

1 somehow was the one we owned was in Grand Rapids.

2 So, it was a -- I was calling the attention to
3 anybody that might know. And Bob Watson, obviously, kept
4 the records of those. And he was going to trace down the
5 titles of those to see if we had flipped the vans for some
6 reason. So, I think that's what that was.

7 Q Did he get back to you on that?

8 A We did. And we find out I was correct.

9 Q In what sense?

10 A That my van had been switched -- taken to Grand
11 Rapids. We had a different van that really wasn't titled to
12 us that we were using, but we did switch them.

13 Q So, you got your van back?

14 A Well, we got it back and then sold it very
15 quickly, yes.

16 Q And did you ever find out what it was doing at the
17 Sign Pro shop in Grand Rapids?

18 A Did I ever find out what it was doing there? It
19 was just inadvertently switched. It was taken up there and
20 lettered. And we had another one and somebody had just
21 switched the vans. I mean, it was a -- certainly was a
22 concern, but I mean, we got them back after I discovered
23 that it was the wrong van.

24 Q Do you know what vehicles Hicks Broadcasting of
25 Indiana, LLC now has?

1 A We are -- the owner I believe now of -- a brand
2 new vehicle, some sort of a Suburban-type van.

3 Q You decided not to get the Prowler?

4 A We didn't get the Prowler, no.

5 Q How many vehicles has the company had throughout
6 its history?

7 A Maybe three. That's not counting the sharing of
8 the general manager's cars. Are you talking about
9 promotional van, vehicles and that sort of thing? Maybe
10 three.

11 Q Do you know how they've been titled?

12 A I do know how the present van is titled, Hicks
13 Broadcasting. And the one in Grand Rapids is titled to
14 Hicks Broadcasting because I had -- when we got it back and
15 we sold it, I signed off on that title. I have no reason to
16 believe they weren't titled to Hicks Broadcasting.

17 Q Does the name James Behling mean anything to you?

18 A I've heard the name James Behling, but I can't put
19 it into any -- I don't know what -- I don't know who -- what
20 he represents at this point.

21 Q If I were to represent to you that he's affiliated
22 with the licensee of WNDU, would that help you?

23 A Yes, it would. I think he's the manager or office
24 manager, business manager there.

25 Q Did you have any contact with Mr. Behling in

1 connection with the acquisition of the Bob and Tom show?

2 A Yes.

3 Q What contact was that?

4 A Well, it was more near the final end of the
5 negotiations with that because Rob Ritter was really my key
6 there. But he was the gentleman that did the final
7 acquisition of the Bob and Tom show.

8 Q And was there some payment that had to be made to
9 that entity?

10 A Yes, there was.

11 Q Do you know how much it was?

12 A It was close to \$100,000. I'm not sure the total
13 amount.

14 Q Do you know what the source of the funds was in
15 order to make that payment?

16 A Member loans.

17 Q In other words, did that include yourself, or was
18 it just the three Dille children?

19 A Again, I don't know without reviewing all the
20 documents exactly what member loans I attributed at what
21 particular time. I contributed many along the way. If that
22 was all of the minority members, I can't tell you at this
23 point. I may have had and may not. I don't know.

24 Q Now, who is Richard Rhodes?

25 A Richard Rhodes is the manager of WTRC in Elkhart.

1 Q Do you think of Station WRBR as being part of the
2 Federated Media Group of stations?

3 A WRBR?

4 Q Right.

5 A No, I do not.

6 MR. SHOOK: Your Honor, the Bureau has no further
7 questions.

8 THE COURT: Let me ask you one question. Could
9 you tell me how it came about that you entered into this
10 accounting agreement?

11 THE WITNESS: I'm trying to think back to the --
12 to how that originated. Again, I think, Your Honor, that
13 was discussed initially in this laundry list of ideas that
14 came up and as we progressed further and further. I had
15 a -- an accounting firm in Kalamazoo that I did business
16 with, BDO Seidman. I also had a check -- payroll provider,
17 which was separate from them.

