

This Just In...

AirWave Brings Home The Gold in Nagano

If you heard CBS Radio's coverage of the winter games in Nagano, you also heard CBS's newest travelling companion—the AirWave Broadcast Console from PR&E.

But what's noteworthy isn't that CBS chose PR&E for Olympic duty. (PR&E BMX, Radiomixer and Stereomixer consoles have been used to cover the games for the last 15 years.) It's that they chose AirWave.

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The bell tolls for Telcom review

by Frank Saxe

It appears FCC Chair **Bill Kennard** (D) will use competition and diversity to justify altering radio ownership rules, and with two Democratic commissioners already hinting they will back him up, broadcasters face an uphill battle. "Tell us how things have changed in the last few years," was Kennard's message to owners, as the Commission began its review of media ownership as required by the 1996 Telcom Act. The Commission will look at the cross-ownership rules, duopoly rules and the one-to-a-market rule among others; comments will be collected for the next 60 days.

Kennard believes the Telcom Act gives the Commission a "broad mandate" to review ownership laws. If comments from fellow FCC Democrats are any indication, he has the votes to push forward his proposals.

"Some argue that media consolidation does not have an adverse effect on diversity. I disagree. What's needed are independently owned outlets, not a variety of content controlled by one owner," said Commissioner **Susan Ness** (D), who is particularly concerned with radio concentration. "Control by the top four radio group owners over total radio advertising dollars in markets

across the country has gone from 80% in 1996 to a whopping 90% in 1997."

Republican Commissioners **Michael Powell** and **Harold Furchtgott-Roth** appear less willing to gut Telcom, now just past its second birthday. Powell agreed diversity is a critical factor, but while others seemed focused on ownership, Powell suggested the FCC should also consider programming and the number of outlets available to the public. "We will have to...consider carefully whether government-imposed prophylactic ownership restrictions actually serve to advance any or all of these objectives."

Furchtgott-Roth went on to suggest the FCC may not have the authority it once did thanks to the explosion in the number of outlets.

RBR observation: We can't figure out where Ness got her numbers. RBR's analysis of revenue estimates from BIA and the RAB shows the top four raking in 20.9% in 1996, with a bump to 27.1% in 1997. That is still a far cry from Ness' 80-90% figures (maybe she's confusing this with Docket 80-90, which is partially responsible for consolidation in the first place.) Either way, the bell tolls for thee, broadcasters. Now is the time to let your voices be heard.

PR&E partners with Big Blue

by Katy Bachman

IBM (N:IBM) is in radio to stay and this time they've partnered with a name very familiar to broadcasters, Pacific Research and Engineering (A:PXE). Last week the two companies, after a year of talks, signed a marketing agreement to offer broadcasters integrated, end-to-end audio and information technology solutions.

"Most companies started out replacing cart machines, but there isn't any end-to-end solution from any of those providers," said **Mike Dosch**, COO, PR&E. "What broadcasters need is a business management tool."

The agreement puts PR&E in a bigger competitive playing field, since it will now be marketing IBM's eWave (formerly called StarTrax) digital audio storage system. StarTrax was first launched in September through an agreement between IBM and Houston-based ADC Labs (RBR 9/15/97, p. 3).

"This takes us from the studio into the business suite," said **Susan Dingethal**, VP/Sales & Marketing, PR&E. "It adds the final element to systems integration. You don't do a \$2M deal for just consoles and furniture."

For IBM, the agreement gives them broadcasting cachet. "It's been our strategy from the outset to team up with the industry leaders to take eWave to market," said **Brian Queen**, market development manager, IBM Global Services. "We realized that in order to deliver this complete solution, we needed expertise and capabilities that are not within IBM."

At deadline: Syndication shakeups

- ▶ **Victoria Jones** is out at United Stations at the end of March. "The future isn't bright for the other talk shows," said **Andy Denmark**, VP Programming, United Stations.
- ▶ MediaAmerica loses **Dave Koz** to Chancellor's (O:AMFM) AMFM Radio Nets. Koz's weekend show debuts April 4-5 on 100 affils.
- ▶ Radio Shows merges its PrimeSports programming with SportsByline's network.

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New owner to reposition Simmons

by Katy Bachman

With Symmetrical Resources as its new owner, Simmons, the national magazine ratings company, is about to change direction. "The future of Simmons is to refocus and build on the multimedia aspect of the service," said **Geoff Wicken**, president/CEO, Simmons.

Broadcasters may know Simmons for its national profiles of radio formats, but most of its \$11M revenues came from its magazine service, where it was losing market share in a fierce battle with competitor MRI. It changed its methodology in Sept. 1994 and is now poised to make more changes, in effect, exiting the magazine ratings biz. Said Wicken: "We will be less head to head with MRI."

Simmons was owned by WPP Group's (O:WPPGY) Kantor Media Research. In order to acquire an equity stake in Symmetrical, Kantor transferred its ownership of Simmons to Symmetrical. RBR sources say that netted Kantor a 25-30% interest in Symmetrical.

"Our goal is to help media sell to retailers and help retailers understand media," said Symmetrical Chairman **Bill Engel**, who adds that talks are underway with Arbitron in creating a product that combines data from Arbitron, Scarborough (a 50/50 joint venture between VNU and Arbitron), and Simmons. "We'll make a more robust Arbitron qualitative product," Engel said.

Symmetrical Resources may be an unfamiliar name to many broadcasters, but its principals, ex-Arbitron execs, Engel (also of Birch fame) and **Bill Livek** are well-entrenched in the broadcast research biz. Arbitron has a minority stake in Symmetrical (less than 10%, say RBR sources).

RBR observation: There's a bigger story here and that's WPP's global strategy for two-month-old Kantor Media Research (KMR). According to research industry pundit **Jack Honomichl**, WPP has a \$360M line of credit to develop TV, radio, print and advertising expenditure information services worldwide. Not coincidentally, KMR owns the British counterpart to Simmons, BMRB. Recently, KMR concluded deals in Latin America, which established it as a dominant presence in TV audience measurement.

News Analysis

Pay-for-play foreplay

by Carl Marcucci

Broadcasters who thought the pay-for-play discussion at the recent CRS would be a paint by numbers description on growing revenue from a category that didn't exist before were probably disappointed. According to **Kevin Metheny**, director programming operations, Jacor Jacksonville, the talk turned from creating an "odious pay-for-play monster" to how broadcasters and music professionals can upsell Country music and the Country format.

The idea of "pay-for-play" originated with Country stations who flirted with the concept as a way to sell the format. Not to be mistaken for payola, which is illegal, record companies would pay stations to be *announced* sponsors of a new song played on the radio, in effect, sharing the risk stations take when playing new singles. Sponsorships could apply to long form shows, commercial breaks, special features or adds on a playlist.

Pay-for-play has yet to catch on. **Rick Torcasso**, VP programming CBS Radio, sees the whole notion as theatrics and semantics: "Pay-for-play was coined by professional filibusters in Nashville to shake things up." He explained that people jumped to the pay-for-play conclusion when he and WUSN-FM Chicago GM **Steve Ennen** were in Nashville with two other PDs talking to key record company people. "They thought we were out trying to develop a pay-for-play campaign."

They weren't, although initial meetings included talk about a paid one-hour new music show played on CBS stations that would feature ten new artists. "That wouldn't work because a [Country] fan buys music after they hear it a lot of times," said **Rick Blackburn**, president, Atlantic Records. "So we killed that, but CBS is long past that idea now."

Torcasso did develop a new campaign (details announced next month), but he says it's far and away from the pay-for-play concept, which he insists won't work. "The record companies don't see the benefit and they don't have the money."

"The plan has a lot to do with selling radio and increasing traffic to [retailers like] WalMart and K-Mart," said Blackburn.

But others disagree with Torcasso and see pay-for-play as a great opportunity for radio groups to rake in non-traditional revenue, as much as \$150-\$500K per top-20 market stations by some estimates.

