

# RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

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Again in 1997...

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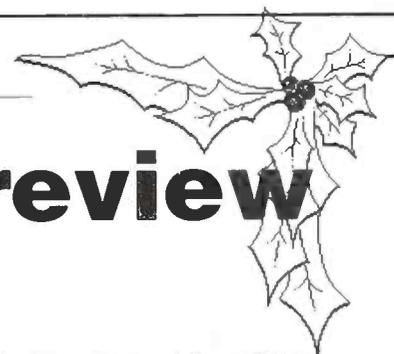
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**INSIDE:**

## RBR's year-end review & forecast

This is our final issue in 1997. Next publication date: Jan. 12, 1998.



**Peace & Profits in '98!**

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## 1997 revenues surpass forecasts

Radio revenues stumped the experts in 1997 and should perform better than most forecasts made earlier this year. When November and December numbers are in, chances are good that radio will end the year up 11%. Through October, radio was up 11% (*RBR* 12/1, p. 3).

Even RAB President **Gary Fries**, who was "cautiously optimistic" back in July that radio would come in 9-10% (*RBR* 7/14, p. 2), is confident radio will come in up 11%.

On the conservative side, **Christine Balcius**, director, Veronis, Suhler & Associates, said that the 6.4% increase forecast earlier this year is likely to be more.

### National leads radio revs

The national spot marketplace was the driving force behind radio's revenue increases in 1997. Both **Stu Olds**, president, Katz Radio and **Ralph Guild**, chairman, Interep, predict national will end the year up 16%, maybe more.

"[National radio] has broad-based support. There's not a single category driving it," said Olds. "You used to pray for retail, automotive and movies; now we're a base consideration, not just an add-on or a fill."

Consolidation has helped many reps easily get through doors that were closed to them before. "Now [advertisers] are really interested, thanks to strong national radio personalities and consistent programming," said Guild.

### Coen revises national forecast

McCann-Erickson's advertising guru, **Bob Coen**, saw his 5% forecast for national radio smashed by the industry's actual performance. Now Coen is expecting 1997 to come in at 9%, still lower than many other forecasts.

"I'm still not sure it's true, but it appears radio has really come back," Coen told *RBR* after his formal presentation to the PaineWebber Media Conference. He thinks consolidation may be responsible for radio's renaissance, but he's skeptical about any repeat performance in 1998. "They may have gotten their rate correction in and they may have a hard time doing it again."

### Can radio do it again?

One thing all the experts agree on is that radio's performance in 1997 puts the medium in good position for 1998. "I see no indication of softening in radio's positioning," said Fries, who's predicting radio to gain 9% in 1998.

The radio business has only begun to see the benefits of consolidation translated to more dollars. "Telcom Act benefits lag behind the huge acquisition curve, which is why we're projecting an even stronger year for 1998, up 9.4%," said Balcius.

National gains are unlikely to be as high as 1997, but Interep's Guild is comfortable predicting an 11-12% increase in 1998.

## DOJ in Colorado Springs

Radio is apparently becoming more of a concern at the Justice Department. *RBR* has learned that an investigation into the Colorado Springs market (#94) is close to wrapping-up after six months. "We are investigating anticompetitive radio practices in Colorado Springs," says DOJ spokesman **Michael Gordon**. While Gordon declined to comment further, *RBR* has learned DOJ is looking into a joint sales agreement between Citadel Communications and Triathlon Broadcasting (O:TBCOA), the two largest groups in the market. What are they looking for? DOJ won't say, and **Randy Hill**, GM of Triathlon's KSPZ-FM and KVUU-FM is not sure either. "I don't think anybody knows," he says.

Others say it is clear—the groups have found a loophole to get around the market's cap of three AMs and three FMs by forming a joint sales agreement which brings together five FMs and two AMs. DOJ investigators have paid a visit to Colorado Springs and have spent time poring over both groups' sales records. Additionally, local advertising agencies, advertisers and competing GMs have been contacted by members of the DOJ's antitrust division.

KILO-FM GM **Lou Melini** understands why there may be cause for concern. "They have seven stations. They command 25-54," says Melini—whose standalone AOR fights for a piece of the ad pie.

**Bob Gourley** is the GM at another

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standalone, KKCS-FM. He thinks the JSA has made it more competitive for stations like his. "They've gotten very efficient at using all their seven stations," he says.

**RBR observation:** This case could end up being a test case for JSAs. One broadcast lawyer says he tried to get the FCC to do something about a similar case, and lost. If the DOJ goes after Citadel and Triathlon, it could cause many group owners to rethink their agreements. Conversely, if they give their blessing—expect a flood of new JSAs, since if they don't have a problem with this deal in a market this size, they won't have a problem anywhere.

### Outdoor's Memphis blues

If one small business owner gets his way, DOJ's antitrust attorneys will take a hard look at Memphis and Clear Channel's (N:CCU) pending purchase of Universal Outdoor (RBR 11/3, p.2). "I'm going to raise hell," vows **David Buring**, president, Double J Outdoor Advertising.

Buring stated his case in a letter he Fed-Exed last week (12/11) to **Joel Klein**, Asst. Attorney General, DOJ Antitrust Division. Buring says Universal already had a near-monopoly on the city, and with the addition of Clear Channel's radio and TV properties, the merged company could "use their muscle."

Since 1995, Universal Outdoor (O:UOUT) bought its two largest competitors in the market, and one advertiser says monthly rates on poster boards more than doubled, from \$230 to \$600. If Clear Channel adds its radio stations to the mix, Buring says, "It's going to be a major killer for advertisers."

**RBR observation:** DOJ has already established its position: radio competes only with radio, outdoor competes only with outdoor. As absurd as that position is, DOJ can't help Buring "raise hell" unless it first drops its lawsuit against Chancellor Media over Long Island and abandons its other antitrust probes of radio deals. We do want to believe in Santa Claus, but we don't see that happening.

#### Memphis Faces

Universal Outdoor (plus 500 bus shelters)	2400
Outdoor Systems	61
Double J Outdoor	29

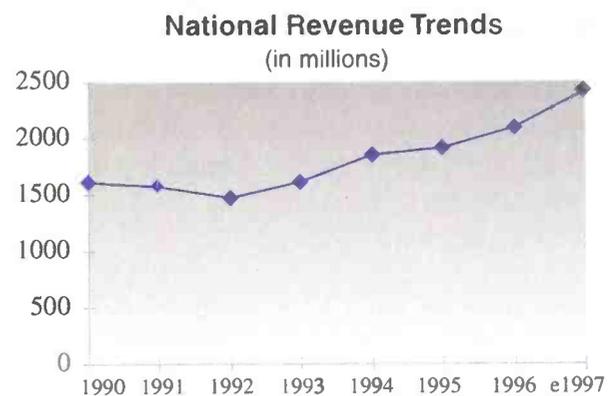
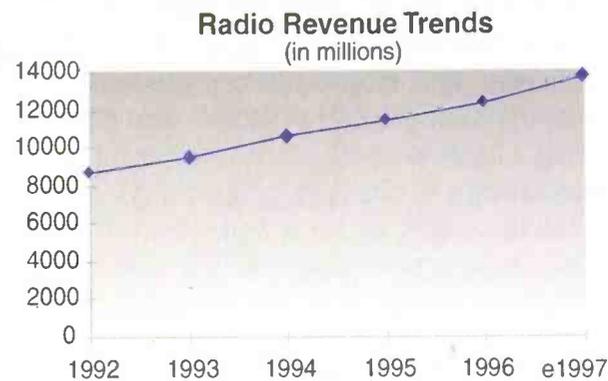
Source: RBR

## Radio on track to post double-digit ad increase in '97

Don't pop the cork on the champagne yet, but get it ready. Radio is on track to post its sixth consecutive year of advertising growth. While the forecasts vary (see related story, p. 2), the general consensus is that radio revenues will gain 11% in 1997 to about \$13.77B.

Much of the boost came from a robust national spot market, which, if October levels hold steady, will end the year up 16% to about \$2.43B. By all accounts, the performance of national is directly related to consolidation and radio groups' new ability to package a critical mass of stations for advertising campaigns.

Below and at right radio's revenue performance since 1992. For 1997, we've estimated revenue performance based on YTD October increases.



Radio Revenue Trends (in millions)

	Local	National Spot	Network	Total	% change
1992	6,899	1,479	377	8,755	1.9%
1993	7,532	1,629	407	9,568	9.3%
1994	8,374	1,867	411	10,652	11.3%
1995	9,124	1,920	426	11,470	7.7%
1996	9,854	2,093	465	12,412	8.2%

Source: RAB

## Coen sees radio outpacing most other media in '98

After being surprised by the rapid growth of 1997 advertising spending in general, and in particular by the phenomenal growth of national (network and spot) radio and a few other hot sectors, McCann-Erickson SVP/Director of Forecasting **Bob Coen** is predicting another strong year in 1998.

Overall, Coen expects total US ad spending for all media to grow 6.2%

next year to \$198B—putting the US ad business on the verge of becoming a \$200B industry.

Coen sees national radio revenues rising 6.5%, tied with national spot TV and trailing only cable TV, which he sees gaining 13%. Local radio is projected to grow 6.5%, tied with local TV as leading all other local media.

