



Department of Justice

FOR IMMEDIATE RELEASE
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JUSTICE DEPARTMENT REQUIRES JACOR TO SELL EIGHT RADIO STATIONS AS PART OF NATIONWIDE COMMUNICATIONS INC. ACQUISITION

Radio Stations in San Diego, Cleveland and Columbus, Ohio Must be Sold to Alleviate Antitrust Concerns

WASHINGTON, D.C. -- The Department of Justice reached a settlement today with Jacor Communications Inc. allowing the company to go forward with its \$620 million acquisition of Nationwide Communications Inc. as long as Jacor sells off eight radio stations--two in San Diego, one in Cleveland, and five in Columbus, Ohio. The Department said that, without the divestitures, the acquisition would have significantly reduced competition in those cities.

If the deal were approved as originally proposed, Jacor would have had control of 12 stations in San Diego, accounting for 42 percent of the radio advertising revenue. In Cleveland, Jacor would have owned six radio stations with 43 percent of the radio advertising revenue. In Columbus, with nine radio stations, Jacor would have had 58 percent of the radio advertising revenue. The Department's Antitrust Division and the Ohio Attorney General's Office conducted a joint investigation into Jacor's acquisition of Nationwide.

"The divestitures will preserve the choices available to advertisers in the San Diego, Cleveland, and Columbus markets," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division.

Jacor is addressing the Department's competitive concerns by selling or swapping radio stations with several different companies. Jacor is using a fix-it-first remedy, which means they will complete the sales before acquiring Nationwide.

The two San Diego stations, KKLQ-FM and KJQY-FM, will be sold to Dallas-based Heftel Broadcasting Corporation. Jacor will swap WKNR-AM in Cleveland for WTAE-AM in Pittsburgh, currently owned by Austin, Texas-based Capstar Broadcasting Partners. In Columbus, Jacor will sell WZAZ-FM to Cincinnati-based Blue Chip Broadcasting. Jacor has also agreed to sell their right to acquire WKKJ-FM of Chillicothe, Ohio, to Cincinnati-based Secret Communications LLC.

Jacor will also swap three Columbus stations and two stations in Minneapolis-St. Paul with New York-based CBS Radio Station Group. In return, Jacor will receive two Baltimore stations, two St. Louis stations, and two San Jose, California stations from CBS. Jacor's swap with CBS will give CBS WHOK-FM, WLWQ-FM, and WAZU-FM in Columbus and WMJZ-FM and KSGS-AM in Minneapolis-St. Paul. Jacor will receive WOCT-FM and WCAO-AM in Baltimore, KSD-FM and KLOU-FM in St. Louis, and KOME-FM and KUFX-FM in San Jose.

According to industry estimates, the divestitures will reduce Jacor's revenue share to approximately 39 percent in Cleveland, 36 percent in San Diego, and 38 percent in Columbus.

Jacor, headquartered in Covington, Kentucky, currently owns and operates 197 radio stations in 55 markets in the U.S. In 1997, its revenues were approximately \$600 million.

Nationwide, headquartered in Columbus, Ohio, owns or operates 17 radio stations located in 11 metropolitan areas across the U.S. Nationwide's 1997 radio revenues were approximately \$113 million.

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