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## Off to court we go! DOJ sues Chancellor & SFX

After a year of threatening and intimidating the radio industry, the US Department of Justice (DOJ) is finally going to have to prove its case in court. DOJ's Antitrust Division last week (11/6) filed suit against Chancellor Media (O:AMFM) and SFX Broadcasting (O:SFXBA) after the broadcasters were unable to come to terms with DOJ on a long-pending deal to swap SFX's Long Island stations for Chancellor's Jacksonville, FL stations (RBR 7/8/96, p. 18).

In what may be the most bizarre twist yet, DOJ isn't claiming that Chancellor will have an unfair share of radio revenues in Arbitron's Nassau-Suffolk market. Rather, the antitrust case defines the "market" strictly as Suffolk County—the eastern (and least populated) half of Long Island.

### Radio revenues up 11% through Q3

Based on September revenues, radio is up 11% YTD and on track to end the year up 11%. According to the latest figures from the Radio Advertising Bureau (RAB), September was up 10% in combined national and local revenues.

Local was up 10% in September, with all but the East posting double-digit increases. YTD, local is up 9%.

While national didn't post the incredible monthly gains it has since February, it was still up 11% in September and up a healthy 16% YTD. The Southeast had the biggest national increase, up 21%, followed by the Midwest, up 17%.

Under questioning by reporters, DOJ Sr. Counsel **Charles Biggio** repeatedly dodged the issue of how DOJ arrived at that definition of the "market," which doesn't correspond to any market used by ad agencies or any type of media. Even the US Government's Office of Management and Budget combines Nassau and Suffolk into a single Primary Metropolitan Statistical Area.

Of course, the entire Nassau-Suffolk market is merely an embedded part of the nation's largest media market, New York, with Big Apple radio, TV and newspapers claiming huge shares of the Long Island audience, along with some ad dollars from larger businesses (see RBR's News Analysis, p.6).

According to DOJ's lawsuit, merging SFX's four Long Island stations with Chancellor's two "would create a dominant Long Island radio group with more than 65% of the market." The agency apparently has no problem with the Jacksonville side of this deal, which would give SFX six stations as well.

All of the stations have been LMA'd since July 1996 and that status quo won't change pending the outcome of this trial. With more than 15 months of joint operation history, reporters asked Biggio the obvious question: Has Chancellor driven rates up? Instead of answering the question, which was asked in several forms, the DOJ attorney repeatedly steered his replies to note "concerns" that it

### Pacing: Going, going, gone!

Radio inventory continues to sell out at a record pace. According to the latest RBR/Miller Kaplan pacing report, Q1 1998 is filling up early this year. The 16.6% may not look like much, but one out of every six units in January is already sold, a good indication of a stronger Q1 than last year. "Usually, there is very little thinking about January in November," said Miller, Kaplan's **George Nadel-Rivin**.

### RBR/Miller Kaplan Market sell-out percentage report

	1997	1996
Nov. 1	87.1%	85.1%
Dec.	60.8%	59.3%
Jan. '98	16.6%	13.8%

could happen.

The crux of DOJ's case is summed up in these two paragraphs of its news release announcing the court filing:

*"On Long Island, Chancellor and SFX are the two largest radio groups with Chancellor owning two stations and SFX four. In particular, Chancellor's WALK-FM and SFX's WBLI-FM and WBAB-FM have been each others' primary competitors in the sale of local radio advertising in Suffolk County. This merger would*

*continued on page 4*

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by Frank Saxe

## AP's hand forced— News war leads to changes

After two years of study, the Associated Press is poised to make a major shift in the way its wire service is offered to radio stations. Later this month, the AP will announce a new pricing structure that will allow stations to buy only the wire components they want, say AP sources.

The all-or-nothing approach has led to grumbling by many AP station clients, and may have lead some to switch to AP's competitors such as ABC Newswire and UPI. 3,000 radio stations are Associated Press members, ABC Newswire claims 1,000 and UPI is third at 350.

"We have been working on a repackaging of the AP product to make it more radio-friendly," says GM **Corinne Baldassano**. She declined to elaborate on the new price structure, saying it still needs the approval of the AP Board of Directors, who will be called into a special meeting within the next few weeks.

The current AP pricing policy is based on market size and signal, but *RBR* has learned it will be revamped so those that use the wire the most, will pay the most.

"I think it's a really smart move," says Chancellor SVP **Larry Wert**. He says stations are being offered many new alternatives to get news at a time when the bottom line is becoming even more critical. Wert says just about all of Chancellor's stations would potentially save money under the new pricing system.

"The AP has been doing a lot of things to stave off increased competition," says UPI GM **Howard Dicus**. He says AP has been forced into reactive mode, because they counted on the death of UPI and the failure of ABC Newswire—neither of which occurred.

"The AP has had a bad reputation for sticking contracts down people's throats," says **Glen Leeder**, GM, ABC Newswire. Like UPI, ABC sells itself as

the customer friendly alternative. Leeder says many stations take ABC's service because it offers short, 90-day contracts at a lower rate than AP. "We have our price lower than theirs, and we don't plan on raising our rates," he says.

What effect will AP's proposed change have on ABC or UPI? "I don't think it will make a big difference," says Dicus. Both Dicus and Leeder say their services are sold as alternatives to AP, something a change in price won't effect.

### Station reaction

"They recognize competition when they see it," says **Bill Vanko**, News Director, WPOC-FM Baltimore. "They're probably the 600-pound gorilla. But maybe they're down from 800 pounds," he says.

For many GMs the AP has been seen as anything but customer-friendly, and the pay for what you use concept won't win all of them back. "I think it sucks. That will screw us again," says a GM of a News/Talk station which could end up paying more. "Its too expensive now," he says of the \$17K it costs his station.

A GM at a CBS-owned station tells *RBR* CBS has renegotiated its contract with AP for the entire group—and that gave the station a better rate.

### DOJ continued from page 3

end the competitive battle between the two companies, the Department said.

"Allowing Chancellor to buy a dominant position in this concentrated market will result in higher radio advertising prices for Suffolk County businesses that rely on radio to sell their products and services," said **Joel I. Klein**, Assistant Attorney General in charge of the Antitrust Division. "These stations have been locked in a daily competitive battle. This deal will end that battle and consumers will lose."

This case marks the first time that DOJ has actually filed suit to block a radio deal. Since President **Bill Clinton** signed the Telcom Act deregulating

radio ownership limits in February 1996, DOJ has filed court settlements with broadcasters in five cases and settled three others out of court.

Chancellor and SFX have 20 days to respond to the DOJ lawsuit. At *RBR*'s deadline, Chancellor officials hadn't returned calls seeking comment, nor had they issued any public statement on the DOJ action.

