

1 less, and, therefore, not attract any advertisers.

2 what would affect the financing --

3 THE COURT: Did I not hear you to say earlier that
4 one of the concerns that your client had was that his
5 ability to obtain financing was very much at issue here?

6 MR. FROMBERG: Yes, but it's --

7 THE COURT: Wasn't that part of it? I mean, you
8 may want to put in evidence in the form of expert testimony
9 as to that, but I am hard pressed to see if it's relevant
10 why he can't ask your client the question.

11 Overruled.

12 You may proceed.

13 Q How much of a loan commitment do you have from Mr.
14 Conant?

15 A In the neighborhood of \$4,000,000.

16 Q And this is just a handshake agreement?

17 A It's an agreement that we have that has not been reduced
18 to writing, sir. We plan to reduce it to writing and make
19 it formal in that sense.

20 Q Is there any security that you have given or collateral
21 for this loan?

22 A Yes. A minority participation on the station.

23 Q I am sorry?

24 A A minority participation in the station.

25 Q Mr. Conant is a minority member?

1 A No. By that I mean --

2 Q Or do you mean a minority shareholder?

3 A Shareholder, yes. That's what I mean.

4 Q The reason I was confused is because I understand that
5 one of the reasons that you were granted the construction
6 permit in the first instance had to do with some sort of
7 minority preference, the fact that you were --

8 A That was the issue in front of the Supreme Court.

9 Q You are using "minority" now in a different sense, that
10 he wants to be a minority shareholder of your partnership?

11 A Correct.

12 THE COURT: Any further questions on cross?

13 MR. HARDEMAN: No other questions, Your Honor.

14 Could I remind Your Honor of the time?

15 THE COURT: Yes. I understand.

16 Is there any redirect for Mr. Rey, Mr. Fromberg?

17 MR. FROMBERG: Your Honor, just a couple.

18 REDIRECT EXAMINATION

19 BY MR. FROMBERG:

20 Q Mr. Rey, do you know whether if this Court determines
21 that Rainbow has an exclusive right to the top space on t
22 tower, whether the F.C.C. will review the swap and
23 reconsider the granting of the swap?

24 A I am sorry?

25 Q If this Court determines that Press cannot be on thi

1 tower in Rainbow's slot, will the F.C.C. review the

2 A I believe they will.

3 Q I refer you to Exhibit -- I believe it was 6 (phonetic)
4 was introduced into evidence -- does this letter refer to
5 the -- make reference to the fact that your tower may be
6 heavier than the RCA, and that Bithlo will pick up the cost
7 of the strengthening of the tower if that's the case?

8 A Yes, it does.

9 MR. HARDEMAN: Your Honor, may I have one quick
10 question on redirect?

11 THE COURT: I am not sure Mr. Fromberg was done.

12 MR. HARDEMAN: I am sorry. I thought he said he
13 was.

14 MR. FROMBERG: I have no further questions.

15 THE COURT: All right. Any recross?

16 MR. HARDEMAN: Very briefly, Your Honor.

17 RE CROSS EXAMINATION

18 BY MR. HARDEMAN:

19 Q Mr. Rey, what was the date of that financial commitment
20 from Mr. Conant?

21 MR. FROMBERG: Your Honor, this is not recross.
22 It's not in response to my one question.

23 THE COURT: I will take the answer to that
24 question.

25 A What is the date of what, sir?

1 Q The financial commitment from Mr. Conant?

2 A I have had ongoing conversations with Mr. Conant for a
3 number of years. I don't know if I can give you an exact
4 date.

5 Q Did he tell you that he would give you \$4,000,000?

6 A This has been an ongoing conversation. I said obviously
7 when the litigation ended with the Supreme Court, but pick
8 your date in the last few months.

9 Q Any time within the last few months would be fairly
10 accurate?

11 A Well, since June of 1990. You know, we -- Rainbow
12 suspected that the Supreme Court would not review its own
13 decision. It officially was made -- the denial of review
14 was made official in September, so --

15 MR. HARDEMAN: Your Honor, I have a question of Mr.
16 Fromberg relating to an exhibit. I am not sure that he
17 introduced it into evidence.

18 The Asbury Park Press I, \$15,000,000 --

19 MR. FROMBERG: I think it is in evidence as Exhibit
20 13.

21 THE COURT: I think we had received 13.

22 Was there an objection to that?

23 MR. HARDEMAN: No, there was not. I just wanted to
24 be sure that it was in.

25 THE COURT: So the record is clear, we have

1 received Plaintiffs' 13 in evidence.

2 Q Mr. Rey, this \$15,000,000 offer you referred from Pre
3 back in September of 1936, you had the information about the
4 economic viability of your station to evaluate your station
5 at that time, did you not?

6 MR. FROMBERG: Judge, outside the scope.

7 THE COURT: Sustained.

8 MR. HARDEMAN: I don't have any other questions.

9 THE COURT: Thank you, sir. You may step down.

10 THE WITNESS: Thank you.

11 (Witness complies.)

12 THE COURT: Well, we got started, but we didn't get
13 as far as counsel had hoped and expected. We still have Mr.
14 Spragg, Mr. Harrison, Mr. Holland, Mr. Edwards, maybe Mr.
15 Ruiz (phonetic) for the plaintiffs; Mr. Baker, Mr. Edwards
16 and Mr. Hummers for the defense by my count.

17 Having said that, you tell me as to timing, and
18 then let's put our heads together and see if we can put a
19 couple of afternoons together to complete the task. The
20 reason I raise it with you is I will show you this calendar
21 here at sidebar, and you will be able to see the problem we
22 have as to scheduling with criminal cases coming up.

23 (Sidebar discussion off the record.)

24 (Proceedings concluded at 4:23 p.m.)

25