18 So, I did inquire I think to Mr. Watson if there
19 was a BDO Seidman office in South Bend and found out that
20 there was not. And I think that's how this kind of started.
21 What type of services I would need and who could provide
22 these. And I think it kind of fell in that we have all of
23 the nuts and bolts here to do this.

24 And then the question was, is this permissible by
25 Commission rules? And that's where we got Alan Campbell

1 involved to -- I believe that's kind of the stages that it
2 went through.

3 THE COURT: So, you consulted with Mr. Campbell as
4 to whether or not you could do it?

5 THE WITNESS: I certainly did and so did Mr.
6 Watson.

7 THE COURT: And what did he tell you? What did
8 you ask Mr. Campbell?

9 THE WITNESS: Well, I -- in a whole series of
10 things that I was concerned about at that particular time.
11 And he assured me that there was no problem with that. So,
12 Mr. Watson followed up with that same thing. So -- and I
13 think that's how his memo came about.

14 THE COURT: Well, what did you have in mind as far
15 as services were provided to you by Mr. Watson, by
16 Pathfinder?

17 THE WITNESS: Oh, the general accounting services
18 I -- you know, I was concerned about obviously payroll. I
19 was concerned about doing the financial reports, the
20 necessary tax forms that needed to be provided. And then I
21 guess I kind of took it a step further and maybe the
22 umbrella approach that he could -- he was kind of acting as
23 a business -- what I was uncomfortable in my business of a
24 business manager, which he was beyond that kind of a little
25 catch all thing. So -- but it was those accounting -- basic

1 accounting principles that I think I was really focusing on
2 first.

3 THE COURT: Did you have any problems with the
4 services he provided to you?

5 THE WITNESS: Oh, not a bit.

6 THE COURT: I mean, how far flung they were or
7 anything like that you had concern?

8 THE WITNESS: How --

9 THE COURT: In preparing the financial reports,
10 the projected financial reports, anything of that nature?

11 THE WITNESS: No, I thought his services were
12 excellent. I think the services provided were much better
13 than I could probably get from an outside accounting service
14 because all -- like I say, the foundation was all right
15 there to do it.

16 THE COURT: Any further cross?

17 MR. JOHNSON: I just have one question.

18 BY MR. CRISPIN:

19 Q At any time in your dealings with Mr. Sackley, did
20 he ever offer you a solution to your differences whereby you
21 would give up your interest in the RBR transaction?

22 A No, sir.

23 Q Didn't think so. No more questions.

24 THE COURT: Any other questions?

25

1 BY MR, JOHNSON:

2 Q Mr. Hicks, I promise to be brief. Could you turn
3 to Mass Media Bureau Exhibit 3, which is in Volume 1. And
4 if you could turn first to page 14 of that exhibit.

5 A I have it, sir.

6 Q And this is the application -- assignment
7 application that Mr. Shook asked you a number of questions
8 about. Am I right about that?

9 A Yes.

10 Q Okay. And I take it you reviewed this before it
11 was filed?

12 A Yes.

13 Q If you could turn please to page 83 of that same
14 exhibit, which is identified as Exhibit Number 2 to the
15 assignment application. And in particular, I'd like you to
16 look at the third paragraph on that page 83.

17 A The Joint Sales Agreement part?

18 Q Yes, sir. The first sentence says: "Pathfinder
19 is a party to a joint sales agreement." The second sentence
20 says: "The JOA involves administrative operations and joint
21 advertising sales between WRBR and WLTA and will be assigned
22 to Hicks Broadcasting at the closing."

23 A Yes, sir.

24 Q I guess my first question is, were you aware, Mr.
25 Hicks, that the JOA and the fact that administrative

1 operations and joint advertising sales between RBR and WLTA
2 would continue, was disclosed to the Commission in the
3 application?

4 A Was I aware that it was disclosed?

5 Q Yes, sir.

6 A Oh, yes. Yes.

7 Q And after the filing of the application, did you
8 ever become aware that anyone from the Commission asked any
9 questions about that?

