

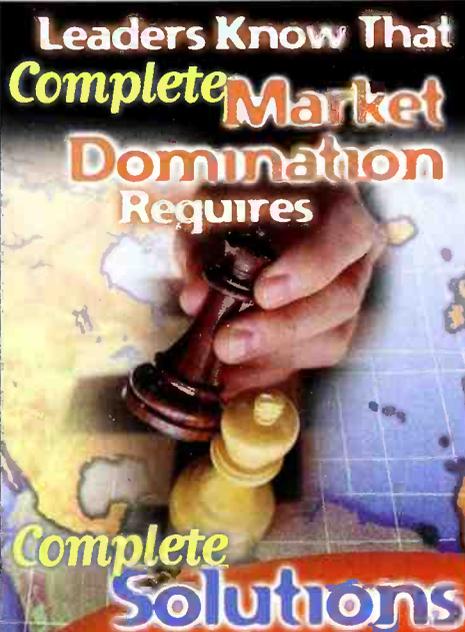
# Radio Business Report™

Voice Of The Radio Broadcasting Industry®

December 11, 2000

Volume 17, Issue 50

**Leaders Know That Complete Market Domination Requires Complete Solutions**



## Radio Studio Management

**AudioVAULT®** – Enterprise wide WAN/LAN Internet ready multi-radio studio digital audio management system.

**VAULT2™** – Robust open system designed studio system for medium sized radio operations.

**VAULTXPRESS™** – AudioVAULT® power for small-to-medium sized radio operations without the price!

## Internet Radio Management

**WebVAULT™** – Dynamic Internet radio management system.

**eSTREAM™ Studio** – Powerful on-demand Internet audio and post production system.

**eSTREAM™** – "On-Air" sound quality over the Net audio processor.

## RF Solutions

**FM Solid State** – MOSFET RF device technology from 50W to 100kW.

**AM Solid State** – IBOC compatible solutions for AM broadcasting from 500W to 10kW.

**FM High Power** – Proven reliable products for high power needs from 5kW to 35kW.

**Exciters** – Innovative designs that allow flexibility and excellent audio quality.

**MARTI Electronics** – Suppliers of remote broadcast products and low power transmitters.

## Leaders Look to BE!



Broadcast Electronics  
Quincy, Illinois  
888.232.3268  
www.bdcast.com  
www.audiovault.com

## RADIO NEWS

Coen sees good times ahead.....	2
Radio in particular and the media in general are expected to continue growing throughout 2001, although it may be slower than it's been of late.	
October local is solid if not spectacular.....	3
Undone business in Bismarck: Anderson pulls out.....	3
Supremes on radio for the first time? It's true!.....	3
FCC clamps down in Tampa over safe harbor violation.....	4
outCast? Webcaster iCast pulls the plug.....	4
Emmis claims RDS services for itself.....	4

## RADIO ADBIZ

WABC is on top of the streaming heap.....	6
Putting the wind in the sails of your sales force.....	7

## ENGINEERED FOR PROFIT

Streaming quality is a critical element of success.....	8-11
---	------

## MEDIA MARKETS & MONEY

Radio execs see a black 2001.....	12
As in black ink, which is the color they expect to be using to fill in their ledgers, from the UBS Warburg Media Conference last week.	
WHOO let the Mouse out? WHOO, WHOO-WHOO-WHOO?.....	13
Gore appeals in Tallahassee, but Tallahassee appeals to Cumulus.....	13
Jamar pulls the plug in Pflugerville for \$2.3M.....	13
Baltimore: Catholics make way for Nasty customer.....	13

## Radio items pulled from FCC agenda

Two radio items which were to be dealt with at the FCC's monthly meeting 12/7 were pulled just hours before the meeting began. Anderson Broadcasting short-circuited plans to designate for hearing its sale of five Bismarck, ND stations to Cumulus Media (O:CMLS) by dismissing the applications 12/6. Chairman Bill Kennard and his Democratic colleagues had apparently wanted to use the Anderson sale as a test case to set a precedent restricting radio consolidation (see story, page 3).

Also pulled from the agenda was a Notice of Proposed Rulemaking to change the way radio markets are defined. But the Commissioners had decided to issue it before the meeting. Details of the NPRM, however, are not yet available. The FCC currently defines markets by overlapping signal contours. **Gloria Tristani** in particular has complained that the contour yardstick may not be the best way to determine the cap. The FCC is now questioning whether another definition, such as the Arbitron-defined market, is a better fit.—ED

**money for nothin' and the clicks are free...**

Imagine your own website with no design costs, no maintenance hassles, and no update fees. Now imagine making money off of it, too. It's right here. Call us at 203-929-9101.

**siteshello.com**  
Home of the BlueDot WebSite NetWork

December 11 2000, Volume 17, Issue 50

BPA International membership  
applied for September 2000

Executive Editor .....Jack Messmer  
Managing Editor .....Dave Seyler  
Senior Editor .....Carl Marcucci  
Associate Editor .....Elisabeth Derewitz  
Associate Editor .....Karla Roberson  
Production .....Michael Whalen  
VP Administration .....Cathy Carnegie  
FCC Research Consultant .....Mona Wargo  
Administrative Assistant .....April Olson

**Publisher.....Jim Carnegie**  
VP/GM, Associate Publisher .....Ken Lee  
Senior Account Executive .....John Neff  
Account Executive .....June Barnes  
Account Executive .....Ann Morrone

**Editorial/Advertising Offices**

6208-B Old Franconia Road  
Alexandria, VA 22310  
PO Box 782 Springfield, VA 22150

Main Phone: .....703/719-9500  
Editorial Fax: .....703/719-7910  
Sales Fax: .....703/719-9509  
Subscription Phone: .....703/719-7721  
Subscription Fax: .....703/719-7725

**Email Addresses**

Publisher:.....JCarnegie@rbr.com  
Editorial:.....RadioNews@rbr.com  
Sales: .....KLee@rbr.com  
              JNeff@rbr.com  
              JBarnes@rbr.com  
              AMorrone@rbr.com

©2000 Radio Business Report, Inc. Material may not be reproduced without permission. All content may not be reproduced, photocopied and/or transmitted without written prior consent. Any violations will be dealt with legally. Printed in USA.

Radio Business Report is published weekly by Radio Business Report, Inc. Publishers of Radio Business Report, MBR - Manager's Business Report, The Source Guide, www.rbr.com and the Information Services Group database.

Subscription rate: One year \$220.

**RBR Family of Products**

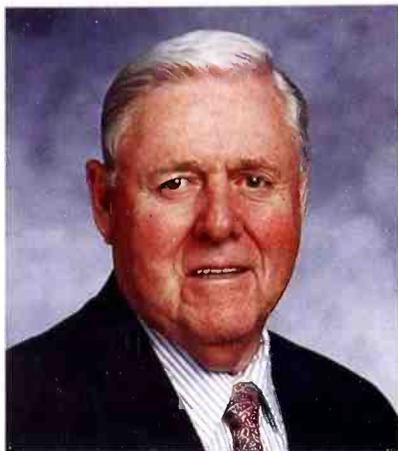


**Source Guide**  
and Directory  
The All-Radio Yearbook

www.rbr.com website

rbronair.com internet radio

# Radio News®



## Coen sees "soft landing"

You'd have thought you'd walked into a pilots' convention last week (12/4-6) at the Grand Hyatt Hotel in New York. Instead, it was the 28<sup>th</sup> Annual UBS Warburg Media Conference (the first 27 carried the PaineWebber name).

Everyone, it seemed, was talking about a "soft landing"—in-

sisting that the slowing US economy would pick up steam again without dropping into a recession.

"Nobody is expecting a recession in 2001," said **Bob Coen, Sr.** VP and Director of Forecasting at Universal McCann. "On balance, we think the advertising marketplace looks pretty strong."

Even so, the closely watched ad guru was once again more conservative than most other forecasters in his expectations for ad spending in 2001.

As the chart below shows, Coen had to revise his 2000 forecast upward as the year went on—especially for radio. Now, for 2001, his first projection is that radio will grow 6.25% overall, with local up 6.5% and national (spot and network combined) up 5.5%. That's stronger growth than Coen is forecasting for most other media, but

still below any other major forecast that *RBR* is aware of.

Speaking at the same conference, Interep (O:IREP) CEO **Ralph Guild** said radio should pace slightly ahead of the past year for the first half of 2001, then accelerate from there. Noting that most forecasters are expecting overall radio growth of 7-10% in 2001, Interep is using 8% for its internal projections.

