

BEFORE THE  
**Federal Communications Commission**  
Washington, DC 20554

In the Matter of )  
2010 Quadrennial Regulatory Review – )  
Review of the Commission’s Broadcast ) MB Docket No. 09-182  
Ownership Rules and Other Rules Adopted )  
Pursuant to Section 202 of the )  
Telecommunications Act of 1996 )

To: Secretary, Federal Communications Commission  
Washington, D.C. 20554

**SUPPLEMENT TO MT. WILSON REPLY COMMENTS TO COMMENTS  
OF CLEAR CHANNEL COMMUNICATIONS, INC.**

The Comments of Clear Channel Communications, Inc. (hereinafter “Clear Channel”) devoted considerable space to the adverse impact on Clear Channel from other audio platforms – satellite radio, iPhones, Smartphones and the “financial meltdown of 2007” (Clear Channel Comments, p. ii) resulting in a substantial increase in the number of bankruptcy filings and lender workouts. According to Clear Channel, these adverse factors justify increasing the caps and/or at least maintaining the existing caps.

With respect to the economic status of Clear Channel, the Mt. Wilson Reply Comments identified several group owners Second Quarter revenue gains. Attached are copies of trade press articles dated August 10, 2010 reporting (1) Clear Channel Radio Second Quarter revenue gain of 4% (from \$717.6 million to \$748.7 million) coupled with a 4.6% decrease in operating expenses (Appendix A) and (2) Clear Channel’s intention to buy back up to \$100,000,000 of outstanding stock (Appendix B). These factors refute

Clear Channel's faulty justification for increasing the caps.<sup>1</sup> Dividends continue to be paid and, contrary to Clear Channel's dire "hard times" depiction, a tentative recovery exists. The traditional public interest factors (diversity, localism, competition) underlie the Multiple Ownership Rules. The FCC is statutorily bound to promote the public interest. Neither "Board Room" nor Wall Street demand for greater profits is a substitute for the public interest or justification for maintaining (or increasing) the caps. The trend evidenced by the steady decline in the number of independent radio owners over a 14-year time span conclusively demonstrates that the existing caps are not an effective deterrent either to ongoing consolidation or to the erosion of the independent broadcaster. Consolidation (absent reasonable limits) by its inherent nature is contrary to the factors underlying the purpose of the Multiple Ownership Rules while independent broadcasters function as a model for the factors underlying the purpose of the Multiple Ownership Rules. In short, Clear Channel's position serves the best interest of Wall Street; independent broadcasters serve the public interest. Can there be any question, any doubt as to which position should prevail?

Respectfully submitted  
MT. WILSON FM BROADCASTERS, INC.

By:   
Saul Levine  
President

Date: August 17, 2010

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<sup>1</sup> Information as to Clear Channel's Second Quarter revenue and stock buyback became available after the July 27, 2010 date for filing Reply Comments.

APPENDIX A

**CLEAR CHANNEL SECOND QUARTER FINANCIAL DATA**

**Brenda T. Chapman**

**From:** Saul Levine [105@mountwilsoninc.com]  
**Sent:** Tuesday, August 10, 2010 3:11 PM  
**To:** Robert B. Jacobi  
**Subject:** MediaPost Publications Clear Channel Radio Hears 4% Uptick 08/10/2010

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**It is not the strongest of species that survive, nor the most intelligent, but the one most responsive to change.**

Charles Darwin

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ADVANCED SEARCH

## Clear Channel Radio Hears 4% Uptick

by [Erik Sass](#), Yesterday, 5:54 PM

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The radio industry seems to be enjoying a tentative recovery, judging by the second-quarter results from Clear Channel Radio, the country's largest broadcast group. Total revenues at Clear Channel Radio increased 4% from \$717.6 million in the second quarter of 2009 to \$748.7 million in the second quarter of 2010.

At the same time, operating expenses decreased 4.6% from \$456.7 million to \$435.9 million over the same period.

The positive results at CCR contributed to overall revenue growth for CC Media Holdings of 4%, from \$1.44 billion to \$1.49 billion. (CC Media Holdings was formed by private-equity buyers Thomas H. Lee Partners and Bain Capital Partners to take Clear Channel private in 2008.)

CCR credited the revenue growth to strengthening national ad demand, especially in the retail, food and beverage, telecommunications, and automotive categories.

Mark Mays, the president and CEO of CC Media Holdings, stated: "The fundamentals of our business are clearly improving, as we return to revenue growth and attain the benefits of our cost reduction efforts."

He also noted the success of "restructuring efforts, including the successful divestiture of non-strategic assets during the past year."

Revenues also increased at Clear Channel Outdoor as a result of

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growth in its domestic outdoor advertising revenue, up 3% from \$315.5 million to \$323.8 million. Revenues at Clear Channel Outdoor's international division (which drove total revenue growth in previous quarters, in part due to favorable exchange rates) remained flat in the second quarter of 2010. U.S. ad revenue growth was attributed in part to strong demand for digital out-of-home inventory.