For pay-for-play to work, stations would have to balance revenue versus ratings. "The idea is if I play a stiff record 200 times, what did that cost me? It could cost P1s and P2s. And I could have been playing spots instead and making money," says **Tom Barnes**, partner, Sinton, Barnes and Associates, who is working on a pricing and execution plan.

RBR observation: Either way, pay-for-play can't be as lucrative as selling spot inventory. The record companies will not spend as much sponsoring a record as stations would make selling the equivalent six or seven spots.

Virtual competition

by Katy Bachman

The programming may be virtual, but the competition is head-on. One year after The Research Group launched Virtual Radio Programming (*RBR* 4/21/97, p. 4), Broadcast Programming (BP) has launched Total Radio. Both services are riding the technology wave which has made it possible to deliver to stations digital music formats with voicetracked, localized dayparts—in short—customized syndicated programming.

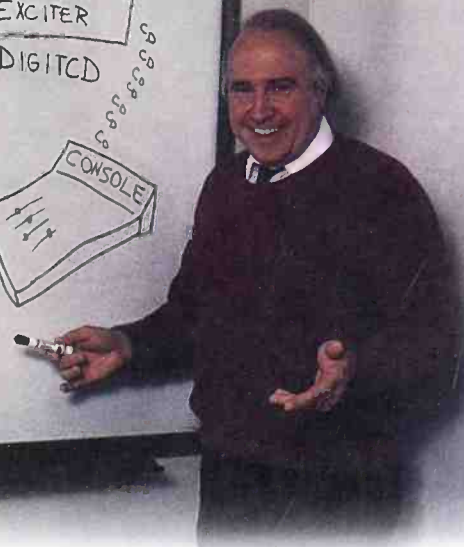
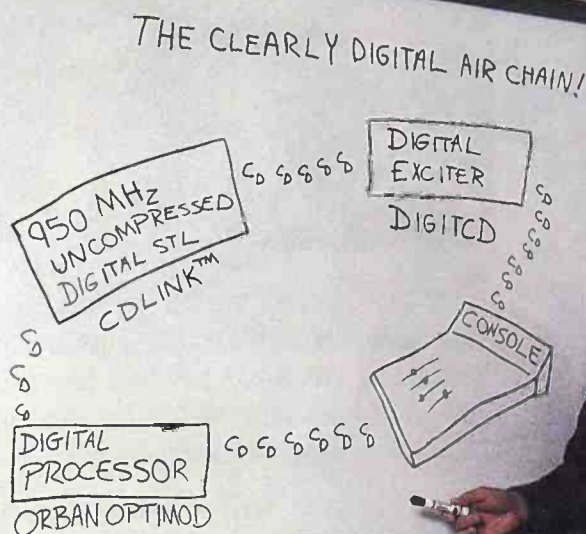
Virtual Radio may have gotten to market first (it's installed at a handful of smaller market stations), but BP President **Edie Hilliard** says Total Radio was a natural for BP. "It's a line extension of our core business," born out of the music logs and format libraries it provides to about 300 stations weekly. "We're just closing the final loop," she says.

BP boasts that unlike its competitor, Total Radio is "hands-free," delivered directly to a station's hard drive via satellite, which is less expensive than ISDN. While Virtual Radio Programming is available on a fee basis (about \$5,700/month per daypart), Total Radio is available for barter, cash or a combination. BP is also banking that stations will opt for Total Radio since it's available for Broadcast Electronics' AudioVAULT digital system.

It's a business born of consolidation and Hilliard predicts there will be more similar offerings in the months to come: "There is a growing demand for this versus 24-hour formats."

RBR observation: RBR sources say Virtual Radio Programming has had a rough start, leaving the door open to a competitor. Total Radio fits in with BP's latest strategic moves, having just entered the syndicated programming biz with two live shows, "Delilah" with about 140 affiliates, and recently-launched "Neon Nights."

Dave Obergoenner exclaims, "What a novel idea that a manufacturer looked at all the pieces that an engineer has to put together and made a product that actually fits—everywhere!" Dave is the corporate Director of Engineering for the twenty-seven radio stations in the Zimmer Radio Group



Harris CD LINK™
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The Ultimate Sound In Radio.

By Dave Obergoenner
Director of Engineering
Zimmer Radio Group

Most good engineers and programmers have it in their head, the ultimate sound, quite simply the best sounding radio station ever. Sometimes we think we've been close. We may have gotten our station almost to the ultimate sound, or much worse, our competition may have gotten close (too close for comfort) to the ultimate sound in radio. I too have heard that sound in my head and have never quite been able to attain it.

Oh, I know what it would sound like. Clean, no distortion, big wide frequency response, loud but not sounding too processed, a super low noise floor, perfect separation, in short a signal that will just jump right out of the radio when your listeners and advertisers tune to it. I've been close a number of times.

Suddenly radio, and the whole audio world for that matter, was going digital. I have to admit, I tried a lot of it, and most of it sounded just plain bad to me. Early generation A to D and D to A converters, the sharp filters (before over sampling) and then digital compression, the ultimate insult...digital compression on top of more digital compression! Lets just throw away huge chunks of the signal. We'll trick your ears, they'll never know it...ya right. Sorry not these ears, not on my radio station, not if I can help it at least. It was time to just say NO to lossy compression.

Now we can. Thanks to the fine engineers at Harris and Orban, we can now put together the fully digital, uncompressed digital audio chain for radio. It uses standard types of equipment we are all used to: an Optimod, an STL on your present frequency, and an exciter. Not just any STL, stereo generator and exciter. Harris has introduced *the missing link*

The Harris CD LINK™, together with the digital Optimod and the DIGIT® digital exciter and its

digital stereo generator, it works to form a flawless, digital audio chain. And it's UNCOMPRESSED all the way.

The system works with your current STL antenna system. In fact, it will work with a lot less signal than you may have with your current STL system. We put the system on the air with what was a noisy composite system, only about 80 microvolts. The CD LINK™ produced a perfect AES/EBU digital output signal. The bit errors were lower than I would expect to find in most CD players. The CD LINK™ even comes with a built-in bit error counter, so you can be sure. What you put in is exactly what you get out. Even with a poor signal. This is the best of digital with none of the drawbacks.

When you combine the CD LINK™ and the Orban Optimod 8200 with its digital I/O card, and the DIGIT® exciter with its digital stereo generator ...now you can get there...The Ultimate Sound On The Radio.

I remind you that the idea of all this cool new digital stuff is to make radio sound BETTER. That won't happen if it becomes yet another tool to make the station sound more distorted.

If you have a backup transmitter at your site you may be wondering, if I have all the AES/EBU digital coming out of this new STL system, how do I come up with a composite signal to feed the backup exciter? Good question, I'm glad someone at Harris thought of it before me! The new CD LINK™ STL receiver is available with a built in, good old standard, composite stereo generator. It is an option though, so you should order it with the unit. I didn't think of it, I'm glad Tom Harle our sales guy did.

I must say: I was a little nervous about trusting the reliability of our station to a totally new product. To the best of my knowledge, Harris has never built a real STL system before. I've heard some other digital STL systems lock-up after power failures. There's no way I want to put all

that noise on the air until someone can drive to the transmitter to push the reset button. The CD LINK™ has not let us down. It has been through some killer electrical storms and power failure/surges. The CD LINK™ has been 100% reliable. It comes back up fast, and has made absolutely no unpleasant sounds on the air, only great sounding music.

This is truly a terrific example of great systems integration. It is obvious that the people at Harris did their homework. Even when it came to making the CD LINK™ interface with other manufacturers' equipment (Orban and Burk). We plugged it together, turned it on, and it performed flawlessly. I wish some other broadcast equipment manufacturers would learn from this example.