**RBR observation:** Bob Coen may be the dean of ad market forecasters, but his conservative bent has produced under-estimates of ad spending for several years running. We wouldn't be surprised to see the guru have to do upward revisions again in 2001. For contrast, check out the forecast from **Jack Myers** on page six.—JM

## Bob Coen's advertising forecast (\$ in millions)

Ad spending	2000 forecast	2000 ad rev.	2001 forecast	2001 ad rev.
National	original/ revised	estimate	as of 12/00	forecast
Big 4 TV nets	9.0%/12.5%	\$15,706	1.0%	\$15,865
Spot TV	8.0%/14%	\$11,970	-1.0%	\$11,850
Cable TV	15.0%/20%	\$9,000	12.5%	\$10,125
Syndication TV	8.0%/9.0%	\$3,128	6.0%	\$3,315
<b>Radio (net &amp; spot)</b>	<b>8.0%/18.0%</b>	<b>\$4,672</b>	<b>5.5%</b>	<b>\$4,930</b>
Magazines	7.5%/8.0%	\$12,348	5.0%	\$12,965
Newspapers	8.0%/13.0%	\$7,184	7.0%	\$7,685
Direct mail	7.0%/8.0%	\$44,715	5.0%	\$46,950
Yellow pages	8.0%/7.0%	\$2,125	5.0%	\$2,230
Internet	75.0%/65.0%	\$3,200	60.0%	\$5,120
Other national media	8.0%/11.4%	\$28,694	6.3%	\$30,715
<b>Total National</b>	<b>9.1%/11.8%</b>	<b>\$142,742</b>	<b>6.3%</b>	<b>\$151,750</b>
<b>Local</b>				
Newspapers	6.0%/4.4%	\$42,062	4.0%	\$43,745
TV	8.5%/7.5%	\$13,631	3.0%	\$14,040
<b>Radio</b>	<b>9.0%/12.5%</b>	<b>\$14,913</b>	<b>6.5%</b>	<b>\$15,880</b>
Yellow pages	6.0%/5.4%	\$11,242	5.5%	\$11,860
Other local media	7.1%/9.3%	\$11,742	8.3%	\$12,715
<b>Total Local</b>	<b>7.1%/6.8%</b>	<b>\$93,590</b>	<b>5.0%</b>	<b>\$98,240</b>
<b>Grand Total</b>	<b>8.3%/9.8%</b>	<b>\$236,332</b>	<b>5.8%</b>	<b>\$249,990</b>

Source: Universal McCann "Insider's Report," 12/99 & 12/00

## Revenues: October makes September look like...October

Radio's continued solid performance in local revenues contributed in making October the industry's 98th consecutive month of growth, according to the latest figures released by the Radio Advertising Bureau. However, these results were more in line with total dollar figures for the same month in 1999. A 6% gain in local business offset a 5% decline in national for a modest overall gain of 3% for the month.

These results were almost a mirror image of September, which also was up 3%, with a 5% gain in local but a 6% decline in national. The best regions locally in September were the Southwest (up 15%) and East (up 8%), and they were #1-#2 again at 14%-8%.

National numbers are suffering from the comparison of 1999 numbers which reflected the onset of the dot-com radio spot feeding frenzy to the current advertising environment in which they are much less of a factor.

YTD, the industry is up 14% for local and 16% for national, with an overall gain of 14%.—DS

### Anderson applications withdrawn

Under pressure from the Clinton-Gore administration to make a last-ditch effort to curtail radio consolidation before (as appears more and more likely) a Republican administration takes office next month, FCC Chairman **Bill Kennard** had sought to launch a test case which could have set a precedent for enforcement of the FCC's controversial limits on local market shares—limits which, until now, had been enforced by holding up (more or less forever) deals which, despite complying with the legal limits set by the 1996 Telcom Act, the Commission's majority Democrats objected to under the view that the vague notion of protecting the "public interest" could be invoked for any reason.

# Radio News®

Kennard's attempt was shortcircuited, however, when Anderson Broadcasting 12/6 withdrew its applications to sell five stations in the Bismarck, ND area to Cumulus Media (O:CMLS) for \$3.75M, negating a proposal to designate the license transfers for hearing at the Commission's 12/7 meeting. No one had ever filed any objection to the sale.

**Andy Anderson** had agreed to sell the stations to Cumulus early last year (*RBR* 1/12/99, p. 12), but the deal was still pending when he died last November. Anderson's communications attorney, **George Borsari**, was livid that Kennard, whom Borsari had known long before he went to the FCC, picked an elderly

widow, **Lorraine Anderson**, as the target for his attempt to write the FCC's informal policy into the rule book. "The Bill Kennard I knew was a decent and honorable person. The job obviously changes people," Borsari told *RBR*. Cumulus has LMA'd the Anderson stations since shortly after the deal was announced. The status of that LMA is now under discussion.

**RBR observation:** We too knew Bill Kennard when he was a decent and honorable person. It has been appalling to watch him degenerate into the leader of a band of ruthless and lawless thugs. It will be a refreshing change to see a new Chairman take over the FCC next year. He

or she should be ready to do a lot of housecleaning to scrub away the stain and stink of eight years of excessive partisanship and contempt for law that has come to characterize an institution that had previously been respected through a series of Democratic and Republican governments. Kennard and his predecessor, **Reed Hundt**, should be ashamed of the damage they have done to this institution.—JM

### History is made

Live broadcasts weren't permitted, but for the first time ever, radio broadcast proceedings of the US Supreme Court the same day they occurred. At approxi

# CLOSED!

**AMERICAN GENERAL MEDIA**  
HAS PURCHASED

**KBOM-FM KTRC-AM**  
**KVSF-AM KEFE-FM**  
**KZXA-FM**

IN LOS ALAMOS/SANTA FE NEW MEXICO

FROM  
**WITHERS BROADCASTING COMPANY**  
**FOR 7 MILLION DOLLARS**

**JOHN PIERCE & COMPANY REPRESENTED**  
**THE BUYER IN THIS TRANSACTION.**

859 647-0101

FAX 859 647-2616

INFO@JOHNPIERCECO.COM

JOHN  
**PIERCE**  
& COMPANY LLC

mately 11:40 a.m. Eastern Time, 12/1, networks began airing the court's audio tape of the just-completed arguments in the case of GOP Presidential candidate **George W. Bush** against various Florida election boards. No video or still photography was allowed, so it was a audio event—whether you were listening on AM, FM, TV, cable or the Internet. The court's official tapes have been released in the past, but never before with a timely turnaround.

In case you've been off the planet since early November, the high court was deciding whether the Florida Supreme Court overstepped its bounds in allowing hand recounts of presidential ballots in the Sunshine State. The justices punted and sent the case back for clarification.—JM

## FCC storms down on out-of-harbor station

When Infinity's WLLD-FM Tampa (Holmes Beach) aired a broadcast entitled "The Last Damn Show," it apparently violated the FCC's safe harbor regulation. The show in question was aired on September 11, 1999 and featured hip-hop and rap songs that contained explicit lyrics, both sexual and profane. Infinity defended its broadcast by saying that "current community standards find acceptable material that regularly addresses sexual topics and that current prime time shows use graphic language and show graphic sexual scenes in programs directed at youthful audiences." But the FCC disagreed that "the cited material or anything like it has even been acceptable under contemporary community standards for the broadcast medium," and issued a \$7K fine.—ED

# Radio News<sup>®</sup>

## iCast shutting down

Another webcaster is closing up shop: iCast, an online streaming community that had merged with Magnitude Network the end of Q1 '00, has shut down ops, effective 11/29. GlobalMedia had bought Magnitude's station contracts/assets from iCast in August (*RBR* 7/31, p.7, 8/14, p.4).

The letter to members: "Dear iCAST Community, On November 13, 2000, iCAST Corporation ("iCAST") announced that it will be closing down its operations, effective January 31, 2001. iCAST will continue to be available through our exclusive webcast of "**David Blaine: Frozen in Time**," which ends on November 29. Following the webcast, iCAST will no longer be a functioning website. We thank you for using our site and hope you've enjoyed the content, events and services we've delivered to you. Thanks again for your support, Your friends at iCAST."