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Brenda T. Chapman

From: Saul Levine [105@mountwilsoninc.com]  
Sent: Tuesday, August 10, 2010 3:11 PM  
To: Robert B. Jacobi  
Subject: RADIO ONLINE ®

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## CC Media Holdings Q2 Revs Up 4%, Loss Narrows

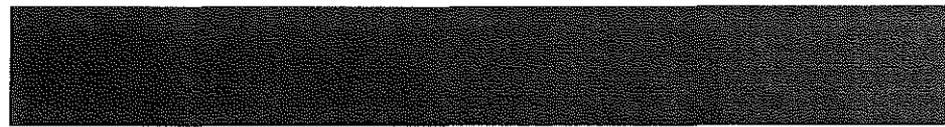


CC Media Holdings, parent company of Clear Channel, reported second quarter revenues of \$1.49 billion, an increase of 4% from \$1.44 billion in 2009. Operating expenses declined 2%. The company posted a consolidated net loss of \$77.2 million as compared with a loss of \$3.68 billion in the year-ago period. Included in the results are impairment charges of \$4.04 billion and gains of \$440.3 million associated with debt repurchases.

"Our second quarter results reflect the positive impact of the global advertising market recovery combined with the ongoing execution of our strategic plan to maximize our performance and improve profitability across our operations," said President/CEO Mark Mays.

He continued, "During the quarter, we saw improvement in both revenue and profit margins across our radio and outdoor platforms. The fundamentals of our business are clearly improving, as we return to revenue growth and attain the benefits of our cost reduction efforts."

Mays further noted that a result of its restructuring efforts, including the divestiture of non-strategic assets during the past year, the company is now a more "efficient and focused" company. (08-09-10)



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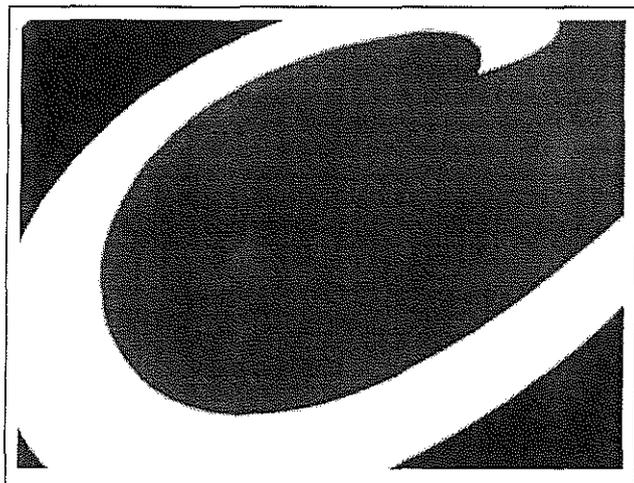
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**CLEAR CHANNEL STOCK BUYBACK**

# Clear Channel stock buyback puzzles Wall Street



11 August, 2010 03:24:00

Monday's announcement that the board of directors at Clear Channel Communications had authorized a stock buyback of up to \$100 million was a surprise to Wall Street. Few details have been offered, but the company says it may buy back shares of the parent company, CC Media Holdings, or the majority owned subsidiary Clear Channel Outdoor, which has its own public stock.

"We were surprised to see the parent company authorize a \$100-million buyback of either CCO or CCMO shares, when clearly there is a substantial amount of discounted debt maturing at the parent company level. Presumably, the parent company will

utilize the buyback to continue to reduce the outstanding equity in CCO, which over time could clarify the capital structure and make it easier for the parent company to benefit from the cash generative nature of its CCO subsidiary," wrote Barclays Capital analyst Anthony DiClemente in trying to explain the buyback move to clients.

While CC Media Holdings, "CCMO," is thinly traded on the "pink sheets" and does not conduct quarterly conference calls, CC Outdoor, "CCO," is an NYSE stock and does conduct analyst conference calls. Try as they might, analysts didn't get much of an explanation from CCO officials about why they're doing the stock buyback, except for Clear Channel CEO Mark Mays saying that the stocks appeared to be undervalued.

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I, Monica King, hereby certify that on this 18th day of August, 2010, a copy of the foregoing "Supplement to Mt. Wilson Reply Comments to Comments of Clear Channel Communications, Inc.." was delivered via first class, U.S. mail, postage prepaid or via e-mail where indicated to the following:

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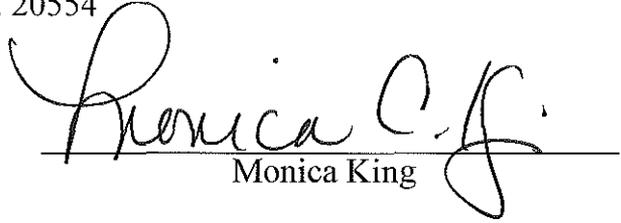
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\*\* VIA E-MAIL