

FCC OKs Qwest buys in New Orleans, Atlanta

By Chris McConnell

Exercising an interim policy on station attribution rules, the FCC last week conditionally approved Qwest Broadcasting LLC's application to acquire TV stations in New Orleans and Atlanta.

Qwest is a limited liability corporation (LLC) whose members are Tribune Broadcasting and QuestCom, a group of minority investors that includes Quincy Jones, Sonia Gonzales Salzman, Geraldo Rivera, Willie Davis and Donald Cornelius.

Considering Qwest's application to acquire WNOL-TV New Orleans from Jones and WATL Atlanta from Fox Television Stations, the commission exercised an interim policy on attribution rules and set forth a test for applying the proposal on LLCs and minority ownership.

The pending station attribution proceeding proposes to treat LLC investments as attributable for determining station ownership unless an LLC investor certifies that it is not materially involved in managing media-related activities of the company.

Tribune made no such certification, but the commission also proposed not attributing such investments in cases where it would advance minority ownership of broadcast stations. Qwest sought such an attribution exception in its application.

To qualify for the attribution rule

exception, the commission said, controlling members of the LLC must be minorities and, second, that the interest of facilitating minority ownership outweighs concerns about the influence of companies seeking a nonattributable status in the station.

The commission found that the Qwest application met both requirements of the test, a decision that allows Tribune to remain a Qwest member without incurring an attribution for station ownership purposes. But the FCC conditioned its approval on the outcome of its attribution rulemaking. The commission also conditioned its approval on a requirement that there be no change in the Qwest LLC agreement unless approved in advance by the FCC.

Because Tribune already owns TV stations in both cities, the FCC's decision to approve the transfers involved a review of FCC crossinterest policies, which require evaluations of ties between media outlets to insure diversity. The commissioners again cited the minority ownership of the stations and the pending attribution proceeding in approving the deal.

Commissioner Susan Ness, meanwhile, issued a separate statement reluctantly concurring with the decision: "This case is another in a series which push the limits of our rules, perhaps to attain a marketplace advantage in contemplation of changes to our rules." She added that she looks forward to finalizing the commission's rules. ■

Century makes Arizona moves

Century Management Inc. is taking over three radio stations formerly owned by Resource Media Inc. and G.G. International. The deal was presented as "a new partnership" but actually is a merger, says Resource Media Chairman Steven Taslitz. He declines to disclose details.

The partnership, called New Century Arizona, last Monday took over Resource Media's KEDJ-FM Sun City, KHOT(FM) Globe and KGME(AM) Glendale/Phoenix, all Arizona.

Seattle-based Century Management already owns KJR-AM-FM and KUBE-FM Seattle with Ackerley Communications.

"We have had serious acquisition interests in the excellent Phoenix market and see a terrific opportunity with this group of stations," Century Management Chairman George Kriste said in a news release. Phoenix is the nation's 18th DMA. KEDJ-FM is ranked 15 among 20 stations in the market.

Reid Reker, former general manager of KSLX(FM) Scottsdale, Ariz., was named vice president/general manager of the three-station group. —EAR

Quaker State Broadcasting Corp.

has acquired the assets of

WCTX-FM

Harrisburg (Palmyra), PA

from

Clinton Broadcasting Co.

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