Don't take those numbers to the bank, though. After seeing his year-ago projections for nearly every media category come up short, Coen admits

*continued on page 4*

National Advertising	
Big 4 TV nets	5.50%
Spot TV	6.50%
Cable TV	13.00%
Syndicated TV	5.50%
Radio (spot & network)	6.50%
Magazines	5.50%
Newspapers	6.00%
Direct mail	6.00%
Yellow pages	6.50%
Other	6.30%
<b>Total national media</b>	<b>6.30%</b>

Local Advertising	
TV	6.50%
Newspapers	6.00%
Radio	6.50%
Yellow pages	5.50%
Other	6.10%
<b>Total local media</b>	<b>6.10%</b>

**Combined national & local media 6.20%**

that the strong economy could fool him again. "We really do have a very good business and economic climate forecast for next year," he noted. For one thing, Coen expects ad spending as a percentage of the US gross domestic product (GDP) to hit a new record in 1998, topping the peak of 2.35% set in 1987.

## Competing Media

### Newspapers rebounding

Radio isn't the only medium that's having a good year. Reporting newspaper's first increase in ad share in a decade, **Miles Groves**, VP/Chief Economist, Newspaper Association of America (NAA), predicted that newspapers will have another strong year in 1998, with double-digit growth forecast for both national (12%) and classified (10.2%) advertising.

Strong classifieds and national advertising drove newspaper revenues up 8.9% to \$29.3B Q3 YTD. Up 7.8% in Q3, retail was up only 4.98% to \$4.6B, classifieds were up 9.53% to \$4.1B and national was up 13.28% to \$1.3B. Groves is expecting newspaper to increase its lead over the nearest competitor, broadcast TV. In 1996, 21.8% of ad dollars went to newspapers, while broadcast TV had a 20.7% share.

Given newspapers '97 gains, Groves isn't phased by the radio industry's targeting of newspapers' traditional clients for revenue growth. "I'm not convinced it's going to have the impact we've been reading about," he said.

### TV posts modest gains

The TV biz is feeling the crunch from competing media. YTD through Sept., revenues increased by only 2%, according to the Television Bureau of Advertising (TVB). National TV syndication leads with a 6% increase, followed by local TV, up 2%. Spot TV is up 2% and network TV trails with a 1% gain.

### TV nets look to '98

Although network TV revenues are expected to gain only 1-2%, CBS (N: CBS) EVP/Research & Planning, **David Poltrack**, is predicting a rosy 9% growth in 1998. **Bob Coen** of McCann-Erickson is forecasting a more sober 5.5%.

## Radio groups diversified in '97

While radio groups were busy buying a record \$15B+ in radio stations assets in 1997, many were also branching out, buying companies that don't actually operate radio stations, but rather provide services to radio stations or complement the radio business. Some of these diversification moves were substantial investments, as the chart below shows.

Chancellor (O:AMFM) and Hicks, Muse, Tate & Furst's purchase of rep firm Katz Media for \$373M (*RBR* 7/21, p. 2) is one of the more notable examples of a radio acquisition that doesn't involve the purchase of radio stations, but of radio station vendors.

Another example making the news these days is towers. When **Steve Dodge** decided to sell ARS (N:AFM) to CBS (N: CBS) for \$2.6B (*RBR* 9/22, special insert), he kept American Tower Systems and recently added to it with the purchase of OMP-USA (*RBR* 10/13, p. 14) and Gearon & Co. (*RBR* 12/8 P. 14).

### Groups rush to the network biz

Radio groups are looking more and more like TV networks combining programming with distribution. Once Chancellor gets its AMFM Radio Networks up and running (*RBR* 9/29, p. 3), seven of the top ten groups will have radio network and/or syndication arms. But unlike many network start-ups, these groups have ready-made distribution outlets, giving them a head start on creating the critical mass necessary to attract major advertisers. Chancellor has 99 stations to kick-start its network distribution, slated to begin Jan. 5.

### Non-radio deals 1997

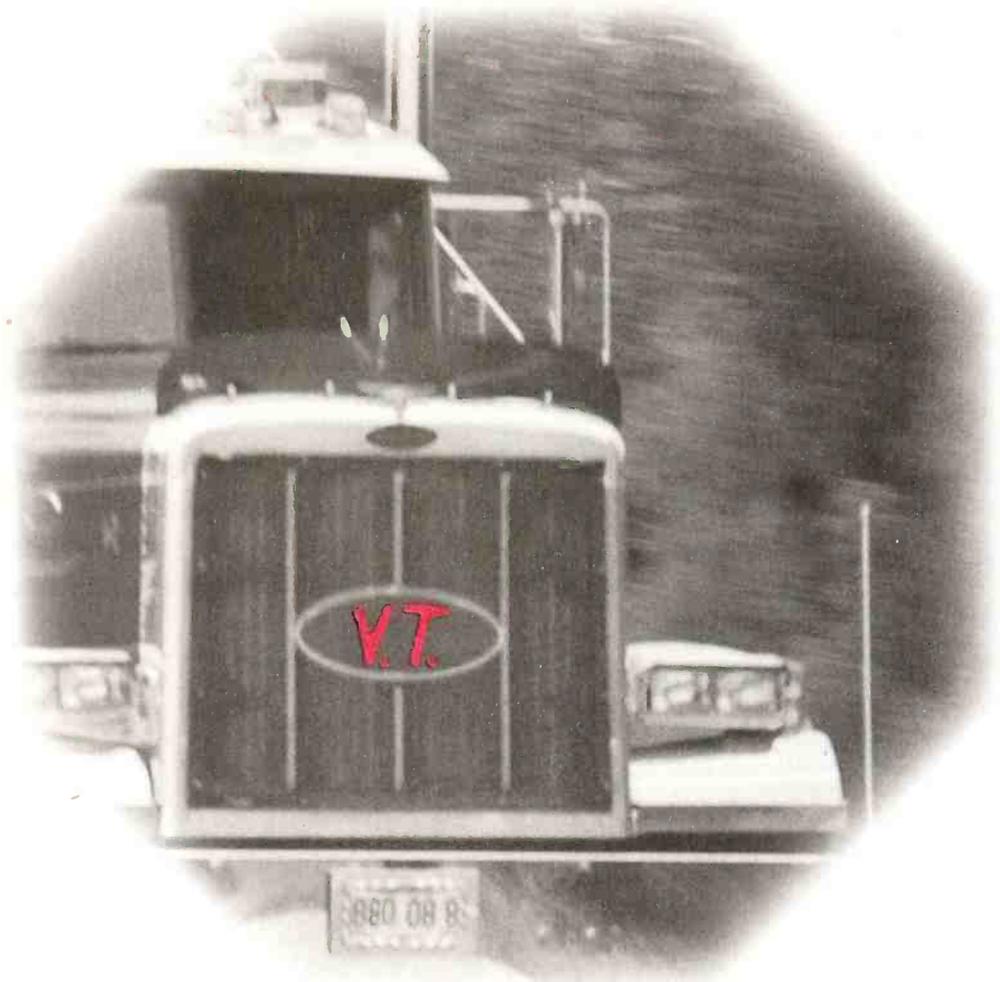
Price (millions)	Buyer
\$1,700.0	Universal Outdoor (billboards) to Clear Channel
\$1,150.0	Eller Media (billboards) to Clear Channel
\$373.0	Katz Media (rep) to Chancellor Media
\$185.0	Premiere Radio Networks to Jacor Communications
\$117.3	ARS' American Tower Systems buys tower assets from several sellers
\$100.0	Hicks, Muse backs OmniAmerica Wireless in launch of new tower company
\$71.5	Multiverse Networks (rep) and "Dr. Laura Schlessinger Show" to Jacor Communications
\$70.3	Micronet Inc. (towers) to ARS' American Tower Systems
\$61.0	Gearon & Co. (tower site co.) to ARS' American Tower Systems
\$50.0	EFM Media (programming) to Jacor Communications
\$20.0	Emmis wins bid for Hungarian FM
\$11.0	NSN Network Services (satellite links) to Jacor
\$1.5	Illinois Radio Networks to Saga Communications
\$0.8	Network Indiana to Emmis Broadcasting
part of group sale	Paxson state networks to Clear Channel

### Top 50 groups with radio nets & syndication

Rank	Group	Net/Syndie	#Stns
1	CBS Corp.	Westwood One/CBS Radio Networks	173
2	Chancellor Media Corp.	AMFM Radio Networks	99
3	Capstar Broadcasting Partners	SFX programs	324
4	Jacor Communications	Premiere, Radio-Active, Dr. Laura Schlessinger plus other Jacor programs	163
5	Clear Channel Communications	several state networks	171
6	ABC Radio	ABC Radio Networks	27
8	Emmis	Network Indiana	14
16	Jefferson-Pilot Communications	programs	17
19	Saga Communications	Illinois Radio Networks	37
20	Tribune	programs	4
26	Buckley Broadcasting	WOR Radio Networks	16
37	Salem Communications	Salem Radio Network	44

Source: BIA, *RBR* research

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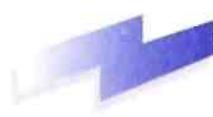


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by Frank Saxe

**Congressional cash flip-flop**

Broadcast and communication-based businesses and associations were big givers during the 1996 election, according to new figures from the Washington, DC group Center for Responsive Politics. It found that the industry gave \$23.7M to campaign funds. And with the Republicans rise of power came the spoils of victory—namely, PAC money. "The abrupt flip-flop of business contributions is clear proof that money follows power," says **Kent Cooper**, the Center's executive director. The biggest chunk of money went to former Senate Commerce Committee Chair **Larry Pressler** (R-SD). *RBR* scanned the data, and finds broadcasters were among those that tilted to the right. ([www.crp.org](http://www.crp.org)).

