've read. And, thus began a short series of articles that I hope have inspired you to think differently. In October I highlighted the learnings from the Effective Facilitator Workshop from Creative Resources Group (www.creativeresourcesgroup.com). In November I shared the lessons on brain power from Wizard Academy (www.wizardacademy.com) and the significance of the second RAEL study on relevance. (www.radioadlab.org) Understanding the functions of the brain and how our brains respond to advertising has become an area of fascination for me and I continually try to find new studies or articles on the topic.

It may sound like an odd obsession to have but I've seen how, in gaining a better understanding in this area, it has really helped me "sell in" radio to many clients. If you recall, from the November issue, I call it radio through the power of the brain. I have pulled together an entire presentation on it which I have been sharing with the industry, as often as I can. I recently shared it with all of the Managers and Account Executives at Jones Media America, one of the largest radio syndicators in the country with whom we do business with for many of our national radio clients. And everyone, from the very junior to the very senior level A/E was open to hearing about new ways to approach selling in the power of radio. I enjoy presenting to an audience that is receptive to learning new things. I believe when we share information with each other we lay the groundwork for better communication and better selling practices. I truly believe it is our industry, a partnership—both buyer and seller, and working together we can help move it forward. Their receptiveness, as sellers, to the material in the presentation demonstrates their belief in that partnership.

Several months ago, at a RAEL committee meeting, while chatting with **Jerry Lee**, Chairman of the RAEL Committee and owner of WBEB-FM radio in Philadelphia – one of the most successful independently owned radio stations in the county—I discovered he had the same fascination with the topic and he was kind enough to recommend a book to read on the subject. The book is entitled "The Advertised Mind" by **Erik Du Plessis**. Given my fascination on the topic I immediately ordered the book and delved right it. Not only did the book give me further insights into the functions of the brain it also affirms many of the key finds that were just released from the second RAEL study: Personal Relevance II – which I also wrote about in November.

Today, I'd like to share with you some insights from that book that I have found to be helpful in positioning radio as a powerful medium—because through the power of words we can touch people emotionally and move them to action without ever having to show them the product visually. As you know, the "lack of visual" is often given as a reason why a client won't use radio. I have found that if you can get a client to understand this premise we can, sometimes, get past the "lack of visual" argument.

The basic premise of the book is understanding how advertising is processed in our minds. Some of the key points that I took away from the book are:

One of the critical elements of advertising is emotion.

Emotion is critical to all human thought.

It helps determine the depth of the processing that takes place.

How much people like an ad will determine their degree of attention and shape the response to what is in the ad.

The degree to which an ad influences a response is related to the degree to which it is liked.

That emotion governs all behavior and determines what becomes "conscious"—thus the ads should evoke emotion in the consumer.

Advertisements we see are interpreted against our own experiences (memories) and may be very different from what someone else interprets from the same ad at the same time.

When you read the findings in this book it will comes as no surprise to you to, then, the read the results from the second RAEL study – Personal Relevance II. One of the key conclusions to that study was this:

That radio listeners have a unique relationship with radio as a medium. And that relationship is more emotionally connected than for either newspapers or the Internet. And this relationship is much more personal than for television or the Internet. This suggests that radio provides a pathway to the consumer's mind that can provide better emotional connections to brands and products when the advertising is designed and placed properly.

Are you beginning to see connections? I hope these few short insights spark enough interest in you to dig deeper into this area. There is so much more rich information in the book and the RAEL study. I lack the space to provide any more details so I hope you'll take the time to read the book and the RAEL study and use them to your advantage in selling.

One on One

By Jack Messmer

Farid Suleman, Chairman and CEO of Citadel Broadcasting

Many people in radio were shocked in February 2002, when **Farid Suleman**, long the indispensable right-hand man to **Mel Karmazin,** who was then COO of Viacom, resigned as President and CEO of Infinity Broadcasting, the radio-outdoor division of Viacom, to become CEO of Citadel Broadcasting. He had also been CFO of Westwood One, which was and is managed by Infinity/CBS. At the time, Suleman called it "a wonderful entrepreneurial opportunity." Just a few months later, Citadel, which had been taken private by the Forstmann Little & Co. investment group in 2001, sold another IPO and Suleman was CEO of a public company—just in time for radio to enter a severe slowdown and fall out of favor with Wall Street.

Now, while Citadel's stock price, like that of its peers, remains depressed, Suleman is moving to reshape Citadel. The medium-market radio specialist will become a competitor in the top markets and in network radio with a big deal to acquire ABC Radio from The Walt Disney Company in a tax-free transaction that will have Suleman answering to lots of new stockholders—the current Disney shareholders who will wind up owning slightly more than 50% of his company.

Farid Suleman rarely speaks to the media at all, so what you are about to read is a rare Q&A with one of the top figures in American radio, who nonetheless is seldom heard from except in his quarterly Wall Street conference calls.

Let me ask you first a big vision question since you are obviously reshaping the company with the ABC Radio deal. What is your long-term vision for Citadel?

I think we're basically setting our objective to build a smart, fast-growing strategically placed radio company. I think whether it's large markets or small markets, it's smart markets that will make the difference. Large markets can be just as good as small and medium size markets. The key is what are your positions in those markets? The advantage of having a platform that is not too big, but that gives you enough in all of the right markets, including the large markets, is that you can actually make a difference in national and, what we're increasingly finding, in regional advertising.