**RBR observation:** Just in the past two weeks, we've reported SoundsBig and RadioFreeCash are in trouble; OnRadio is long gone, GlobalMedia is struggling and the rest are rumors we care not to report. The ad support is just not there yet and the money to sustain these entities in the meantime is drying up quickly, especially with a slowing general economy. Nevertheless, the strong will survive. Says a former Magnitude Network principal: "I think everyone is licking their wounds and tightening up their business models. I think you'll

see it become pretty robust again in Q2 next year."—CM

## RDS ends non-Emmis Consulting

Emmis-owned Revenue Development Systems is ending consulting for clients other than Emmis' (O:EMMS) own stations. RDS will continue servicing existing clients through the end of their contract, but is allowing any who want out to end their contracts 12/31. "We are sad to say goodbye to our market exclusive clients," RDS President **Kathryn Maguire** said in her announcement, "but we feel that this is the necessary step to make a greater impact in our own company." Maguire also announced that RDS will be shipping a new non-exclusive service, NTR Sales Assistant, on 1/2/01, providing clients with "extensive research" on non-traditional revenue accounts and categories. Also effective 1/2/01, Co-Opportunities New Business Resources is being renamed NTR Information Center and will focus on NTR development.—JM

## Mexican merger blocked

Grupo Televisa (N:TV) may have hurt its own cause with a public campaign to pressure Mexican antitrust authorities to approve a merger of Televisa's Radiopolis radio group and Grupo Acir, which is partly owned by Clear Channel (N:CCU). "The Commission does not respond to pressures," **Fernando Sanchez**

**Ugarte**, President of the Comision Federal de Competencia (CFC, or Federal Commission on Competition), said in a news conference after ruling against the merger. Televisa and Acir have 30 days to file an appeal and could also go to court if the CFC says no again. Under the deal (*RBR* 9/25, p. 17), Clear Channel and Acir Partners (primarily owned by the Ibarra family) were to split a payment of \$101M by Televisa to own a controlling 50.1% stake in the merged company. That would have left Clear Channel and Acir Partners each owning 24.995%, with Ibarra family members heading management.

**RBR observation:** It appears that Mexican antitrust regulators do not share the view of the US Justice Department that radio and TV do not compete with each other for advertising dollars. Otherwise, this would be a slam dunk. Even though Grupo Acir-Radiopolis, with 116 stations, would have more signals than any other Mexican radio group, it would apparently still trail Grupo Radio Centro (N:RC) by a substantial margin in revenues. Absent the tie to Televisa, the nation's largest TV group, the merged radio group would pose no competitive threat. Even so, Mexican radio was greatly consolidated long before the US, so the few small players who still exist must be pretty resilient. Does creating a viable competitor to Radio Centro really threaten to drive those little guys into bankruptcy?—JM

## Radio Business Report<sup>™</sup>

Voice of the radio broadcasting industry<sup>®</sup>

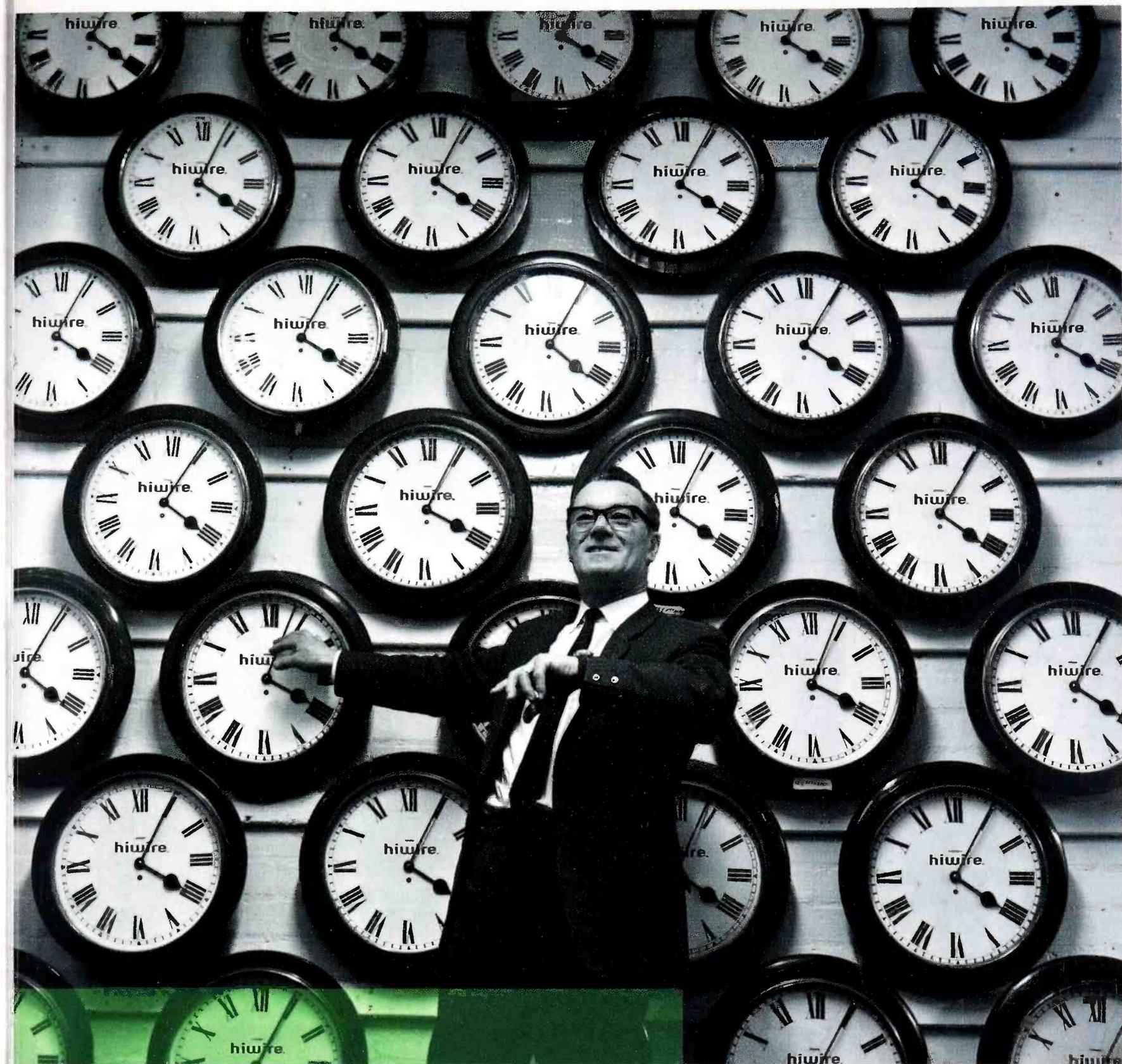
Listen Now 

Look out Westwood One, Premiere and ABC! The RBR Radio Network is now up to four affiliates and growing... Radio Business Report's daily newscast can now be heard at the Internet sites of these fine web affiliates:

- All Access <http://www.allaccess.com> ("Trades" page)
- Impact Target Marketing <http://www.itmimpact.com/Links.htm>
- Media Services Group <http://www.mediaservicesgroup.com/>
- SpotTaxi <http://www.spottaxi.com>
- Broadcast Electronics <http://www.audiovault.com/rbr.html>



If you too want to be a web affiliate to our "sticky" content, just email [klee@rbr.com](mailto:klee@rbr.com) or give us a call at 703-719-9500.



# TIME IS MONEY.

DON'T LET VALUABLE SPOTS ON YOUR WEBCAST GO UNSOLD.

Make the most from your online inventory by delivering targeted advertising into your live webcasts. With Hiwire, advertisers reach the precise audiences they want so you get the high CPMs you deserve. Call affiliate relations at (213) 489-3900 or visit [www.hiwire.com](http://www.hiwire.com) for more info.



**hiwire**<sup>™</sup>

Insert revenue into *your* stream

LOS ANGELES SAN FRANCISCO NEW YORK PARIS [WWW.HIWIRE.COM](http://WWW.HIWIRE.COM)

**NEW MEASURECAST  
INTERNET RADIO TOP 10  
LIST RANKS WABC  
NUMBER ONE FOR WEEK  
OF NOV. 27**

MeasureCast, Inc., the first company to provide the streaming media industry with next-day audience size and demographic reports, has released its first weekly list of the top 10 Internet radio broadcasters in the United States. ABC Radio, which streams its on-line broadcasts through RealNetwork's (Nasdaq: RNWK) Real Broadcast Network, claimed seven of the top 10 spots in the MeasureCast rankings. The weekly streaming report for radio is based on Total Time Spent Listening (TTSL)—the total number of hours listeners accessed an on-line station's streamed content.

MeasureCast's weekly demographic highlights show that more men (71 percent) tuned in to Internet radio than did women (29 percent). Also, nearly 90 percent of all on-line listening took place on weekdays, with Wednesday being the top day for listening.

RBR plans to run Measurecast's reports on a regular basis.