10 A About the Joint Operating -- or Sales Agreement?
11 No.

12 Q Did you ever become aware that they had requested
13 a copy of the Joint Sales Agreement?

14 A No.

15 Q To your knowledge, did they?

16 A I'm not aware.

17 Q Let me ask you a couple other just clean-up
18 questions if I could. In response to Mr. Shook's questions,
19 you testified that the employees who provide the news, and
20 he asked you specific questions about editors and producers
21 and the like are Pathfinder employees. Do you remember
22 that?

23 A Yes.

24 Q And you said that they were.

25 A Yes.

1 Q How does WRBR pay for the news service that those
2 employees provide, if it does?

3 A We're allocated to sum -- a proportionate sum of
4 that salary.

5 Q If you, for example, want to get the news from a
6 different service, take Associated Press, do you feel like
7 you have that choice?

8 A Oh, definitely.

9 Q Is there some reason you'd want to get your news
10 from a service in Elkhart, Indiana as opposed to Associated
11 Press?

12 A Well, it certainly fits my profile I guess of how
13 news ought to be presented in a radio station, how to do
14 local first. And Associated Press would not obviously
15 provide that.

16 Q Now, Mr. Shook asked you a couple of questions
17 about exit strategies. Do you remember that?

18 A Yes.

19 Q And I think I understand this, but tell me if I'm
20 wrong. The exit strategy that was ultimately agreed upon is
21 what we've been referring to as the put.

22 A Yes.

23 Q Just in your words, Mr. Hicks, how was that
24 supposed to work? What were the terms of the put? Do you
25 remember?

1 A This is the -- this isn't the side letter?

2 Q It is the side letter.

3 A It is the side letter?

4 Q Yes, sir.

5 A That I could get out after three years. I guess
6 without reading it here, I -- and there was a number in
7 there, the \$100,000 number or the formula.

8 Q Okay. Now, as you understood it, if you put your
9 shares to the minority, did they have to buy them?

10 A No.

11 Q You sure? Why don't you turn to Mass Media
12 Exhibit Number 61?

13 A Okay. This was -- yeah, this was the one that Mr.
14 Brown -- okay. Correct.

15 Q Why don't you just read the first sentence of
16 numbered paragraph number 2?

17 A Three years from this date, that would be correct.
18 I could put that to the minority shareholders and they'd be
19 required --

20 Q And now that you said that, I understand that my
21 question was confusing. You had to wait three years?

22 A That's right.

23 Q Okay. And after that three year period, if you
24 put your shares -- was it your understanding they were
25 required to buy them?

1 A That would be correct.

2 Q So, you had through the put a guaranteed buyer,
3 didn't you?

4 A I would have had a guaranteed buyer, right.

5 Q And was there a minimum guaranteed price?

6 A A \$100,000.

7 Q Now, Mr. Shook asked you why would the majority
8 owner -- 51 percent owner need an exit strategy? And I just
9 want to ask you, Mr. Hicks, if you were the 51 percent
10 owner, and you didn't have this put provision, would you
11 have had a guaranteed buyer at a guaranteed price?

12 A No.

13 MR. JOHNSON: I don't have any further questions,
14 Your Honor.

15 THE COURT: Any redirect?

16 MR. HALL: No, Your Honor.

17 THE COURT: You're excused, Mr. Hicks.

18 (Witness excused.)

19 MR. WERNER: Your Honor, may I request a brief
20 recess to coordinate?

21 THE COURT: All right.

22 (Whereupon, a short recess was taken.)