An SFX spokesman said only that the DOJ move would not affect a pending deal to sell all of SFX's radio stations to Capstar Broadcasting Partners for \$2.1B. As it happens, Capstar's primary investor, Hicks, Muse, Tate & Furst, is also a major shareholder of Chancellor.

locked 2-2. Kennard thinks a 3-2 Democratic majority will help change that outcome. Commissioner **Susan Ness** (D), who supported Hundt, remains on the Commission. During the Senate Confirmation hearings, Commissioner **Gloria Tristani** (D) told Senators she believes any analysis should encompass not just hard liquor—but beer and wine advertising as well. Republican Commissioner **Michael Powell** said, "The First Amendment would be first and foremost," while fellow GOP Commissioner **Harold Furchgott-Roth** said he had not decided if he supported a review.

Congressman **Joe Kennedy** (D-MA) has been trying to get Congress to fund a NIH study into how alcohol ads affect consumption and underage drinking. "The FCC has always been an effective bully pulpit, and they should support an effort to find out what effect alcohol advertising is having on kids," Kennedy tells *RBR*.

"The FCC does not have jurisdiction over alcohol advertising. It's a mystery why he is singling out distilled spirits while ignoring beer and wine," says **Lisa Hawkins**, spokes-

### Kennard pushes alcohol review

Just moments after being sworn-in on the Bible his father carried through Europe during World War II, the new FCC Chairman, **Bill Kennard**, said a review of alcohol advertising should be undertaken by the new Commission.

"It is too important an issue for America to put in the closet and say that government can't do anything

about it," Kennard told reporters. Despite his call to investigate the connection between alcohol ads and underage drinking, he was not sure if there is anything the government can do about it. "There are difficult legal and constitutional problems here," Kennard said.

Former Chair **Reed Hundt** had pushed for an FCC review of alcohol advertising, but the Commission dead-

# Who has the best Digital System for groups?

## CapStar/GulfStar

**Austin, TX**  
**Baton Rouge, LA**  
 WJBO-AM  
 WLSS-FM  
 WYNKAM  
 WYNK-FM  
 KRVE-FM  
 WBIU-AM  
**Beaumont, TX**  
 KKMY-FM  
 KLVI-AM  
 KYKR-FM  
 KTCC-FM  
**Corpus Christi, TX**  
 KMXR-FM  
 KRYS-AM  
 KRYS-FM  
**Fayetteville, AR**  
 KKIX-FM  
 KKZQ-FM  
 KEZA-FM  
**Fort Smith, AR**  
 KMAG-FM  
 KWHN-AM  
 KZBB

**Killeen, TX**  
 KIIZ-FM  
 KLFX-FM  
**Lawton, OK**  
 KLAW  
 KZCD  
**Longview, TX**  
 KKTU  
 KNUE  
 KISX  
 KTYL  
**Lubbock, TX**  
 KFMX-FM  
 KKAM-AM  
 KRLB-FM  
 KZII-FM  
 KFYO-AM  
 KKCL  
**Lufkin, TX**  
 KYKS-FM  
 KAFX-FM  
**Shreveport**  
 KRMD-AM  
 KRMD-FM

**Texarkana, AR**  
 KKYR-AM  
 KKYR-FM  
 KLLI-FM  
 KYGL-FM  
**Tyler, TX**  
 KNUE-FM  
 KISX-FM  
 KTYL-FM  
 KKTU-AM  
 KKTU-FM  
**Victoria, TX**  
 KIXS-FM  
 KLUB-FM  
**Waco, TX**  
 KBRQ-FM  
 KCKR-FM  
 KKTU-AM  
 WACO-FM  
 KWTX-AM  
 KWTX-FM

## CapStar/PacificStar

**Modesto, CA**  
 KVFX  
**Yuma, AZ**  
 KTTI-FM  
 KBLU-AM

## CapStar/AtlanticStar

**Dover, DE**  
 WSRV  
 WDOV  
**Wilmington, DE**  
 WJBR-AM  
 WJBR-FM  
 WDSO  
**Winchester, VA**  
 WFQX  
 WUSQ  
 WNTW

## CapStar/SouthernStar

**Cocoa, FL**  
 WLRQ-FM  
 WMYM-AM  
**Decatur, AL**  
 WTAK  
 WWXQ-FM  
 WDRM  
 WBHP  
 WHOS  
**Tuscaloosa, AL**  
 WACT-AM  
 WTXT-FM  
 WRTR-FM  
 WZBQ-FM

## Triathlon

**Colorado Springs, CO**  
 KSPZ-FM  
 KVUU-FM  
 KVOR-AM  
 KTWK-AM  
**Kennewick, WA**  
 KTCR-AM  
 KLOK-FM  
 KNLT-FM  
 KEGX-FM  
 KKNX  
**Lincoln, NE**  
 KZKX  
 KTGL  
**Omaha, NE**  
 KTNP-FM  
 KXKT-FM  
**Spokane, WA**  
 KEYF-AM  
 KEYF-FM  
 KKZZ-FM  
 KUDY  
**Wichita, KS**  
 KQAM  
 KEYN-FM  
 KFH-AM  
 KRBB  
 KWSJ  
**Drake Communications**  
**Rogers, AR**  
 KLTU-AM  
 KWMQ-FM  
**Tahlequah, OK**  
 KTLO  
 KEOK

## Lazer Broadcasting

**Big Bear City, CA**  
 KXSB  
**Hemet, CA**  
 KSDT-AM  
 KXRS-FM  
**Oxnard, CA**  
 KXSP  
 KXLM  
**Noalmark Broadcasting**  
**El Dorado, AR**  
 KIXB-FM  
 KAGL-FM  
 KELD-AM  
**Hobbs, NM**  
 KYKK  
 KZOR  
 KIXN

## Jacor

**Iowa City, IA**  
 KXIC-AM  
 KKRQ-FM  
**Salem**  
**Boston, MA**  
 WPZE  
**Denver, CO**  
 KRKS-AM  
 KNUS-AM  
 KRKS-FM  
**Los Angeles, CA**  
 KKLA  
 KLTX  
**Houston, TX**  
 KKHT  
**Minneapolis, MN**  
 KKMS  
 KEGE  
**New York, NJ**  
 WMCA  
 WWDJ  
**Phoenix, AZ**  
 KPXQ  
**Sacramento, CA**  
 KFIA  
 KMJI

## Faith Communications

**Las Vegas, NV**  
 KILA-FM  
**Ogden, UT**  
 KANN-AM  
**Twin Falls, ID**  
 KCIR



**'NUFF Said!**  
 ...just ask any of our groups!

Kevin Lockhart  
 President, Prophet Systems

## Bloomberg L.P.

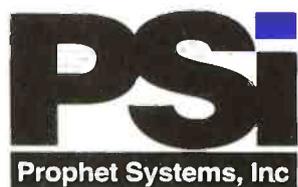
**Boston, MA**  
 WADN-AM  
**Norfolk, VA**  
 WVNS  
**Phoenix, AZ**  
 KFNN-AM  
**Portland, OR**  
 KBNP-AM  
**Providence, RI**  
 WPNW  
 WKIX  
**Seattle, WA**  
 KEZX-AM  
 KWJZ-FM  
**St. Louis, IL**  
 WINU-AM

## Cromwell Group

**Nashville, TN**  
 WCTZ-AM  
 WQZQ-FM  
 WZPC-FM

## Catholic Broadcasting

**Nome, AK**  
 KNOM-AM  
**Portland, OR**  
 KBVM



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by Katy Bachman

**DOJ needs glasses:  
Long Island is no media island**

If a federal judge finds antitrust in Long Island (see story, p.3), we'll throw the party. Calling Long Island a market unto itself is silly. The 15 Long Island radio stations compete vigorously with New York radio stations, 28 of which capture the majority of the P12+ audience shares—60.3 compared to LI radio's 30.6 share. Meaning: LI radio rates MUST BE competitive with NY radio rates.