**Who gave what?**

		GOP	DEM
National Cable TV Association	\$560,646	67%	33%
Time Warner	557,175	47%	53%
National Assn of Broadcasters	452,757	72%	27%
Walt Disney Co./ABC	275,081	44%	56%
Viacom International	235,707	49%	51%
Tele-Communications Inc.	234,600	59%	41%
Westinghouse Electric/CBS	230,405	68%	32%

Source: Center for Responsive Politics

**Gore panel has TV, cable ducking**

A slippery slope toward free political spots became even more slippery two weeks ago, at the latest meeting of the Gore Commission—which is reviewing broadcasters' obligations for digital broadcasting. NBC President **Robert Wright** said if broadcast TV is forced to give up time to politicians and educational broadcasts, so too should cable networks. And Wright blasted the notion of free time for politicians. "I don't think it's feasible," he said. **Don Cornwell**, CEO, Granite Broadcasting, agreed, calling it "unwarranted."

**RBR observation:** If cable is dragged in, radio could be as well.

**Year-end Washington Scorecard**

**Consolidation rules**

Sen. **John McCain** (R-AZ), chair of the Senate Commerce Committee, will hold hearings on the effects of the 1996 Telcom Act. Praise/Complain: Sen. McCain 

**Campaign finance reform**

Broadcasters were the victors in the first battle over free air time for political candidates. Insiders don't expect "Plan B" to get much further. Praise/Complain: NAB 

**Alcohol advertising**

Its not a sure thing, but it looks like the FCC will hold hearings on the effects of alcohol advertising on underage consumption. Praise/Complain: FCC, Rep. **Joe Kennedy** (D-MA), Sen. **Wendell Ford** (D-KY) 

**Prescription drug advertising**

The FDA made it easier for drug makers to take to the airwaves and in doing so gave broadcasters a new source of revenue. Praise/Complain: FDA 

**DOJ**

They're suing over a Chancellor/SFX deal on Long Island. There are more than a dozen other case files sitting on antitrust attorneys' desks, including the CBS-ARS merger. Praise/Complain: DOJ's **Joel Klein** 

**Tower siting**

Sens. **Patrick Leahy** (D-VT) and **James Jeffords** (R-VT) have sponsored a bill that would bar the FCC from overruling a locality in the placement of towers. Praise/Complain: Leahy, Jeffords. 

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### Baton Rouge, LA

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WLSS-FM  
WYNKAM  
WYNK-FM  
KRVE-FM  
WBIU-AM

### Beaumont, TX

KKMY-FM  
KLVI-AM  
KYKR-FM  
KTOC-FM

### Corpus Christi, TX

KMXR-FM  
KRYS-AM  
KRYS-FM

### Fayetteville, AR

KKIX-FM  
KKZO-FM  
KEZA-FM

### Fort Smith, AR

KMAG-FM  
KWHN-AM  
KZBB

### Killeen, TX

KIIZ-FM  
KLFX-FM

### Lawton, OK

KLAW  
KZCD

### Longview, TX

KKTX  
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  
KKTX-AM  
KKTX-FM

### Victoria, TX

KIXS-FM  
KLUB-FM

### Waco, TX

KBRQ-FM  
KCKR-FM  
KKTk-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  
WDSD

### 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  
KKZX-FM  
KUDY

### Wichita, KS

KQAM  
KEYN-FM  
KFH-AM  
KRBB  
KWSJ

## Drake

### Communications

### Rogers, AR

KLTK-AM  
KWMQ-FM

### Tahlequah, OK

KTLQ  
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  
KYKK  
KZOR  
KIXN

## NPR Affiliate

### Boise, ID

KBSW-FM  
KBSX-FM  
KBSU-AM

### Hutchinson, KS

KHCC-FM  
KHCD-FM  
KHCT-FM

## 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  
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



Kevin Lockhart  
President, Prophet Systems

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

## Warner Enterprises

### Canon City, CO

KRLN-AM  
KSTY-FM

### Lincoln, NE

KLIN-FM  
KEZG-FM  
KFEG-FM  
KKUL-FM

## Bloomberg L.P.

### Boston, MA

WADN-AM

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### Portland, OR

KBNP-AM

### Providence, RI

WPNW  
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KWJZ-FM

### St. Louis, IL

WINU-AM

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by Carl Marcucci

**PrimeSports drops 24-hours**

In an effort to increase its affiliate base, PrimeSports will drop its 24-hour syndication and merge with Radio Shows, Ltd. Beginning Dec. 29, Radio Shows will offer three of Prime's most popular programs: "The **Bob Golic Show**" weekdays 6-9P, "**Ed Berliner: The Fastest Show in Sports**" weekdays Noon-3P and "**Mark and Kyle's Sports Blitz**" Weekdays 9A-Noon. In addition, Radio Shows will also offer PrimeSports' "Overnights and Weekends" programming Weekdays 9P-9A, 24 hours Sat. & Sun.

"Research showed the need for 24-hour syndicated programming is on the decline. Many stations showed an interest in carrying these three particular shows. We gave them more choices—one show, one inventory requirement," said **Christa Dahlander**, Marketing Director Radio Shows, Ltd.

**ABC moves Doug Banks to mornings, adds McGuire**

Beginning March 2, "The **Doug Banks Morning Show**" will begin syndication to an estimated 20-30 Urban affiliates. Banks has been syndicated in afternoon drive since 1996 with ABC Radio Networks in 29 markets. "After reviewing this for the past several months, we found that there was a need for a big mainstream Urban morning show. Fortunately, we had the talent in-house in Doug Banks," said **Frank Woodbeck**, VP affiliate marketing, ABC Radio Networks.



Doug Banks

Urban, CHR and AC personality

veteran **DeDe McGuire** began with the Doug Banks afternoon program Dec. 8 and will continue as co-host for the morning show.

ABC will be offering current afternoon affiliates the opportunity to carry the morning Banks show in the afternoon to fulfill their agreements. ABC will 'retrofit' the show a bit each day, taking out the morning-isms and re-feeding it down as an afternoon show.

Is there a risk of Banks competing with ABC's 4-year morning show icon **Tom Joyner**, considering both are serving Urban audiences? Said Woodbeck: "There's bound to be some audience sharing, but we anticipate an expansion of Urban listening in the morning. One will not cannibalize the other because Joyner is an older-skewing Urban AC show and Banks is more mainstream Urban targeting 18-34 year-olds."

**Debbie Nigro takes on a new daypart**

Five-year "The Working Mom on the Run" host **Debbie Nigro** will be aired weekdays from 10A-Noon ET beginning Jan. 5. "The **Debbie Nigro Show**," syndicated by Sweet Talk Productions, will also take the time slot of "Working Mom" as "The Best of Debbie Nigro" on weekends. Initial launch is to 15-20 affils, with clearance efforts handled by DC-based ProStar Entertainment.



Debbie Nigro

**Forbes to air daily short-form program**

**Steve Forbes**, CEO Forbes, Inc. and Honorary Chairman of the conserva-

tive advocacy organization "Americans for Hope, Growth and Opportunity" (AHGO), will write and voice ninety-second daily commentaries beginning in late January. **Bill Dal Col**, President, AHGO, told *RBR* the show will launch with H&H Communications and will be produced by **Harry O'Connor**.

This isn't Forbes' first foray into radio. Both Presidents **Reagan** and **Bush** appointed the publisher and 1996 Republican nominee candidate to Chairman of International Broadcasting, overseeing Radio Free Europe and Radio Liberty.

**Salem to launch "The Michael Medved Show" in '98**

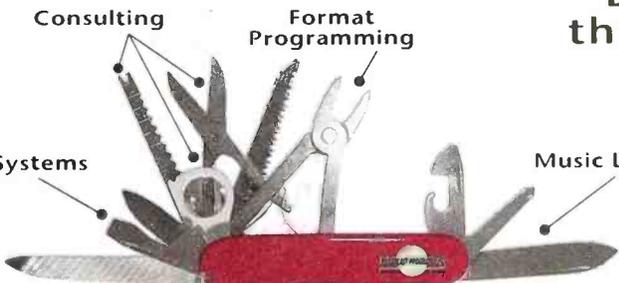
The Salem Radio Network will debut "The **Michael Medved Show**" to an estimated 75 affiliates beginning in March. Medved, a bestselling author and previous chief film critic for *The New York Times* will take his two year KVI-AM Seattle talk show national 3-6P ET covering a variety of political, social and pop culture issues. Medved is also a frequent substitute host for **Rush Limbaugh**.



Michael Medved

**United Stations Talk acquires "The Edge of Reality"**

United Stations Talk Radio has acquired "The Edge of Reality" Dec. 3 from SW Networks. The live, call-in show, hosted by **Ken Dashow**, airs Saturdays 8-11P, exploring and discussing all aspects of the unexplained and paranormal from UFOs to alternative medicine.



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**BROADCAST PROGRAMMING**

by Carl Marcucci

In some ways, the volume of programs launched in '97 eclipsed news of radio mergers and acquisitions as syndicators and networks—both established and new—rushed to fill the programming needs of new radio groups. Indeed, some of the biggest deals in 1997 were not radio stations, but programming acquisitions, such as Jacor's purchase of Premiere Radio Networks for \$185M (see related story, p.4).

Even though there were so many launches in '97, programming can still be a crap shoot. Among those that plummeted: Talk America's "Life Begins at Fifty" launched July 7; Sports Byline's "Deportes Byline Americas" launched April 7 and ABC's "MR-35," closed up shop in March. Below, *RBR's* chart of (obviously not all) programs launched in 1997.