Well, now I have it. The sound that has been in my head for all these 27 years in this business is finally on the air at one of our stations. It took the combination of the Optimod 8200 (with a tiny bit of pre-processing), the uncompressed Harris CD LINK™, and the Harris DIGIT® exciter/stereo generator to get there, but I finally have The Ultimate Sound On The Radio. And we didn't have to apply for a new STL license, or even call the phone company and try to order a T1 line. That's O.K., I didn't want to put my station back in their hands anyway.

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DC gets the biz

Three stations program Business

by Frank Saxe

While Washington, DC may best be known for "monkey business" these days, it is business in the financial sense that has three stations duking it out. The latest entrant is Chancellor's WWRC-AM, which switched frequencies last week. Chancellor Media (O:AMFM) shifted its Business and Sports formats to give Sports WTEM-AM a bigger signal, at 980, and WWRC, at 570, coverage to ZIPs with the highest incomes.

WWRC will feature local business news and paid talk programming plus Bloomberg Radio features. DC already has two other Business stations, WBZS-AM and WMET-AM, but Chancellor SVP **Bill Figenshu** says WWRC's 570 signal will cover the metro better than the others. "It goes where it needs to go," says Figenshu.

While you would expect the PD of the station to be less than happy his station was shifted to the weaker signal, that is not the case for WWRC PD **Steve Chaconas**, who joins nearly a dozen other staffers who



photo by Diana Silman

(L-R) Bill Figenshu, SVP/Operations, Chancellor Media; Steve Chaconas, PD, WWRC-AM; Charlie Ochs, former GM, WBZS-AM; and Rick Mack, GM, WWRC-AM at BusinessRadio 570's kick-off party at Washington's Palm Restaurant.

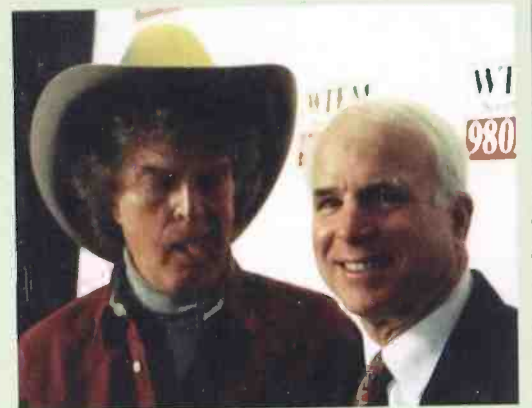
jumped ship from competing business station WBZS-AM. "Now we have the opportunity to reach everywhere that is important," says Chaconas.

WWRC will face hearty competition, with the two other DC stations already formatted Business. "I think there's room for both of us in the market," says **Michael Richert**, GM, WBZS. Three Business stations in one market proves, says Richert, that Business has come out of niche and into a full-fledged format. See p. 19 for a Market Profile of Washington, DC.

Team bats .980

Although being a healthy biller at AM 570, Chancellor expects billings to grow along with WTEM's new stronger AM 980 signal. "With 50kw I can charge more for the same programming," explains Figenshu—and with a ho-hum sports town like DC, it is billings that count.

Morning talker **Don Imus** helped WTEM "The Team" relaunch, appearing in DC for the first time since his infamous speech at the Radio and TV Correspondents' Dinner nearly two years ago. Besides Imus, WTEM will carry some ESPN Radio programming and will continue as the flagship station for the NBA Washington Wizards.



Don Imus gives Sen. John McCain (R-AZ) an earful during the I-Man's DC appearance last week for Sports WTEM-AM.

Stations spending less on TV ads

by Katy Bachman

Since Telcom, stations have been spending slightly less on TV ads. In 1997, stations spent about \$128M or 2.3% less than the previous year and 3.7% less than in 1995, according to a Shark TV analysis of the top 75 markets (See chart, upper right).

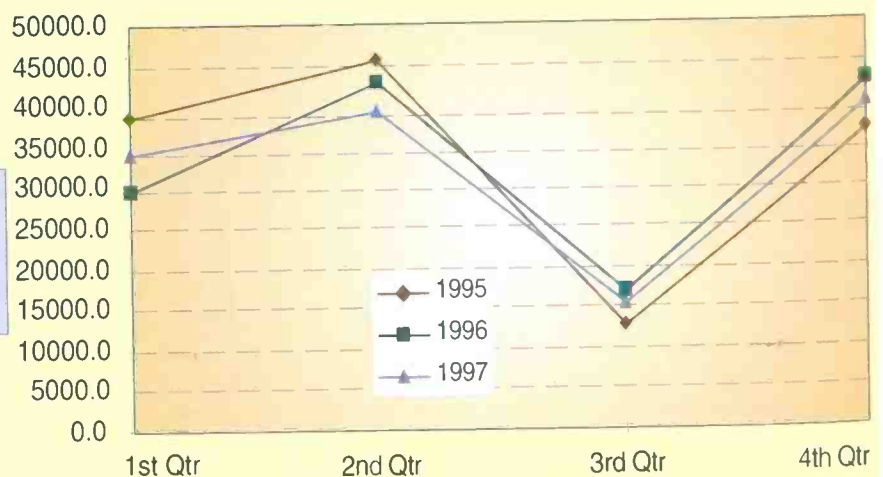
In the top 12 markets (which represents 55% of all TV expenditures by radio stations), spending is relatively flat. Some markets are up in TV spending including Boston (indexing at 130), LA (116), Houston (112), and New York (103).

What hasn't changed much are station spending patterns. Stations still bulk up promotions in Q2 for the Spring survey and in Q4 for the Fall (See graph, below right).

TV ad spending trends (in 000)

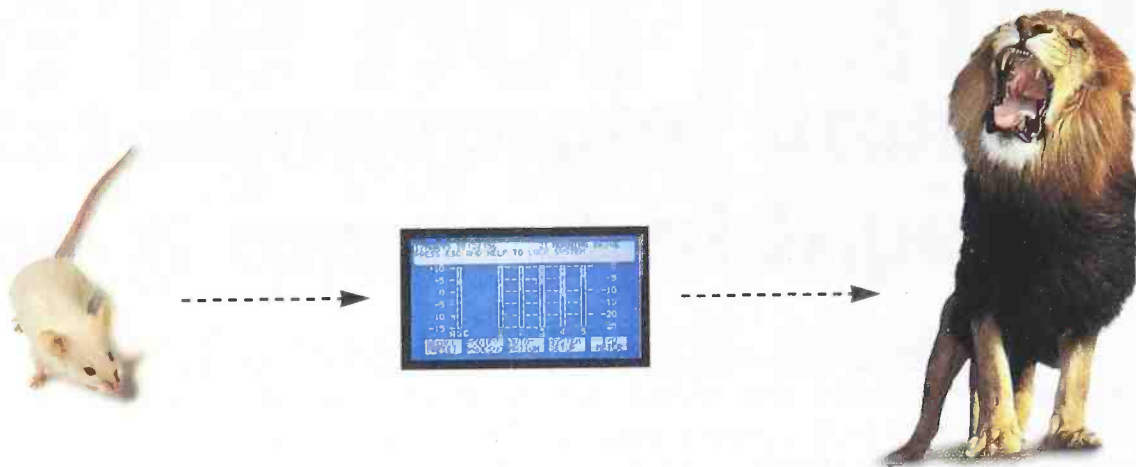
	1995	1996	1997
1st Qtr	38,651.69	29,428.29	33,979.71
2nd Qtr	45,557.08	42,736.74	39,292.77
3rd Qtr	12,612.43	16,734.24	15,316.73
4th Qtr	36,499.96	42,443.51	39,777.54
Total	133,321.16	131,342.78	128,366.75

TV ad spending patterns (in 000)



Source: Shark TV analysis of Competitive Media Reporting data

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by Carl Marcucci

Sound improvements: Plug it in & pump it up

Every station wants a signature sound that, aside from the programming, will set it apart from the rest. While a lot depends on the music source, console and processing, some CEs take it further with plug-ins.

But after all the time and money is spent making the audio chain sound "just right," it will all be for naught if the pipeline from the studio to antenna isn't good.