Even though Arbitron reports Long Island radio out separately, it has defined Nassau-Suffolk as an "embedded metro" in the New York (#1) market since 1974. It just happens to have its own market report because broadcasters can support the extra expense. In the NY book, LI stations are listed above the line.

The TV business doesn't even recognize Long Island as a separate market; it's a part of the New York market—there's one CBS, NBC, ABC affiliate. Same with newspapers: Scarborough Research doesn't recognize LI as a separate market.

Long Island radio also competes with both New York and Long Island newspapers (including high

billers such as the *New York Times* and *Long Island Newsday* with 53% circ. on LI), New York TV stations, cable and yellow pages. Long Island media even competes with CT media; two CT radio stations make the Nassau-Suffolk book.

As a suburb of New York, a huge portion of the populace commutes daily to New York and listens to...you guessed it, New York radio stations.

The whole point of consolidation is so that radio can compete with other media; up until now radio has been slaughtered by the other media and nets a piddling 7% of the total media advertising pie. As always, advertisers have an abundance of media

choices in the NY-LI Designated Media Area (DMA) and if radio rates are too steep, those advertisers will go elsewhere.

**RBR observation:** This is the worst possible case for the DOJ and the best possible case for radio. DOJ faces major hurdles first in trying to convince a court that Suffolk County is a market unto itself and then, that radio is a separate media market unto itself. Both premises defy logic. What's worse—it's a waste of taxpayers' money. Is it the Department of Justice of "justify the department?"

**Competing media revenues**

	LI	NY
Radio	\$42.7M	\$530M
TV	N/A	\$1.375B
Newspapers	N/A	\$2.054B
<b>TOTAL</b>		<b>\$4.001B*</b>
<b>Radio % total</b>	<b>1%</b>	<b>14.3%</b>

Note: LI radio revenues included in totals.  
Source: BIA, Competitive Media Reporting

**Group Radio Revenues**

Group/Owner	1996 Revs	Station	Sp97 P12+	% LI Revs	% NY-LI Revs
Chancellor/SFX	24,400,000	WALK AF, WBLI, WBAB, WHFM, WGBB	13.5	60.4	4.5
Barnstable	11,250,000	WBZO, WKJY, WMJC, WRCN, WHLI, WGSM, WRHD	11.3	27.8	2.1
R.J. Morey	2,100,000	WLIR, WDRE	1.6	5.2	<1
Unity	1,200,000	WLNG	-	2.9	<1
Malcolm Kahn	750,000	WBAZ	0.4	1.9	<1
Hamptons Media	425,000	WEHM, WBEA	-	1.1	<1
L.I. Multimedia	300,000	WLUX	1.0	<1	<1
<b>Total 96 Revs.</b>	<b>40,425,000</b>	Source: Arbitron, BIA			

woman for the Distilled Spirits Council. She says the Council gets dozens of phone calls from broadcasters each week, and estimates there are 100 stations already airing liquor ads. "There has been absolutely no public outcry in the markets where they have run," she says.

"The FCC needs to be very careful of looking at program content, because there's all sorts of First Amendment issues to contend with," says National Association of Broadcasters Radio Board Chairman **Howard Anderson**. The NAB argues a review of alcohol advertising should be left up to Congress or the Federal Trade Commission.

Anderson says he is "disappointed, yes—suprised, no" with Kennard's comments. And he says one advantage broadcasters will have with Kennard over Hundt is his previous exposure to the industry, as the Commission's General Counsel.

On other subjects, Kennard sounds a lot like his predecessor. He wants more local phone service competition, a review of rising cable TV rates

and bankruptcy filings by bidders for wireless PCS service.

The new FCC's first meeting is slated for Nov. 25.

**AVI syndicates more sports shows in 3-way deal**

Earlier reports that web site CBS SportsLine and SportsFan Radio Network were teaming to produce programming is two-thirds true. **RBR** has learned that a third player, American View, Inc. (AVI) is the syndicator putting all the pieces together. The deal to be announced this week will give newly-formed syndicator AVI (**RBR** 9/1, p. 8) a ready-made distribution network (SportsFan) for taking internet programming on CBS Sportsline to broadcast radio.

Last Monday (11/3) AVI's first syndicated show, CBS SportsLine's "The Drive," hosted by **Scott Kaplan**, debuted on 50 stations. It's the first internet show to go to radio.

**RBR observation:** CBS has a one-third investment in CBS SportsLine. Why didn't Westwood One or CBS

Radio Networks syndicate the programming?

**News Analysis**

**Arbitron's new monthlies proposal perplexes broadcasters**

Despite a new prototype for a "Monthly Trend Report," Arbitron still faces an uphill battle from broadcasters, even those that championed its first proposal for monthly ratings (**RBR** 10/27, p. 6; 11/3, p. 4).

The new monthly report provides limited data (TSL, P1 TSL) for P12+, Mon-Sun 6A-Mid. Geared exclusively for use in programming, Arbitron is hoping this new report will give programmers what they want and appease the strong objections as voiced by the Radio Advertising Bureau and the Advisory Council.

However, the report is so limited that **Rick Cummings**, VP programming, Emmis, an original and outspoken proponent of monthlies, found little value in the report. "Stations don't look at 12+ any more, not even in Arbitrends," he said. "We'd like to see the same extrapolated monthlies demo-wise as we see in Trends."

by Katy Bachman & Jack Messmer

## Longest-running kiddie net folds

Blaming ABC/Disney's business practices, Children's Broadcasting Corp. (O:AAHS) announced it would cease distributing its 24-hour children's programming Jan. 30, 1998. CBC had failed to turn a profit since it began in 1990 (see stock chart, below). To raise more cash, it has sold its O&Os to Global Broadcasting in a pending deal for \$72.5M (*RBR* 6/16, p. 14).

Recently, CBC received cancellation notices from several important affiliates switching over to the year-old Radio Disney. Currently at 11 affiliates, ABC's Radio Disney had vowed to be at 50 by year's end. Armed with deep pockets and the Mouse brand, Radio Disney is offering many incentives to convince AM stations to sign-on (*RBR* 11/3, p. 3).

Radio Disney has been CBC's nemesis since ABC ended its less than a year-old marketing agreement with CBC in Aug. 1996 to start Radio Disney (*RBR* 8/5, p. 5; 10/7, p. 4; 11/25, p. 5). Two months later, CBC filed suit in federal court accusing its former part-

ner of using confidential information to launch a competing network. That suit is expected to go to pre-trial this December and to trial in early 1998.