Citadel does really well overall for what it is in national and local advertising. But it is very hard for a company like us to go to—whether it's Wal-Mart or Home Depot—and say, hey we've got a great idea for you, because they'd come back and say you don't have the top 10 markets, you don't have the top 20 markets. So by being in those top 20 markets, we cannot only improve the platform, because we would now be in the top 50 markets—I mean the right top 50 markets. We could not only improve revenues in bigger markets, because we have the medium size markets to back them up, but it helps us in our medium size markets because we now have a seat at the table for national and regional dollars.

As much trouble as the local stations have had the last couple of years, network seems to be worse. So why are you interested in getting into that business?

The national business, rather the network business, is made up of a combination of high profile syndicated programming that is good programming that you can leverage across multiple markets. That part of the business has been good.

In this environment where everybody, whether it is satellite or iPods that's going to give you commercial-free music, the reason why people will come to radio is because you get entertainment, you get news, you get content, you get weather, you get traffic, you get all of that information in a short period of time. So the portion of the network business providing news is going to continue and it's going to thrive.

The issue really comes in the bulk, where all you're doing is delivering bulk audiences at a market price. That part of the business has not been as strong, although I'm kind of surprised, because businesses like Home Depot and I think recently Wachovia have made the transition from national radio to network radio. I cannot honestly tell you why the network radio business has not done better. I'm not sure all of the network business is not doing well, but I think some

companies are doing well. If you talk to Premiere I think they have good business right now.

Do you think radio is getting ready to turn the corner?

You have to put two things in perspective. Radio went through a period where radio revenues grew double digits for a long period of time, almost all the way through to 2000. At the same time consolidation happened in a very big way. So if you look at the biggest consolidations, whether they were Infinity, Westinghouse, CBS, American Radio, or Clear Channel with AMFM, it all took place in that period of time. So you had massive consolidation, you had radio revenues that were growing predominately by external demand, rather than anything that was generated by the radio industry. All of that came to a halt by the fourth quarter of 2000. If you think that we've lost entire categories of advertising—how big Internet advertising was, telecommunications advertising was, technology companies were up there—all of that business was gone and then you had 9/11 and it had an effect on financial services business and travel and tourism. What is hurting today is that consolidation happened and nobody seemed to be spending too much time and effort developing new business, which was the mainstay of radio 10 and 12 years ago when you had a lot of mom and pop businesses.

So are you doing that at Citadel?

We are. More than 85% of our business is local. In local, you always have to worry about replacing any turnover or developing new business and having a robust sales force just concentrating on local and we're doing that. So even this year, we've grown our revenues almost every quarter over 2%.

Are the threats to radio from satellite, iPods and such real or overblown?

I think the new business threats are real but they are also overblown in terms of the impact right now. Every business that I know of in media has new threat—that's the world we're living in. In radio, the new threat predominately in my view is the iPod, because what the iPod does is that it is beginning to take over some of the younger listeners—and the challenge is going to be to keep the younger end interested so that we don't become like a newspaper.

So what are you doing to get young listeners back to radio?

I think we just have to continue doing what we are doing, which is good compelling local programming. It has to be entertaining. You have to have a diversified portfolio of stations, stations that sort of break new music and deal with new music. Unfortunately, what consolidation does is you want to have all your stations be successful and so you tend to go after what you see as your competitors' most successful stations.

The idea was if you consolidated you were going to have a better negotiating position with the advertising agencies because you have more stations and they can't play one station off against another. So that was advantage number one. Number two is you are going to have enough of a platform that you could invest money to develop new advertisers. You could have enough money to develop new programming ideas. You will have enough money to market all of them. But if you really get down to it and say, what did consolidation do? All consolidation did was it allowed you to cut costs, consolidate sales forces and lower your commissions. You know—consolidate back offices; consolidate four stations in one location. So some of that made sense from the back offices using common platforms was good but none of the others have been done. I mean nobody can tell you that there are more salespeople in Los Angeles today than there were five years ago or ten years ago and you know the radio industry still depends on outside industries' resources for developing new marketing ideas. It should be something that should be done in house. Now I think Clear Channel's Less is More has been a success. I think it's a good thing and they are growing revenues—and I don't buy the claim that they're only great because they were down last year. You could be down last year and you could be down more this year. They are not down, they are up and they are up significantly, and I think that's going to help the industry.

What's really going to get Wall Street interested in the radio sector again?

The problem is not Wall Street, it's just that the rate of revenues is not growing. If radio revenues start growing five or six percent, you will see multiple expansion coming in right away and business will start growing. I think this year has been a good year. The largest company in the business is growing revenues six percent. It can't get better than that. So I think the radio business is healthy. I think healthy companies are growing and I think you will see it even more in the fourth quarter this year.

You have a very big deal pending. Where does the ABC Radio acquisition stand?

The deal is pending, we're waiting for several regulatory approvals. We had expected the deal to close by year-end. I'm still hoping for it.

Is everything resolved as far as the terms between you and Disney?

Well, the agreement is in place and so all we will do is comply with whatever is in the agreement.

You already indicated that you will start doing some divestitures after the merger. Have you started that process yet?

We really have not actively started the process. We recently announced we were selling Ithaca, which is one of our smallest markets, and we will continue to look at some of those smaller markets where some smaller operators or operators who sort of are focused in those markets will do a better job than we can in those markets.

I have to ask you this because you worked for so many years with Mel Karmazin. Do you think that he is going to be able to make Sirius Satellite Radio successful and turn a profit?

I can't tell you whether satellite radio business will be profitable, but if there is anybody that can make it profitable it would be Mel Karmazin.