RBR looks at some of the extras that pump the sound up and components that keep it that way.

Hot-roddin' radio

For some engineers, having everything in one neat little box is not enough. Those CEs (if they don't build it themselves) choose psychoacoustical extras to customize the audio chain, producing a bigger or broader sound.

"You can install a spatial enhancer to give you a wider sound. You can insert EQs, compressors and limiters between different stages of the boxes. The good news with some new processors is the fewer pieces in the chain, the less problem you have with defective equipment. The bad news is some don't allow any inserts—just before or after. You can't go into different sections of the processor to insert your custom boxes to get your custom sound," said **Scott Tanner**, CE, WHYI, WBGG Ft. Lauderdale. "I use the Dolby Spectral Processor model #740, inserted into the [Cutting Edge] Unity. It's almost like an external crossover with some noise reduction. It allows you to adjust the crossover points between the lows, mids and highs.

You're changing the frequency of the signal that is in the box—a custom equalizer. Basically, it allows you to change EQ structures from one end of the processor to the other."

Modulation Sciences also makes a couple of goodies. The CP-803 composite clipper is its most popular product. (A composite clipper shaves the peaks off the composite stereo signal past an adjustable level to prevent overmodulation.) The CP-803 is probably the first clipper that didn't clip the pilot signal—clipping the stereo pilot can create intermodulation distortion (the mixing of two frequencies that creates new frequencies that weren't there before) and affect subcarriers. It's a clean way to get more loudness. "Many stations add a clipper in the chain and back off

of existing processing to get the same loudness with less pumping [the audible sound of attack and release in processing, or basically processing that's working hard enough for listeners to notice]," said **Eric Small**, president, Modulation Sciences.

There are no dynamic artifacts to a composite clipper—because it's a static device it doesn't ride gain. "It's used without going into the red. Most people are hard pressed to know it's in the line. CP-803 gives you up to 3

dB for free—they can back off some of the processing and still remain loud enough," said Small.

Modulation Sciences also markets the StereoMaxx—an image enlarger preprocessing box. "The only dimension it deals in is spatial. It doesn't make the audio louder, but bigger. Many customers say without it the stations sound like mono. It's a patented technology that takes a sample of the different signal, runs it through an electronic delay, then takes the output, flips it out of phase, and feeds



The Intraplex T1 multiplexer for T1 STL transmission

it back into the left and right output channels," said Small.

The unit also boasts a smart circuit, "automatic width control," that looks at how much separation is already in the music. If the music comes in highly separated, it doesn't add much more to it.

Orban's 222-A spatial enhancer is another preprocessing stereo expander. It offers an "enhancement

continued on page 10

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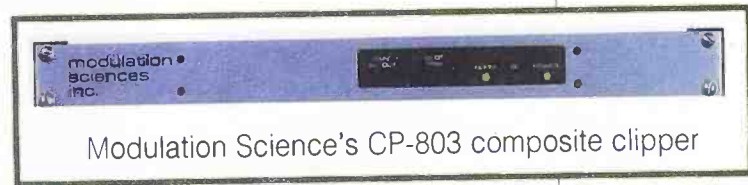
E-mail: sales@prophetsys.com

control" circuit similar to the StereoMaxx that is adjustable for width of stereo separation desired, without introducing multipath distortion.

"We use it in a limited fashion because of heavy image production. It also takes things that are normally being [heavily processed] and makes the highs come out better. The Orban unit only reacts to the attacks in the stereo domain—it lets the peaks through but clamps down on the decays so you don't have a lot of reverb. It's very subtle. We're dealing with a signature on air, and a bunch of little differences make your sound," said **Greg Benson**, CE, KXPK-FM Denver.

The most difficult thing for Benson was to adjust processing for the Adult Alternative format of KXPK which carries analog 80's Alternative Rock and digital Seattle grunge bands: "I attached a little notch filter in the presence range in the EQ. The consonance of the vocals fights with the loud electric guitars. I pull down the gunk that distracts from the vocals about 6 dB."

When adding more links to the audio chain, moderation is key to achieving an improvement. "On all of our FM stations, we tend to have a



Modulation Science's CP-803 composite clipper

few more boxes in the audio chain. My point is we don't want any of the boxes to work too hard. That's the



The Orban 222-A spatial enhancer

key thing. If no single box is pushing too hard, then you can achieve an overall envelope of loudness without taking it into distortion and keeping some dynamic range," said **Pete Booker**, president, Delmarva Broadcasting.

When all else fails to suit even the most discriminating, some do it themselves. "Since 1978, I've been building my own processing.

So if necessary, if it isn't made, we will build it. You can't always get what you want. If what you want isn't what everyone else is clamoring for, it's probably not going to be made available commercially," said **Greg Strickland**, CE, KLVE-FM LA.

It's only as good as the pipeline

You may have the best audio chain equipment, but the STL can make or break the audio quality. At best, the STL should allow what comes in to be equal to what goes out. Many stations are choosing digital with a T1 transmission format—fully linear and non-compressed for zero degradation. T1 is a 1.5 megabit per second digital transmission service. It is also the name

the phone company gives the wire. The T1 format can be carried on microwave, fiber optics or wire.

Traditionally, radio has used 15kHz telephone lines, 950MHz microwave



Modulation Science's StereoMaxx image enlarger

STLs, and recently digital codecs over 950MHz links. Intraplex offers a T1 multiplexer, which will turn the audio into uncompressed digital for the link. "You can spend a million at the studio and a million at your transmitter plant, but those two places are 15 miles apart and there's a loss. So, if you want to improve your audio quality over composite STL, discrete 950 MHz STL or telephone lines, T1 is a great way to go. It's digital, so nothing is lost. We can supply a station with linear, 16-bit audio from the studio to transmitter site. Any combination of analog or AES/EBU inputs or outputs is possible," said **Dan Rau**, Dir. of Sales, Intraplex.

Also, T1 is bi-directional. It will carry the STL, TSL, data, telephone

continued on page 12

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Eventide's **BD500 Broadcast Delay** makes talk shows run smoother and sound better, for less. The BD500's multiple dump feature divides the delay time into several "slices" so you're still safely in delay even right after a "dump." It's the hassle-free talk solution... even when air talent is working without a producer. No other delay offers Eventide's high quality patented catch-up technology for clean audio combined with fast catch-up. And it's the only delay with optional digital inputs and outputs for new all-digital studios. Yet the BD500 costs thousands less than our previous delay unit.

Want to increase creativity without adding personnel? Add life to drive-time shows? Win new advertisers with better station-produced spots? An **Eventide Ultra-Harmonizer**® brand effects processor really does all that. Designed specifically for radio and production, the new DSP4000B Ultra-Harmonizer features radio effects designed by production whiz Jay Rose. Hundreds of comic voices, sound effects, reverbs, pitch changers and more are instantly accessible at the touch of a button. Plus, the DSP4000B has superb Timesqueeze® time compression/expansion capability. The DSP4000B has optional digital I/O to interface easily with digital editors and consoles. It's the radio effects box designed to bring stations more business and more listeners. *The bottom line:* Eventide broadcast products are potent tools for today's radio. To learn more, talk to your broadcast distributor, call Eventide direct at 201-641-1200, or see our website, www.eventide.com.

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If a station requires or chooses an air transmission STL, having that digital signal is still key to avoiding any loss in processing or transmission quality. In the old days, an STL was nothing more than an FM transmitter over high frequencies. It had more problems than the main transmitter. The design definitely affected the sound. The best stations didn't use STLs because they hurt the sound of the station. "Before we had digital STLs, the STL was the poorest link in the station's chain. The signal to noise ratio was not great and distortion was a problem, said **Tim Bealor**, product manager, RF group, Broadcast Electronics.

