

and getting "anything out of the FCC in August is a question mark." Michaels says. The \$774 million merger was announced in February.

With the addition of Citicasters' 19 radio stations and other pending purchases, Jacor would own 60 radio stations in 16 markets. The company's strategy will be to build a "core cluster and satellites" in each of its markets, Michaels says. He won't elaborate on the strategy, but says it "is going to yield some benefits that are not obvious."

Michaels also declined specific comment on plans for Citicasters' two TV stations: WTSP-TV St. Petersburg/Tampa and WKRC-TV Cincinnati. Jacor has been reported to be negotiating to swap the stations for Gannett Co.'s 11 radio stations. "We've done a lot of research on that. Nobody's actually done that yet," Michaels says. He notes that "VHF network affiliates are like gold" and that "a significant piece" of such a deal "qualifies as like-kind exchange property," and, thus, is tax-free.

While the deal with Gannett may be one of those awaiting the closing on Citicasters, one industry source says that Jacor also is talking with Chancellor Broadcasting Co. Chancellor, which is 90% owned by the private investment firm Hicks, Muse, Tate & Furst Inc., owns, or is buying, 41 radio stations.

But Jacor will be careful about what markets it steps into since the Justice Department limited its share of the radio advertising revenue in Cincinnati to about 50%. "There are certainly some deals we've reconfigured based on our experience with Justice," Michaels says. Jacor's acquisition strategy will be modified to "lower the likelihood that we trip one of the [Justice Department's] levers." Justice says 50% is not a "magic number" and that each antitrust investigation will be treated individually.

Michaels had harsh words for Justice: "They wanted a scalp. They were wrong and the situation will correct itself." He is convinced that a court challenge will be presented soon, although not necessarily by Jacor. "I'm not sure there is a problem with radio doing what Congress has said we can do," he says.

Michaels' comments came last Tuesday during a conference call touting Jacor's and Citicasters' latest financial results. Jacor's net income rose 8.7% in the first six months of the year, to \$4.65 million. Net revenue was up 33.4%, compared with the first six months of 1995, while broadcast cash flow grew 54.8%, from \$12.8 million

to \$19.8 million. Operating income shot up a whopping 78.2%, from \$6.7 million to \$11.9 million.

Once Citicasters also is under Jacor's wing, "a lot of things will improve very quickly," Michaels says. "The benefits of clustering are just extremely obvious."

Citicasters' six-month results weren't quite as pleasing. Net earnings fell from \$6.5 million in the first half of 1995 to \$4.7 million this year because of merger expenses, Citicasters says. Net revenue was up 8.2%, while operating income increased 4.7%, to \$17.1 million.

Although WTSP-TV was behind budget, that was balanced out by WKRC-TV, which was ahead of budget, Michaels says. That means "all the growth in net revenue came on the radio side."

**Viacom, Hubbard agree to swap**

Viacom Inc. last Wednesday said it will swap NBC affiliates WNYT(TV) Albany and WHEC-TV Rochester, N.Y., to Hubbard Broadcasting Inc. for Hubbard's WTOG(TV) Tampa/St. Petersburg, Fla. (BROADCASTING & CABLE, June 17)

The deal would increase the reach of Viacom's Paramount Stations Group to 19% of U.S. TV households, Paramount says. It also would give Viacom another UPN O&O. Viacom has an option to buy up to 50% of the United Paramount Networks and intends to keep acquiring major-market UPN stations.

**Raycom shoots for seven more**

Raycom Media Inc., the new company with the former Ellis Communications Inc. at its core, has bought seven more TV stations. Raycom, led by lawyer Stephen I. Burr, is buying the TVs from international holding company AFLAC Inc. for \$485 million. The stations being sold are: WAFF(TV) Huntsville, Ala.; WTVM(TV) Columbus and WTOCTV Savannah, Ga.; KWVL(TV) Waterloo, Iowa; WAFB(TV) Baton Rouge; KFVS-TV Cape Girardeau, Mo., and WITN-TV Washington, N.C. All are affiliates of one of the Big Three networks. If approved by the FCC, the deals would bring Raycom to 27 stations, mostly in small to midsize markets. ■

## Changing Hands

The week's tabulation  
of station sales

**Proposed station trades**

By dollar volume and number of sales;  
does not include mergers or acquisitions  
involving substantial non-station assets

THIS WEEK:

TVs ■ \$512,245,949 ■ 6

Combos ■ \$48,320,000 ■ 4

FMs ■ \$249,438,000 ■ 4

AMs ■ \$3,950,000 ■ 4

Total ■ \$813,953,949 ■ 18

SO FAR IN 1996:

TVs ■ \$5,161,939,845 ■ 66

Combos ■ \$9,827,955,479 ■ 239

FMs ■ \$1,775,767,953 ■ 265

AMs ■ \$144,789,688 ■ 152

Total ■ \$16,910,452,965 ■ 722

SAME PERIOD IN 1995:

TVs ■ \$2,483,437,000 ■ 85

Combos ■ \$1,250,749,810 ■ 140

FMs ■ \$434,314,073 ■ 237

AMs ■ \$70,469,654 ■ 125

Total ■ \$4,238,970,537 ■ 587

Source: BROADCASTING & CABLE

**TV**

**WAFF(TV) Huntsville, Ala.; WTVM(TV) Columbus and WTOCTV Savannah, Ga.; KWVL(TV) Waterloo/Cedar Rapids, Iowa; WAFB(TV) Baton Rouge; KFVS-TV Cape Girardeau, Mo., and WITN-TV**

**Washington/Greenville, N.C.**

**Price:** \$485 million  
**Buyer:** Raycom Media Inc. (formerly Ellis Acquisitions Inc. [Stephen I. Burr, principal; Retirement Systems of Alabama, financier]), Atlanta; owns KOLD-TV Tucson; WZVN-TV Naples, Fla.; WSAV-TV Savannah, Ga.; KSLA-TV Shreveport, La.; WJTV(TV) Jackson (and satellite WHLT(TV) Hattiesburg), Miss.; KAME-TV Reno; WECT(TV) Wilmington, N.C.; WUPW(TV) Toledo, Ohio; WACH-TV Columbia, S.C.; KSFY-TV (satellites KABY-TV Aberdeen and KPRTV-TV Pierre), all Sioux Falls, S.D., and WTNZ-TV Knoxville and WMC-TV-AM-FM Memphis, Tenn.; is buying WDAM-TV Laurel/Hattiesburg, Miss.; WPBN-TV Traverse City/Cadillac-WTOM-TV Cheboygan/Cadillac and WLUC-TV Marquette, all Mich.; KTVO(TV) Ottumwa, Iowa/Kirksville, Mo.; WSTM-TV Syracuse, N.Y., and KNDO(TV) Yakima-KNDU(TV) Richland/Yakima, Wash.  
**Seller:** AFLAC Inc., Columbus, Ga. (Daniel P. Amos, president); no other broadcast interests  
**Facilities:** WAFF: ch. 48, 1,170 kw visual, 234 kw aural, ant. 1,900 ft.; WTVM: ch. 9, 284 kw visual, 52.5 kw aural, ant. 1,650 ft.; WTOCTV: ch. 11, 316 kw visual, 31.6 kw aural, ant. 1,470 ft.; KWVL: ch. 7, 316 kw visual, 27 kw aural, ant. 1,980 ft.; WAFB: ch. 9, 316 kw visual, 63 kw aural, ant. 1,670 ft.; KFVS-TV: ch. 12, 316 kw visual, 63.2 kw aural, ant. 2,001 ft.; WITN-TV: ch. 7,