T A L K • R A D I O • N E T W O R K • F M

All wire, no net

By Michael Graham

A talk-host wannabe once asked me "What's the best advice you've ever gotten about talk radio?" My first thought was **Randy Michaels'** timeless instruction to radio hosts everywhere: "Have a take and don't suck." Then I remembered a former PD's insightful instruction to "talk less, but say more." But the most useful instruction I've ever gotten from management will never make to an inspirational calendar or appear on a bumper sticker: "Never talk about the ads."

It was my first radio gig—part-time, night-time guy at WBT in Charlotte, NC. We were running an ad featuring the voice, writing skills and, apparently, audio production abilities of some local advertiser. I forget what kind of business it was, probably a used car salesman or purveyor of fine Confederate memorabilia. Regardless, the ad was awful to the point of laughable, and every time we came out of a break following it, I was sorely tempted to mock it. Pure comedy gold. I mentioned this to my PD, **Randall Bloomquist**, and he looked at me like I was the last kid off the slow bus. "Why would you make fun of someone paying your salary? They paid money to run in your show. Don't ever mention an ad." Simple. Sensible. Usable. That's what made it so good. And so unusual.

Despite having had occasional disagreement with management in the past on minor issues (like whether or not I should remain employed), I am actually a shameless corporate lackey. And as such, I've never understood the odd dynamic between talk hosts and management that divides us in a way that would not be tolerated in any other industry.

The attitude of some in radio management seems to be that, while I work for you and we are (theoretically) all working to create a successful, revenue-generating radio station, talent and management don't actually work *together*. We're not on the same team. And so, if a host's on-air comments inspire complaints, petitions and (horrors!) phone calls from advertisers, management's attitude often comes across as "Yeah, that crazy talk host—why does he do that stupid stuff?"

As a talk show host, I have one priority, and it's winning. Ratings and revenue—period. If belching lesbian penguins would generate a 10 share, I'd have a freezer full of fish in the studio.

But unlike some on both sides of the mic, I don't view winning and losing in radio as a solo sport. I want input from smart people about how the show sounds, how my station can take ownership of key local topics, how we can integrate my show into the overall imaging of the station, etc. etc. But in the past I have worked with radio management who seemed reluctant to get involved. On their *own* station. At first, I naively ascribed this to a principled reluctance by radio execs to suppress their talents' freedom of expression. Right.

I've come to realize that what some PDs and programmers are truly reluctant about is taking any ownership of the content they air. Perhaps they're trying to maintain a level of plausible deniability for that inevitable day when someone, somewhere is unhappy about one of their hosts. It's always struck me as bizarre when a local talk host is embroiled in controversy over his language or opinions, and the public statements from management are essentially "He said WHAT? Are you sure?" What— the host snuck into the studio during afternoon drive and seized the airwaves?

Good PDs want on-air content that pops, they want sizzle, they want talk hosts to have the kinds of conversations on the air that will inspire listener conversations around water coolers and over dinner tables after the show is over. That's how we win. As one caller summarized the situation: "Michael, it's your job to say things stupid enough to get me to call, but not stupid enough to get yourself fired." A brilliant observation about our industry. Or maybe he was just talking about me...

But where the deal breaks down is when the sizzling, attention-getting conversation creates problems, as good talk-radio inevitably will. Some in radio management want the results of talk radio, but without the responsibility of having chosen to broadcast it.

When I was in Charleston, South Carolina, the legislature was debating a near-total ban on any internet purchases. (If this seems embarrassingly anachronistic, keep in mind that it was *South Carolina*, where other key legislation that year was whether or not the Confederate Army should attempt to re-take Richmond). The debate involved various industries from wine and beer to coffins to cars. Being a free-market guy, I pounded the politicians who wanted to make it a crime to buy a Ford off the internet.

Before I finished my show that day, the GM was in the studio screaming at me. It turns out a local car dealer and big-time advertiser was leading a dealership jihad against internet car sales. It was his pet issue, and when he heard me defending free markets, he went nuts and threatened to pull every ad from every station in the cluster.

Now, here is a problem that no rational person could anticipate. I wasn't "pushing the envelope" or even licking it, for that matter. But instead of defending the concept of talk radio to this clueless car dealer, the GM immediately threw me under the bus. The advertiser must be right and the host must be wrong. Period.

After a few days, reason prevailed, the ads ran as scheduled and the GM was soon invited to "pursue other options." But the message was loud and clear: "Talk hosts, it doesn't matter if you actually did anything wrong. All that matters is that we have a problem...and by 'we,' I of course mean 'you.'"

C'mon, folks. We work for you. You put us on the air presumably because you think we can handle the challenging job of creating good radio and making you money. You urge us to push the envelope, but the second someone gets a paper cut, you go into full-on Congressional Democrat mode: Cut and run.