Commercial launches, All times Eastern  
W=Weekdays, S&S=Sat. and Sun, S or S=Sat. or Sun.

Syndicator, Program	Launched/acquired	Airtime	#affils
<b>ABC Radio Networks</b>			
On Background with John Donvan	July 9	Sat. 2:20, 3:30, 5:20, 7:20A	
Connected with Gina Smith	Oct. 4	S or S 10A-1P	
The Mitch Albom Show	Sept. 27	Sat. 1-4	
The Mark Davis Show	Sept. 27	Sun. 1-4	
Personal Achievement Radio	Jan. 13	24 hr.	
Discovery Ch. Minute	Sept. 10	W 60 sec.	
<b>American View</b>			
Divorce: Moving On	Sept. 8	W 5-7P	
Rise Up	July 28	Wknd.	
Lost 45s	July 28	Wknd.	
The Amazin' 80's	July 28	Wknd.	
<b>AP</b>			
Newsweek on Air	Aug. 31	Sun. 7,10A	41
<b>B'cast Programming</b>			
Delilah	Jan. 1	W 7P-Mid.	115
Neon Nights	Sept. 15	W 7P-Mid	6
<b>ESPN</b>			
WNBA playoff games	Aug.		
College GameDay	Aug.		
Major Lg. Baseball (draft)	Nov. 18		
<b>First Broadcasting</b>			
Rock & Roldies	July 4	24 hr.	

### Fisher Entertainment

John & Ken Show	Jan	W 6-10P	50
Beyond the Beltway	April	Sun. 7-9P	50
Into Tomorrow	July	Sun. 2-4P	30

### Jones Radio Network

Rock Classics	July 4	24 hr.	
Classic Hit Country	March 1	24 hr.	
The Classical Collection	July 9	24 hr.	
Dave's Diner	Sept.	W 8P-1A	
Through The Night	Sept.	W 1-6A	
Hot Country Nights	Sept.	W 8P-1A	
Country Through the Night	Sept.	W 1-6A	
Heart to Heart	Sept.	W 8P-1A	
AC Through the Night	Sept.	W 1-6A	

### MannGroup

Irene Hughes Live	Sept.	morn. drive	7
Shut The Hell Up	Dec.	Wknd.	

### MediaAmerica

Country's Most Wanted	Nov. 15	Wknd.	220
Hard Drive	Nov. 15	Wknd.	75
Personal Notes	Nov. 15	Wknd.	100
The Hit List	July 15	Wknd.	50
Weekly Top 30	July 15	Wknd.	200
Fight Back! w/David Horowitz	July 15	W 2.5 min	125

### NBG

The Golden Age of Radio II	Jan. 1	1 hr. Mo-Su	210
Dance Mix America	Sept. 15	3 hr. Wknd.	55
Country Oldies Show	Oct. 3	2 hr. weekly	85
Teein' It Up	May 15	2.5 min daily	354
Outdoor Tips	Apr. 15	2 min daily	39
Fastbreak with Steve Jones	Nov. 3	2.5 min daily	97
Sports Memories with Rick Barry	June 15	2.5 min. daily	74
Trivia Coast to Coast	Sept. 1	3 hr. Sunday	15
The Flip Side	May 1	3 min. daily	58

### NetStar

Susan Powter	Sept. 2	W Noon-3P	24
Psychic Friends	Oct. 13	W 10P-2A	12

*continued on page 10*



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continued from page 9

**OneOnOne Sports**

The Peter Brown Show Mar. 5 W 2-6P 208

**Premiere**

Premiere Country Weekends Jan. S&S 6A-Mid 83  
 Dr. Laura Schlessinger Nov. W 2-5P 416  
 Sightings May W 9P-Mid. 21  
 House of Hair Oct. S&S 6A-Mid. 45  
 The Country Chart April S&S 6A-Mid. 75  
 Lovephones Feb. Su-Th 10P-Mid. 41  
 The Big Bang Concert Series from Disney (for 2 formats) May S&S 6A-Mid 2X/mo. 450

**Radio One**

Hot AC Nov. 1 24 hr. 5

**Radio Shows, Ltd.**

Dr. Toni Grant Mar. 26 W 3-6P 80  
 Willie D's Reality Check Nov. 2 W 9-11 10

**RadioUnica**

Radio Unica Dec. 1 24 hr. 50

**SFX**

Lex & Terry Morning Show Sept. 17 W 6:30-9A 4

**SJS Entertainment**

Ed Lover & Dr. Dre May W mornings 10

**SportsFan**

The Drive Nov. W 2-6P  
 Sports Uncensored Dec. W 10A-2P  
 SportsFan Today Dec. W 6-9P

**Superadio**

Retro Country USA Dec. 15 2 hr. Wkly.  
 Retro Pop Reunion Dec. 14 4 hr. Wkly.  
 New Skool Mini-Mixx Dec. 15 7.5 min. Wkly.  
 On the Air with Russ Parr July 1 3 hr. Wknd.  
 The Silver Grill April 1 W 7P-6A

**Talk America**

America, Good Morning W 5-9A  
 The Buck Stops Here! W 12-3P  
 Sports of Call W 3-5P  
 The Next Super Stock W 5-6P  
 Strategies for Living W 6-7P

Recovery Network W 8-9P, Sun. 8-10A  
 Crime Talk W 9-10A  
 Night Talk W 10P-12A  
 The Mike Siegel Program Tu-Sat. Mid-5A

Eight weekend launches, including:

Great Trivia Playoff Sat. 5-6A  
 Health America Show Sat. 4-5P

**Talk America II**

The Small Business Advocate W 6-9A  
 Duke and the Doctor W 10-11A  
 Senior Focus W 11A-Noon  
 The Pat Choate Program W 5-7P  
 Smitty's Ringside Seat W 11P-Mid.

Fifteen weekend launches, including:

Technology in Review Sat. 8-9A  
 Legal Forum Sat. 9-10A  
 The Intergalactic Radio Show Sun. Mid.-1A

**United Stations**

Super Country w/Ben & Brian July Wkly. 3 hr. 75  
 The Road Nov. 14 Wkly. 2 hr. 270  
 Amer. Christian Music Review July Sun. morn. 75  
 Face to Face July Sun. morn. 50  
 Face to Face II July Sun. morn. 35  
 Legends of Jazz April Wkly. 50

**United Stations Talk**

The Victoria Jones Show Aug. 4 W Noon-3P 30  
 The Financial Advisor May Wknd. 11A-2P 50  
 Alan Colmes Morning Show Oct. W 7A-Noon 20  
 The Edge of Reality Dec. 3 Sat. 8-11P 30  
 On Travel w/Arthur Frommer Jan. Wknd. 40

**USA Radio Network**

USA @ Nite Nov. 3 W 1-5A

**Westwood One**

Today's Traveler June 30 W 60 sec.  
 Today's Health Minute May 19 W 1 min  
 The Adriane Berg Show April 26 Sat 12-3  
 askMartha Sept. 8 W 90 sec.  
 The Tom Brokaw Report Sept. 15 W 90 sec.

**WOR Radio Network**

Shopping Smart June 22 Sun. 2-4P 55

'98 !!!

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# BROADCAST INVESTMENTS™

December 10 —RBR Stock Index 1997

Company	Mkt:Symbol	12/3 Close	12/10 Close	Net Chg	Pct Chg	12/10 Vol (00)	Company	Mkt:Symbol	12/3 Close	12/10 Close	Net Chg	Pct Chg	12/10 Vol (00)
Ackerley	A:AK	16.875	16.125	-0.750	-4.44%	26	Heftel Bcg.	O:HBCCA	42.750	43.625	0.875	2.05%	1069
Alliance Bcg.	O:RADO	0.500	0.500	0.000	0.00%	1279	Jacor	O:JCOR	43.937	43.937	0.000	0.00%	908
Am. Radio Sys.	N:AFM	50.875	51.375	0.500	0.98%	499	Jeff-Pilot	N:JP	76.750	74.375	-2.375	-3.09%	2106
AMSC	O:SKYC	7.375	7.625	0.250	3.39%	221	Jones Intercable	O:JOINA	13.687	14.000	0.313	2.29%	978
Belo Corp.	N:BLC	50.625	50.375	-0.250	-0.49%	655	Metro Networks	O:MTNT	30.750	29.875	-0.875	-2.85%	2497
CBS Corp.	N:CBS	30.250	29.687	-0.563	-1.86%	38301	New York Times	N:NYT	60.375	60.375	0.000	0.00%	2403
CD Radio	O:CDRD	17.125	17.062	-0.063	-0.37%	3234	News Comm.	O:NCOM	1.750	1.625	-0.125	-7.14%	437
Ceridian	N:CEN	44.750	47.750	3.000	6.70%	5539	Pacific R&E	A:PXE	3.750	3.750	0.000	0.00%	25
Chancellor	O:AMFM	61.250	63.375	2.125	3.47%	7962	Paxson Commun.	A:PAX	7.875	7.625	-0.250	-3.17%	1478
Childrens Bcg.	O:AAHS	3.500	3.625	0.125	3.57%	167	Pulitzer	N:PTZ	56.000	57.125	1.125	2.01%	279
Clear Channel	N:CCU	68.500	73.937	5.437	7.94%	2349	RealNetworks	O:RNWK	15.562	16.625	1.063	6.83%	609
Cox Radio	N:CXR	37.812	37.687	-0.125	-0.33%	281	Saga Commun.	A:SGA	19.812	19.250	-0.562	-2.84%	45
DG Systems	O:DGIT	3.625	3.437	-0.188	-5.19%	269	SFX Bcg.	O:SFXBA	77.062	77.250	0.188	0.24%	24
Disney	N:DIS	95.312	93.875	-1.437	-1.51%	8967	Sinclair	O:SBGI	36.125	39.125	3.000	8.30%	981
Emmis Bcg.	O:EMMS	45.000	44.750	-0.250	-0.56%	383	Sportsline USA	O:SPLN	7.750	9.250	1.500	19.35%	750
Faircom	O:FXCM	0.937	0.906	-0.031	-3.31%	200	TM Century	O:TMCI	0.656	0.593	-0.063	-9.60%	0
Fisher	O:FSCI	122.000	121.000	-1.000	-0.82%	5	Triathlon	O:TBCOA	11.000	10.750	-0.250	-2.27%	474
Gaylord	N:GET	31.000	31.437	0.437	1.41%	1542	Tribune	N:TRB	58.500	58.687	0.187	0.32%	2005
Granite	O:GBTVK	9.062	9.000	-0.062	-0.68%	545	Westwood One	O:WONE	30.000	32.500	2.500	8.33%	413
Harris Corp.	N:HRS	47.562	46.000	-1.562	-3.28%	1576	WinStar Comm.	O:WCII	27.937	27.250	-0.687	-2.46%	3819