CBC CEO **Christopher Dahl** said CBC's creative group would remain intact in order to pursue its Internet web site, syndicated weekend offerings, and other special programming.

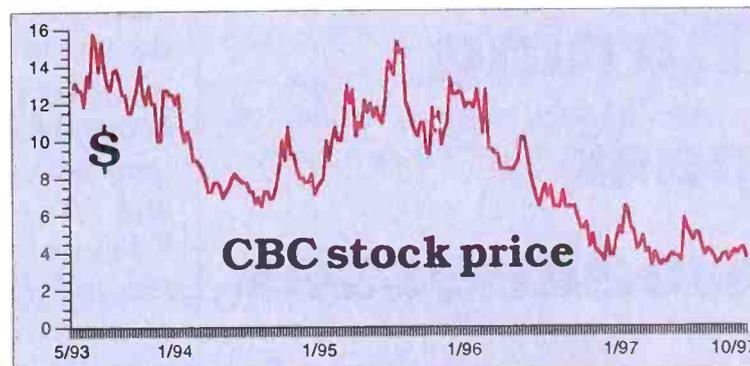
The company has scheduled a special shareholders meeting for December 17 to vote on approval of the sale of its 14 AM stations to Global Broadcasting.

**RBR observation:** Establishing kiddie nets is anything but a walk in the park. Kiddie nets have yet to demonstrate any staying power, although CBC's Radio AAHS had the longest run of them all, almost eight years. Seattle-based KidStar folded last year and before that, several other attempts at programming children's radio, such as the Imagination Station,

failed to take hold. It's still early in the Radio Disney game, but even if Radio Disney manages to sign on all of CBC's 32 affiliates, that still may not be enough (*RBR* 9/6, p. 6).

CBC lost \$9.9M in 1996 on net revenues of \$5.7M, with both its network and station group operating in negative cash flow. Although the company has reported consistent revenue gains each year, those gains have been matched almost lock-step by increased expenses. With no end in sight to having to spend \$2 to make \$1, Dahl had little choice but to restructure the company—investing in a TV production company, selling its radio stations and (despite earlier plans to continue the network sans O&Os) shut down the 24-hour-a-day network.

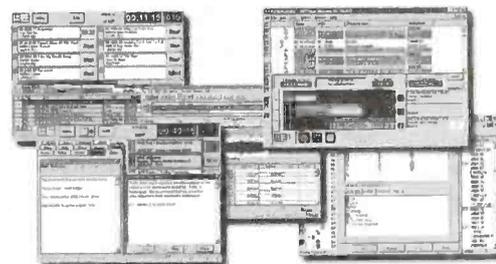
One glimmer of hope is CBC's suit against Disney. Depending on its outcome, CBC may not be dead yet.



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FM (both Radio One). "Our options were to stick it out with Urban in a saturated market or switch to the hottest format out there. If we didn't do it, someone else would have and we would have regretted it," said **Dave Ferguson**, PD, WXYV.

So far, it looks like the right move—from Sp97 to Su97, 12+ jumped from 3.3 to 3.8. "We're confident that this format will get a 6-7 share in 12+ year one", says Ferguson.

In larger markets, enough demos exist to support multiple CHR stations. **Dan Vallie**, president, Vallie

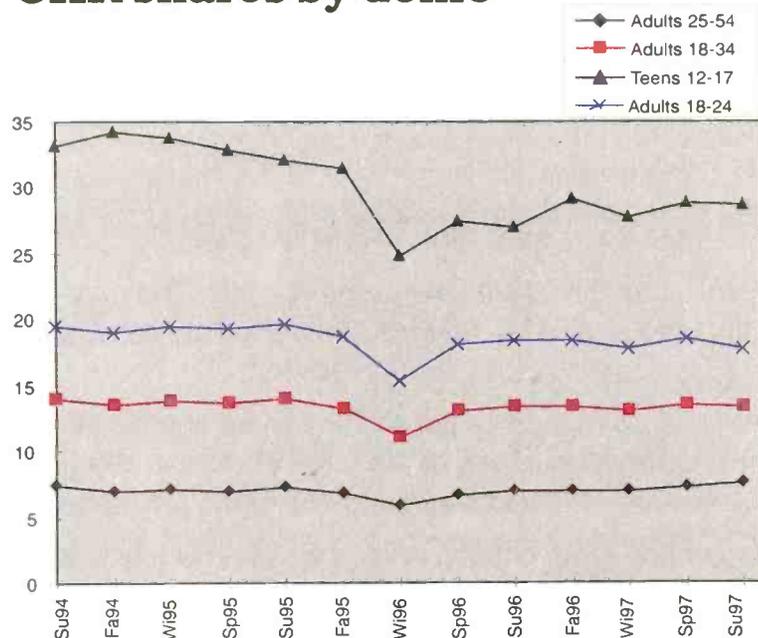
Richards Consulting, consulted for both WXYV-FM and KZQZ-FM (Bonneville) San Francisco. "When we go into a market to program a CHR station, we look for the disenfranchised cume—or audience hole that is not currently being filled," said Vallie. "With CHR today, we use its fragmentation as an advantage—KZQZ-FM (previously KOYT-Hot AC) in San Francisco is programmed as more of a mainstream Top-40. The market competitors are KMEL-FM (an Urban CHR) and KYLD-FM (a Hispanic-based CHR). The opportu-

nity existed for mainstream Top-40, and we took it." Missing part of the Summer diary period by beginning operation July 21, KZQZ ratings still climbed from 0.7 to 1.9 Spring to Summer 12+.

**RBR observation:** Some top-50 markets still haven't brought CHR back. Given its market-specific flexibility, a superduopoly solution may be right around the corner to fill audience gaps in markets like Detroit, Milwaukee, Memphis, St. Louis, Winston-Salem and West Palm Beach.

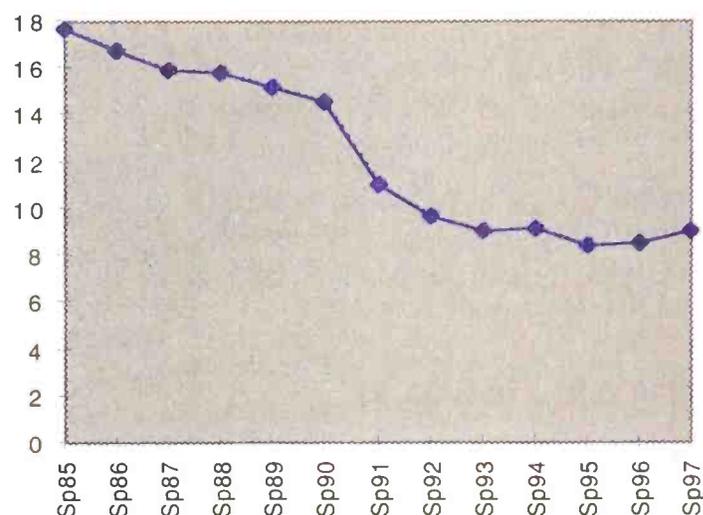
## CHR by the numbers

### CHR shares by demo



Source: Arbitron, Billboard

### CHR average market format share performance



Source: Katz

### CHR station count by market size

Market Size	Stns	% Stns	Sp 97 12+
1-50	66	5.2%	8.9
51-100	67	6.8%	11.1
101-150	40	5.9%	9.0
151-200	50	7.3%	12.5
201-268	35	5.1%	7.2
1-168	258	6.0%	9.6