23 THE COURT: Let's go back on the record. If Mr.
24 Edmundson wants to make an appearance. You want to announce
25 it?

1 DIRECT EXAMINATION

2 BY MR. WERNER:

3 Q This is Eric Werner on behalf of Hicks
4 Broadcasting.

5 THE COURT: Do you hear?

6 THE WITNESS: Yes, I can.

7 THE COURT: Fine.

8 BY MR. WERNER:

9 Q How are you today?

10 A Good.

11 Q Thank you for joining us. Could you state your
12 name for the record, please?

13 A Edward K. Christian.

14 Q And how old are you, Mr. Christian?

15 A Fifty-four.

16 Q Are you married?

17 A Yes.

18 Q Can you tell us where you live, please?

19 A Gross Point Farms, Michigan.

20 Q Let's talk about your educational background.
21 Where did you get your undergraduate degree?22 A My undergraduate degree is in mass communications
23 from Wayne State University in Detroit. And I have a
24 Masters in management, MAM, from Central Michigan
25 University.

1 Q And when did you receive that?

2 A The Masters was about 16 years ago, so we would
3 back it up from here, '72.

4 Q Sixteen years ago? I believe that would be 1982.

5 A Oh, I'm sorry. You're right. Thank you.

6 Q Are you presently employed, sir?

7 A Yes, I am.

8 Q And where do you work?

9 A Saga Communications. S-A-G-A.

10 Q What do you do for Saga?

11 A I'm President and Chief Executive Officer.

12 Q How long have you been in that position?

13 A Twelve years.

14 Q What is Saga Communications?

15 A Saga Communications is a publicly traded broadcast
16 company listed on the American Stock Exchange that owns and
17 operates radio stations, TV stations, state networks and
18 some international radio stations.

19 Q Where is it located?

20 A Gross Point Farms, Michigan.

21 Q So, you work out of the headquarters?

22 A Yes.

23 Q How big in terms of annual revenues is Saga
24 approximately?

25 A Sixty-five million of revenue of radio

1 broadcast -- radio and TV broadcast revenues.

2 Q How many markets does Saga operate in?

3 A Operate in 12 markets currently with 37 radio
4 stations and one TV station. Actually, there's a couple of
5 state networks. So, there's 14 markets.

6 Q Do you have any other interests pending, or is
7 that the sum total?

8 A We have application that has been granted to
9 acquire an AM-FM station in Bellingham, Washington, and
10 another one which was granted -- approved by the Commission
11 yesterday for another AM-FM in Bellingham. And we have an
12 application that's been granted to acquire a television
13 station in Victoria, Texas.

14 Q What are your basic responsibilities as President
15 and CEO of Saga?

16 A To oversee the development of growth, protect the
17 licenses of the broadcast stations, to basically maintain
18 the mission statement of our company, which is to operate
19 and grow in the public interest.

20 Q Let's talk a little about your background. How
21 did you get started in radio?

22 A I started in radio when I was a teenager in
23 Detroit, Michigan working for FM stations when FM was not
24 fashionable. In high school and during the summers in high
25 school, worked for some radio stations in northern Michigan

1 on the air. I went to Michigan State University where I
2 spent the first two and a half years there before I
3 transferred to Wayne State. And I worked my way through
4 college on air at various radio stations in the Lansing
5 area.

6 Q And what were you doing at the radio stations that
7 you were working at?

8 A At WYTL in Lansing, I was news director. I was a
9 news man at WJIM. And I was also working in a station in
10 Sherlott, Michigan in the afternoon.

11 Q Now, you said you had graduated from Wayne State
12 University with your BA in 1971. What did you do after
13 graduating?

14 A Well, I actually -- I worked while I was going to
15 school. And after -- I ended up in Detroit after -- in --
16 when I was about 21 years old, 22, selling at a radio
17 station in Detroit for a couple years. And was at -- ran a
18 national rep office in Detroit. Then, I was national sales
19 manager of a station in Detroit. I left there and I went to
20 a station in Dallas. And then from there, I ended up going
21 to Sherlott. And I finished at -- my last class at that
22 time -- I took an extension class at Olivete College right
23 down the road from Sherlott. And that's when I finished my
24 undergraduate at Wayne.

25 Q Can you just give us some sense -- what were

1 the -- if you recall, what were the call signs of these
2 stations?