**This week's MeasureCast reporting for 944 stations shows that:**

- 73 percent of all streaming audio listening took place between 9 a.m. and 7 p.m. EST.
- 3 p.m. EST was the peak listening hour for Internet radio.
- Nearly 25 percent of the listeners were aged 35-44, followed by 25-34 year olds (23 percent), and 18-24 year olds (21 percent).
- Top format was talk radio, followed by news/talk and contemporary hit radio/top 40.
- The South (33 percent) had the greatest number of Internet radio listeners.
- California had more Internet radio listeners than any other state.

# Radio AdBiz<sup>®</sup>

The MeasureCast Weekly Top 10 <sup>TM</sup> Week of November 27 (Monday, Nov. 27 to Sunday, December 3)						
Rank (in hours)	Station Cume Persons <sup>2</sup>	Format	Network	URL	Total	TSL <sup>1</sup>
1	WABC-AM (New York)	Talk Radio	ABC Radio <sup>3</sup>	www.wabcradio.com	107,409	19,336
2	The Beat LA (Los Angeles)	Urban R&B	CyberAxis	www.thebeatla.com	59,590	6,558
3	WBAP-AM (Dallas / Ft. Worth)	News / Talk	ABC Radio	www.wbap.com	53,188	7,755
4	KSFO-AM (San Francisco)	Talk Radio	ABC Radio	www.ksfo.com	49,237	9,673
5	WLS-AM (Chicago)	News / Talk	ABC Radio	www.wlsam.com	40,116	9,475
6	KGO-AM (San Francisco)	News / Talk	ABC Radio	www.kgoam810.com	33,214	6,922
7	WPLJ-FM (New York)	CHR / Top 40	ABC Radio	www.wplj.com	32,894	3,243
8	Radio Margaritaville (Internet-only)	Classic Rock	Broadcast America	www.radiomargaritaville.com	32,222	5,893
9	KABC-AM (Los Angeles)	Talk Radio	ABC Radio	www.kabc.com	30,343	6,418
10	3WK Original Underground (Internet-only)	Alternative Rock	3WK	www.3wk.com	28,861	9,713



Myers

**Ad slowdown is a "correction," not a "recession"**

"The slowdown in the media economy will continue well into the first half of 2001, but the year will nonetheless post a 4.9% increase for US media spending," says **Jack Myers**, Chief Economist of The Myers Group's Myers Reports Inc. "The slowdown is a 'correction' rather than a 'recession,'" he added.

Myers sees radio growing faster than its major competitors, newspapers and TV, although his forecast has radio's growth rate slowing from double digits into single digits—albeit the highest single digit, 9%. Both outdoor (good news for the radio companies that have acquired outdoor divisions) and cable TV are expected to continue double-digit growth, while slowing somewhat from this year's pace. The big gainer is projected to be Internet (online) advertising—piling 70% growth next year on top of 100% growth this year. Even so, projected Internet ad revenues of \$8.16B—divided among hundreds of thousands, if not millions, of Website operators—will still be less than half of radio's \$20.81B—divided among 10,577 US radio stations (FCC commercial radio total, as of 9/30, reported 11/29).

Prior to forming The Myers Group in 1981, Jack Myers was an executive with CBS-TV, ABC Radio and Metromedia Outdoor.—JM

**US Media Forecast by Jack Myers**

	Yr. 2000 forecast on 11/99	Yr. 2000 forecast on 11/00	Projected 2000 revenues on 11/00	Yr. 2001 forecast on 11/99	Yr. 2001 forecast on 11/00	Projected 2001 revenues on 11/00
Newspapers	4.8%	5.8%	\$49.68B	0.0%	2.0%	\$50.67B
Broadcast TV Networks	9.0%	10.2%	\$16.97B	3.0%	3.6%	\$17.58B
National Spot TV	4.5%	12.6%	\$12.32B	2.0%	2.5%	\$12.63B
Local Spot TV	4.5%	7.0%	\$13.67B	2.0%	2.0%	\$13.94B
Broadcast TV Syndication	12.0%	6.5%	\$3.02B	6.0%	2.6%	\$3.10B
Radio	10.0%	14.0%	\$19.09B	9.0%	9.0%	\$20.81B
Yellow Pages	2.0%	2.0%	\$12.71B	-1.0%	0.0%	\$12.71B
Consumer Magazines	8.4%	15.0%	\$17.83B	7.0%	7.0%	\$19.08B
Network Cable TV	26.0%	22.0%	\$9.76B	14.0%	14.0%	\$11.13B
Local/Regional Cable TV	25.0%	16.0%	\$3.65B	24.0%	18.0%	\$4.31B
Online	80.0%	100.0%	\$4.80B	50.0%	70.0%	\$8.16B
Outdoor	20.0%	17.0%	\$2.15B	20.0%	16.0%	\$2.50B
Other	2.5%	1.0%	\$41.21B	-2.0%	-2.0%	\$40.38B
<b>Total US Media</b>	<b>7.6%</b>	<b>9.0%</b>	<b>\$206.87B</b>	<b>3.9%</b>	<b>4.9%</b>	<b>\$217.01B</b>

Source: Myers Reports Inc.

## The Perfect Sale

by Mitchell Scholar

The "perfect" media buy relies upon several factors. One of the most crucial rests in the ability of the buyer and the sales person to work as a team. As a twenty-five year veteran in media buying I am well suited to create a criteria for the "ideal" sales person. Over the years I have seen the best and (dare I say) the worst of the crop; winners, with great efficiency and knowledge of what they sell and others who might well have considered alternate career paths. A metamorphosis has occurred in the relationship between Buyer and Sales Rep.

Early on in my career, I was taught that the sales person was an adversary who would only respond to tyrannical tactics, screaming and yelling, demands peppered with intolerance and even (by today's standards) verbal abuse (no one knew what that was 25 years ago!) All of these tactics would be heaped upon the sales person in an effort to get the job done: to get the best rates and the super deals, so that we, the buyers could satisfy our clients, who were making similar demands on us. Clients yelled at us, we yelled at sales people and, so on and so forth. The working relationships were, in a word "tense".

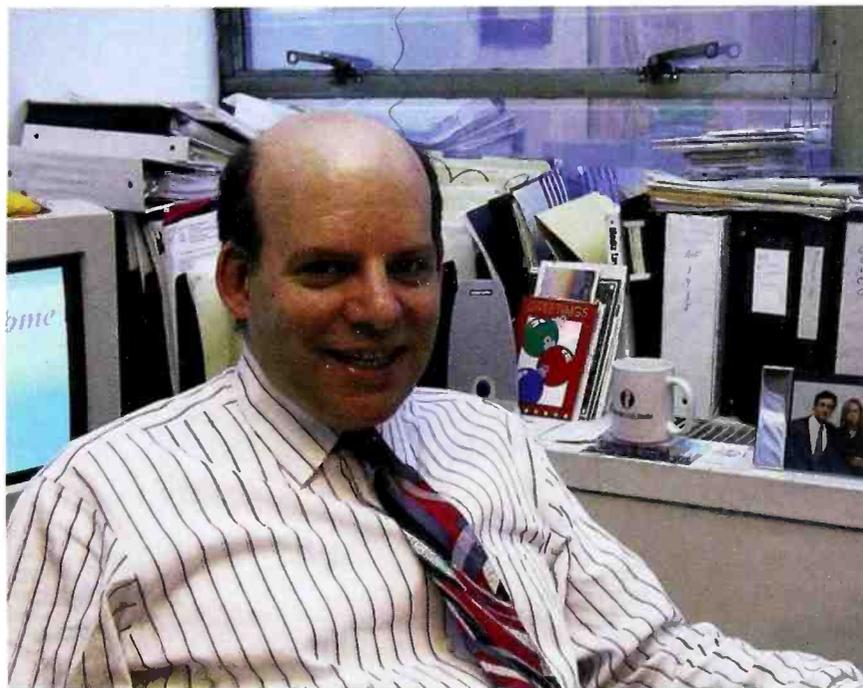
None of it worked. Soon, I came to realize treating sales reps fairly and with respect was far more advantageous, leading to a more cooperative working relationship. In the meanwhile, what began to emerge from sales were professionals who had a depth and breadth of knowledge of the properties they represented, an ability to intelligently discuss those properties in detail. This is perhaps the single greatest virtue a sales person can bring to the negotiating table—a full and complete knowledge of their product with the communication skills necessary to present coherently; not hard selling but "presenting" various options for the clients.

A good sales person realizes their buyers/clients will tell them everything they need to know in order to make the sale. This takes

asking questions but it also takes an ability to listen carefully to what is being said. A blitz presentation, full of run on sentences, with no breaths or pauses is, to the buyer, a barrage of information incapable of absorption because it is rapid-fired. It is shooting buck shot at the barn and is, without question, the worst approach a sales person can take, if

tion on our needs and an effort in satisfying them. And, remember, your clients will tell you everything you need to know to make the sale if you ask the right questions.