Source: Arbitron/RBR Source Guide database

### CHR performance in top 10 markets

CHR- selected top 10 Market Performance—12+	Current rank	Sp96	Su96	Fa96	Wi97	Sp97	Su97
New York •WHTZ-FM	7	2.8	2.7	2.5	3.1	3.5	4.3
Los Angeles •KIIS-FM	7	3.6	3.4	3.1	3.2	3.8	3.9
Chicago •WBBM-FM	3	3.9	4.4	4.7	4.8	4.5	5
San Fran. •KMEL-FM	5	4.2	4.3	4.3	4.1	3.9	3.7
Philadelphia •WIOQ-FM	13	4.3	4.5	4.8	4.5	3.6	4.1
Detroit-N/A (no CHR)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dallas-Ft. Worth •KHKS-FM	1	6.2	5.9	6.1	6.8	7	7.3
Wash. DC •WWZZ/WWVZ-FM	7	N/A	N/A	4	4.7	4.6	4
Houston •KRBE-FM	3	4.5	5.4	5.8	6.6	6.4	6.5
Boston •WXKS-FM	2	6.9	6.4	5.7	6	6.2	6.6

Source: Arbitron, P12+ Mon-Sun 6A-Mid

## November 5—RBR Stock Index 1997

Company	Mkt:Symbol	10/29 Close	11/5 Close	Net Chg	Pct Chg	11/5 Vol (00)	Company	Mkt:Symbol	10/29 Close	11/5 Close	Net Chg	Pct Chg	11/5 Vol (00)
Ackerley	A:AK	14.000	16.750	2.750	19.64%	121	Heffel Bcg.	O:HBCCA	69.000	67.312	-1.688	-2.45%	686
Alliance Bcg.	O:RADO	1.000	1.000	0.000	0.00%	8	Jacor	O:JCOR	42.687	44.125	1.438	3.37%	7914
Am. Radio Sys.	N:AFM	48.875	48.937	0.062	0.13%	1142	Jeff-Pilot	N:JP	82.500	79.750	-2.750	-3.33%	1110
AMSC	O:SKYC	8.875	9.000	0.125	1.41%	77	Jones Intercable	O:JOINA	13.250	13.250	0.000	0.00%	239
CD Radio	O:CDRD	20.500	21.125	0.625	3.05%	1283	Metro Networks	O:MTNT	31.000	32.750	1.750	5.65%	485
Ceridian	N:CEN	38.937	41.625	2.688	6.90%	2406	New York Times	N:NYT	52.625	56.000	3.375	6.41%	2518
Chancellor	O:AMFM	54.750	65.062	10.312	18.83%	23840	News Comm.	O:NCOM	2.000	1.875	-0.125	-6.25%	30
Childrens Bcg.	O:AAHS	4.000	3.750	-0.250	-6.25%	121	Pacific R&E	A:PXE	3.250	3.625	0.375	11.54%	43
Clear Channel	N:CCU	64.250	70.562	6.312	9.82%	4931	Paxson Commun.	A:PXN	11.687	10.812	-0.875	-7.49%	1673
Cox Radio	N:CXR	34.125	33.625	-0.500	-1.47%	135	Pulitzer	N:PTZ	53.750	55.312	1.562	2.91%	220
DG Systems	O:DGIT	4.000	4.000	0.000	0.00%	120	Saga Commun.	A:SGA	20.750	20.000	-0.750	-3.61%	1088
Disney	N:DIS	82.937	85.062	2.125	2.56%	12554	SFX Bcg.	O:SFXBA	73.750	74.125	0.375	0.51%	199
Emmis Bcg.	O:EMMS	44.250	44.000	-0.250	-0.56%	198	Sinclair	O:SBGI	36.750	38.250	1.500	4.08%	626
Faircom	O:FXXM	0.687	0.687	0.000	0.00%	0	TM Century	O:TMCI	1.000	0.875	-0.125	-12.50%	0
Fisher	O:FSCI	122.000	122.000	0.000	0.00%	0	Triathlon	O:TBCOA	9.562	10.875	1.313	13.73%	921
Gaylord	N:GET	29.750	30.562	0.812	2.73%	1835	Tribune	N:TRB	53.562	57.000	3.438	6.42%	1330
Granite	O:GBTVK	10.500	9.937	-0.563	-5.36%	145	Westinghouse	N:WX	27.500	28.000	0.500	1.82%	11808
Harris Corp.	N:HRS	44.625	46.125	1.500	3.36%	1852	Westwood One	O:WONE	29.625	31.125	1.500	5.06%	777

### Radio groups wow Wall Street: Cash flows through the roof!

Chancellor Media (O:AMFM) saw its stock price shoot up \$6.062 last Wednesday (11/6) after the company announced sharply higher revenues and cash flow. Likewise for Jacor Communications (O:JCOR), whose stock shot up \$2.125 on a strong earnings report.

Here's a look at the latest reports from radio and related companies:

- Chancellor Media said Q3 cash flow shot up 119% to \$71.5M. That, of course, includes lots of recent acquisitions and the Evergreen-Chancellor merger, but even on a pro forma basis cash flow gained 26.6%. Net revenues for the quarter were up 84.1% to \$145M (up 17% pro forma) and after tax cash flow gained 85% to \$35.4%.

- Jacor Communications said its Q3 cash flow rose 217% to \$50.8M. On a same-station basis, Jacor said cash flow gained 18%. Net revenues gained 166% to \$144.6M (up 12% same-station).

- Westwood One (O:WONE) reported Q3 net revenues up 33% to \$63.4M

and operating cash flow up 19% to \$14.1M. Net income rose 22% to \$7.9M. Net free cash flow rose 26% to \$11.2M.

- SFX Broadcasting (O:SFXBA), which is selling its radio properties to Capstar Broadcasting Partners for \$2.1B (RBR 9/1, p. 3), reported total Q3 cash flow up 139% to \$40.6M as net revenues rose 171% to \$122.9M. Radio cash flow gained 85% to \$31.4M and revenues gained 72% to \$78.1M. Concert promotion cash flow was \$9.2M on revenues of \$44.8M. SFX did not own its concert businesses a year earlier.

- Sinclair Broadcast Group (O:SBGI) said Q3 broadcast cash flow gained 8.6% to \$57.3M as net revenues rose 11.1% to \$113.3M. After tax cash flow gained 99.6% to \$21.3M. CFO **David Amy** said pro forma revenues gained 8% and cash flow 17%. The company said revenues and cash flow were up for both its radio and TV groups.

- Ceridian Corp. (N:CEN), the parent company of Arbitron, reported a Q3 net loss of \$93.7M, compared to net earnings a year earlier of \$44.4M. Revenues increased 14.1% to

\$411.7M. During the quarter Ceridian took a \$150M charge for termination of its CII payroll software development project. Excluding that one-time charge, Ceridian would have had a 25.5% increase in net earnings.

