

## FCC would count LMAs toward TV limits

**WASHINGTON**—The FCC this week plans to propose that future local marketing agreements (LMAs) count toward TV ownership limits.

Existing LMAs would be grandfathered unless determined to be anticompetitive by the commission. Current FCC attribution rules count radio LMAs as "owned" stations, but not TV LMAs.

The proposal to treat new TV LMAs the same as radio LMAs is part of three broadcast ownership rulemaking proceedings that FCC sources expect to be launched this week.

The proposal would allow common ownership of stations as long as their "designated market areas" and Grade A signals don't overlap. Current rules restrict common ownership of stations with overlapping Grade B signals. Grade B signals reach roughly 70 miles from a station's transmitter, while Grade A signals extend up to 45 miles.

The proposals also invite comment on whether the FCC should allow common ownership of TV stations within a market; how the FCC should treat applications to combine a TV station with several radio stations within a market, and how the commission should treat UHF stations in calculating a broadcaster's national audience reach. —CM

## Late-breaking news from the station-trading front

■ **Jacor Communications** has expanded its holdings in San Diego, acquiring KPOP(AM) and KGB-FM from Nationwide Communications, which had recently purchased them for \$50 million. In return, Jacor spins off its KSLX(FM) Scottsdale, Ariz., and KOPA(AM) Phoenix, which removes Jacor from the market, to Nationwide. With the new stations, Jacor would control nine outlets in San Diego, but the company plans to spin off KCQB(AM) there to stay within the eight-station limit. Jacor also entered a new market, Casper, Wyo., last week, by acquiring KTWO(AM), KMGW-FM and the Wyoming Radio Network from Clear Channel Communications. Meanwhile, Nationwide plans to spin off KSLX and KOPA to Sandusky Radio to complete the three-way swap. Nationwide still owns and operates KCEO(AM), KUPR(FM) and KFSD-FM, all San Diego.

■ **Univision** is acquiring KCSO(TV) Modesto/Sacramento, Calif., for more than \$40 million. Seller Chester Smith told a local newspaper that the Spanish-language broadcaster has been trying to buy the station for some time. The station currently carries Univision programming from 11 a.m. to 2 a.m., with the balance of time reserved for Christian shows.

■ **Capstar Broadcasting Partners** is acquiring five more stations in Florida. The Hicks, Muse, Tate & Furst radio investment group is buying WMYM(AM) and WLRQ-FM Cocoa from EZY Com Inc.; WHKR(FM) Rockledge from Roper Broadcasting Inc., and WMMB(AM) and WGGD-FM Melbourne from City Broadcasting Co. Capstar Chairman R. Steven Hicks said that these were the first of "a sizable number of [planned] add-on acquisitions."

■ Three TVs in Seattle/Tacoma are for sale. **Gaylor** has announced that it is ready to sell its CBS station KSTW, while Belo's acquisition of the Providence Journal Co., owner of KING-TV, is prompting it to spin off KIRO-TV. Dudley Communication Corp.'s KTZZ-TV also is reported to be on the market.

■ TV stations in Orlando; Portland, Ore., and Greenville, S.C., are also up for grabs. Atlanta-based **First Media Television LP** is exploring the possibility of selling CBS affiliate WCPX-TV Orlando and Fox stations KPDX(TV) Portland and WHNS(TV) Greenville.

■ **SFX Broadcasting Inc.** is adding WWYZ(FM) to its Hartford, Conn., holdings. The company is paying the Gilmore family \$25.25 million for the country station. SFX already owns or is buying three FMs and one AM in Hartford. —JS

# Clear Channel wants to buy VOA Europe

By Steve McClellan

## NEW YORK

**I**n what may be the first of several agreements to privatize U.S. government-sponsored broadcasting operations, a group of commercial broadcasters led by Clear Channel Communications and ABC is negotiating with the Voice of America to take control of VOA Europe, a satellite-delivered radio service heard in 64 countries.

Organizing the effort is Sherrill Taylor, a former CBS vice president and former chairman of the VOA's private sector advisory committee. Taylor will chair VOA Global, a new private company that will acquire VOA Europe.

Taylor says negotiations are entering

a "final phase" and that the parties hope to have a deal signed in the next 30-60 days. He also confirmed Clear Channel's involvement, but would not comment on whether ABC was involved: "We're putting together a small consortium, and we're looking for at least one other partner." ABC declined to comment.

VOA Director Geoffrey Cowen confirmed the talks but said they were not far enough along that he would be "remotely comfortable with a news story being written about it."

There is some urgency attached to the talks because funding for VOA Europe is set to expire at the first of the year. Government-sponsored broadcasting operations such as VOA and Radio Free Europe have been

exploring privatization for several years, as their tax-based budgets and grants have come under increased pressure from politicians looking for programs to cut.

Taylor says his group hopes to create a model privatization agreement that will be a win-win situation for taxpayers, the government operation involved and the private entities that will take control. One issue still on the table is the government's compensation for the radio service. Talks have focused on royalty payments for the first year that would equal 15% of gross billings. With a \$2 million budget, VOA Global expects to break even in year one, Taylor says, and has slotted \$20 million in advertising inventory. ■