The intelligent buyer has his/her finger on the pulse of the industry. Remember, we have other salespeople who feed us information too. Blending the information that is received, the



Scholar

their objective is to close on a deal. It reeks of "used car" salesperson tactics and should be avoided at all costs. Worst of all it makes the sales person appear nervous, which translates into lack of confidence in their ability. Let your clients and your buyers get a word in edgewise.

More over, ask them questions as much as you tell them what you have to sell. Don't shoot all your bullets at once. Even if you have the perfect solution to the buyer's needs, hold back, and let the buyer think you have taken time to fully assess their objectives. Let them think you are earning your commission. A fast and easy solution, as if it is pulled out of your hat on the spot, is good, if you are doing a magic show, but does not convey reflection or effort. We want to think you are giving us both reflec-

buyer gains a good sense of what is happening in the marketplace. Don't insult the buyer's intelligence. Assume they are well aware of the health of the marketplace, be it tight or otherwise. Hyperbole and the omission of essential data in order to make the sale is not a good approach to success. Failing to free your sales presentation of both is not a good way to either win friends or influence people. It is, however, a guaranteed way to end up being taken off the buy. Though far less frequent in occurrence, this tactic still does exist. Sales Managers should be very much on top of their staffs, to vouchsafe that neither shortfall ever manifests within a sales presentation.

Last, is what I call "spaghetti selling." Here's the scenario: I have new business up. Before

long it's common knowledge and before long my phone starts to ring (and ring and ring). Everyone has the perfect solution for our client. The reality is that few will have what I need. Though I appreciate the ambition of sales people to be at the top of their game. We are not cooking pasta, and throwing it at the wall and hoping that it sticks, is not the best way of selling anything. Mostly, it's a conveyance to the buyer that the sales person really isn't listening to the objectives.

I contend media sales would increase if sales people took more time to make the determination if they have the vehicle best suited for the client or not. To make the initial call a "fact finding" call, so that a modicum of time can be given to determining if what you have to sell is in fact what the buy needs, makes for long term success. Building a relationship is what you want and not a quick sale. We are all far too busy to throw spaghetti against a wall, with fingers crossed, hoping it will stick to something. If you do it too often, the wall will get very messy.

Target your sales. In the long run your buyers will come to respect you as a viable force in sales if you don't keep going for the long shots. No one can hit the hoop from center court all the time. It always takes team work, inching your way in closer so that more accuracy can be applied, more precision can be demonstrated in sinking the ball. Both buyers and sales people would benefit greatly by remembering we are all on the same team, working together to make successful campaigns for our clients as well as satisfying and lucrative careers for ourselves.

Mitchell is Director of National Radio at NY-based Horizon Media. He can be reached at [mscholar@hmi-inc.com](mailto:mscholar@hmi-inc.com) or 212-916-8600.

## Improving streaming audio quality: overcoming the paradoxes

By Carl Marcucci

Why are we seeing some of the webcasters' business models fail? Quality could be one reason. We recently did a feature (*RBR* 10/9, p.9-10) that included agency buyers complaining that one of the biggest reasons they don't place streaming audio ads is the poor and unpredictable sound quality of webcasted signals. It's true—web listeners can experience such a difference in quality from site to site, even with the same computer and connection speed. A five-year-old PC running at 133 MHz with a 56K connection can deliver high quality, stable stereo sound via one webcaster and a dull, mono, hissy sound with dropouts on another.

Besides the quality and dependability of your ISP, there are many variables found in the pipeline between webcaster and listener that contribute to the final product, the first being compression. To transmit audio over the Internet live, an audio file has to be compressed (and later decompressed). "All audio must be compressed in order to transmit it over the Internet. Uncompressed stereo audio in the .wav format runs about 10MB (megabytes) per minute, so a three minute song will constitute a file of about 30MB. There are eight bits per byte. On a 56kbps (kilobits per second) modem connection running at maximum speed, a three-minute song would take about 72 minutes, or about nine hours. So obviously the audio must be compressed by a very substantial amount," says SurferNetwork.com CTO **Harry Emerson**, who offers a proprietary, "FM-quality" audio streaming signal to affiliates via a downloadable player.

Another factor is bit rate (the "xx-kbps," as displayed on most desktop audio players). Barring other factors, the higher the bit rate that is successfully processed by the listener's computer, the better the sound quality. Says Emerson: "There are two factors that govern bit rates that would be selected by someone for transmission over the Internet—audio quality and the performance of the compression software being used (the codec, for compressor/decompressor). On the lowest end of the scale would be voice compression as used in digital cellular phones—this typically requires a bit rate of only a few thousand bits per second [i.e. 3 kbps]. Very high quality stereo that is indistinguishable from the original CD is typically believed to require a minimum 128 kbps after compression—still much too high for typical modem connections. As a result of these factors, everyone who puts music on the Internet must make judgments regarding the likely connection speed of their listeners and the performance of the codec they have chosen."

Common bit rates are 16 and 24 kbps for a mono streamed signal. Some stream stereo at 32 kbps, but the threshold of quality stereo sound is usually 40 kbps to avoid noticeable artifacts from the compression—a high-frequency "grungy" or "swooshy" sound. However, a quality ste-

reo signal presents a paradox: what happens if the webcaster streams at 40 kbps (which can get expensive, as we will note later) and someone with a 28K modem wants to listen? They won't be able to and the webcaster loses that listener.

Therefore, as Emerson asserts, a major tradeoff is quality vs. number of potential listeners. And as far as audio quality is concerned, a high-speed cable modem or DSL line won't necessarily improve the quality of a well-connected audio stream. "A 56K modem connection should get the same sound quality as a cable modem, since radio is streamed at bandwidths well below that threshold," admits **Chris Maskill**, SVP/Founder, Activate, which supplies streaming for RCS Radio Show webcasting clients (among many others.)

A good many webcasters actually choose to stream at



Emerson

lower speeds just to minimize audio dropouts from Internet congestion and allow for the maximum number of listeners. One solution is to offer more than one stream. KPIG-FM Santa Cruz, CA, for example, offers (*RBR* 3/20, p.7-10) mono, stereo and hi-fi (128 kbps) streams.

Internet congestion? Another factor. Dropouts are typically a result of certain locations on the Internet receiving too much traffic at a particular moment. In fact, Internet traffic is the single most important factor affecting

drop-outs, buffering and signal loss. The more users sharing a limited amount of bandwidth, the more congested that channel becomes. The typical end result is buffering. Emerson explains: "To minimize the number of dropouts that listeners will experience, technologists have implemented "buffering"—this means that you wait for 30 seconds or so after tuning in to an audio source while your computer stores up data. When it reaches the buffer high water mark, it starts playing. When dropouts occur, the amount of data in the buffer drops because it continues to play—no incoming data while the outgoing data continues to flow (like your bank account if you are out of a job.) If the interruption is long enough, the audio runs out, you hear silence, and the system starts buffering again for another 30 seconds."

# Engineered For Profit

THE TEN COMMANDMENTS

STONE TABLETS

MOSES

MOSES' PEOPLE

MOSES' PEOPLE'S PEOPLE

SCRIBES

HOLY BIBLE

GIDEONS

HOTEL ROOMS

GOD



PEOPLE OF EARTH

*Your audio. Your video.  
Directly to your audience.*

Wouldn't the world be simpler if you could talk directly to the people you need to talk to and skip all the middlemen? At Activate, that's exactly what we help you do. We put your audio and video on the Internet, so you can get your message straight to whomever you want, wherever they may be. Music clips, short features, trailers, even the recipe for eternal salvation. For more information, call us at 1-877-577-9261. Or look us up on the

Web at [Activate.com](http://Activate.com).  **activate**  
a cmgi company

## Stereo vs. Mono

Some stations stream in stereo, some stream in mono—what are the differences technically and cost-wise? Well, for starters, it really doesn't make a difference cost-wise—bandwidth is bandwidth, whether in stereo or mono. "Do you want to represent the mono signal or the stereo signal?" asks **Philip Generali**, President, RCS. "If you represent the stereo signal then you will have to worry about keeping track of the difference between left and right. Stereo takes more space. If you make it mono it's going to sound better—because you don't have to worry about representing the difference between left and right, you have more room to represent the core signal. So a stereo signal will either have a little lower quality, but you have the real separation of the signal and you have two different signals..." Most will agree a Talk or news webcaster should stick to mono.