Three popular digital STLs today are Moseley's Starlink, BE's Dolby DSTL with Dolby AC2 compression and Harris' CD link. Many CEs that have been asking for digital STL conversion are getting it, based on the argument that the more digital the station has in its audio and air chains, the more pure the sound stays. "This year, I will be fortunate enough to have a Harris linear non-compressed audio CD link digital STL and a digital exciter which will certainly clean up all the little artifacts that I have on the air. I'll be digital from output of processor to input of transmitter. After they're installed, I will get back into it and re-do the processing structures," said Tanner.

It's true—whenever a piece of the chain is switched from analog to digital, processing may need adjustment. It's not necessarily that digital changes the sound so much, but one more or less analog to digital conversion alters its properties. "Going back and forth a few times from digital to analog in the chain will affect the audio. Some will say for the better, some for the worse, but replacing pieces in the chain will show a difference. Having a pure digital path gives the broadcast engineer a lot more control over his sound," said **Mike Dosch**, GM, Pacific Research & Engi-

neering. When DAB is here, the audio can truly be a pure digital path from the studio's CD player to the listeners' ears.

Mono as important as stereo

Many broadcasters are so concerned with how good the stereo signal sounds that mono is overlooked. But it's in the shades between—the blending from stereo to mono in the receivers that's important. That transition from stereo to mono has to be as unnoticeable to the listener as possible. A large portion of listeners are in impaired reception spots—urban corridors and mountainous cities like L.A. and Salt Lake City where there's a lot of shadowing and multipath. Adjusting for mono compatibility at the station is the key to keeping those listeners listening.

"If you don't have good stereo to mono compatibility, the first thing you notice is the highs go away in mono because they cancel out. That's why the highs and lows change as you drive around."

—Chip Morgan,
President CMBE Inc.

"Their radios are blending to mono. That's one of the reasons why FM is so successful—the receivers are set up now to gradually blend from stereo to mono and back under varying reception conditions. In the early days of stereo, you would drive around and hear these hard switches from mono to stereo or hear a stereo signal with a lot of static. I don't think it's unusual for 60% of the listeners to be listening in various levels of mono—especially those in fringe reception areas," said **Chip Morgan**, president, CMBE Inc.

"I check the mono compatibility—it's a weekly chore. You don't want left minus right information in with your mono programming at all—it affects loudness, punch and frequency response. Our transmitter site is one of the highest FM communications sites in America—I think 11,300 feet up on top of a mountain. We're a mile higher than our city of license and we're 35 miles away. I do not think we have an ideal site for multipath," said Benson.

"What we do is maximize the mono compatibility to make the transition from stereo to mono as easy on the ears as possible. If you don't have good stereo to mono compatibility, the first thing you notice is the highs go away in mono because they cancel out. That's why the highs and lows change as you drive around. In a good [broadcast] system that doesn't happen—all you lose is stereo separation," said Morgan.

This is especially important because people are more likely to switch to a "stronger" station when they hear sound quality drop rather than just losing some separation. If there are two same-format stations competing for listenership in impaired suburban signal areas, the Arbitrons in those zip codes will most likely show higher ratings for the station that sounds the best. So, even though they are both broadcasting under essentially the same conditions, one may be perceived to be stronger and sound better.

Achieving mono compatibility lies in both the audio and air chains. Said Morgan: "It's absolutely critical that the system be as linear as possible all the way through, which means that the left and right channels have the exact same technical characteristics so that anything that happens on the left channel happens on the right channel exactly the same way—like eyesight. That goes literally from the first stereo source to the antenna. The antenna has to be broadband, it has to be set up to transmit the signal perfectly so there's no degradation of the stereo signal at all. At least 60% of the FM stations across the country don't pay attention to this."

March 11—RBR Stock Index 1998

Company	Mkt:Symbol	3/4 Close	3/11 Close	Net Chg	Pct Chg	3/11 Vol (00)	Company	Mkt:Symbol	3/4 Close	3/11 Close	Net Chg	Pct Chg	3/11 Vol (00)
Ackerley	N:AK	19.812	20.188	0.376	1.90%	118	Heffel Bcg.	O:HBCCA	47.500	49.125	1.625	3.42%	1213
Alliance Bcg.	O:RADO	0.531	0.510	-0.021	-3.95%	0	Jacor	O:JCOR	57.437	58.563	1.126	1.96%	3738
Am. Radio Sys.	N:AFM	59.000	59.000	0.000	0.00%	1554	Jeff-Pilot	N:JP	83.312	85.688	2.376	2.85%	1270
AMSC	O:SKYC	7.750	7.469	-0.281	-3.63%	139	Jones Intercable	O:JOINA	17.000	17.125	0.125	0.74%	2203
Belo Corp.	N:BLC	53.500	53.375	-0.125	-0.23%	1543	Metro Networks	O:MTNT	38.750	38.625	-0.125	-0.32%	2188
Big City Radio	A:YFM	10.500	10.500	0.000	0.00%	396	NBG Radio Nets	O:NSBD	1.500	1.750	0.250	16.67%	20
CBS Corp.	N:CBS	32.062	31.688	-0.374	-1.17%	15965	New York Times	N:NYT	63.437	64.500	1.063	1.68%	1785
CD Radio	O:CDRD	15.875	16.375	0.500	3.15%	665	News Comm.	O:NCOM	1.500	1.375	-0.125	-8.33%	44
Ceridian	N:CEN	47.000	49.813	2.813	5.99%	4887	Otter Tail Power	O:OTTR	37.562	38.000	0.438	1.17%	129
Chancellor	O:AMFM	44.937	47.938	3.001	6.68%	33487	Pacific R&E	A:PXE	3.875	3.750	-0.125	-3.23%	11
Childrens Bcg.	O:AAHS	3.437	3.375	-0.062	-1.80%	267	Pulitzer	N:PTZ	80.062	79.750	-0.312	-0.39%	446
Clear Channel	N:CCU	92.000	93.375	1.375	1.49%	2752	RealNetworks	O:RNWK	16.000	19.500	3.500	21.88%	5356
Cox Radio	N:CXR	43.312	46.000	2.688	6.21%	400	Saga Commun.	A:SGA	20.500	20.250	-0.250	-1.22%	85
DG Systems	O:DGIT	3.625	3.500	-0.125	-3.45%	190	SFX Bcg.	O:SFXBA	92.375	91.750	-0.625	-0.68%	57
Disney	N:DIS	106.062	104.938	-1.124	-1.06%	11177	Sinclair	O:SBGI	56.125	54.750	-1.375	-2.45%	1307
Emmis Bcg.	O:EMMS	49.625	47.688	-1.937	-3.90%	297	SportsLine USA	O:SPLN	26.812	27.750	0.938	3.50%	3449
Faircom	O:FXXM	0.937	0.875	-0.062	-6.62%	50	TM Century	O:TMCI	0.500	0.500	0.000	0.00%	0
Fisher	O:FSCI	65.500	64.500	-1.000	-1.53%	39	Triathlon	O:TBCOA	10.750	10.375	-0.375	-3.49%	236
Gaylord	N:GET	34.562	34.063	-0.499	-1.44%	177	Tribune	N:TRB	66.125	67.125	1.000	1.51%	726
Granite	O:GBTVK	12.125	12.000	-0.125	-1.03%	953	Westover	A:WTW	20.125	22.250	2.125	10.56%	131
Harris Corp.	N:HRS	50.125	51.438	1.313	2.62%	1219	Westwood One	O:WONE	31.750	31.000	-0.750	-2.36%	1907
							WinStar Comm.	O:WCII	39.000	39.625	0.625	1.60%	18431

Chancellor sells \$898M in stock

Chancellor Media (O:AMFM) found a warm reception on Wall Street for its 16M-share stock sale (*RBR* 3/2, p. 12)—so warm, in fact, that the offering was boosted to 19M. At \$47.25 each, that adds up to \$897.75M. That could go higher if, as is likely, the underwriters pick up the 2.85M-share green shoe. Lead underwriters: BT Alex. Brown; Goldman, Sachs & Co.