### Opryland to "shopping-land?"

Gaylord Entertainment Co. (N:GET) announced a deal with outlet shopping center developer The Mills Corp. to convert more than half of the current Opryland theme park in Nashville to a mega-mall to be called Opry Mills. Gaylord CEO **Terry London** said the mall will be part of a \$200M entertainment and retail complex, including the Opryland Hotel, Grand Ole Opry and other attractions, which is expected to attract at least 17M visitors annually. One idea under consideration is a new "broadcast center" which would incorporate Gaylord's three Nashville radio stations.

Meanwhile, Gaylord reported pro forma (excluding its cable networks, which were sold to CBS) Q3 revenues up 25.1% to \$159.1M. Operating cash flow gained 35.1% to \$25.7%.

by Jack Messmer

## Cumulus heads west with Dubuque deal

Cumulus Media LLC has made its first move westward beyond the Mississippi River (only a few yards west of the Mississippi, but west nevertheless), with a deal to buy a Dubuque, IA superduopoly from Communications Properties Inc. (CPI).

Cumulus will acquire WDBQ-AM & KLYV-FM, which CPI has owned for decades, and WJOD-FM & KGGY-FM, which CPI acquired just this year for \$2.5M. No price has been announced, but one source says the price tag for the foursome is \$6M.

CPI is headed by **Kevin Kelly**, following the death just last month of his father, company co-founder **Philip Kelly**, who succumbed to cancer at age 67. An obituary in the Dubuque *Telegraph Herald* said Kelly and **Hart Cardozo Jr.**, who died in a 1978 plane crash, launched CPI in 1963

with the purchase of WDBQ-AM.

Cumulus Media LLC is headed by **Richard Weening** and **Lew Dickey Jr.** Its operating subsidiary, Cumulus Broadcasting Inc., is headed by **William Bungeroth** and **Richard Bonick Jr.**

## Capstar adds in two markets

Capstar Broadcasting Partners is adding additional signals in Portsmouth-Dover, NH and Fort Smith, AR, two markets where it already has multiple stations.

Capstar's Atlantic Star subsidiary, headed by **Jim Shea**, is paying \$5.5M for WERZ-FM Exeter, NH and WQSO-FM Rochester, NH, two smaller-market signals being spun off from American Radio Systems (N:AFM) before its sale to CBS (N:WX). Capstar already

has a deal pending to acquire the Knight Quality Group, which includes three stations in the Portsmouth-Dover market, WTMN-AM, WHEB-FM & WXHT-FM. Broker: Media Venture Partners

Another Capstar subsidiary, GulfStar, headed by **John Cullen**, is buying KTCS-AM & FM Fort Smith, AR. They'll be the fourth FM and second AM for GulfStar in the Fort Smith market. Financial terms of the sale by the **Harper** family's Big Chief Broadcasting were not immediately revealed. Broker: **John Barger**

## Chicago TV teaming with radio

**Daniel Lee** is completing his exit from Chicago radio with a deal to sell WSBC-AM for \$5.55M. The Ethnic AM is being acquired by **Fred Eychaner's** Newsweb Corp., owner of WPWR-TV (Ch. 50, UPN) Chicago. Broker: **Michael Bergner**, Bergner & Co.

## ARS spins West Palm AM

In yet another small station sale prior to American Radio Systems being folded into CBS, WEAT-AM West Palm Beach is being sold to James Crystal Enterprises (JCE) for \$1.5M. You probably haven't heard of the company, but JCE is owned by **Jim Hilliard**, his wife and children. Hilliard, of course, is COO of Fairbanks Broadcasting, which owns a superduopoly in the West Palm market.

If you've guessed that this is an attempt to get around local ownership limits, you're wrong. Hilliard's job makes the Fairbanks stations fully attributable to JCE at the FCC.

## Moody into Indy

Moody Bible Institute is getting into the Indianapolis market by purchasing a rim-shot combo. The Chicago-based religious broadcast group will pay \$5.5M for WHUT-AM & WXXP-FM Anderson, IN. The seller is Anderson Radio Group, a partnership of local investors which bought the combo in 1991 for \$1.5M. Broker: **Mitt Younts**, Media Services Group

Richard Rees and Eric Slaymaker of  
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**Triathlon: A market-by-market review**

Having put itself on the block for a sale or merger (*RBR* 11/3, p. 14), Triathlon is now being put under the microscopes of potential suitors. Here's a market-by-market look at that group assembled by **Norm Feuer** and **Bob Sillerman**, including 1996 revenue estimates from BIA Research.

For the first nine months of this year, Triathlon reported same-station revenues up 15%, with its cash flow margin up to 36.2%. By applying those percentages to BIA's 1996 figures, we can estimate that 1997 pro forma revenues should be around \$41M and cash flow just shy of \$15M. Thus, a 10 times multiple would be \$150M and a 15 multiple would be \$225M. What will the market bear?

As for potential buyers, two names come immediately to mind—Capstar and Citadel. Our sources say Sillerman had talked to Capstar's **Tom** and **Steve Hicks** about Triathlon even before he sold SFX to the brothers. Citadel's **Larry Wilson** would have to do some spin-offs to make a deal DOJ- and FCC-friendly in Spokane and the Tri-Cities.

Goldman, Sachs & Co., which is handling the process, should also send bidding books to Jacor (O:JCOR), Journal Broadcast Group and Fisher/Sunbrook (O:FSCI). Otherwise, potential bidders are the cadre of former radio execs who have lined up venture capital backers to build a new group, but have found it all but impossible to buy a decent-sized base upon which to build a company. This is such a platform (and there aren't many left).

**Omaha, NE #72**

Station, format	1996 revenues
KFAB-AM, News/Talk	\$4.20M
KTNP-FM, AC	\$0.70M
KXKT-FM, Country	\$2.60M
KGOR-FM, Oldies	<u>\$2.90M</u>
Omaha total	\$10.40M

**Spokane, WA #87**

KUDY-AM, Religious	—
KAQQ-AM, Standards	\$0.50M
KEYF-AM, Oldies	—
KKZX-FM, Classic Rock	\$1.90M
KISC-FM, AC	\$1.65M
KNFR-FM, Country	\$1.50M
KEYF-FM, Oldies	\$1.50M
JSA: KCDA-FM, Country	<u>\$1.80M</u>
Spokane total	\$8.85M

**Wichita, KS, #89**

KQAM-AM, Sports	\$0.20M
KFH-AM, News/Talk	\$0.20M
KRBB-FM, AC	\$1.65M
KWSJ-FM, Smooth Jazz	\$0.70M
KEYN-FM, Oldies	\$1.20M
KZSN-FM, Country	<u>\$2.70M</u>
Wichita total	\$6.65M

**Colorado Springs, CO #94**

KVOR-AM, Talk	\$0.35M
KTWK-AM, Standards	—
KSPZ-FM, Oldies	\$1.30M
KVUU-FM, AC	<u>\$0.95M</u>
Colorado Springs total	\$2.60M

**Lincoln, NE #171**

KIBZ-FM, AOR	\$0.55M
KKNB-FM, Alternative	\$0.25M
KZKX-FM, Country	\$2.35M
KTGL-FM, Classic Rock	<u>\$1.80M</u>
Lincoln total	\$4.95M

**Tri-Cities, WA #202**

KTCR-AM, Talk	\$0.25M
KALE-AM, Standards	\$0.10M
KEGX-FM, Classic Rock	\$1.15M
KIOK-FM, Country	\$0.40M
LMA: KNLT-FM, Oldies	<u>\$0.50M</u>
Tri-Cities total	\$2.40M

**Triathlon total**

**\$35.85**

**RBR observation:** This Class B FM isn't a full-coverage signal for the Indy market, but it should give plenty of coverage to work for Moody's niche programming. Anderson happens to be the world headquarters of the Church of God, so Moody's evangelical Protestant programming should

be well received locally.