3 A Sure. In Detroit, was WCAR, and there was co-
4 owned WSUN in Tampa. I was national sales manager of that.
5 The radio rep firm was a John C. Butler, which was an
6 outbreak subsidiary of Lynn Broadcasting. The station in
7 Dallas that I worked for was KRLD. And the stations in
8 Sherlott were WCER, AM and FM.

9 Q Okay. And how long were you at WCER?

10 A I was there for three years.

11 Q From when to when?

12 A I was there when I was 27 until I was 30. I'm 54
13 now. So, if we back up 27 years ago is when I started
14 there.

15 Q And after you left WCER, what did you do?

16 A I was recruited by State Mutual Life Insurance
17 Company, which had foreclosed on an AM-FM station in
18 Detroit. I was recruited to be their manager there. At
19 that time, licensees had to hold stations for three years
20 before they could sell them. And it was my job for the
21 insurance company to take this station and operate it and
22 make it profitable so that they could sell it.

23 They were mandated. They got an exemption from
24 Massachusetts to operate the stations from the insurance
25 commissioner of Massachusetts. So, I ran the station for

1 three years, engineered the sale of the stations in Detroit
2 to another company, Josephson International, which was a
3 public company. And I was hired to build a broadcast
4 division of that company, which I did for eight years. And
5 I ended up as president of Josephson Communications until I
6 started Saga Communications 12 years ago.

7 Q Okay.

8 A Josephson was the licensee of stations in an AM-FM
9 in Detroit, an FM in Rochester, New York, AM-FM in Norfolk,
10 Virginia, AM-FM in Columbus, Ohio, and an FM in Milwaukee.

11 Q Okay. Thank you. I'd like to talk to you now
12 about Mr. Hicks. Do you know David Hicks?

13 A Yes, I do.

14 Q And how long have you known him?

15 A I first met Dave Hicks when I was 19 years old.

16 Q And what was the circumstances of that meeting?

17 A Thirty -- I -- was 35 years ago. When I was in
18 Lansing at Michigan State University, I was working at WITL
19 as news director in the morning and going to school middays
20 and I had my afternoons free. And I guess I was a glutton
21 for work and I went down to Sherlott which is some 17 miles
22 to the southwest of Lansing in Eaton County to the radio
23 station there. And I interviewed with Dave Hicks who was
24 the manager of that station. And he hired me to do news in
25 the afternoon on that radio station.

1 Q And you were at WCER you said until --

2 A I was there a very short period of time. I was
3 there probably six months doing -- working in the afternoon
4 until I realized that I couldn't work at a station in the
5 morning, go to school midday and drive down to Sherlott in
6 the afternoon.

7 But that's the first time that I met Dave when he
8 hired me at that time. And I got to know him obviously
9 while I was working at the radio station there.

10 Q After you left WCER, did your paths cross with Mr.
11 Hicks again?

12 A Oh, sure. I knew Dave -- actually, we probably
13 didn't see that much of each other for a number of years
14 because I was, you know, building my career, but I was aware
15 of what he was doing. And I started talking to Dave again
16 about the time that he left Sherlott and when Dave left he
17 was general manager of Sherlott.

18 He went up to WILS in Lansing as sales manager.
19 Dave had a minority interest in the stations in Sherlott,
20 and I was interested in leaving Texas and returning to
21 Michigan. And I talked to Dave's partners who recruited me
22 to come up there, sold me Dave's stock in the station that
23 he had sold back after he left and with the understanding
24 that after three years I could buy them out.

25 So, I actually followed Dave as general manager in

1 Sherlotte.

2 Q I believe from testimony we've had previously,
3 that this would have been in 1970?

4 A That would be correct.

5 Q All right. After you left WCER and you purchased
6 his interest, did you remain in contact with Mr. Hicks
7 during the '70s?

8 A Yeah. Dave -- Dave actually he left WCER still
9 lived in Sherlott and drove to Lansing. And he lived in the
10 same subdivision I did in South Park. And we actually lived
11 about two or three blocks from each other. So, even though
12 Dave was in Lansing, he was still a broadcaster. I was a
13 broadcaster. I was a member of the Sherlott Country Club as
14 he was. And we would see him there. And Dave was
15 instrumental actually introducing me to a number of people
16 in the community that were his friends and subsequently
17 became friends of mine.