Music formats, however, have more factors to consider. Says **Bryan Jones**, Product Manager, Broadcast Electronics: "The majority of Internet users today, almost 60%, are at connection speeds below 56k. Trying to stream to the internet in stereo at these low connection rates only further complicates the problem of the encoder trashing the sound because now there is twice as much information for it to try and get down the same pipe. The best signals on the Internet today for low connection rates are those that are streamed in mono."

"A mono signal can in theory use less bandwidth than a stereo signal—and as with over the air broadcasting, a mono signal is more forgiving than a stereo sig-

nal," agrees Maskill. "But with today's codecs, particularly the latest versions from Microsoft and Real, a good stereo signal can fit in a rather modest (16 kilobit) amount of bandwidth."

### Expensive

Offering a higher-quality streaming signal can become cost-prohibitive. Higher band-



*Omnia-3net*

width equals higher costs. "Streaming vendors must consider bandwidth costs. Most backbone transmission providers (like AT&T, MCI, Sprint, UUNet) and web hosting companies that provide Internet backbone access as a part of their fee, charge based on bandwidth usage. Although pricing schemes vary, if you are trans-

mitting a thousand 48 kbps streams versus a thousand 24 kbps streams, your bill at the end of the month will be double," confirms Emerson.

So while a 128 kbps signal may be CD-quality, Maskill adds, "Currently, broadband delivery of radio signals doesn't make economic sense to either the signal provider, or consumer of content. It is a general belief, that an acceptable level of quality can be attained using 16 kbps of

bandwidth to the user."

The majority of radio stations and webcasters stream at speeds between 16 and 22 kbps. 12 to 16 kbps is often used by free (for-barter) streaming services. "It costs them less to stream at 16 kbps than it costs them to stream at 22, so why would they not stream at 16? It's a question of cost. Right now

when you stream, your streamer is going to ask you what bandwidth you want to use. And if you go for 22 kilobits you're going to sound better, but it costs 50 percent more bandwidth. Therefore, your cost will be 50 percent higher. So this is a compromise between the quality of what they want



*Audioactive Encoder*

to give to the listener and how much they're willing to pay for streaming," observes Generali.

While Maskill attests 16 kbps is satisfactory, even for stereo, he adds, "The free offerings also offer a degraded service because they depend on the Internet to retrieve the source radio signal—instead of the frame-relay solution that Activate has built. And the "free" services don't have the same quality connection to the Internet for delivery and

can't afford to deploy as many servers to support the service. It all adds up to an inferior signal."

Nevertheless, a radio station that cannot afford to pay for its own streaming, and as many listeners may agree, it's better to have an inferior quality signal than no signal at all. Albeit, lower quality erodes the buying community's confidence and listener TSL, so call it another paradox.

### Improvements

Frame relay? Other than pre-processing at the radio station or webcaster's studio, using a frame-relay circuit in line is a great way to improve the quality of a streamed signal. "We acquire the signal at its highest-quality point, the station, and provide a direct-connect link, via frame-relay circuit, to our broadcast network," says Maskill. "No one else goes this far to insure a quality-sounding stream. And our distribution network includes components that have been especially tuned to stream live radio—which has different demands than other types of streaming."

The typical live webcasting chain from the sound source to the listener's computer consists of rack-mounted audio processors, a computer with an encoder running on it, linked via an ISDN other mid-bandwidth line to a more powerful computer with the server software. The server is connected via high-bandwidth connection to the Internet. "As of now, Internet relies on unicasting protocols. It means that each listener of the same webcasting stream is connected to the server and

# Engineered For Profit

# Engineered For Profit

gobbles the same amount of bandwidth. One way to improve on that chain is with Broadcast Electronics' "eStream" solution. "eStream replaces dedicated and expensive hardware components, moving pre-encoding audio processing to the computer, which is a necessary part of the chain anyway," says Jones. "There are two ways of doing it. One is to run processing on the computer's CPU. The drawback is that there are less CPU resources left for the encoding process itself. eStream takes a different approach. Placing audio processing on the dedicated audio card or cards allows you to properly process your Internet audio signal prior to encoding so that there is less work for the encoder to do. This allows the encoder to be more efficient and produce a better sounding end product."

Processing plug-ins provided with e-Stream include "C1c/sc"—Ideal for improving the tone of Internet audio, especially for low streaming rates; "Renaissance Compressor"—For easy-to-adjust "broadcast sound." The RC gives powerful density and punch; "Q10"—a precision EQ that can be surgical or gentle, for shaping a sound or removing difficult artifacts (such as hum or rumble); "MaxxBass"—based on Waves patented technology, MaxxBass is a bass exciter, which extends the low range of any speaker; "L1"—Maximum broadcast level is achieved with the L1, the world's most popular digital peak limiter.

As stated before, improvements in audio codecs and players are also being made. "We have announced RealAudio 8, which is a breakthrough in codec compression technology. With half the bitrate of MP3, it delivers the same CD-quality experience," says **Jim Kreyenhagen**, Product Man-

ager, Real Broadcast Network. "Because it's all about bandwidth. The smaller the bandwidth, the more likely an end-user is going to get the stream. So if someone is on a 56K modem, and they are trying to listen to a station that takes up virtually 100% of that stream, you're not going to receive a good experience because everytime you're also surfing for web pages and other things like that, it will interrupt the stream. So by delivering a 16 or 20 kbps feed to you, we only take up a fraction of that, and yet

material is. Straight voice will sound better after encoding than will a symphony orchestra. The challenge in the encoding process is determining what sound to throw out and what sound to keep and send to your Windows Media or Real player."

Telos Systems helped pioneer another coding technology, MP3, with Fraunhofer Labs. The company markets an Omnia audio processor made especially for streaming—the Omnia "3-net." "Since Telos has

processing for the Internet can dramatically improve streamed audio. In the bandwidth-limited, reduced-bitrate world of webcasting, audio that's clean and clear is an absolute necessity. 3net is designed with net-optimized algorithms that can make even low-bitrate streams sound great. A solution we have found to be sound and cost effective is to have our Audioactive encoder streaming at 28k and Omnia-3net processing the audio, ultimately delivering a fuller, richer sound to the Internet listener while using less bandwidth."

A similar improvement to RealAudio may have been achieved by SurferNetwork. The company says its proprietary technology can make a low bandwidth (16-24kbps) signal sound like "FM-quality." Already used on some station affiliates (Nassau Broadcasting, New Northwest, Tele-Media and Marathon Media), SurferNetwork is set to use this technology on more in its upcoming merger with BroadcastAmerica (*RBR* 11/13, p.8). "SurferNetwork has proprietary solutions to these problems at the radio station, in the network, and at the listener's PC. We are able to use a good quality codec at a mid-range data rate to give pleasant sounding audio; we feature "instant-on" with no pre-buffering; and, we virtually eliminate dropouts," assures Emerson. "We make radio stations sound almost as good over the Internet as they do over the air."



*Kreyenhagen*

deliver a high quality listening experience."

Each encoder (i.e. Windows Media and RealAudio) uses a different data "reduction" scheme to maximize the sound that is passed to desktop players through a dial up modem or broadband connection. "The developers are always working on new data reduction schemes to deliver better sound quality to you," says Jones. "They do this by throwing out things that the encoder thinks you can't hear. And that varies depending on what the source

been working with MP3 coding for so long, we understand how to get the very best sound from this technology. We better understand how the algorithms behave, and how to build better processing and encoding from them. Our Audioactive MPEG Realtime Hardware Encoder is a simple, dedicated solution for providing streaming services. Audio goes in, streaming audio comes out, at virtually any bitrate you choose," says Telos Systems Marketing Specialist **Clark Novak**. "Pro-

**Streaming Radio**  
**24/7 on**  
**rbr.com**

by Jack Messmer



"I have been hearing for the past three months about this pending advertising recession," Clear Channel (N:CCU) CEO **Lowry Mays** told the UBS Warburg Media Conference in New York. Mays displayed charts showing how radio revenues had gone up year after year, with one exception, even in economic downturns. Then he called up a slide with the symbol below.



## Radio execs upbeat on 2001 outlook

Single-digit revenue growth may not be so impressive after a couple of years of the strongest growth radio has ever seen, but it's hardly anything to mope about. Radio executives presenting at last week's (12/4-6) UBS Warburg Media Conference in New York were unanimous in saying that their expecting to grow next year and continue to take ad share away from newspapers.

Viacom (N:VIA) CEO **Sumner Redstone** told the annual gathering that radio is one of the four big growth

areas for Viacom, along with cable, outdoor and television. "Yes, radio is coming off 20% last year, which makes comps for the first half pretty difficult," Redstone noted, but he said that will change in the second half of 2001. The Viacom CEO denied that the decline in dotcom advertising has had any impact on his company. "We are having no problem replacing them," he insisted.