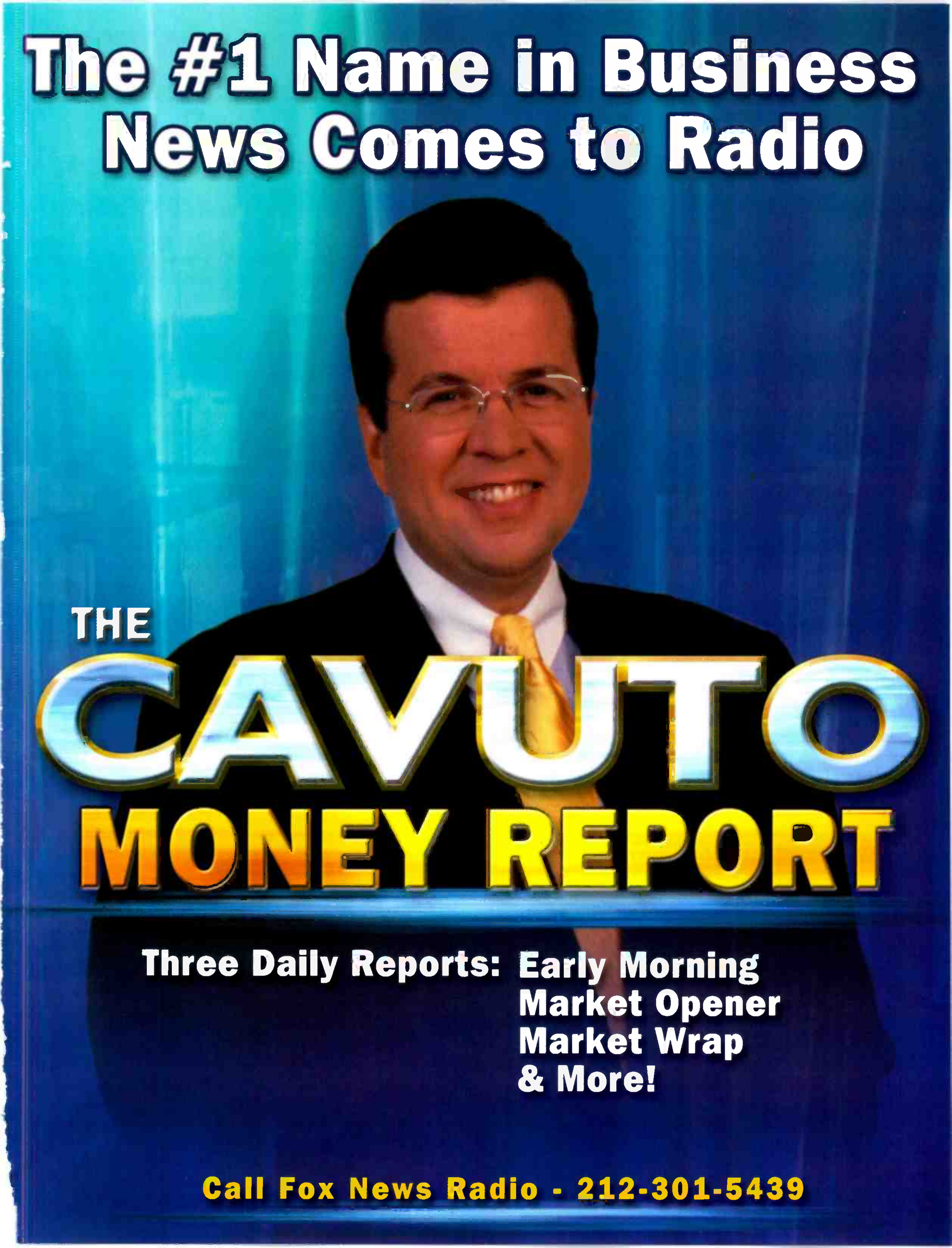
That's why I admired the advice "Never mention the ads." It was a clear, operational guideline, a boundary. Interestingly, I've found it difficult as a host to get these boundaries laid out by management in the past. The reason is obvious: If they tell me what's off limits, they're also telling me what is "management approved." And that gives the host and management shared responsibility when some future advertiser or activist is offended anyway.

Yes, there are talk hosts who will say stupid things and earn their trip to the unemployment line. And yes, there are talented hosts who just aren't worth the unnecessary trouble and expense they create for management.

But Talk radio—*good* Talk radio—is a high-wire act. Mistakes will be made. Everyone slips eventually.

And while no talk host expects his PD to be out on the wire holding his hand, all too often it seems like management is on the ground, cutting away at the net.

Greater Media would neither confirm nor deny that Michael Graham is a radio talk host at 96.9 FM Talk in Boston.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Separate antennas versus common antennas in HD

By Martin Stabbert, Citadel Director of Engineering

We have several FM's with a single-transmitter single-antenna, low-level-combined configuration. KWIN, Stockton, California; WQGN New London, CT and WLXC Columbia, SC were 2005 conversions, and we've added WLEV, Allentown and WKDF, Nashville, among others, to the list this year. This transmission method is conceptually simple, since a single transmitter and single antenna handles both HD and analog duties. We also have several of the tube-based low-level transmitters on the air. For example, WHTS and WTNR in Grand Rapids are running the Continental 816HD, and WNTQ, Syracuse has one of the brand new Harris HT-HD models.

The HD performance of all of these stations has been quite good, about as expected from a configuration that uses the same antenna for both analog and HD. The coverage generally extends beyond the analog city grade contour. Granted, when the main HD channel drops momentarily for whatever reason, the analog signal is there to maintain continuity of service. If everything is set up correctly, the transition can be difficult to catch. This graceful fallback is a nice feature of the system.

With the HD-2 or other 'multicast' channels, a temporary interruption to the HD signal causes those channels go to silent. For this reason, there is a perceived difference in service areas between the main HD and multicast channels. Time and additional experience will reveal real-world coverage areas.

Using separate antennas

We have two such systems on the air right now: one in Tucson, KIIM, and the other is in Modesto, California, KATM. We approached these installations with guarded caution over concern that the separate-antenna configuration would cause interference between the analog and HD signals, especially in areas near the transmitter site. We have not perceived interference to the analog in either case, a matter that is critical. However, whereas we initially thought the HD coverage of KIIM was quite good, now that others in the market have gone HD and are using the same antenna for both analog and HD, it is clear that our HD coverage does not extend quite as far as the others. We do not know if it's a case of the analog signal interfering with the HD or if it's just a basic lack of coverage from the separate antenna that we're using for HD. Overall, the in-town coverage is fine; it's in the distance where we've noticed the difference.