Clear Channel files \$1.5B shelf

Clear Channel Communications (N:CCU) is getting set to raise another \$1.5B when it needs the cash for acquisitions. The company filed a generic shelf registration at the SEC to offer up to \$1.5B (including \$703M carried over from a previous registration) in stock or bonds.

ARS gains, prepares for breakup

In what's expected to be its last annual report, American Radio Systems (N:AFM) said 1997 net revenues rose 110.2% to \$374.1M and broadcast

cash flow increased 128.1% to \$132.3M. On a same-station basis, revenues gained 11.1% and cash flow 16.7%.

With CBS (N:CBS) due to complete its \$2.6B buyout of ARS' radio operations in Q2, **Steve Dodge's** corporate HQ team is preparing for a new era running American Tower Corp. (*RBR* 1/12, p. 14). CFO **Joe Wynn** said ARS' current tower operations (which will expand dramatically through the coming merger and acquisitions) accounted for \$17.1M of 1997 revenues and had cash flow of \$7M.

What's CBS adding to its balance sheet? Wynn said pro forma 1997 figures for the radio group amounted to \$372M in revenues and cash flow of \$138M.

News Comm. delays report

News Communications (O:NCOM) has delayed filing the annual report for its fiscal year that ended Nov. 30, 1997. The community newspaper chain, which also owns WYRE-AM Annapolis, MD, told the SEC it expects to

report a loss of approximately \$2M, an improvement from the previous year's \$3.9M loss. News Comm. blamed the delay on difficulties in gathering all of the needed data from its 25 publications.

Traffic jams build cash flow

Metro Networks (O:MTNT) reported 1997 revenues up 27.4% to \$139.1M. Cash flow (EBITDA) gained 27.9% to \$34.6M and net income rose 29% to \$15.5M.

"We enter 1998 supported by our continued focus on expanding our affiliate base and our ability to leverage our infrastructure to offer new products and services such as Metro Source," said CEO **David Saperstein**, referring to the company's challenger to traditional wire services.

Metro's flagship service, traffic reports for radio and TV, is now offered in 77 markets, including eight added in 1997. Radio news, weather and sports reports are also offered in many of those markets and Metro also offers video news services to TV stations.

by Jack Messmer

Bonneville ups WTOP-FM DC power for \$10.7M

WTOP-AM & FM DC GM **Steve Swenson** is so pleased with how the All News station's new suburban Virginia FM is doing that Bonneville International is swapping frequencies with **Sid Abel's** First Virginia Communications.

Former WTOP owner Chancellor Media (O:AMFM) LMA'd the Class A 94.3 MHz station last year, but couldn't even consider the Class B 107.7 MHz facility because the contour would have overlapped with Chancellor's other DC FMs, putting it over the legal limit. Shortly after closing a multi-market swap with Chancellor that dealt WTOP-AM to Bonneville, the new owner exercised an option to buy 94.3 from **Bill Parris** for \$2.6M (RBR 2/9, p. 13). Now it is swapping that signal for 107.7.

"Now that Bonneville owns us, we

can go with the big 50kw FM," Swenson noted, since Bonneville isn't near the FM limit. See RBR's overview of the DC market, page 19.

Not only will the frequency swap give DC and close-in Maryland listeners a choice of AM or FM, but also put WTOP-FM into many downtown office buildings where the entire AM band is unlistenable.

Abel's recently launched "Up Country" WUPP-FM is focused on Northern Virginia listeners and advertisers, so the move to 94.3 won't do much harm to its core audience. Abel will also get \$8.1M cash and move the Class A to the mountain tower site already occupied by 107.7. Both stations are licensed to Warrenton, VA. Mutual LMAs will kick in April 1—no joke. **Broker: Mitt Younts**, Media Services Group

Cox next in line for waiver

Before Tribune Company's (N:TRB) cross-ownership waiver (RBR Mid-Week News Brief, 3/11) had been officially announced, Cox Radio (N:CXR) was at the FCC requesting a waiver to buy WPTW-AM, WCLR-FM & WZLR-FM Dayton for \$6.3M. Cox already LMAs all three from media broker **Charles Giddens**, whose Xenia Broadcasting Inc. bought them last year for \$6M (RBR 10/13/97, p. 16).

Cox is seeking a waiver of the one-to-a-market rule, since a related company owns WHIO-TV Dayton. Its filing says no waiver of the cross-ownership rule is needed, despite another related company's ownership of the *Dayton Daily News* and *Springfield News-Sun*. That's because none of the three radio stations—licensed to Piqua and Xenia—puts a city grade contour over all of Dayton (WCLR just misses) or Springfield. Cox's current Dayton radio stations, WHIO-AM & WHKO-FM, do city grade both communities, but their ownership is grandfathered.

Arguing for the waiver, Cox says combining the three stations with its own stations will save approximately \$50,523 annually in salary and benefit costs, \$120,000 in rent, \$150,000 from cross-promotion and \$10,000 in Arbitron subscription fees, to cite just a few of the savings spelled out. In all, Cox says the combination would result in one-time savings of \$256,500 and annual savings of \$630,123, including some savings already being enjoyed under the LMA.

Entravision seeks waiver

Also seeking a waiver of the one-to-a-market rule is Entravision Holdings LLC, headed by **Walter Ulloa** and **Paul Wilkinson**. The LA-based Spanish radio and TV group has a \$2.4M deal to buy KAMP-AM El Centro, CA from **Calvin** and **Lois Mandel's** KAMP Radio Inc.

Entravision already owns KMXX-FM Imperial, CA and KWST-FM Brawley, CA and has FCC approval to acquire KVEY-TV (Ch. 7,

Capstar Broadcasting Corporation

has agreed to transfer the following stations

to

Chancellor Media Corporation

KODA-FM, KQUE-AM and KKRW-FM Houston

KTXQ-FM and KBFB-FM Dallas

KPLN-FM and KYXY-FM San Diego

WDVE-FM, WXDX-FM, WJJJ-FM and WVTY-FM Pittsburgh

Approximate Value

\$637,500,000

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Moody's: Radio groups positioned to improve debt ratings

by Jack Messmer

Radio's consolidation has created a stronger industry, according to a report by Moody's Investors Service. With economies of scale and more predictable economics, **John Eckes**, VP/Sr. Analyst, Moody's, says radio's favorable operating environment "makes credit quality improvement a realistic and obtainable goal."

Radio companies are already enjoying the lowest bond yields in decades, with recent offerings priced well below 10% interest rates—a far cry from the mid-teens rates of just a few years ago. Those rates would be even lower, though, if radio bonds were investment grade. Highly rated companies like AT&T (N:T), IBM (N:IBM) and just about any utility company you can name are able to sell bonds at lower yields because they are viewed as having less risk—and their ratings reflect that safety.

Much of the cash for radio consolidation has come from selling bonds. Moody's notes that the radio companies it rates (excluding Westinghouse/CBS) had combined public debt of \$883M at the end of 1995. After the Telcom Act unleashed superduopoly consolidation in 1996, the debt figure ballooned to nearly \$6.1B by the end of the third quarter of 1997. Now Eckes and fellow VP/Sr. Analyst **Elizabeth Tallmadge** say they're watching to see if the big radio groups are able to parlay their acquisitions into improved financial performance, which will win them higher debt ratings.

The chart at right shows Moody's current debt ratings for all of the companies it currently rates who derive 50% or more of their cash flow from radio. Under Moody's rating system, Clear Channel's rating is the highest of the group at Baa3, the lowest investment grade rating. CBS is one step below at Ba1. Most of the radio groups are at the lower end of the B range—either in B3 (just above Caa1) or one notch higher in B2.

RBR observation: Moody's now has 21 rating categories, from Aaa (best) to C (high risk junk bonds). Why not go to 26 and use the alphabet, A-to-Z, instead of this jumble of one, two, three and four digit symbols? Nah, then everybody would be able to understand them.