## Sinclair wins two in court

Sinclair Broadcast Group (O:SBGI) won court battles last week (12/8 & 10) in both Maryland and California to go ahead with its \$84M deal to switch 14 TV stations from UPN to WB. The network switches will take effect Jan. 16.

## RBR's "guru" predicts

For what it's worth, RBR Senior Editor and resident stock market "guru" **Jack Messmer** is stepping out on a limb to become the first to predict that the Dow Jones Industrial Average will hit 16,000 in 2000—doubling the current mark in just three years. He's also expecting 1,800 for the S&P 500 (not quite double) in the same period.

"Both the **Clinton-Gore** administration and the Republican Congress want to claim credit for a vibrant economy in the 2000 election," Messmer noted, "so both parties are going to be stepping lightly to ensure that they don't do anything which might derail low interest rates, low inflation and a booming stock market."

12/15/97 RBR

# CLOSED

November 1997

**Salem Communications Corporation**  
Edward Atsinger & Stuart Epperson, Principals

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by Jack Messmer

## CBS, Emmis on acquisition trail in '98

Radio consolidation isn't over by any means. Emmis Broadcasting (O:EMMS) CEO **Jeff Smulyan** assured investors at last week's PaineWebber Media Conference. He predicted that there will be other acquisition opportunities like the recent sales of SFX and ARS, with Emmis in a strong position to buy while others are still digesting their 1997 acquisitions.

"I think you can expect some major surprises from us," Smulyan said.

In addition to expanding its US base, Smulyan said Emmis also sees "remarkable opportunities" abroad, such as its recent \$20M investment in Hungarian radio (*RBR* 11/17, p. 13).

Don't look for **Mel Karmazin** to be carrying his passport (unless it's for a rare vacation). Why should CBS look abroad when there are still radio sta-

tions for sale in the US? Asked about foreign investment possibilities at the PaineWebber confab, CBS CFO **Fred Reynolds** said US radio is a tough investment to beat: "I can't imagine where we'd get as sure-fire accretive cash flow anywhere else in the world."

CBS remains on the hunt for radio acquisitions and Reynolds noted that it might be possible to buy one, maybe even two additional TV stations under the Telcom Act's 35% audience cap. "We'd like to be where our radio stations are," he said.

## Radio One heads west

Radio One, the nation's largest African-American-owned radio group, is making its first westward expansion with a \$22M purchase of KZSF-FM &

KZWC-FM San Francisco from **Amador Bustos'** Z Spanish Radio Network. Radio One CEO **Alfred Liggins** said the deal will not only provide an opportunity to expand his Urban group into an attractive market, but also provide "a foothold for us to expand our growing franchise of stations to the Western United States."

Radio One currently has stations in Washington, DC (its home base), Baltimore, Atlanta and Philadelphia. The company sold an \$85.5M public bond issue this year and is expected to return to Wall Street in 1998 for a stock IPO.

## Sacramento swap-fest

Swap-king **Joe Field's** Entercom is swapping again in Sacramento, as American Radio Systems (N:AFM) continues realigning for its takeover by CBS (N:CBS). Entercom is getting the Smooth Jazz format of ARS' KSSJ-FM to put on Entercom's new Class B1 on 94.7 MHz. (KSSJ's 101.9 MHz facility was already being swapped by ARS to EXCL in a separate deal.) Also, Entercom's Rock KRXQ-FM will move to a full-B signal, 98.5 MHz, while ARS' Gold Country KRAK-FM will move to B1 93.7 MHz. No one's saying just how much cash is changing hands along with the swapping, but the "total enterprise value" is being put at \$40M. **Broker: Peter Handy**, Star Media Group

## Cox \$23M San Antonio buy

Cox Radio (N:CXR) is expanding its San Antonio superduopoly with a \$23M buy of Radio KONO Ltd.'s combo, KONO-AM & FM. The deal also includes an option to acquire KRIO-FM, but since that would put Cox over the five-FM limit, it intends to sell or swap the option.

## New market for Cumulus

Add Florence, SC to the list of markets for Cumulus Media. It's buying WYNN-AM & FM from **James Maurer** for \$4.1M. **Broker:** The Whittle Agency

Paul Posen, President of  
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**CLOSED**

## Mega-deal marathon continued through '97

Year two of deregulation brought no abatement of trading activity in the radio industry. Indeed, the 1996 trading volume record of \$14.4B that many thought would stand for years was eclipsed before October ended. As *RBR*'s final issue went to press, the new mark to beat was \$15.1B.

Two late 1997 deals over \$2B each added to the mega-deal mania that had been sweeping the radio industry since President **Bill Clinton** opened the consolidation floodgates in February 1996 by signing the Telcom Act.

Prior to this decade, there had been only two radio deals over \$100M—Emmis' (O:EMMS) \$112M buy of the NBC Radio group in 1981 and **Bob Sillerman's** \$373M sale of the Legacy and Metropolitan groups to Group W in 1989.

After Telcom took effect, 25 \$100M+ mega-deals went into the record book in 1996, compared to eight in 1995, three in 1994 and four in 1993. This year hasn't brought quite as many of the monster deals, 19 so far, but they've carried bigger price tags, on average. Four of the five \$1B+ deals have been this year, although the radio deal to beat all (at least up until now) was last year—Westinghouse/CBS' (N: CBS) \$4.9B acquisition of Infinity Broadcasting, including \$4.34B in radio stations (the rest was the TDI outdoor company and Infinity's stake in the Westwood One [O:WONE] nets).

It would be easy to say that \$15B is a record that's likely to stand for many years—but it also might be foolish. Radio groups have now gotten so large that a buyout of any top ten group would be a multi-billion-dollar proposition. A Chancellor-Capstar-SFX combination is already being widely discussed as a likely scenario for 1998, combining both Hicks, Muse-backed groups and completing the \$2.1B SFX acquisition. CBS and Jacor don't appear to have lost their appetites for acquisitions, nor have numerous other groups. Who knows what could happen if News Corp., Time Warner or some other big media conglomerate decides that 1998 is the year to add radio to their mix? \$15B is not an unbeatable record. —Jack Messmer

### Billion-dollar-plus deals

**\$4.340B**—Radio station value of \$4.9B merger of Infinity Broadcasting into Westinghouse/CBS (1996)

**\$2.600B**—American Radio Systems to Westinghouse/CBS (1997)

**\$2.100B**—SFX Broadcasting to Capstar Broadcasting Partners (1997)

**\$1.300B**—Chancellor Broadcasting merged into Evergreen Media, creating Chancellor Media (1997)

**\$1.075B**—Viacom Radio to Chancellor Media (1997)

### \$500-million-plus deals

**\$906M**—Radio station value of \$19.6B CapCities/ABC sale to Disney (1995)

**\$859M**—Radio station value of \$5.4B CBS sale to Westinghouse (1995)

**\$655M**—EZ Communications to American Radio Systems (1996)

**\$633M**—Paxson Radio to Clear Channel Communications (1997)

**\$620M**—Nationwide Communications to Jacor Communications (1997)

### \$300-million-plus deals

**\$410M**—Granum Communications to Infinity Broadcasting (1996)

**\$395M**—Shamrock Broadcasting to Chancellor Broadcasting (1995)

**\$375M**—Radio station value of \$799.4M Citicasters sale to Jacor (1996)

**\$373M**—Legacy/Metropolitan stations to Westinghouse (1989)

**\$370M**—Chancellor Media and Bonneville International swap stations in New York, Los Angeles, Houston and Washington, DC (1997)

**\$365M**—Colfax Communications to Chancellor Broadcasting (1996)

**\$340M**—Gannett Radio (5 stns.) to Chancellor Media (1997)

**\$325M**—Radio station value of \$630M sale of Heritage Media stations from News Corp. to Sinclair Broadcast Group (1997)

**\$306M**—Pyramid Communications to Evergreen Media (1995)

**\$300M**—Malrite Communications merged with Shamrock Broadcasting (1993)

# CLOSED!

WLRO-FM and WLTO-FM, Lexington-Fayette, Kentucky from Clark Broadcasting Company, Michael Douglass, President, to H.M.H. Broadcasting, Inc., Ralph E. Hacker, Chairman and President.