Although consolidation and a strong economy have helped radio groups raise CPMs in recent years, Emmis Communications (O:EMMS) CEO **Jeff Smulyan** said radio is still

very cheap for advertisers when compared to other media. "We've raised our prices a lot. We have a long way to go," he told the conference. Recession or not, Smulyan expects his company to grow in 2001. Noting that Emmis has recently acquired \$1.5B in under-performing radio and TV stations, Smulyan said that "should give us a great year in the next year regardless of the economy."

When all the numbers come in for the current year, Cox Radio (N:CXR) CEO **Bob Neil** said his radio group may not be in fourth place, but may surpass Disney's (N:DIS) ABC Radio to take third place, behind the industry's two giants. In any case, he says, Cox and ABC are going to be very close revenue-wise. While some people may be talking about single digits, Cox is expecting pro forma net revenue growth of 10-12% next year, translating into broadcast cash flow growth of 12-15%.

Despite the proliferation of new Spanish radio stations, Hispanic Broadcasting Corp. (N:HSP) CEO **Mac Tichenor** told the UBS confab that, "By and large, the Spanish market in this country is still underserved as far as radio is concerned." Tichenor indicated that HBC is still in the market for acquisitions, saying that the company would like to own at least three FMs and one AM in each of its markets, and that the company may expand its focus from the top 15 Hispanic markets to the top 20. But with depressed stock prices holding down the prices that public companies can pay for acquisitions, CFO **Jeff Hinson** noted that, "Seller expectations are lagging where the market is."



## PATRICK COMMUNICATIONS

Station Brokerage  
Debt & Equity Placement  
Fair Market & Asset Appraisals

**Larry Patrick**  
*President*

**Susan Patrick**  
*Executive Vice President*

**Terry Greenwood**  
*Vice President*

**Greg Guy**  
*Vice President*

(410) 740-0250, [www.patcomm.com](http://www.patcomm.com)

## Mickey buys a WHOO

Radio Disney originates some of its daily programming from Walt Disney World, but don't try to tune in from the parking lot. The kiddie network doesn't have an affiliate in Orlando. That's about to change. Cox Radio (N:CXR) is selling WHOO-AM to Disney's (N:DIS) ABC Radio for \$5M. Once the deal closes in early 2001, Mickey, Minnie and the other stars of Radio Disney will finally have a voice in the city most identified with Disney. **Broker: Charles Giddens & Elliot Evers**, Media Venture Partners

## Cumulus adds in Tallahassee

While presidential candidates are continuing to battle for votes in the Florida capital, Cumulus Media (O:CMLS) has voted to give its Tallahassee cluster another signal. It's buying WSLE-FM, licensed to Cairo, GA, for \$2M (that's dollars, not chads) from **Jeffrey Lovett's Lovett Communications**. **Broker: George Reed, Scott Knoblauch & Eddie Esserman**, Media Services Group

## Austin AM CP brings \$2.3M

KOKE-AM, which will be licensed to Pflugerville, TX, isn't yet on the air, but when it is, the 5kw day/700w night directional signal from three towers just east of Austin will pretty much blanket the metro on 1600 kHz. CP holder **William Jamar** is selling the station-to-be for \$2.3M to Lasting Value Broadcasting Group, owned by **Meredith Beal**.

## Nasty deal in Baltimore

It wasn't so long ago that the 1570 spot in Baltimore was running Children's programming—it was one of the Radio AAHS affiliates. Then it switched to Catholic Religious programming, but Catholic Family Radio never closed its deal to buy the station for \$1.5M (*RBR* 8/16/99, p. 12). Now it's being sold for an even \$1M to

Nasty 1570 Sports LLC. Don't worry, though. The name doesn't indicate racy programming, but rather the nickname of long-time Baltimore Sports Talk host **Nestor Aparicio**, who lined up a group of 25 local investors to buy the station which he'd already LMA'd for his Sports format after Catholic Family Radio stopped its program feed. The station has already changed its call letters to WNST. It had been WKDB.

## On the Hunt in Washington

**Janice Hunt's** Hunt Broadcasting is buying KLES-FM Mabton, WA for \$500K. The seller is Wyatt... er, rather **Douglas Earp's** Web Media Ltd. **Broker: Terrill Fischer**, Norman Fischer & Assoc.

## More CCU buys

Clear Channel (N:CCU) has filed a couple of deals at the FCC to fill in gaps in its existing markets:

- CCU is paying Heritage Broadcasting Co. \$1.525M for WMRE-AM & WXVA-FM Charles Town, WV—smack between and overlapping its Winchester, VA and Frederick, MD stations. **Broker: Bruce Houston**, Blackburn & Co.
- CCU is also paying \$3.5M to Rockland Radio Corp. for WRKD-AM & WMCM-FM Rockland, ME, which will join the chain of superduopolies that Clear Channel is acquiring in the Bangor and Augusta-Waterville markets.

## Harder sells an AM

Syndicated Talk host **Chuck Harder** is selling WFVR-AM Valdosta, GA to **Ron Cameron** for \$350K. **Broker Frank Boyle** is also shopping Harder's only other station, WNTF-AM Bithlo, FL. Harder told *RBR* he's selling off all assets which would divert his attention from his daily radio show, since he's been mostly confined to a wheel chair following a fall that broke both knee caps in early 1999.

# CLOSED!

KFGO(AM/FM),  
KULW(FM),  
WDAY(FM), KRVI(FM),  
and KVQX(AM)  
Fargo, North Dakota  
from  
Companies Controlled by  
Tom and Jim Ingstad

to  
Clear Channel  
Communications  
for  
\$46,300,000.

Charles E. Giddens  
and  
Elliot B. Evers  
represented the Seller.

ELLIOT B. EVERS  
415-391-4877

BRIAN E. COBB  
202-478-3737

CHARLES E. GIDDENS  
941-514-3375

TELECOM GROUP

GREG D. WIDROE  
JASON D. HILL  
415-391-4877

RADIO • TELEVISION • TELECOM  
M&A • INVESTMENT BANKING



**MEDIA VENTURE  
PARTNERS**

## The Radio Index™

Radio stock prices recovered somewhat, but The Radio Index™ still lost 1.227 for the week to close 12/6 at 128.105.

145  
135  
125  
115

## Radio Business Report™

Voice Of The Radio Broadcasting Industry™

11/15 11/22 11/29 12/6

The deals listed below were taken from recent FCC filings.

# Transaction Digest<sup>®</sup>

by Dave Seyler & Jack Messmer

**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.**

**Sold**  
**KTPI-FM KAVC-AM**  
**KOSS-FM**  
*Lancaster/Palmdale, CA*  
**\$13,465,000**

**Jorgenson**  
 Broadcast  Brokerage

**Mark Jorgenson**      **Peter Mieuli**  
 (813) 926-9260      (408) 996-0496  
 Tampa      San Jose

**HAMMETT & EDISON, INC.**  
 CONSULTING ENGINEERS  
 RADIO AND TELEVISION

*Serving the broadcast industry since 1952...*  
 Box 280068 • San Francisco • 94128



707/996-5200  
 202/396-5200  
 engr@h-e.com  
 www.h-e.com

## Radio Acquisition Seminar

Learn how to get financing and buy right. Six hours, one-on-one. Topics: 2000 industry update, search, values, negotiation, market and station due diligence and others you choose from experienced owner. For details call Robin Martin - 202/939-9090

**TheDeerRiverGroup**

## APPRAISALS

Radio and Television  
 Every type of appraisal  
 Expert witness services

Art Holt or Chris Borger  
 1-610-814-2821

**HOLT**  
 Media Group

**\$7,000,000 WDKS-FM** Evansville IN (Newburgh IN) from Newburgh Broadcasting Corp. (Donald & Linda Davis) to Clear Channel Broadcasting Licenses Inc. (Lowry Mays), a subsidiary of Clear Channel Communications (N:CCU). \$350K escrow, balance in cash at closing. **Superduopoly** with WGBF-AM & FM, & WYNG-FM. No contour overlap with WTRI-FM. LMA since 4/7/97 (by Connoisseur and then Clear Channel).