I had high hopes for KATM because its main antenna (analog) is a six-bay and the HD antenna is a three-bay. Both are otherwise identical, and are on the same tower, one immediately above the other. Although we expected a pretty close match of the coverage between analog and HD, I'd have to say the HD coverage has been disappointing. We're looking to resolve the issue and are reasonably confident that we will be able to do so. We have the option at that site of going to a high-level mode or putting in a high-power low-level transmitter so that we can use the same antenna for both signals. Based on our experiences so far, I'm concluding that the best performance is to be achieved when the same antenna is used for both signals.

At KBEE-FM in Salt Lake City, we are using one of the new ERI dual input antennas. The reports on coverage have been excellent. This configuration allows separate transmitters to make use of the common antenna, garnering the advantages of matched coverage between analog and HD, the ability to use a relatively low power HD transmitter, and no need for increased analog transmitter power to overcome combining losses that occur in the high-level method. It appears that this is a good option to consider, especially if a station is due for an antenna replacement (as was the case at KBEE-FM.)

High-level and mid-level combining

High-level is best described as the method that combines the outputs of separate analog and HD transmitters. Although this permits operation into a single antenna, this method is electrically inefficient and requires a significantly large HD transmitter and an additional 10% of analog transmitter power. As a result, if a station's current analog transmitter is already operating at rated power, it will have to be replaced with a model that can deliver at least 10% more. To date, Citadel has no high-level systems, nor do I foresee any in the near future. The total cost of ownership of this method is something that anyone considering it should carefully calculate.

Yet another option for FM is mid-level combining. In this configuration, the output of an analog transmitter is again combined with the output of an HD transmitter that is also generating some analog. The end result is a combination of the HD signal with the sum of the two analog signals. Mid-level offers a potentially higher efficiency (translation, lower power bill) and does not require an increase in output power from the existing analog transmitter, all while using the same antenna for both signals. We used this method at WCTO in Allentown and have found it to work well.

Working with stupid property owners

A comical situation came up recently in one of our markets – the name withheld to protect the stupid. As part of upgrading this particular station with a new low-level HD transmitter, we decided to add air conditioning to the penthouse of the multi-story office building that houses the site. We calculated a need for approximately six tons worth of air conditioning. That's not necessarily how much the equipment weighs, that's the cooling capacity. The building management and their consulting engineer were adamant that we do a structural analysis of the building to see if it can accommodate the 12,000 pounds of air conditioning that we intended to install on the roof. The air-conditioners only weigh 350 pounds apiece, but building management was completely clueless as to the difference between 6 tons of cooling capacity and 6 tons of dead weight. All the more frightening is the fact that a consulting engineer – a PE even – was behind this. In the end, I'm told that building management did consult with a structural engineer even after we provided cut-sheets on the proposed HVAC units showing the actual weight. The issue hasn't been brought up since.

WHTS Continental 816HD transmitter in Grand Rapids, MI.

WLEV Harris Z24HD Allentown, PA.

Advice on going with AM HD

Measure first! For AM HD, I highly recommend that stations measure antenna input impedances first. With this data in hand, one can then analyze and budget for necessary adjustments or for new tuning hardware and the services of a consultant, if needed. This can be significantly easier and less costly to do on stations that are non-directional or at least are non-directional during the day. The complexity and the cost can escalate very quickly when dealing with directional antenna systems.

AM antenna systems can be a unique challenge for HD technology and the method by which it is transmitted. For the golfers reading this, imagine how much better life could be if every pin-placement where at the center of a green. Even better, picture circular greens with the lowest point at the pin! This is the Nirvana that the HD signal would like to have when faced with an AM antenna system.

Let's extend this visualization further: Consider a shallow bowl with some liquid in the base, the bowl representing the AM antenna system and the liquid the HD signal. If the bowl is sitting flat on a table, the liquid will collect in the center. This represents an ideal situation. If we were to take this bowl and tip it slightly, some of the liquid might touch the edge of the bowl or even start to spill while some or none will still be touching the bottom of the bowl. Yes, the liquid is still contained, but it is a less-than-ideal situation.

For optimum HD and analog performance, this theoretical bowl needs to be flat on the table with HD signal in the center. I use the bowl analogy because its general shape is similar to the graphical representation ('curve') often used for antenna impedance. If the antenna system impedance is sitting at an angle – or on edge - to begin with, the HD may not work very well. Worse still, it can cause noise in the analog signal, amounting to the hiss-crackle-pop sounds that can be described as 'frying bacon'. Again, I highly recommend appropriate fact-finding and due diligence for any AM station considering the implementation of HD.