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continued on page 14

continued from page 13

**\$300M**—Radio value of \$1.354B sale of Heritage Media to News Corp. (1997)

### **\$200-million-plus deals**

**\$298M**—Chancellor Media spin-offs to Susquehanna, Greater Media, Douglas Broadcasting and Bonneville (1997)

**\$275M**—Alliance Broadcasting to Infinity Broadcasting (1995)

**\$255M**—Secret Communications (7 stns.) to SFX Broadcasting (1996)

**\$250M**—NewCity Communications to Cox Radio (1996)

**\$250M**—Gannett swaps six radio stations for Jacor's WTSP-TV Tampa (1996)

**\$243M**—Broadcasting Partners Inc. to Evergreen Media (1995)

**\$240M**—Radio station value of \$1.2B sale of River City Broadcasting to Sinclair Broadcast Group (1996)

**\$238M**—Secret Communications (4 stns.) to Evergreen Media (1996)

**\$235M**—Radio Equity Partners to Clear Channel Communications (1996)

**\$225M**—Westinghouse/CBS swaps Philadelphia & Boston stations for Greater Media's LA stations (1997)

**\$223M**—Liberty Broadcasting to Bob Sillerman's SFX & Multi-Market (1995)

**\$215M**—Patterson Broadcasting to Capstar Broadcasting Partners (1997)

**\$210M**—Tichenor Media merged into Heftel Broadcasting (1996)

**\$200M**—Commodore Media to Capstar Broadcasting Partners (1996)

### **\$100-million-plus deals**

**\$190M**—Regent Communications to Jacor Communications (1996)

**\$178M**—OmniAmerica (8 stns.) to Chancellor Broadcasting (1996)

**\$173M**—Benchmark Communications to Capstar Broadcasting Partners (1997)

**\$160M**—Broadcast Alchemy and Booth American merge to create Secret Communications (1994)

**\$160M**—Tribune's WQCD-FM New York to Emmis Broadcasting (1997)

**\$152M**—Noble Broadcast Group to Jacor Communications (1996)

**\$150M**—American Media to Chancellor Broadcasting (1994)

**\$150M**—Multicultural's WNWK-FM New York to Heftel Broadcasting (1997)

**\$142M**—US Radio to Clear Channel Communications (1996)

**\$133M**—Keymarket to River City Broadcasting (1995)

**\$118M**—Clear Channel buys additional 42.2% of Heftel (1996)

**\$117M**—Tele-Media Broadcasting to Citadel Communications (1997)

**\$116M**—Beasley's KRTH-FM to Infinity Broadcasting (1993)

**\$115M**—Henry Broadcasting to American Radio Systems (1996)

**\$115M**—Brown Organization's three San Francisco stations to Evergreen (1996)

**\$112M**—NBC Radio (5 stns.) to Emmis Broadcasting (1981)

**\$112M**—Golden West's KSCA-FM Los Angeles to Heftel (1997)

**\$110M**—New Age's Miami FMs to Spanish Broadcasting System (1996)

**\$105M**—Prism Radio Partners to SFX Broadcasting (1996)

**\$105M**—Chancellor Media spins WJZW-FM Washington and WDRQ-FM Detroit to Disney's ABC Radio (1997)

**\$103M**—BayCom Partners to American Radio Systems (1996)

**\$103M**—Beasley's WDAS-AM & FM Philadelphia to Evergreen Media (1996)

**\$100M**—Cook Inlet (3 stns.) to Infinity Broadcasting (1993)

**\$100M**—Atlantic, Stoner and Multi Market merge to create American Radio Systems (1993)

**\$100M**—NewMarket Communications to Radio Equity Partners (1994)

**\$100M**—Osborn Communications to Capstar Broadcasting Partners (1996)

## **TEXROCK RADIO, INC.**

Dain L. Schult, President

*has agreed to acquire*

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Plainview, TX for \$1,000,000**

*from*

## **RADIO MUSIC BOX, CO., L.C.**

Donald A. Williams and Michael Fox, Principals

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**Shooting Star) Inc.**

**\$500,000**  
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Credit Facility

**\$4,000,000**  
Senior Secured Term Loan

January 1997  
*Agent and Advisor*  
BankBoston, N.A.

**Shooting Star) Inc.**

**\$3,300,000**  
Subordinated Notes

**\$400,000**  
Non-Participating Preferred Stock

Provided Bridge Loan

January 1997  
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BancBoston Securities Inc.

**G**  
**GULFSTAR**  
COMMUNICATIONS INC.

**\$100,000,000**  
Senior Secured Credit Facility

January 1997  
*Co-Agent*  
BankBoston, N.A.

**CLEAR CHANNEL COMMUNICATIONS, INC.**

**\$1,750,000,000**  
Revolver Credit Facility

April 1997  
*Managing Agent*  
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**Chancellor Media Corporation**

**\$2,500,000,000**  
Revolver and Term  
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April 1997  
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**TV Azteca S.A. de C.V.**

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*Agent*  
BankBoston, N.A.

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**\$100,000,000**  
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Notes Due 2007

**\$100,000,000**  
Exchangeable Preferred Stock

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**ommis  
broadcasting**

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and Acquisition Revolver/  
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BankBoston, N.A.

**CAPSTAR RADIO BROADCASTING  
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**\$200,000,000**  
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August 1997  
*Managing Agent*  
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**\$60,000,000**  
Reducing Revolver and  
Term Loan Facility

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Administrative Agent*  
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Corporation**

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by Dave Seyler

Two thirds of all commercial stations in Arbitron-rated markets are now part of a consolidated operation, and for 2,058 stations (over 40%), the operation is a superduopoly.

In the top 50 markets, superduopolies claim almost half of all stations, while nearly three fourths are in a consolidated operation. The top ten markets have gone over the 50% mark for superduopoly (thanks in large part to CBS and Chancellor).

Consolidation continues to flourish in even the smallest markets. 63% of all stations below market 200 are consolidated, with nearly 37% of them in a superduopoly.

### The pace of superduopoly: 1997

RBR issue	Stns	Super	Super%	Consol	Consol%
12-2-96	4870	1356	27.8	2807	57.6
12-8-97	4875	2058	42.2	3248	66.6
<b>Change</b>	<b>+5</b>	<b>+702</b>	<b>+14.4</b>	<b>+441</b>	<b>+9.0</b>

### Superduop pacing by market size

Markets	%Super 12-2-96	%super 12-8-97	% change	%consol 12-2-96	%consol 12-8-97	% change
1-50	32.5	47.6	+15.1	61.7	71.9	+10.2
51-100	31.1	45.1	+14.0	61.1	68.8	+7.7
101-150	24.8	36.8	+12.0	53.5	59.2	+5.7
151-200	22.3	38.8	+16.5	52.5	64.4	+11.9
201-265	22.4	36.9	+14.5	53.6	63.4	+9.8

### Consolidation Trends

RBR issue	Stns	Super	Super%	Consol	Consol%
5-6-96	4852	694	14.3	2428	50.0
6-3-96	4856	828	17.1	2506	51.6
7-1-96	4860	985	20.3	2562	52.7
8-5-96	4869	1071	22.0	2631	54.0
9-2-96	4875	1140	23.4	2674	54.9
10-7-96	4872	1256	25.8	2756	56.6
11-4-96	4865	1310	26.9	2777	57.1
12-2-96	4870	1356	27.8	2807	57.6
1-6-97	4878	1390	28.5	2847	58.4
2-3-97	4887	1417	29.0	2888	59.1
3-3-97	4850	1577	32.5	2959	61.0
4-7-97	4863	1639	33.7	3005	61.8
5-5-97	4868	1701	34.9	3044	62.5
6-2-97	4868	1736	35.7	3074	63.1
7-7-97	4866	1832	37.6	3104	63.8
8-4-97	4874	1884	38.7	3152	64.7
9-1-97	4875	1904	39.1	3174	65.1
10-6-97	4877	1969	40.4	3195	65.5
11-3-97	4874	2007	41.2	3211	65.9
12-8-97	4875	2058	42.2	3248	66.6
<b>Change</b>	<b>+23</b>	<b>+1364</b>	<b>+27.9</b>	<b>+820</b>	<b>+16.6</b>

Source: RBR database

## A Small Part of Our Big Year!

### CLOSED!

**WWYZ-FM**  
Hartford, CT

WATR, Inc.

to

SFX Broadcasting

**\$25.25 Million**

### CLOSED!

**WKES-FM**  
St. Petersburg, FL

The Moody Bible  
Institute of Chicago

to

Paxson Broadcasting  
of Tampa, L.P.

**\$35.323 Million**

### SOLD!\*

**KADY-TV**  
Oxnard, CA

John W. Hyde, Trustee for  
Riklis Broadcasting  
Corporation

to

Biltmore Broadcasting, LLC

**\$11.0 Million**

### CLOSED!

**KEZJ-FM**  
KLIX-AM/FM

Twin Falls, ID

B&B Broadcasting

to

Citicasters Company

**\$9.0 Million**

### CLOSED!

**WKBQ-AM, WKBQ-FM**  
WKKX-FM

St. Louis, MO

Zimmer Radio Group

to

Emmis Broadcasting

**\$42.5 Million**

### CLOSED!

**KDON-FM KRQC-FM**  
KHTX-AM KTOM-AM

KTOM-FM KOCN-FM

Salinas-Monterey, CA

to

Lartigue Multimedia  
Systems, Inc.