Moody's bond ratings for radio groups

Company	Senior Unsecured	Senior Subordinated
American Radio Sys.	—	B2*
Capstar Broadcasting	—	B2
CBS Corp.	Ba1	—
Chancellor Media	—	B2
Citadel Communications	—	B3
Clear Channel	Baa3	—
Cox Radio	—	Ba2
Jacor Communications	—	B2
Salem Communications	—	B3
SFX Broadcasting	—	B3
Spanish Broadcasting Sys.	B2	—

*ARS' rating is under review for possible upgrade

Source: Moody's Investors Service

Univision) El Centro, CA—all in the Yuma, AZ-El Centro, CA Nielsen TV market (Arbitron doesn't have radio ratings for the market). Now Entravision wants to expand its waiver to add an AM to the mix.

In support of its waiver request, Entravision notes that there are 22 other radio stations and three other TV stations serving the area, not including non-commercial stations and a host of stations just over the border in Mexicali, Mexico. **Broker:** Media Venture Partners

Doubling on Cape Cod

Sandab Communications, headed by **Stephen Seymour**, is getting its second Cape Cod FM with a \$1.7M buy of **Donald Moore's** WOCN-FM.

The deal has a deja vu quality to it. Moore sold his partnership interest in Sandab's WQRC-FM to **Greg Bone** in 1985 and nine years later acquired WOCN for \$375,000. Now Moore is again selling to Bone, Seymour and Sandab's third partner, **Scott Frothingham**. Bone will be GM of both Cape Cod stations once this deal closes.

SOLD!

WTLN-FM, Orlando, Florida from **Alton Rainbow Corporation**, Thomas H. Moffit, Sr., President, to **Cox Radio, Inc.**, Robert F. Neal, President and CEO for \$14,500,000 and **WZKD-AM**, Orlando, Florida from **Cox Radio, Inc.**, to Thomas H. Moffit, Jr., for \$500,000.

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by Jack Messmer & Dave Seyler

The deals listed below were taken from FCC filings made public during the week from Wednesday, March 4 through Tuesday, March 10. *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.

\$750,000—KCHG-AM San Antonio (Somerset TX) from A.G.A. Inc. (Ronald D. Allen, sec) to Maranatha Broadcasting Inc. (Mary, Sadie and Myron Wade). Cash.

\$650,000—WRZN-AM Gainesville-Ocala (Hernando FL) from Management and Marketing Synergy Inc. (Frank Watson) to Hernando Broadcasting Inc. (Joseph R. Newman, Thomas W. Kearney), a subsidiary of Alliance Broadcasting Group Inc. (O:RADO). \$30K deposit, \$115K cash at closing, \$100K note, \$216K debt assumption, \$189K in Alliance stock. Note: The FCC application indicates that WRZN does not have a contour overlap with Alliance's existing stations in the market, WLUS-AM & WDJY-FM.

\$525,000—* KKUZ-AM & KMXJ-FM Fort Smith AR (Sallisaw OK) from Teddy Bear Communications Inc. (Ted L. Hite) to Mix 96 LLC (Fred Baker Jr.). \$25K downpayment, additional \$450K at closing, \$50K under non-compete agreement. **Duopoly** with KISR-FM, plus LMA of KREU-FM. LMA since 12/8/97.

\$500,000—* KFAL/KKCA Fulton MO from KFAL Inc., a subsidiary of Meyer Communications Inc. (Ken Meyer) to Zimmer Radio of Mid-Missouri Inc., a subsidiary of Zimmer Broadcasting Co. Inc. (Jerome R. John P., Donald W. and James L. Zimmer). \$25K escrow, \$125K cash at closing, \$350K note. Broker: R.E. Meador & Assocs.

\$485,000—WAXI-FM Terre Haute (Rockville IN) from Covered Bridge Broadcasting Ltd. (Robert Rouse) to Equity One Media Partners LP (Michael A. Petersen, Dan T. Lacy). \$10K escrow, additional \$415K in cash at closing, \$60K note. Broker: Thoben-Van Huss

\$475,000—KMRY-AM Cedar Rapids IA from Dulaney Broadcasting Inc. (Mike Dulaney) to Sellers Broadcasting Inc. (Richard L. Sellers). \$450K cash at closing, \$25K note.

\$450,000—WOTS-AM Orlando (Kissimmee FL) from Winfield Broadcasting Inc. (Monty D. Hundley, John Zaleski) to Alliance Broadcasting Group Inc. (O:RADO, largest shareholders are Joseph F. Newman 10%, Thomas W. Kearney 10%, Lenny Teitlebaum 5%, Tim Shaffer <5%, Ronald Shaffer <5%). \$50K escrow, \$150K (less escrow) cash at closing, \$300K in Alliance stock.

\$4,000,000—* WFAU-AM, WABK-FM, WKCG-FM & WIGY-FM Augusta-Watertown ME (Gardiner-Augusta-Madison ME) and **WCME-FM** Portland (Boothbay Harbor ME) from Tryon-Seacoast Communications Inc. (Jeff Fisher, William Devine) to Cumulus Licensing Corp. (William Bungeroth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$200K escrow, additional \$3.8M in cash at closing. However, if WCME cannot be transferred on the same date as the other stations, \$500K will be allocated to its later closing. **Chain duopolies** and **superduopolies** with WTOS-FM Augusta-Waterville and WOCB-FM Bangor. Broker: George Silverman & Associates

\$2,960,000—* KUNO-AM & KSAB-FM Corpus Christi (Corpus Christi/Robstown TX) from KDOS Ltd. (McHenry Tichenor Jr., pres), a subsidiary of Heftel Broadcasting (O:HBCCA) to Gulfstar Communications Corpus Christi Inc., a subsidiary of Capstar Broadcasting Partners (Steve Hicks). \$250K escrow, balance in cash at closing. **Superduopoly** with KNCN-FM, KMXR-FM, KRYS AM-FM. Broker: John Barger

\$1,500,000—WRDM-AM Hartford (Bloomfield CT) from Ital-Net Broadcasting Corp. (Lucio C. Ruzzier, Paul R. D'Agostino, Salvatore Minniti) to Hibernia of Hartford LLC (Mike Craven, Jim Thompson), a subsidiary of Hibernia Communications LLC, owned by PEP AM Management LLC (Marcos A. Rodriguez, Timothy P. Mayhew). \$75K escrow, balance in cash at closing. Note: Disney's (N:DIS) ABC Radio Network Inc. has an option to purchase this station. Broker: Biernacki Brokerage

\$926,000—KKIN-AM & FM Aitkin MN from Ronan Broadcasting Corp. (Ron Tschetter) to Alan R. Quarnstrom and Linda Quarnstrom, general partners. \$10K downpayment, additional \$115K in cash at closing, \$676K debt assumptions, \$125K new note.

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\$410,000—WMSX-AM Boston (Brockton MA) from Metro South Broadcasting Inc. (Donald Sandler) to Monte Bowens d/b/a Griot Communications. \$10K escrow, \$360K cash at closing, \$40K note.

\$400,000—* KHXS-FM Abilene TX from IQ Radio Inc. (Larry Hickerson) to Cumulus Licensing Corp., a subsidiary of Cumulus Broadcasting Inc. (William Bungeroth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$25K down payment, \$2K per month out of \$5K monthly LMA payment, \$65K debt assumption, note for remainder. **Superduopoly** with KBCY-FM, KCDD-FM. Buyer is assuming purchase agreement originally struck by Taylor County Broadcasting. LMA in place.

\$360,000—WRXS-FM Salisbury-Ocean City (Ocean City MD) from GBH Radio Inc. (Gisela Huberman) to Atlantic Radio Broadcasting LLC (Ronald & Rita Gillenardo, Mearl & Crystal Layton). \$360K note.

\$350,000—WFAB-AM Ceiba PR from Southwestern Broadcasting Corp. (Pedro Roman Collazo) to Christian Broadcasting Group (Daniel Rosario Diaz). \$35K downpayment, balance in cash at closing.