18 Q Do you know where Dave went after he left WILS?

19 A Sure. Dave was recruited to become general
20 manager of WKFR in Battle Creek. And he continued to live
21 in Sherlott and drove down to Battle Creek, which is about
22 20 some odd miles southwest of Sherlott to Battle Creek.

23 Q What do you know, if anything, about how Mr. Hicks
24 -- what do you know about the circumstances concerning Mr.
25 Hicks hiring at WKNR and KFR?

1 A Well, at that time there was a friend -- very good
2 friend of mine in Chicago, a station broker, Dick Shaheen.
3 And one of Dick's clients was a guy by the name of Joe
4 Walshmitt. And Dick had called me and said, "Joe has a
5 manager at this station in Battle Creek and he really needs
6 to make a change."

7 And Dick called and said -- wants to know if I
8 would be interested in that. And I said, "No." I was very
9 happy where I was. But I knew the absolutely perfect guy
10 who was, you know, very sales oriented, very good
11 broadcaster. And I recommended that Dick Shaheen or Joe
12 Walshmitt, or whomever, call and talk to Dave Hicks at WILS
13 in Lansing.

14 So, I think it was my endorsement of Dave,
15 initially. Obviously, he was the one that got the job on
16 his own -- own merits, but I had no problem in recommending
17 him for the job of general manager for Battle Creek.

18 Q Now, why was that?

19 A Because I had seen what Dave had done in Sherlott
20 obviously, since I followed him. And he did a very
21 competent professional job of running a small market radio
22 station. I knew what he was doing up in Lansing as sales
23 manager, and he had taken over a top rated radio station and
24 had done a very credible job as sales manager there, and
25 felt that for Dave's career at that time, he really needed

1 to move on to a general manager's role.

2 And the general manager at the station in Lansing
3 showed no signs of leaving. And this was a career
4 opportunity for Dave. And I thought it would be a good
5 career move for him and he certainly -- I felt ready for it.
6 And he had the qualifications to be a good general manager
7 in Battle Creek. He understood programming, and he
8 certainly understood sales very well.

9 Q After Dave went to Battle Creek, what sort of
10 contact did you have with him at that point?

11 A We would talk -- because at that time my career
12 took me to Detroit. And his, you know, stayed in Battle
13 Creek. And I would talk from time to time as he was running
14 the radio stations down there. On a couple of occasions,
15 one I can remember, you know, I went to Battle Creek and had
16 lunch with him and talked about, you know, what he wanted to
17 do long term with his career.

18 And he expressed certainly the desire to -- and
19 get an ownership and you know, take the next leap in his
20 career path from being a general manager to being an owner.

21 Q Now, at that point, there ultimately came a time
22 when Mr. Hicks did purchase the stations that he was working
23 at as a general manager. Do you know anything about -- can
24 you tell me anything --

25 A I'm aware that -- oh, absolutely. I think that I

1 was probably helpful to Dave at that point in time because
2 he had the opportunity to purchase those stations.

3 Joe Walshmitt who was in his 70s or 80s, I'm not
4 sure exactly what it was, this was the only broadcast
5 property that Joe had owned. He had land interest in the
6 Caribbean and he lived in Washington, D.C., and was indeed
7 an absentee owner, and for probably estate planning purposes
8 elected to sell the station to Dave.

9 I, at that time had -- was probably planning also
10 for my next career move because I was a general manager in
11 Detroit. And I had come to know a number of people in the
12 broadcast lending field, banks, and also, you know, equity
13 investors. And I introduced Dave to, at that Carol Hyatt,
14 who was vice president of Bay Banks in Boston, who
15 subsequently became his lender. And I also introduced him
16 through another party to Hoyt Goodrich who became his equity
17 partner in the purchase of the Battle Creek station.