**\$22.75 Million**

### SOLD!\*

**KLIK-AM**  
KTXY-FM

Jefferson City, MO

Brill Media Company,  
Inc.

to

Zimmer Radio Group

**\$6.625 Million**

### CLOSED!

**WMEZ-FM**

Pensacola, Florida

WMEZ-FM, Inc.

to

Patterson  
Broadcasting, Inc.

**\$7.0 Million**

### CLOSED!

**KCIX-FM**  
KXLT-FM

Boise, ID

Contemporary Media

to

Lartigue Multimedia  
Systems, Inc.

**\$7.56 Million**

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## The pace of consolidation

The seemingly rapid consolidation of the radio industry has actually happened at a relatively slow but steady pace (see table, above). In an average month about 60 stations take the superduopoly plunge. This steady 1.2% gain per month has been exceeded only occasionally, most notably in March 1997, when 160 stations (3.5%) went into superduops.

While the splashiest station deals involve groups buying other groups, they tend to expand the territory of the purchasing entity, while bulking up in only a few markets. For example, in both of the biggest recent deals (ARS to CBS and Nationwide to Jacor), only a handful of market overlaps existed, and where there was overlap there may be a need for divestitures.

The fact that it is difficult to do a group deal that "sups up" several markets at once means that most superduopoly deals have to be built the old-fashioned way: One deal at a time. This no doubt accounts for the absence of a noticeable flood of deals at any one time.

## Consolidation by region

The building of radio citadels has taken the strongest hold in the West (led by groups such as Citadel—yes, the pun was intended). Superduopoly consolidation is evenly distributed throughout the country with the exception of the Atlantic states (from Maryland on up), where it lags about 10% behind everywhere else.

Why this is true is anybody's guess. Does the East have a higher proportion of entrenched local owners who have stubbornly opted to lash themselves to the mast of their stations despite the swirling floodwaters of change which batter the very bulwarks of their operation daily?

Also provided here are top and bottom ten lists of superduopoly and total consolidation by state. Our only comment is that these lists are pretty much the domain of smaller states, where one market that is either highly consolidated or untouched by consolidation can have a major impact on the total for the state (or is the only market in the state).

### Consolidation by region

State	Stns	Super	Sup%	Consol	Consol%
Atlantic	1179	420	35.6	735	62.3
South	1235	564	45.7	823	66.7
Midwest	1110	484	43.6	750	67.6
West	1351	590	43.7	940	69.6

### Duopoly and superduopoly defined

A duopoly refers to an owner with two same-band radio stations in a single market, with a maximum of four co-owned stations (2 AMs and 2 FMs). Superduopolies have a minimum of three same-band signals, and although national ownership limits have been lifted, a local cap of eight stations with no more than five in the same band is in effect for the largest markets, with stricter limits in force in markets with fewer radio stations.

The FCC determines stations to be in a common market if their signals overlap. Since it is possible for two stations to be in the same market as defined by Arbitron without having any signal overlap, it is possible to own more than eight stations in an Arbitron market without violating the FCC's ownership caps.

### Superduopoly Top 10

Rank	State	Pct.
1	Nebraska	82.4
2	Idaho	77.3
3	Alaska	76.5
4	Utah	69.7
5	Washington	65.2
6	South Dakota	64.3
7	South Carolina	60.2
8	New Mexico	56.8
9	North Dakota	56.8
10	Georgia	54.4
10	Kentucky	54.4

### Consolidation Top 10

Rank	State	Pct.
1	Montana	95.2
2	Nebraska	82.4
3	Washington	83.1
4	Rhode Island	82.4
5	South Dakota	82.1
6	Colorado	79.5
7	Maine	79.2
8	Nevada	78.7
9	New Mexico	77.3
9	Idaho	77.3

### Superduopoly Bottom 10

Rank	State	Pct.
42	Massachusetts	28.0
43	Connecticut	25.0
44	Indiana	24.5
45	Montana	23.8
46	Tennessee	22.2
47	Wyoming	22.2
48	Oregon	21.8
49	Mississippi	18.6
51	Vermont	0.0
51	Delaware	0.0

### Consolidation Bottom 10

Rank	State	Pct.
42	Connecticut	60.7
43	Alabama	60.3
44	Louisiana	60.2
45	Maryland	58.9
46	Pennsylvania	58.4
47	Iowa	56.5
48	Wyoming	50.0
49	Mississippi	47.7
50	Vermont	46.7
51	Massachusetts	37.8

Source: RBR database

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**\$1,733,000—\* WMHS-FM** Montgomery AL (Luverne AL) from Capital Communications (Frank Holladay, Ronald & Tamara Eubanks) to Southern Star Communications Inc. (Frank Osborn), a subsidiary of Capstar Broadcasting Partners (Steve Hicks). \$1.733M in cash at closing. **Superduopoly** with WMCZ-FM & WZHT-FM. LMA since Nov. 4.

**\$1,650,000—\* KICM-FM** Healdton OK from Lake Country Communications Inc. (Pat Ownbey) to A.M. & P.M. Broadcasters LLC (Richard Witkovski, Ralph Kerr, Ken Mok). \$100K escrow, balance in cash at closing. **Duopoly** with KACO-FM Ardmore OK.

**\$1,302,249—WMHS-FM** Montgomery AL (Luverne AL) from Joan K. Reynolds d/b/a Brantley Broadcast Associates to Capital Communications (Frank Holladay, Ronald & Tamara Eubanks). \$219,249 downpayment, additional \$1.083M in cash at closing. Note: First step of two-part transaction (see above).

**\$1,700,000—WRAM-AM & WMOI-FM** Monmouth IL from KCD Enterprises Inc. (Kevin Potter) to WPW Broadcasting Inc. (Wayne W. Whalen). \$85K escrow, additional \$1.215M in cash at closing, \$100K for real estate, \$300K under consulting agreement. **Broker:** Robert J. Connelly, The Connelly Co.; Donald Roberts, Kozacko Media

**\$1,500,000—\* WSDR-AM, WSSQ-FM & WZZT-FM** Sterling-Morrison IL from LH&S Communications Inc. (Howard Q. Murphy) to W. Russell Withers Jr. \$1.5M cash. Existing **duopoly**. LMA since Nov. 19. **Broker:** The Stonegate Group Ltd.; Frank Boyle & Co.

**\$1,200,000—KKDZ-AM** Seattle from Kidstar Radio Inc. (Jodell Seagrave) to WMAL Inc. (Bob Callahan, pres., ABC Radio), a subsidiary of The Walt Disney Company (N:DIS). \$120K escrow, balance in cash at closing.

**\$925,000—\* KXBS-FM** Oxnard-Ventura (Santa Paula CA) from KXBS Broadcasting Co. (Peter F.M. Daradics) to Lazer Broadcasting Crop. (Alfredo Plascencia). \$50K escrow, balance in cash at closing. **Superduopoly** with KSDT-AM, KXSP-AM, KXLM-FM, KXSB-FM & KXRS-FM. **Broker:** Media Services Group

**\$700,000—WBCO-AM & WQEL-FM** Bucyrus OH from Brokensword Broadcasting Co. (Thomas P. Moore) to Anchor Broadcasting Co. (Michael J. & Donna C. Laipply). \$5K escrow, \$640K (less escrow) in cash at closing, \$60K non-compete payment to J. LaVonne Moore.

**\$675,000—\* WKGB-FM** Binghamton NY (Susquehanna PA) from KG Broadcasting Inc. (Benjamin J. Smith) to Majac of Michigan Inc. (Marc D., Jack T. & Brett Steenbarger).

\$33,750 escrow, balance in cash at closing. **Superduopoly** with WENE-AM, WMRV-FM, WMXW-FM & FM CP (107.5 MHz). LMA since Oct. 9. **Broker:** Blackburn & Co.

**\$652,500—KPAM-AM** Troutdale OR, 87% stock sale of J.C.O. Broadcasting Inc. from Jerry J. Collins and Victor M. Ives to Pamplin Communications Corp. (Robert B. Pamplin, Robert B. Pamplin Jr., Walter A. North Jr., Paul F. Scott), giving Pamplin 100% ownership. \$125K in cash at closing, \$527,500 note. LMA since Oct. 6.

**\$635,000—\* KTFS-AM & KTWN-FM** Texarkana AR-TX from KATQ Radio Inc. (John Bell, Hazel Cotton) to GulfStar Star Communications Inc. (John Cullen), a subsidiary of Capstar Broadcasting Partners (Steve Hicks). \$30K letter of credit as escrow, \$435K in cash at closing, \$200K under non-compete agreements. Note: The second "Star" in the buyer's name appears to be a typographical error in the FCC filing. **Broker:** Wally Tucker; John Barger

**\$600,000—\* WEKY-AM** Richmond KY and **WXO-AM & FM** Berea KY from Pioneer Communications Inc. (Robert Spradlin) to Madison County CBC Inc., a subsidiary of Commonwealth Broadcasting Corp. (Brereton C. Jones, Steven & Vickie Newberry and others). \$25K earnest money, additional \$275K in cash at closing, \$300K note. Existing **duopoly**. LMA since July 28.

**\$553,000—\* WIZK-FM** Bay Springs MS, 100% stock sale of Cotton Valley Broadcasting Co. Inc. from Mitchell Jerome Hughey to Blakeney Communications Inc. (Larry & Randall Blakeney, Walter Holifield). \$10K escrow, balance in cash at closing. **Superduopoly** with WXRR-FM Hattiesburg MS & WBBN-FM Taylorsville MS.

