



Department of Justice

FOR IMMEDIATE RELEASE
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JACOR AGREES NOT TO FINANCE TSUNAMI'S PURCHASE OF CINCINNATI RADIO STATION AFTER JUSTICE DEPARTMENT EXPRESSES CONCERNS

Deal would Increase Jacor's Market Position in Cincinnati

WASHINGTON, D.C. -- Jacor Communications Inc. advised the Department of Justice that it will not finance Tsunami Communications Inc.'s purchase of WGRR-FM, a radio station in Cincinnati. The Department received this assurance in response to concerns that Jacor's participation in the proposed deal could adversely affect competition in the Cincinnati radio market.

The Department was also concerned because Jacor disputed whether its financial backing of Tsunami was subject to the prior notice provision of the proposed consent decree signed by Jacor in connection with its acquisition of Citicasters Inc. To eliminate ambiguity, Jacor has agreed to modify the proposed consent decree to clarify its obligation to provide notice to the Department before agreeing to any transaction in Cincinnati similar to the one with Tsunami.

The Department's proposed consent decree, filed on August 5, requires Jacor and Citicasters to divest a key radio station in Cincinnati, WKRQ-FM, and give notice to the Department before entering into certain kinds of agreements. In the complaint filed with the proposed decree, the Department alleged that the proposed Jacor/Citicasters merger, would have substantially reduced competition in the Cincinnati area, and would have resulted in higher prices to advertisers.

"Jacor's backing of Tsunami's bid for a major Cincinnati radio station could have nullified the divestiture of WKRQ," said David S. Turetsky, Deputy Assistant Attorney General in the Antitrust Division. "Transactions that raise serious competitive concerns, like Jacor's arrangement with Tsunami, are exactly the kinds of deals the consent decree is intended to cover."

The modified consent decree was filed today in U.S. District Court in Cincinnati.

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