\$300,000—WASN-AM Youngstown (Campbell OH) from WVBR Inc. (Ray Travaglini) to Otter Communications Ltd. (Daniel C. Ott Jr.). \$30K escrow, balance in cash at closing. LMA to begin when station resumes broadcasting.

\$225,000—WELZ-AM & WBYP-FM Belzoni MS from Humphrey's County Broadcasting Company Inc. (Herb Guthrie) to Zoo-Bel Broadcasting LLC (Colon Johnston). \$60,940 debt assumptions, \$139,060 new note, \$25K under consulting agreement.

\$205,000—* KUAB-FM Fairbanks AK from University of Alaska to Pacific Star Communications Inc., a subsidiary of Capstar Broadcasting Partners (Steve Hicks). \$10,250 escrow, balance in cash at closing. **Superduopoly** with KAKG-FM, KIAK AM-FM. KUAB was operating as a noncommercial station in unreserved portion of FM band at 104.7 MHz. Broker: Whitley Broadcast Media Inc.

\$200,000—WHXT-FM Mobile (Citronelle AL), 90% stock sale of Lyn Communications Inc. from Thomas C. Wilson (10% thereafter) to Syndicated Communications Venture Partners II LP (Herbert P. Wilkins Sr., Terry L. Jones, Duane C. McKnight). \$200K cash for stock as part of overall refinancing.

\$150,000—WXOR-FM Biloxi-Gulfport (Ocean Springs MS), 50% stock sale of Golden Gulf Coast Broadcasting Inc. from Debra L. Sanford (50% afterward) to

Lawrence Edward Steelman. \$50K downpayment, additional \$100K in cash at closing under exercise of 1994 option.

\$150,000—KAOK-AM Lake Charles LA from Toot Toot Communications Inc. (Sidney J. Simien) to Pittman Broadcast Services L.L.C. (Marcus & Janet L. Pittman). Cash.

\$75,000—WKFD-AM Wickford RI from Jerome Frederick Gaudet to Full Power Radio of Wickford Inc. (John J. Fuller). \$75K cash.

\$45,000—KZPI-FM Deming NM from Tres Hermes Educational Foundation of Texas Inc. (Lonnie M. Horton, pres) to Paulino Bernal Evangelism (Paulino Bernal, pres/chmn). \$5K escrow, \$40K note. Non-commercial station.

\$10,000—WHIJ-FM Gainesville-Ocala (Ocala FL) from Marion Community Radio Inc. (Brad Dinkins) to Ocala Word of Faith Church Inc. (Timothy & Alicia Gilligan, Jim Kaseman, Jane Hillman). \$10K cash.

\$5,129—WAQV-FM CP (90.9 MHz) Crystal River FL from Marion Community Radio Inc. (Brad Dinkins) to Ocala Word of Faith Church Inc. (Timothy & Alicia Gilligan, Jim Kaseman, Jane Hillman). \$5,129 cash.

\$2,500—WHAW-AM Weston WV from Martin P. Sheehan, Trustee in Bankruptcy,

to Stephen R. Peters. \$2.5K for license transfer. The buyer previously purchased the station's physical assets from a secured creditor who had foreclosed on them.

\$1—* WCBX-AM Bassett VA from Edward A. Baker d/b/a Radio 900 to Base Communications Inc. (Edward, Vernon & Virginia Baker). **Superduopoly** with WFIC-AM Collinsville VA and WODY-AM Fieldale VA.

N/A—KZTS-AM Seattle (Tacoma WA), 100% stock interest in KAMT Inc. from TSG Associates II Inc., the ultimate owner of Douglas Broadcasting Inc., to FORPAT Acquisitions Trust, First Union National Bank trustee. Transfer to trustee to facilitate group sale.

N/A—KLES-FM (new on 98.7 MHz) Mabton WA from First Love Ministries Inc. (Douglas & Marzella Earp, Blaine Fielding, others) to Web Media Ltd (Douglas & Marzella Earp, Blaine Fielding). Transfer from non-profit corp. to a new for-profit corp.

N/A—WXIT-AM Blowing Rock NC, 51% stock transfer of High Country Visitors Information Network Inc. from Samuel B. Tate to New River Capital Inc. (Beth Petersilie, 100% thereafter). Stock transfer for "unconditional release of all judgments now held by buyer against seller."

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Market Profile

Capitol combo caps Chancellor capital conglomerate

by Dave Seyler

Chancellor's recent purchase of WWDC AM-FM from Capitol Broadcasting (RBR 2/23, p. 12) did more than put an end to years of sale rumors regarding the combo—it put Chancellor back in the driver's seat in Washington (#8). Its return to a full-bore superduopoly (3 AMs, 5 FM) enjoys a very comfortable lead over runner-up CBS. It had earlier split one up in a multi-market trade with Bonneville.

Bonneville has been the biggest mover in the market over the last year. It picked up WGMS-FM and WTOP-AM in the Chancellor deal, plus an LMA-option on WTOP-FM (the option has already been exercised). It also has a combo on the fringe of the market. It moved from the back of the pack into a group of nationally-significant owners battling it out for 2nd-5th place.

Two groups locking horns are CBS and ABC. The other, Radio One, is the top minority-owned group in the country and has been expanding into other large markets at a rapid pace. In short, the ownership in this market is particularly well-heeled.

Rounding out the competition is Howard U.'s WHUR-FM, one of, if not the most successful university-owned stations in America.

RBR/ Scarborough Snapshot

	Mkt 59 mkt	
	comp	comp
Daily newspaper	65.1	58.8
Sunday newspaper	76.7	68.4
Radio morning drive	85.3	N/A
Radio evening drive	82.7	N/A
Any radio	96.6	96.0
Any TV	98.7	96.0
Connected to cable	74.1	75.7
Online service	52.1	16.0
Home improvement (1 yr)	53.2	52.6
Bought/leased car (5yr)	70.4	43.3

Owner Scorecard

Owner	Calls	Sp92	Owner	Calls	Fa97
CapCities	WMAL/WRQX	8.7	**Chancellor	WBIG/WGAY/WMZQ/WASH/	
Cook Inlet	WPGC AF	8.6		WTEM/WWRC/WWDC AF	23.6
Evergreen	WTOP/WASH	7.7	**CBS	WPGC AF/WJFK/WHFS/WARW	15.8
Viacom	WMZQ AF	7.6	*Radio One	WKYS/WMMJ/WOL/WYCB	12.4
Greater Media	WWRC/WGAY	6.7	*ABC	WMAL/WQRX/WJZW	11.7
Albimar	WKYS-FM	5.7	**Bonneville	WWZZ/WGMS/WTOP AF/	
Capitol	WWDC AF	5.2		WWVZ/WXTR	11.0
Radio One	WOL/WMMJ	5.0	Howard U.	WHUR-FM	5.2
Howard U.	WHUR-FM	3.8	Salem	WAVA-FM	0.9
Infinity	WJFK-FM	3.3			
Duchoissois	WHFS-FM	3.0			
Colfax	WTEM/WGMS	2.9			
Group W	WCPT/WCXR	2.8			
United	WJZE-FM	2.8			
CBS	WLTT-FM	2.6			
Four Seasons	WXTR-FM	2.6			
Salem	WAVA-FM	1.0			

* = duopoly, ** = superduopoly

Revenue Estimates

1997 Revenue estimates:

Radio:	\$220.0M
TV:	461.1M
Newspaper*:	367.2M

(*Washington Post, Washington Times)

Market Stats

Arb rank:	8
12+ pop	3,595,500
% Black	25.0
% Hispanic	7.4

Local Duopoly Dimensions

Radio stations	31
% Superduopoly	61.3
% Consolidated	83.9

Sources: Arbitron, BIA, Competitive Media Reporting, Scarborough, RBR Source Guide database

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