Going private - revisted and more relevant than ever

by Gregg P. Skall and Ross Parr of Womble Carlyle Sandridge & Rice, PLLC

The once popular broadcaster fashion to "go public" seemed to have hit the skids early in this decade and now appears to be in full retreat. This is evidenced by recent Wall Street reports and by Emmis Corporation CEO Jeff Smulyan's well-publicized, but failed effort to bring Emmis private earlier this year.[1] It appears that Wall Street, as well as fellow publicly-held broadcasters, were rooting for Jeff to succeed, because the market value of Emmis stock dropped significantly shortly after he called off the effort to go private[2] — even though the cash was there. Even venerable old line publicly-held communications companies like Hearst-Argyle Television, Inc. have been making noise about becoming private.[3] The real industry bombshell hit in late October 2006 when Clear Channel hopped on the going private carousel.[4]

Why is the ripple toward privatization becoming a flood? Much of what we observed during the summer of 2005[5] continues to be true today – and then some. Growth in broadcasting stocks has continued to trend downwards (with the recent uptick in radio revenue a notable exception) and broadcasting companies are losing market share to satellite radio, the Internet, podcasting and even mobile phones. Nevertheless, many industry executives are still looking for ways to support the price of what they believe is undervalued stock.[6] Businesses have continued to rail against the "one size fits all" requirements of the Sarbanes-Oxley Act of 2002, which has led to the formation of a special committee to assess the impact of Sarbanes-Oxley on the ability of the U.S. capital markets to compete competitively with foreign and private markets.[7] As a result and not surprisingly, for some pure-play companies the idea of "going private" remains an attractive alternative to dealing with the continued high costs of compliance with Sarbanes-Oxley[8] and the white-hot spotlight of Wall Street quarterly expectations.

In broadcasting, there is also increasing speculation that consolidation has hit its ceiling. In the face of competition from alternative distribution platforms and growing listener and consumer apathy for conventional broadcasting, some believe that a return to broadcasting's roots by creating compelling local programming through smaller station groups, away from Wall Street's focus on short-term growth and profit, is the only real hope for salvation. Witness this recent Radio Business Report Epaper Publisher Note excerpt, which we believe supports the notion that more focus and investment is critically needed at the local level:

> Money is needed at many stations in Research, Marketing, Promotion, and Talent as Content is King. Money has been ripped from so many stations the red finally caught up. As for hope RBR agrees with hope but hard work and commitment we believe in more. All CEO's give your teams the tools, financial resources and most of all Leadership needed. If not view Radio Media Moves to see what happens.[9]

Much of the going private activity is being driven by cash-rich hedge funds and private equity groups that are actively looking for undervalued public companies. At the recent NAB Radio Show financial session, lenders and venture capital funds, including John Brooks of Wells Fargo Foothill and Drew Marcus of Deutsche Bank, expressed great interest in broadcasting deals. Brooks noted that "despite the difficulties of public companies on Wall Street[,] '[w]e believe that even in a low growth or no growth environment such as this one, we can still make good loans,'" while Marcus stated that "private equity investors have the opposite view of the public markets, preferring maximum debt leverage to maximize the potential rate of return from future profits."[10]

One recent estimate placed the value of the private equity market at $800 billion, with at least 260 firms managing at least $1 billion in capital. More MBA graduates are going directly to private equity firms than has historically been the case and many former public company executives (including former General Electric CEO Jack Welch) currently serve in various positions at private equity firms.[11] During 2006 alone, private equity firms have raised approximately $159 billion – a record for the industry.[12] With more and more resources to bring to bear, it makes sense that these firms are trying to unlock the intrinsic value of publicly-traded broadcasting companies by taking them private.

In the most recent example of the going private phenomenon, Clear Channel Communications, Inc. was reported to have received formal buyout offers from a number of private equity groups on November 13, 2006.[13] The Mays family-led company put itself up for auction in October 2006 after a series of stock repurchase programs failed to re-energize its stock price.[14] It looks like the company may have found another way to reach its goal. As we discussed conceptually in our 2005 series of articles, Clear Channel has agreed to join forces with venture capital firms Thomas H. Lee Partners and Bain Capital to take out the public shareholders, with the founders staying in the game and retaining management of the company.[15] It is noteworthy that in conjunction with its decision to go private (and in keeping with the trend suggested by the RBR "Publisher Note" discussed above), Clear Channel is shedding its TV stations and ancillary businesses and putting up for sale 448 radio stations in some 90 markets, with speculation that there will be more to come in an effort to make this a leaner, more focused company.[16]

The proposed Clear Channel buyout comes on the heels of the October 2006 offer by the Dolan family to take Cablevision Systems Corporation private[17] and Univision Communications Inc.'s June 2006 decision to sell itself to a group of investors for $12.3 billion.[18] Another notable private equity broadcasting target is Tribune Company, which formed a special committee earlier this fall to consider going private (among other strategic alternatives) and recently received a joint buyout offer from companies controlled by billionaires Eli Broad and Ron Burkle.[19] These recent developments reflect a spate of buyouts in the broadcasting industry – particularly with respect to cable companies – that began a couple of years ago with Cox Communications and Insight Communications.

When you put the pieces together, the broadcasting financial puzzle takes on a pretty clear picture. Even though some broadcasting companies have reported significant recent revenue growth over the past quarter,[20] the Wall Street bloom is off the rose, as it appears to believe that broadcasting has run its course of rapid, sustainable growth. Further cost-cutting simply is not a possibility; indeed, the industry is facing a new need for capital to invest in new technologies and transition to multi-platform delivery (the subject of a future article). There is still a great business in radio and television, where returns on investment remain the envy of the majority of other businesses, all the while offering unparalleled opportunities for community service. The way out for some will be to sell back the local stations that are not a good fit for a large public company to local or smaller groups, financed by debt and venture capital, and to move slowly but deliberately to finance strong local programming and multiple platform delivery. As many public company executives are becoming increasingly convinced, a private company with a sophisticated board may be the better vehicle to transport broadcasters in this millennium. We set out one potential path for that transition, including some of the pitfalls and considerations, in our "going private" series of articles, reproduced below.

To review the footnotes and references go to www.rbr.com/legal/1206.html






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KYTL Twin Falls, ID
WAZS-TV Charleston, SC

By Jack Messmer

Cherry Creek Radio: Making big moves in small markets

Joe Schwartz spent most of his radio career working at stations in Arbitron-rated, larger markets. He managed stations for Saga and Emmis. He headed Bengal Communications, both incarnations, which owned stations in rated markets. But now Joe Schwartz is a small market guy, and he is loving it!