**\$500,000—KACO-FM** Ardmore OK from KRIG Inc. (Bruce Campbell) to A.M. & P.M. Communications LLC (Richard E. Witkovski, Ralph Kerr, Ken Mok). \$25K escrow, balance in cash at closing. LMA since Oct. 29.

**\$500,000—WPRE-AM & FM** Prairie du Chien WI from Prairie Broadcasting Inc. (Walter Schlaugat Jr.) to Robinson Corp. (David & Jane Robinson). \$500K cash.

**\$450,000—\* KDIO-AM & KAHF-FM** Ortonville MN from Tri-State Broadcasting Co. Inc. (Don Egert) to Success Broadcasting Corp. (Daniel D. Sorenson). Sorenson Broadcasting Corp. is buying this combo from Tri-State for \$450K cash, then swapping it for KPHR-FM Milbank SD (below). **Duopoly** with KMSD-AM Milbank SD.

**\$450,000—\* KPHR-FM** Milbank SD from Success Broadcasting Corp. (Daniel D. Sorenson) to Sorenson Broadcasting Corp. (Dean P. Sorenson, SBC Employee Stock Ownership Plan). **Superduopoly** with KWAT-

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**\$425,000—\* KSWO-AM & KRHD-AM & FM** Lawton-Duncan OK from Oklahoma Quality Broadcasting Co. & Duncan Broadcasting Co. Inc. (Robert & William Drewry, Susan Drewry Battaglia). \$21.25K escrow, balance in cash at closing. Existing **duopoly**. Broker: Ralph E. Meador

**\$420,000—\* WCFJ-AM** Chicago (Chicago Heights IL) from Liberty Temple Full Gospel Church Inc., Debtor in Possession (Sheraine Lathon, administrator), to WCFJ Inc. (Fred Eychaner). \$420K escrow to transfer at closing. **Duopoly** with WSBC-AM. The buyer is seeking a **waiver** from the FCC to acquire WSBC-AM and WCFJ-AM in the same market where Eychaner already owns WPRW-TV (Ch. 50, UPN).

**\$390,000—\* KACI-AM & FM** The Dalles OR from Nugent Broadcasting Corp. (Burns & Joan Nugent) to Columbia Gorge Broadcasters Inc. (Gregory P. & Mylene Simons Walden). \$10K escrow, additional \$20K in cash at closing, \$360K note. Double **duopoly** with KHR-AM & KCGB-FM Hood River OR.

**\$385,000—\* KWMX-FM** Williams AZ from Jana Tucker to Red Rock Communications II Ltd. (Thomas S. Rockler). \$100K escrow, balance in cash at closing. **Superduopoly** with KFLX-FM Flagstaff AZ & KSED-FM Sedona AZ. LMA since Nov. 7.

**\$350,000—KBFL-FM** Buffalo MO from KBFL Broadcasting Co. (Mel & Gretchen Pulley) to Galen O. Gilbert. \$5K escrow, \$70K (less escrow) in cash at closing, \$280K note.

**\$350,000—KVIN-AM** Modesto (Turlock CA) from Silverado Broadcasting Co. (John Winkel) to Threshold Communications (James Arata, Douglas Wulff). \$17.5K escrow to transfer at closing, \$332.5K note.

**\$337,500—\* KKMT-FM** Columbia Falls MI from Radio 2000 Inc. (Frank Copsidas Jr.) to Bee Broadcasting Inc. (Benny Bee). \$337.5K less payments under LMA. **Superduopoly** with KBBZ-FM & KDBR-FM Kalispell MT.

**\$300,000—KBYN-FM** Arnold CA from Clear Mountain Air Broadcasting Co. (Don E. Leutz Jr.) to Golden Pegasus Financial Services Inc. (Nelson & Debbie Gomez). \$30K escrow, balance in cash at closing.

**\$300,000—\* WXXR-AM & FM** Cullman-Holly Pond AL from Good Earth Broadcasting Inc. (Charles & Larry Baker) to Voice of Cullman (Mary Evelyn & Clark Jones). \$20K escrow, balance in cash at closing. Double **duopoly** with WFMH-AM & FM Cullman AL.

**\$275,000—KBIX-AM** Muskogee OK from Oklahoma Sports Properties Inc. (Fred Weinberg) to Taft Broadcasting Corp. (Bryant

W. Ellis, George Chambers). \$35K escrow, balance in cash at closing. Creates combo with KHJM-FM Taft OK.

**\$200,000—KWCO-FM** Chickasha OK from Martin Communications Inc. (Robert T. Martin) to Tyler Enterprises LLC (Ralph H. Tyler). \$20K escrow, balance in cash at closing. Note: The seller will retain KWCO-AM.

**\$200,000—WHEE-AM** Martinsville VA, 100% stock sale of Patrick Henry Broadcasting Corp. from Nannette P. Wood and Debra Doss to William D. Wyatt Jr. and William D. Wyatt Sr. \$20K escrow, additional \$40K in cash at closing, \$60K note, \$80K debt assumption.

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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, Dec. 3 through Tuesday, Dec. 9. 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.

**\$28,600,000—WEEEX-AM & WODE-FM** Allentown-Bethlehem (Easton PA) from Capstar Radio Broadcasting Partners Inc., a subsidiary of Capstar Broadcasting Partners (Steve Hicks), to Clear Channel Metroplex Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). Cash at closing equal to 13 times 1997 broadcast cash flow, estimated to total \$28.6M.

**\$21,500,000—\* WOAD-AM, WKXI-AM & FM & WJMI-FM** Jackson (Jackson-Magee MS) from Benchmark Jackson LLC, a subsidiary of Capstar Broadcasting Partners (Steve Hicks), to Clear Channel Radio Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$20M in cash at closing, additional \$1.5M upon Capstar closing on purchase of WYCL-FM Pensacola, which is being spun-off from Clear Channel's purchase of the Paxson Communications (A:PAX) radio group. Existing double **duopoly**.

**\$10,770,000—\* KQHN-AM, KAYD-AM & FM & KQXY-FM** Beaumont-Port Arthur (Beaumont-Nederland TX) from Petracom of Rockford License Corp. and Petracom of Rockford License Corp. (Henry A. Ash) to Cumulus Licensing Corp. (William Bungeoth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$538,500 escrow, balance in cash at closing. Existing double **duopoly**.

**\$9,000,000—\* KTCS-AM & FM** Fort Smith AR from Big Chief Broadcasting Co. (Bill Harper) to GulfStar Communications (John Cullen), a subsidiary of Capstar Broadcasting Partners (Steve Hicks). \$450K escrow, balance in cash at closing. **Superduopoly** with KWHN-AM, KMAG-FM & KZBB-FM, plus contour overlap with KEZA-FM in adjacent Fayetteville market. **Broker:** John Barger

**\$6,400,000—\* WQCB-FM & WBZN-FM** Bangor (Brewer-Old Town ME) from Castle Broadcasting LP (Rudolf J. Haffenreffer IV) to Cumulus Licensing Corp. (William Bungeoth, Richard Bonick Jr.), a subsidiary of Cumulus

Media LLC (Richard Weening, Lewis Dickey Jr.). \$320K escrow, balance in cash at closing. **Superduopoly** with WTOS-FM.

**\$5,250,000—\* KNLT-FM** Oklahoma City (Bethany OK) from Bott Communications Inc. (Richard Bott) to Caribou Communications Co. (J. Kent Nichols, Finova Group Inc.). \$500K escrow, balance in cash at closing. **Superduopoly** with KATT-FM, KYIS-FM & KTNT-FM. LMA since Nov. 19. **Broker:** Kalil & Co.

**\$5,000,000—\* WSYN-FM** Myrtle Beach (Georgetown SC) from Sunny Broadcasters Inc. (Richard Laughridge, Lewis Cromer) to Cumulus Licensing Corp. (William Bungeoth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). Escrow amount not disclosed, total payment of \$5M in cash at closing. **Duopoly** with WDAI-FM (below). **Broker:** The Whittle Agency

**\$4,500,000—\* WLAY-AM & FM & WSHK-FM** Muscle Shoals-Russellville AL from D. Mitchell Self Broadcasting Inc. (James Michael Self) to US South Broadcasting Co. Inc. (Thomas & R. Parker Griffith, Larry Crim). \$100K escrow, balance in cash at closing. Existing **duopoly**. **Broker:** Gulf Breeze Media

**\$4,100,000—WYNN-AM & FM** Florence SC, 100% stock sale of Forjay Broadcasting Corp. from James N. Maurer to Cumulus Holdings Inc. (William Bungeoth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$205K escrow, balance in cash at closing. **Broker:** The Whittle Agency

**\$3,000,000—\* WDAI-FM** Myrtle Beach (Pawley's Island SC) from Seacoast Radio Company LLC (Richard Laughridge, Lewis Cromer, Barry Brown) to Cumulus Licensing Corp. (William Bungeoth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). Escrow amount not disclosed, total payment of \$3M in cash at closing. **Duopoly** with WSYN-FM (above). **Broker:** The Whittle Agency

**\$2,500,000—WKDL-AM & WKDV-AM** Washington (Silver Spring MD, Manassas VA) from Capital Kids' Radio Co. (Virginia S. Carson) to Mega Broadcasting of Washington LP (Alfredo Alonso, Stewart Cahn, Lawrence Weissman, LEG Partners SBIC LP), part of the Mega Broadcasting group. \$125K letter of credit as escrow, \$2.5M in cash at closing. Note: These two AMs are in the same Arbitron market, but do not have any contour overlap. **Broker:** Blackburn & Co.

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