This deal has to be great news for Clearwater Enterprises, which owns the county's only other commercial stations, WHBU-AM & WAXT-FM, and for Wicks Broadcast Group, which is buying WMDH-AM & FM in nearby New Castle (*RBR* 10/4, p. 12).

**SOLD!**

KOSO(FM), Modesto, California from Space Center, Inc., to Capstar Broadcasting Partners, Inc., R. Steven Hicks, Chairman and CEO, for \$8,000,000.

Randall E. Jeffery,  
George I. Otwell  
and Elliot B. Evers  
initiated the transaction.

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**Transaction Digest**  
continued from page 16

Hillsboro, although none overlaps with WNHQ.

**\$540,000—WISS-AM/FM** Berlin WI from Caxambas Corp. (Steven Peterson) to BAB Broadcasting Corp. (Bruce Buzil). \$240K in cash, \$300K promissory note. LMA since Aug. 29.

**\$537,000—WCME-FM** Boothbay Harbor ME from Bay Communications Co., Inc. (Robert Cole) to Tryon-Seacoast Communications, Inc. (Richard Walsh). \$5K deposit, \$20K escrow, balance in cash at closing. Note: Tryon-Seacoast owns WKCG-AM Augusta ME and WFAU-AM and WABK-FM Gardiner, ME.

**\$475,000—KNEM-AM & KNMO-FM** Nevada MO from KNEM Communications Inc. (D.K. Seltsam and Ferd Lightener) to Harbit Communications LLC (Robert and Michael Harbit). \$200K cash, \$275K note.

**\$450,000—\* WPSA-FM, WPSA-AM & WNMZ-FM CP** Alamogordo NM from Western Bank to LeRunn Broadcasting System LLC (Philip Runnels). \$22,500 in escrow, \$250,000 promissory note, balance in cash at closing. Existing **duopoly**.

**\$400,000—WSSY-FM** Talladega AL from Talladega Broadcast Partners, Ltd. to Williamson Broadcasting Inc. (Douglas Williamson). \$125K escrow, \$275K note. Williamson owns WFHK-AM Pell City, AL.

**\$300,000—WTUS-FM** Morgantown (Mannington WV) from Richland Radio Inc. (John & Jean Petrini) to Summit Media Broadcasting LLC (Nunzio Aldo Sergi). \$30K in cash at closing, \$270K note.

**\$300,000—WYEA-FM** Sylacauga AL from W.O. Powers to Spirit Broadcasting Inc. (John R. Vogel, Robert D. Pearce, Gary A. Mitchell). \$15K escrow, balance in cash at closing. LMA since Sept. 1.

**\$300,000—KNOR-AM** Oklahoma City (Norman OK) from Fox Broadcasting Co. Inc. (John Fox) to Circle Broadcasting Inc. (William & Elaine Ring). \$300K cash. LMA since July 25.

**\$275,000—\* KFTM-AM, KBRU-FM** Fort Morgan Co from Morgan County Broadcasting Co. to Arnold Broadcasting Co. (William Arnold). \$77,500 in escrow, balance in cash at closing. Adds to the **duopoly** with KSTC-AM, KNNG-FM Sterling CO. Arnold Broadcasting has also applied for a new FM in Yuma, Co.

**\$225,000—WWDF-AM** Richland MS from Richland Broadcasting Co. (Laurie Camp) to Willis Broadcasting Corp. (Levi E. Willis, Sr.). \$22,500 escrow, \$62,500 cash, and \$162,500 promissory note.

**\$225,000—KSCQ-FM** Silver City NM from Avila Beach (John & Susan Alsip) to Paul D. Hunter. Cash deal.

**\$200,000—KVRW-FM** Lawton OK from Arthur R. Patrick to Pat-Tower Inc. (Arthur R. Patrick, Carol Craig). \$200K cash.

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## Company Profile

### Citadel: Western group goes coast-to-coast

How could the nation's 11th largest (in billings) radio group be based in Bigfork, Montana, nearly 200 miles from the nearest major airport (Spokane, WA)? Easy, CEO **Larry Wilson** earns his frequent flier miles on his own corporate jet. It's just as well, since many of Citadel Communications' stations are in markets which have little commercial air service.

Only eight of Citadel's 18 markets are among Arbitron's top 100, and none are in the top 30.

Trying to build a major radio group in medium and small markets wasn't yet a popular idea when Wilson created Citadel Communications in 1992, rolling in stations from two partnerships he controlled previously. Duopoly was still a relatively new concept when Wilson acquired the stations which would be the base for Citadel's biggest revenue-producing market, Albuquerque (#70), paying \$7.8M to acquire KKOB-AM & FM in the bankruptcy break-up of Fairmont Communications and \$1.8M to add KQEO-AM (now KNML) & KMGA-FM from Spacecom.

Citadel went to the maximum of three AM and five FM stations in Albuquerque after Telcom Act deregulation last year. According to *BIA's Investing in Radio 1997*, the eight-station superduopoly billed \$18.6M last year. That figure illustrates the math that makes radio a growth industry in the superduopoly era—\$18.6M is more in 1996 billings than any single FM station in Chicago, save CBS' (N:WX) WUSN (\$20M). It may take eight signals in market #70 to equal one in #3, but with superduopolies it is now possible to achieve major market revenue levels and cash flow margins in much smaller markets. That is the basis of Citadel's operating philosophy:

*"The company believes that mid-sized markets represent attractive opportunities because, as compared to the 50 largest markets in the United States, they are generally characterized by (i) lower radio station purchase prices as a multiple of broadcast cash flow, (ii) fewer sophisticated and well-capitalized competitors, including both radio and competing advertising me-*

*dia such as newspapers and television and (iii) less direct format competition due to the smaller number of stations in any given market. The company believes that the attractive operating characteristics of mid-sized markets coupled with the opportunity to establish or expand in-market radio station groups create the potential for substantial revenue growth and cost efficiencies. As a result, management seeks to achieve broadcast cash flow margins that are comparable to the higher margins that historically were generally achievable only in the 50 largest markets."*—Citadel SEC filing

Until this year, Citadel had focused on Western markets, such as Colorado Springs, Salt Lake City, Reno and Modesto, but when Wilson decided to go East he did it in a big way. In his biggest deal to date, Wilson paid \$114.4M—revised slightly from the announced price of \$117M (*RBR* 4/7, p. 18)—for the 26-station Tele-Media group.