Forget about ratings. Schwartz's new company, Cherry Creek Radio, has mostly bought stations in markets that have never heard of Arbitron or Eastlan. And in those few markets where there are ratings books, the only contracts that Cherry Creek has are those it inherited from the previous owners. Do not look for renewals. Cherry Creek is about street-level selling, not ratings or cost-per-point.

"We are very sales focused. We don't believe we can save ourselves rich, we believe that we have to drive revenue 24/7/365 and it never ever changes. So that is our entire culture," Schwartz told RBR. "When it comes to that, the first thing I did when I started the company was I hired and brought in as a partner of the company **Dan Gittings**, Executive VP/Director of Sales. Dan's job, no matter what I'm doing, is 24/7/365 sales. He is in charge of the sales culture in the company. He does, personally, all the training. He goes to all the markets. He works with all the managers and we set up a system where we believe very strongly that in quite a few things that we believe works for us."

Buckle up. Some of you working in large markets may find this to be a very different kind of radio.

"Number one, we sell long-term. That's something that this business has gotten away from. I don't know why. When I first started everything was long-term. Now in most of the big markets it comes down in two, three, four-week flights and that's it," Schwartz noted. "We sell 13, 26, 52 weeks and we've been successful doing that. When we started the company about 15% of our business was long-term. We'll finish this year at about 65 to 70% of our business long-term. Is that something that can be done in major markets? I don't know. Is that something that is being tried? Are people trying to do that? I really don't know. I think it should be and I think that's where we get better results for advertisers."

Schwartz also isn't concerned about chasing the advertisers who are on other radio stations. "We consider the newspaper far and away our competition. We really don't spend a lot of time studying our [radio] competitors from a sales standpoint or from really any other competitive standpoint. Most of the money is in the newspaper. When you look at almost any market, if you take the radio and television revenue and double it, that's what newspaper is doing. Why do we go after ourselves? Why do we consider the guy across the street, the radio stations across the street, our competitors? It doesn't make any sense to me, so we develop new dollars into radio every minute of every single day," Schwartz told us.

Rather than going after accounts on the air elsewhere, Cherry Creek wants its AEs to go out and develop brand new accounts for radio in their market. That, Schwartz said, is why his company has been able to grow revenues 10-11% every year. "This year that 11% is through October and I think that's a pretty good performance when you look at what radio is doing in a lot of markets these days," Schwartz said, in a bit of an understatement.

So, while big market radio companies have been fighting tooth and nail for single digit revenue gains—and mostly low single digits at that—Cherry Creek has been tooling along in the double digit lane. Its markets include such places as Great Falls, MT, Sierra Vista, AZ and Montrose, CO.

How much more will Cheery Creek grow? "We're in 17 markets, we have 64 stations. We don't have a finite number. We have some very good financing and bank facilities in place, so if we see the opportunity to grow, we can and we will, but again, we've been a

company that bought things very strategically. If it fits what we're doing—and right now what we do is pretty much the western United States small markets—if something fits there and we feel it's an area we want to go into and it's a market we like and we like the economic drivers and we like the opportunity, then we'll do it," Schwartz explained. "If it's not any area we like or we feel it's priced to high, then we'll pass. We've never felt compelled to do any deals; we've never put a number on the number of markets or the number of stations that we want to own.

How small is too small? We asked Schwartz how big a small market has to be to make sense for Cherry Creek to be interested.

"You know, that's changed since we started. We really didn't put a number on it. We looked at certain attributes of a market, for example, when we bought into it. One of the markets I really liked, which was not a very big market or well known when we first started the company, I looked at the Western Slope of Colorado, specifically Montrose. Montrose's population the first time I looked at it was about 15-16 thousand people and about 30,000 people in the county. But around Montrose you have Telluride, you have Ouray, you have some tremendous growth counties. I saw that as an opportunity where I thought we can get to about two million dollars in revenue in a couple of years and we can put out some pretty strong margins on that. We saw some strong economic drivers there and we went after that opportunity," Schwartz said. "I've also looked at markets that had a hundred-thousand-plus people where I didn't think it was that strong. I would say at this point we need to get into markets that have at least 75-100 thousand people, where we can get into an opportunity where we can build, we can start at about two million in revenue and grow from there. We're at that point where it probably doesn't make much sense to get much smaller than that," he explained.

Look for Cherry Creek to keep growing. Arlington Capital Partners is backing the company on its acquisition quest and Schwartz says there are still deals out there that interest him.

"I think there are a ton of great deals still. We see our deal flow hasn't really slowed down. We see a lot of opportunities on a daily basis. We're just picky. If you see us do something, it's because we feel that it works for us. We feel we can make a difference. We feel we can buy it right. We feel we can grow the market," Schwartz said.

The 10 Cherry Creek commandments

Joe Schwartz gives credit to his old boss, **Jeff Smulyan**, for creating the Eleven Commandments at Emmis Communications. Cherry Creek has its own set of 10. Here are the 10 commandments of "The Cherry Creek Radio Sales Culture:"

1. We commit to recruit sales talent 24/7/365 and we never stop recruiting!

2. We train to reduce turnover which costs tremendous amounts of money.

3. We train our sales people to be marketing people first which puts our client's needs first as well.

4. We design our culture and system to take large amounts of money out of newspaper, television and cable.

5. We focus on long-term contracts to mitigate our downside as well as insure positive results for our clients.

6. We focus on long-term contracts because that improves our pacing at the first of each month (80%), 30 days out (65%) and 60 days out (50%).

