

Radio Giant Picking Up Static
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New York radio listeners love top-rated stations WLTW-FM and Z100 - but these days everyone hates their parent company, radio and live entertainment behemoth Clear Channel Communications.

Call it the Microsoft of the media business: Clear Channel's getting slammed from every different direction as rivals, consumers, record labels, and legislators are shouting that the radio giant wields too much power over everything from ad dollars to concert ticket prices, to choosing which records get played on the radio.

Not a day goes by without another assault on the nation's No. 1 radio chain, whose empire spans more than 1,200 stations and 135 performing stages around the world.

Last week, Clear Channel was hit with an anti-trust suit from rival Spanish Broadcasting, which claims Clear Channel's chief financial officer tried to get underwriters to pull out of Spanish Broadcasting's 1999 public offering.

Meanwhile, the concert business is buzzing about a suit filed by a Denver concert promoter who says he can't get air play for his music acts on Clear Channel stations.

Legislators are pushing the FCC and Department of Justice to probe the radio giant. "They've changed the way the music business works and that's ruffled a lot of feathers," said Jon Friedland of investment firm Porter Felleman.

Clear Channel's taking more heat than its media peers because of its deep concentration in radio. "No one seems to have that much scale in any one space," said media analyst Peter Mirsky of SG Cowen.

Clear Channel spokesman Howard Schacter said, "we're an easy target for scrutiny. What's most important to us is providing consumers what they want to hear on the radio and see on our stages."

But the attacks aren't good for Clear Channel's stock, which fell 19% over the past year. "All this litigation creates concern," Mirsky said.