18 Q Now, other than introducing him to those
19 individuals at Bay Bank and his other capital lender, did
20 you have any hand in arranging his financing?

21 A No, except that -- and I think it's important.
22 And that is that you know, I just don't recommend anybody.
23 I mean, if I recommend somebody to a banker, you know, if I
24 recommend somebody to an equity partner, the last thing I
25 was to do, because my name is very important and my

1 reputation, is have them come back and say, "You know, you
2 really gave us somebody here who just, you know, flamed out
3 on us."

4 To me, a recommendation is almost sacrosanct.
5 Saying that that person, you know, has the character, has
6 the ability, has the wherewithal to be a business man, who
7 has the responsibility to borrow money and pay it back, to
8 take the equity and to grow it and shepherd a broadcast
9 station through to growth.

10 So, you know, I don't just give recommendations
11 lightly. And in Dave's case, recommending him to Carol
12 Hyatt and to Hoyt Goodrich, I thought carried a lot of
13 weight for my part and it's something that I took very
14 seriously.

15 Q Mr. Christian, let's move forward a little bit in
16 time to the 1990 to 1994 time period. Were you still in
17 contact with Mr. Hicks at that point?

18 A Yes, I was. I followed Dave's move, his logical
19 move of the station from Battle Creek to Kalamazoo, to --
20 obviously, that was a growth area for the FM station. And
21 also, it helped him -- kind of talked to him during the time
22 that he was talking to the owner of WKMI, Dave Steer, who
23 had inherited it from his father, and kind of talked Dave
24 through the process of buying the AM station, which allowed
25 him a place to locate his -- the Battle Creek FM station in

1 Kalamazoo.

2 Q During all this period of time, what sort of
3 contacts were you having with Mr. Hicks?

4 A I mean, it was certainly not a frequent basis. It
5 was, you know, infrequent. But we would talk. We'd talk
6 about, you know, what was going on with him in Kalamazoo. I
7 was growing a station that he did a very credible job of
8 taking the FM station and really marketing it well in the
9 Kalamazoo market.

10 So, it was no longer in Battle Creek, but it's a
11 Battle Creek/Kalamazoo station, and he took the AM station
12 in which had been kind of, you know, tarnished. And
13 actually, the Steer family -- Dave Steer had sold it to one
14 person. That sale blew up. So, when Dave took over the AM
15 station, WKMI, it was in terrible shape, and how he managed
16 to recycle that by getting certain sports rights and doing
17 certain other things, it really made it into a pretty
18 viable, you know, AM station in Kalamazoo.

19 Q Mr. Christian, let's step back a minute. Let me
20 ask you a couple of other questions.

21 Are you related in any way to Mr. Hicks?

22 A No.

23 Q Do you know his family?

24 A I know his wife, Sally. I mean, we've never
25 socialized. I take that back. I think once when I happened

1 to be down at a NAB, down in Naples when Dave was head of
2 the radio board, I was down there because of my interest in
3 DAB, and I was in opposition to the NAB at that time and
4 down there to talk at a board meeting. And Dave invited me
5 that evening to be his guest at the banquet even though I,
6 you know, was not, you know, on the NAB board. And I think
7 we sat with Dave and Sally at that or maybe we didn't sit
8 with but we at least socialized with them.

9 But that's the only recollection that I have of
10 really spending any time with Dave's wife.

11 Q So, you don't socialize regularly together?

12 A No.

13 Q Have you ever been in business together?

14 A No, sir.

15 Q Would you consider Mr. Hicks a friend?

16 A Yeah.

17 Q A close friend?

18 A No, I wouldn't say he's a close friend. I think
19 he's a broadcaster that I know, and you know as a friend,
20 you know, somebody that I wouldn't hesitate to talk to.