7. We plan to create a sales culture in three phases; first the basic three step, second Lifestyle selling, and third, qualitative/planned purchase selling.

8. We manage from the ground up, because "when you turn out the lights, the assets go home."

9. We believe in positive motivation, period. Our managers see themselves as teachers, advocates and facilitators.

10. We believe that in our business we can never save ourselves into prosperity. We must manage expenses, but the only road to success is to raise revenues through the culture and system we describe.

A stocking-stuffer's view of CCU Television

There's a little something for everyone in the grab bag that is the Clear Channel Television Group, now on the market just in time for the 2006 gift-giving season.

Are you interested in market size? It runs from #5 to #202 with few significant gaps. The biggest is in the plus-or-minus 100 zone bordered on the large side by #79 Syracuse, down the population ranker to #122 Santa Barbara.

Are you looking for a specific network affiliation? There are eight allied with Fox, seven with NBC, six with ABC, six with CBS, five with CW, four with MyNetworkTV and two with Telemundo. Do you hate networks and want to figure out your own programming lineup 24/7? You're still in luck. There are four independents.

Are you looking for unique or alternative delivery platforms? Three of the stations are LMA'd, five are LPTV/ Class A's, two are multicast off the digital signal and one is cable-only.

Do you have a fondness for geographic diversity? The television group stretches East-West from New York to California and North-South from Alaska to Florida, with properties in numerous locations in between. The East-South axis has the bulk of the stations, with ten in California and nine in New York. Three more are in Tennessee; there are two apiece in Alabama, Arkansas, Florida, Kansas, Ohio, Oklahoma, Pennsylvania and Utah; and one apiece in Alaska, Oregon, Texas and Washington.

There are full-power duopolies available in Salt Lake City, Memphis, Jacksonville, Little Rock, Tulsa and Mobile-Pensacola, with three more de facto duopolies via LMA in Harrisburg, Wichita and Monterey-Salinas, and many other multiple streams utilizing the alternative delivery methods.

In all, we count 42 program streams in 26 markets. Maybe one or more of them would be just the thing for that tough person on your shopping list who already has everything, except perhaps a full-power NBC affiliate in Eugene OR. If there is somebody like this on your list, then get out your checkbook and turn to page 30 for the complete list.

CALLS	Channel	Affiliation	Market Name	Mrkt Rank	Rev. 2005 (000)
KFTY	50	IND	San Francisco (Santa Rosa)	5	0
KVOS-TV	12	IND	Seattle-Tacoma, WA	14	5000
WKRC-TV	12	CBS	Cincinnati, OH	33	38100
KTVX	4	ABC	Salt Lake City, UT	35	24800
KUCW	30	CW	Salt Lake City, UT	35	7900
WOAI-TV	4	NBC	San Antonio, TX	37	28000
WPTY-TV	24	ABC	Memphis, TN	44	9500
WLMT	30	CW	Memphis, TN	44	11900
WHP-TV	21	CBS	Harrisburg, PA	41	11200
WLYH-TV*	15	CW	Harrisburg, PA	41	3500
WTEV-TV	47	CBS	Jacksonville, FL	50	18000
WAWS	30	FOX	Jacksonville, FL	50	14200
WXXA-TV	23	FOX	Albany, NY	56	14450
KLRT	16	FOX	Little Rock, AR	57	7400
KASN	38	CW	Little Rock, AR	57	4000
KGPE	47	CBS	Fresno, CA	55	12500
KOKI-TV	23	FOX	Tulsa, OK	62	7800
KMYT-TV	41	My	Tulsa, OK	62	2900
WPMI-TV	15	NBC	Mobile, AL-Pensacola, FL	59	12900
WJTC	44	IND	Mobile, AL-Pensacola, FL	59	3325
KSAS-TV	24	FOX	Wichita, KS	67	4825
KMTW**	36	My	Wichita, KS	67	1000
WDFM-LP	26	IND	Toledo, OH (Defiance)	71	0
WHAM-TV	13	ABC	Rochester, NY	78	18400
CW-WHAM	multicast	CW	Rochester, NY	78	0
WSYR-TV	9	ABC	Syracuse, NY	79	13975
KCOY-TV	12	CBS	Santa Barbara, CA	122	6075
KKFX-CA	24	FOX	Santa Barbara, CA	122	2500
KMTR	16	NBC	Eugene, OR	120	5125
KION-TV	46	CBS	Monterey-Salinas, CA	124	6150
KCBA***	35	FOX	Monterey-Salinas, CA	124	5250
KMUV-LP	23	TEL	Monterey-Salinas, CA	124	0
KKEY-LP	11	TEL	Bakersfield, CA	126	600
KGET-TV	17	NBC	Bakersfield, CA	126	9800
KWFB	cable	My	Bakersfield, CA	126	0
WBGH-CA	20	NBC	Binghamton, NY	157	1200
WIVT	34	ABC	Binghamton, NY	157	1650
WETM-TV	18	NBC	Elmira, NY	173	5100
WWTI	50	ABC	Watertown, NY	176	1625
WBWT	multicast	My	Watertown, NY	176	0
WJKT	16	FOX	Jackson, TN	174	1075
KTVF	11	NBC	Fairbanks, AK	202	3150
Total					**324875**

* LMA'd from Nexstar **LMA'd from Mercury ***LMA'd from Seal Rock Source: BIAfn Media Access Pro; Clear Channel Communications website

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