**\$6,000,000 WQSL-FM & WXQR-FM** Greenville-New Bern NC (Jacksonville NC) from Cumulus Licensing Corp. (Lew Dickey Jr.), a subsidiary of Cumulus Media (O:CMLS), to NextMedia Licensing Inc., a subsidiary of NextMedia Group (Carl Hirsch, Steve Dinetz, Skip Weller). \$2M cash plus swap of WYAK-FM & WRNN-FM Myrtle Beach SC (below). Total value estimated by RBR. **Superduopoly** with WRNS-FM, WERO-FM & WKOQ-FM. No contour overlap with NextMedia's other stations in the area. LMA since 9/1. Broker: Media Services Group

**\$4,000,000 WYAK-FM & WRNN-FM** Myrtle Beach SC (Surfside Beach-Murrells Inlet SC) from Myrtle Beach Stations Trust (John Mackin Ade, Trustee) to Cumulus Licensing Corp. (Lew Dickey Jr.), a subsidiary of Cumulus Media (O:CMLS). Swap for WQSL-FM & WQXR-FM Greenville-New Bern NC (above). Ade holds these stations in trust for NextMedia, which had to divest them. Chain **superduopolies** with WJXY-AM & FM, WSYN-FM, WDAI-FM, WXJY-FM & WSEA-FM. LMA since 9/1. Broker: Media Services Group

**\$2,250,000 WPTX-AM & WMDM-FM** Lexington Park MD from Southern Maryland Broadcasting Corp. (Stephen Garchik) to Somar Communications Inc. (Roy Robertson Jr., Donald & Mary Smolinski, Sharon Robertson). \$150K escrow, balance in cash at closing. **Superduopoly** with WKIK-FM California MD & WSMD-FM Mechanicsville MD. No contour overlap with WKIK-AM LaPlata MD.

**\$1,500,000 WWFY-FM** Berlin VT from Bulmer Communications of Vermont Inc. (John Bulmer) to Vox Allegany LLC, a subsidiary of Vox Radio Group (Bruce Danziger, Jeff Shapiro). Swap for WDOE-AM & WCQA-FM (below) and \$775K cash. Total value estimated by RBR. **Duopoly** with WSNO-AM & WORK-FM Barre VT. LMA in place.

**\$725,000 WDOE-AM & WBKX-FM** Dunkirk-Fredonia NY from Vox Allegany LLC, a subsidiary of Vox Radio Group (Bruce Danziger, Jeff Shapiro), to Bulmer Communications of Vermont Inc. (John Bulmer). Swap as partial payment for WWFY-FM (above). After closing, this station will be LMA'd by Vox. Bulmer manages Vox's Western New York and Pennsylvania stations.

**\$500,000 KKYZ-FM** Sierra Vista AZ from Ana L. Zumuano to Cochise Broadcasting LLC (Ted & Jana Tucker). \$50K escrow, balance in cash at closing. Broker: Explorer Communications

**\$460,000 WSTP-AM** Salisbury NC from Salisbury Media LLC (Greeley Hilton Jr.) to Rowan Media Inc. (Timothy Coates, Michael Mangan). \$10K escrow, additional \$175K in cash at closing, balance in cash at closing.

**\$450,000 WPJC-AM** Ponce PR (Adjuntas PR) from Tanama Communications Inc. (Juan Perez Juarbe) to WPAB Inc. (Alfonso Gimenez Porrata, Alfonso Gimenez Lucchetti, Maria-Louise Gimenez). \$450K in cash (less a \$75K lawsuit settlement payment to a third party) at closing.

**\$350,000 WFVR-AM** Valdosta GA from Peoples Network Inc. (Chuck Harder) to Cameron Broadcasting Inc. (Ron Cameron). \$25K downpayment upon closing of Cameron's sale of WBIC-AM Royston GA, additional \$35K at closing, additional \$35K six months after closing, \$255K note. Broker: Frank Boyle, Frank Boyle Co.

See these and more transactions at [rbr.com](http://rbr.com)

# VADIS D.C. II

DIGITAL AUDIO BROADCASTING CONSOLE

...from the company with the most experience  
in digital audio for live broadcasting



**KLOTZ DIGITAL AMERICA** Phone: +1-678-966-9900  
**KLOTZ DIGITAL FRANCE** Phone: +33-1-48874681  
**KLOTZ DIGITAL ASIA** Phone: +60-3-5193233  
**KLOTZ DIGITAL AUSTRALIA** Phone: +61-2-95186795

**KLOTZ DIGITAL AG HEADQUARTERS**  
Hans-Stiessberger-Str. 2A  
D-85540 Haar/Munich  
Phone: +49-89-45 672 - 300  
e-mail: info@klotz-digital.de  
www.klotzdigital.com

 **KLOTZ**  
DIGITAL

# Scott Studios' Chicago Major Stations in Major Markets Los Angeles New York, Philly San Antonio Dallas Phoenix Toronto Houston San Francisco

3,484 Scott & Computer Concepts client stations in the US

## Major Stations in Major Markets use Scott Studios' Digital Systems

Announcers *love* Scott Studios' SS32. They can instantly play any recording, see live copy on-screen, view and easily edit logs. Scott Studios' intuitive touchscreen provides the simplicity that creative talent demands for their air studio digital audio!

That's why Mancow at WKQX FM in Chicago, Big Boy at Hip Hop 106/KPWR FM and Francisco Galves "Pacorro" at La Ley/KLAX FM in Los Angeles, Jim Zippo at HERO Radio in Dallas, Hudson and Harrigan at KILT-FM and Grego, Pruett & The Boner at KLOL FM in Houston, Bob and Erin at CHFI FM in Toronto and many other major jocks love their Scott Systems. A major FM in New York City is also installing their Scott SS32 System soon.

Scott Systems give jocks tons of features they love!

- Easy operation you can't get anywhere else!
- Cart Walls for instant effects, jingles and song requests.
- Last play and next scheduled play dates/times.
- A phone recorder with scrub and waveform editing.
- Pre-record Voice Trax or bits in air studio in context.
- Scott School training of your staff at your station.
- Now playing Title/artist/album cover displays and instant streaming for your Web site.
- Pre-dubbed custom startup music libraries.
- Time-saving CD rippers that digitally transfer music to hard drive in seconds per song.
- Optional SS32 Invincible that can *not fail* audibly!

(972) 620-2211 FAX: (972) 620-8811  
8 0 0 7 2 6 8 8 7 7  
**(800) SCOTT-77**

- No-dub instant LAN spot uploads from Sonic Foundry Vegas multi-track production.
- Uncompressed digital audio at a compressed price.
- Your choice of Novell, NT or Windows networking.
- CAT.5 audio wiring for fast installation.

Scott Studios' *unequaled* air studio features are why more U.S. stations use Scott Studios than the number two and three digital air studio systems *combined*.

The screenshot shows a digital audio workstation interface. On the left, a 'Log' displays a list of songs with their titles, artists, and scheduled air times. On the right, a 'Cart Wall' shows a grid of song cards, each with a play button and a timer. Below the Cart Wall are various control buttons for 'Stack', 'Auto', 'Title', 'Time', 'Year', 'Cat.', 'Back', 'Forward', and 'Pre-view'. A digital clock displays ':08'.

Time	Artist	Album	Time	Artist	Album	Time	Artist	Album
9:23:13	Marc Anthony	You Sang to Me	6:28 2p	N Jewel	Hands	7:12 3a	N Ric Ocasek	Hang On Tight
11:4:24/F	Mariah Carey	Can't Take That Away...	7:19 4p	N Chapman	Happy Girl	7:14 2a	N Bruce Hornsby	Harbor Lights
17:4:13/F	Eric Phillips	Eric Phillips Backsell	7:12 7a	N Rod Stewart	Have I Told You	7:11 8p	N Bryan Adams	Have You Ever Re
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:13 9a	N Rod Stewart	Having A Party	7:14 3a	N Kathy Troccoli	He'll Never Leave
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:15 4p	N Harry Connick Jr.	Hear Me In The Ha	7:13 3p	N Rita Coolidge/Lee	Heart Don't Fall M
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:12 11	N Luther Vandross	Heaven Knows	7:12 2a	N Chicago	Here In My Heart
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:13 5a	N Melissa Manchester	Here To Love You	7:15 7p	N David Crosby/Phil	Hero
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:17 9p	N Jim Brickman	Hero's Dream	7:11 11p	N Billy Joel	Hey Girl
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:16 1p	N Barbra Streisand	Higher Ground	6:27 1p	N Genesis	Hold On My Heart
00:0:13/C	Eric Phillips	Eric Phillips Backsell	7:19 2a	N George Benson	Holdin' On	7:11 10a	N Kim C	Hooked on a Mem

One of SS32 touchscreens is shown above. The log is at the left. Instant access Cart Walls are at the right. Visit [scottstudios.com](http://scottstudios.com) or call 800 SCOTT 77 for info.

**Scott Studios** Corp.  
13375 Stemmons Freeway, Suite 400  
Dallas, Texas 75234 USA  
Internet: [scottstudios.com](http://scottstudios.com)