Although Wilson has considered taking Citadel's stock public, he's had no trouble finding private investors—ABRY, FINOVA, Baker, Fentress & Co. and Oppenheimer & Co., just to name a few—so he's held off on any IPO. Citadel, however, is taking its bonds public (*RBR* 10/13, p. 11), having filed with the SEC for public trading of recent private placements of \$101M in 10.25% senior subordinated notes and 13.25% exchangeable preferred stock.

#### Citadel Communications

##### Financial results

1996 full year

Category	(\$000,000)	Gain/Loss
Net revenues	\$45.4	33.1%
Broadcast cash flow	\$12.2	67.1%

1st half 1997

Category	(\$000,000)	Gain/Loss
Net revenues	\$27.2	40.9%
Broadcast cash flow	\$7.9	75.6%

Source: Citadel SEC filing

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## VERONIS, SUHLER & ASSOCIATES INC.

### RADIO OUTLOOK

- Veronis, Suhler & Associates forecasts total radio advertising to grow 9.3% per year to \$18.3 billion in 2001
- Transaction volume is robust: more than \$23 billion worth of radio stations have changed hands in the last 18 months
- Debt and equity financing is readily available
- Financial players and public companies are entering the radio arena
- Valuations for private sale transactions are reaching all-time highs
- Reduction in capital gains tax is likely to spur additional activity

*There has never been a more appropriate time for radio station owners to consider their transaction alternatives.*



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Veronis, Suhler & Associates, the leading investment bank exclusively serving the media and communications industry, specializes in helping entrepreneurs and family-owned businesses to maximize value through private sale transactions, mergers and acquisitions.

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# TRANSACTION DIGEST™

by Jack Messmer & Dave Seyler

The deals listed below were taken from FCC filings made public during the week from Wednesday, Oct. 29 through Tuesday, Nov. 4 RBR's Transaction Digest reports on all deals that involve assignment of a station license (FCC Form 314) and substantial transfers of control of a licensee via a stock sale (FCC Form 315), but not internal corporate restructurings (FCC Form 316). All deals are listed in descending order of sales price.

**\$30,000,000—\*KSJO-FM** San Jose from American Radio Systems (Steve Dodge, N:AFM) to Citicasters Co. (Randy Michaels), a subsidiary of Jacor Communications (O:JCOR). \$1.5M in escrow, balance in cash at closing.

**\$14,100,000—\*KIZN-FM & KZMG-FM** Boise ID from Wilson Group LLC (Charles Wilson) to Citadel License Inc., a subsidiary of Citadel Communications (Larry Wilson). \$500K letter of credit, \$12,675,000 cash and \$1,425,000 stock. Would form a **superduopoly** with KBOI-AM, KQFC-FM and KKGL-FM. LMA since Oct. 16.

**\$11,537,500—\*WUNO-AM & WFID-FM** San Juan PR from Century/ML Cable Venture to Madifide, Inc. (Jesus Soto). \$296,563 in escrow, balance in cash at closing. LMA agreement since Oct. 1. Expands **duopoly** with WPRM-FM and WNEL-AM.

**\$2,750,000—\*WQPM-AM & FM** Princeton MN from Segue Communications Corp. (Paul Steigerwald) to Milestone Radio LLC (Dennis Carpenter). \$1.25M deposit, including \$50K escrow. Balance in note. Creates a **superduopoly** with KKSR-FM Sartell, MN; and KXSS-AM and KLZZ-FM Waite Park, MN.

**\$1,900,000—\*KFTZ-FM & KOSZ-FM** Idaho Falls ID from Eagle Rock Broadcasting Co. Inc. and KART Broadcasting Co. Inc. (Allen Lee) to American Cities Broadcasting LP. (Aaron Shainis and Bruce Buzil). \$100K desposit, \$1.7M cash, \$200K promissory note. Shanis and Buzil have filed for a new FM in Idaho Falls, and have 12 stations in neighboring Montana.

**\$1,500,000—\*WMTX-AM** Pinellas Park FL from Clear Channel Metroplex, Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU), to Genesis Communications (Bruce Maduri and J. Donald Childress). \$75K in escrow, balance in cash at closing. Creates a **duopoly** with WQBN-AM.

**\$1,441,000—\*KCAP-AM & KZMT-FM** Helena MT from American Cities Broadcasting LP to StarRadio Corp. (Howard Doss, Derek Parrish and Jack Whitley). Cash deal, includes \$441K for engineering consulting study. Forms a **superduopoly** with KMON-AM, KMON-FM and KLFM-FM Great Falls MT and KHKR-FM East Helena MT.

**\$1,000,000—\*WEZI-FM** New Market VA from Commonwealth Audio Visual Enterprises, Inc. (J.D. Cave) to HJV LLP (Belmont and John VerStandig), part of the Verstandig Broadcasting group. \$100K in escrow, balance in cash at closing. Purchase price includes \$250K consulting fee. Creates a **superduopoly** with WSVA-AM, WHBG-AM and WQPO-FM Harrisonburg, VA and WAMM-FM Bridgewater, VA.

**\$800,000—\*KFGE-FM** Lincoln NE (Milford) from Community Broadcasting Inc. (Richard and Sherley Bott) to First Star Corp. (Norton and Diana Warner). Cash deal. Forms a **superduopoly** with KKUL-FM, KEZG-FM and KLIN-AM Lincoln NE.

**\$900,000—\*WPMZ-AM** Providence (East Providence RI) from Bear Broadcasting Co. (Natale Urso) to Video Mundo Broadcasting Co. LLC (Dilson and Yudis Mendez and Zoilo Garcia). \$100K cash, \$800K note.

**\$675,000—\*WUEZ-FM** Christopher IL from Brandt Broadcasting Inc. (Clyde Crawford) to ZRG of Illinois, Inc. (John, Donald and James Zimmer). \$100K escrow, balance in cash at closing. Time brokerage agreement since Oct. 15. Forms a **superduopoly** with WCIL-AM/FM Carbondale, WXLT-FM Carterville, WJPF-AM Herrin and WOOZ-FM Harrisburg.

**\$600,000—\*KOCY-FM** Hoxie AR from John Shields to Mindy Worlow. \$200K cash, \$400 in promissory note. Shields has filed for an upgrade to 25kw. Shields owns KOOU-FM Hardy, AR and has filed for a CP for a new FM in Earle, AR. Note: Worlow is Shield's daughter.

**\$565,000—\*WNHQ-FM** Peterborough NH from Peterborough Broadcasting Co. (Frank Boyle) to RadioWorks, Inc. (Lindsay Collins, Stuart Richter). \$30K escrow, balance in cash at closing. LMA since Oct. 9. Note: RadioWorks owns WJYY-FM Concord, WNHI-FM Belmont and WRCI-FM

*continued on page 14*

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