21 Q Based on your contacts with him, would it be your
22 impression that you know him well?

23 A I think I knew Dave as an operator in what he did
24 in Battle Creek and Kalamazoo and Sherlott. You know, I
25 have no firsthand knowledge of how he operated the stations

1 on a day to day basis. I mean, I just -- I know that these
2 were, you know, well respected and successful radio
3 stations. But I honestly couldn't tell you that I saw on a
4 day to day basis, you know, how he interacted with people or
5 what he did.

6 Q Okay. But you've known Mr. Hicks for 35 years?

7 A Yep.

8 Q And you've had occasion --

9 A Well, I'm actually -- yeah, that's right.

10 Q On a couple of occasions, you've had the
11 opportunity to recommend him to other professional contacts
12 of yours whom you regard well?

13 A Yes. I mean, if we -- I don't think that you need
14 to be somebody's good, close personal friend to know that
15 they're -- you know, that they're a person of character.

16 Q Now, based on your experience with Mr. Hicks in
17 the time you've known him, did you have an opportunity to
18 form an opinion concerning his honesty?

19 A I think it -- what I know is that he was well
20 respected in the Michigan broadcast community. That if you
21 talk to anybody, they would characterize him as a
22 responsible broadcaster, recognized his responsibilities as
23 a broadcaster. And they would characterize him as a good,
24 you know, businessman who wasn't out to, you know, beat the
25 system or cheat the system.

1 He was out to try and make a livelihood, make a
2 living at a career that he had been doing for many years. I
3 mean, this is the only business that Dave has ever really
4 been in is broadcasting. And it wasn't like anybody coming
5 in trying to make a quick buck out of it and get out of
6 business. He's been a broadcaster, you know, for many, many
7 years.

8 Q Now, in your personal opinion, I understand that
9 you've spoken to others about Mr. Hicks, but in your
10 personal opinion, is Mr. Hicks trustworthy?

11 A I never had any reason to believe otherwise.

12 Q And would you consider him a man of integrity?

13 A I never had any reason to believe otherwise or I
14 would not have, you know, recommended him at that point in
15 time to the banks and to his equity people. You know, my
16 knowledge as far as my dealings with him, he has never once
17 displayed anything that I would believe contrary to that.

18 Q Is Mr. Hicks the sort of person in your opinion
19 who would be predisposed to mislead the Commission?

20 A I don't believe so. You know, knowing Dave from
21 his days in Sherlott, he always recognizes responsibility as
22 a broadcaster and also in Battle Creek and Kalamazoo.
23 That's really the only area I can speak for.

24 MR. WERNER: Thank you, Mr. Christian. I don't
25 believe I have any further questions.

1 THE COURT: Anyone else have any questions?

2 MR. JOHNSON: No, Your Honor.

3 THE COURT: Do you have any questions?

4 MR. SHOOK: No, Your Honor.

5 THE COURT: You're excused. Thank you.

6 THE WITNESS: Thank you very much.

7 (Witness excused.)

8 THE COURT: I guess we're now in recess until 9:00
9 a.m. Monday morning.

10 (Whereupon, at 3:55 p.m., the hearing recessed, to
11 reconvene, Monday, November 9, 1998, at 9:00 a.m.)

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REPORTER'S CERTIFICATE

FCC DOCKET NO.: 98-66
CASE TITLE: IN RE: HICKS BROADCASTING
HEARING DATE: November 6, 1998
LOCATION: Washington, D.C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Communications Commission.

Date: 11/6/98 George Holmes *George Holmes*
Official Reporter
Heritage Reporting Corporation
1220 "L" Street, N.W.
Washington, D.C. 20005

TRANSCRIBER'S CERTIFICATE

I hereby certify that the proceedings and evidence were fully and accurately transcribed from the tapes and notes provided by the above named reporter in the above case before the Federal Communications Commission.

Date: 11/16/98 Nancy McHugh *Nancy McHugh*
Official Transcriber
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PROOFREADER'S CERTIFICATE

I hereby certify that the transcript of the proceedings and evidence in the above referenced case that was held before the Federal Communications Commission was proofread on the date specified below.

Date: 11/19/98 Lorenzo Jones *Lorenzo Jones*
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