



OWL ENGINEERING & EMC TEST LABS, INC.

CONSULTING COMMUNICATIONS ENGINEERS · EMC TEST LABORATORIES

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**ENGINEERING STUDY ON BEHALF OF
ANDERSON BROADCASTING COMPANY
POLSON, RONAN, BIGFORK AND ST REGIS, MT
RADIO MARKET ANALYSIS
February 13, 2008**



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NARRATIVE STATEMENT

Owl Engineering, Inc. has been retained by Anderson Broadcasting Company to complete this radio market analysis. This study was completed to determine the number of AM and FM broadcast stations located in the competitive market consisting of four Montana radio stations, KQRK-FM, KERR-AM, KIBG-FM and KHZS-FM in Polson, Ronan, Bigfork and St. Regis respectively. This study analyzes the proposed acquisition of KHZS-FM in St. Regis, MT. Figure 1 shows the market area defined by these stations with the FM station's contours shown in "Red" and the AM contours shown in "Green". As can be seen in Figure 1, KHZS-FM is part of the KIBG-FM, KQRK-FM and KERR-AM market.

To determine which stations are located in a given competitive market, the appropriate principal community coverage contours of all broadcast stations in the vicinity of the market must be calculated and a determination must be made if there exists any overlap of these contours. Each station involved in coverage overlap is included in the market count. The 3.16 mV/m (70 dBu) contour level is utilized when studying overlap of FM stations. The 5 mV/m contour level is utilized when studying overlap of AM stations.

FM STATIONS IN THE MARKET

A comprehensive search of all FM broadcast stations surrounding the defined market area was conducted. The 70 dBu contour for each station was calculated for each of the eight standard 45-degree spaced radials in conjunction with the F(50,50) metric curves of Figure 1 of Section 73.333 of the Commission's Rules. The results of the search are shown in Engineering Figure 2 for the FM stations in the market. The market is defined in "red" and the FM stations are shown in "Green". It was determined that sixteen (16) FM stations serve the defined area market and are listed below

The FM stations are:

KIBG	Bigfork, MT
KHNK	Columbia Falls, MT
KRVO	Columbia Falls, MT
KALS	Kalispell, MT
KBBZ	Kalispell, MT
KDBR	Kalispell, MT
KLKM	Kalispell, MT
KUKL	Kalispell, MT
KSPL	Kalispell, MT
KZMN	Kalispell, MT
KGGL	Missoula, MT
KMSO	Missoula, MT
KYSS	Missoula, MT



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KZOQ	Missoula, MT
KKMT	Pablo, MT
KQRK	Ronan, MT

AM STATIONS IN THE MARKET

A comprehensive search of all AM broadcast stations surrounding the market area was conducted. The 5 mV/m contour for each station was calculated every 5 degrees using the FCC metric curves and M3 map conductivity data. The results of the search are shown in Engineering Figure 3 with the market shown in “red” and the AM stations shown in “Green”. It was determined that six (6) AM stations serve the defined area market and are listed below.

AM Station:	KERR	Polson, MT
	KQJZ	Kalispell, MT
	KGEZ	Kalispell, MT
	KOFI	Kalispell, MT
	KSAM	Whitefish, MT
	KJJR	Whitefish, MT

Based on the above findings, it can be determined that at least a total of twenty-two (22) stations serve the defined market. As a result, Anderson Broadcasting is allowed to own, operate, or control up to 6 commercial radio stations with not more than 4 of which are in the same service pursuant to Rule Section 73.3555. The combination of the AM station: KERR and the FM stations: KHZS, KIBG and KQRK satisfy this limit.

A handwritten signature in black ink that reads "Garrett G. Lysiak". The signature is written in a cursive, flowing style.

Garrett G. Lysiak, P.E.
February 13, 2008

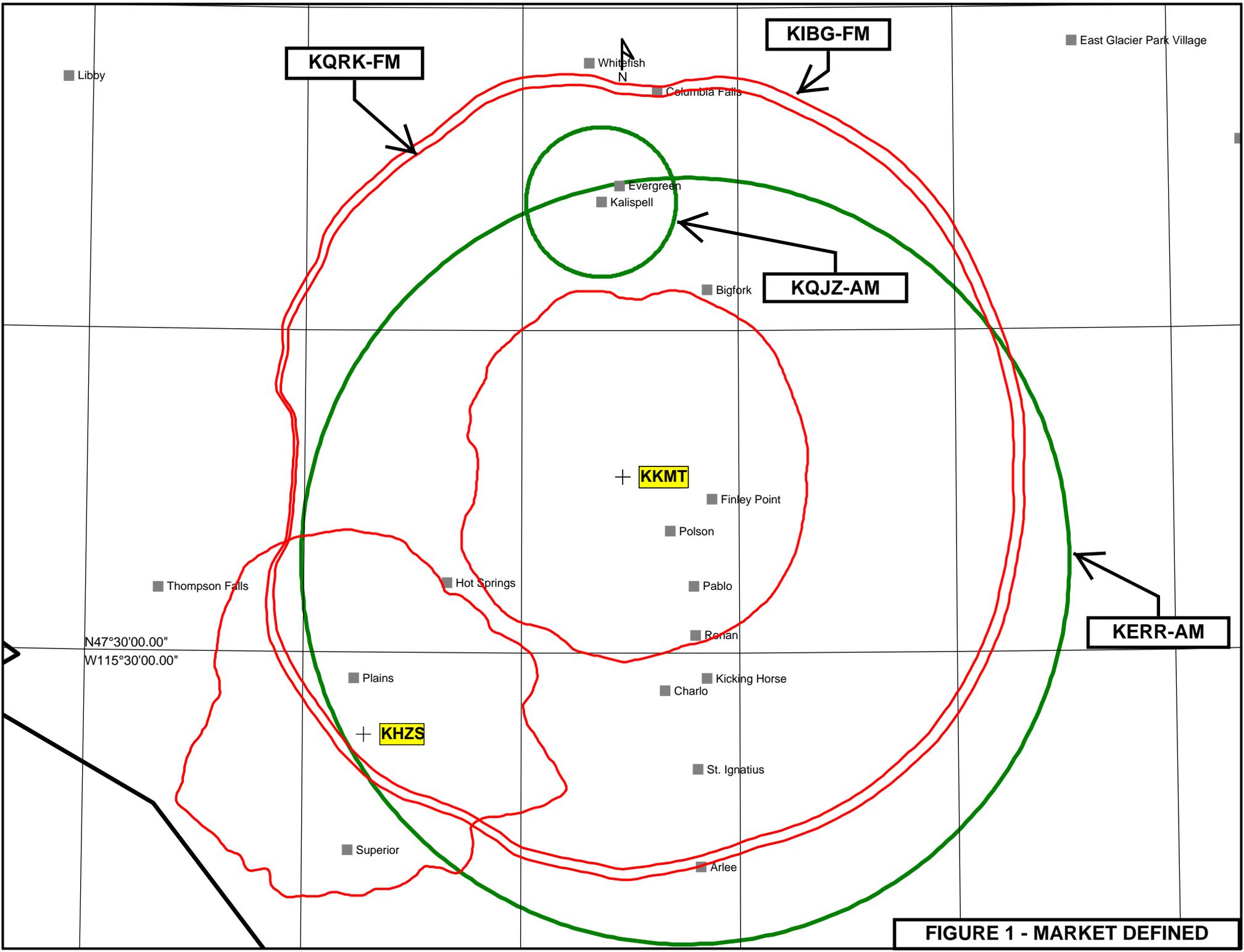


FIGURE 1 - MARKET DEFINED

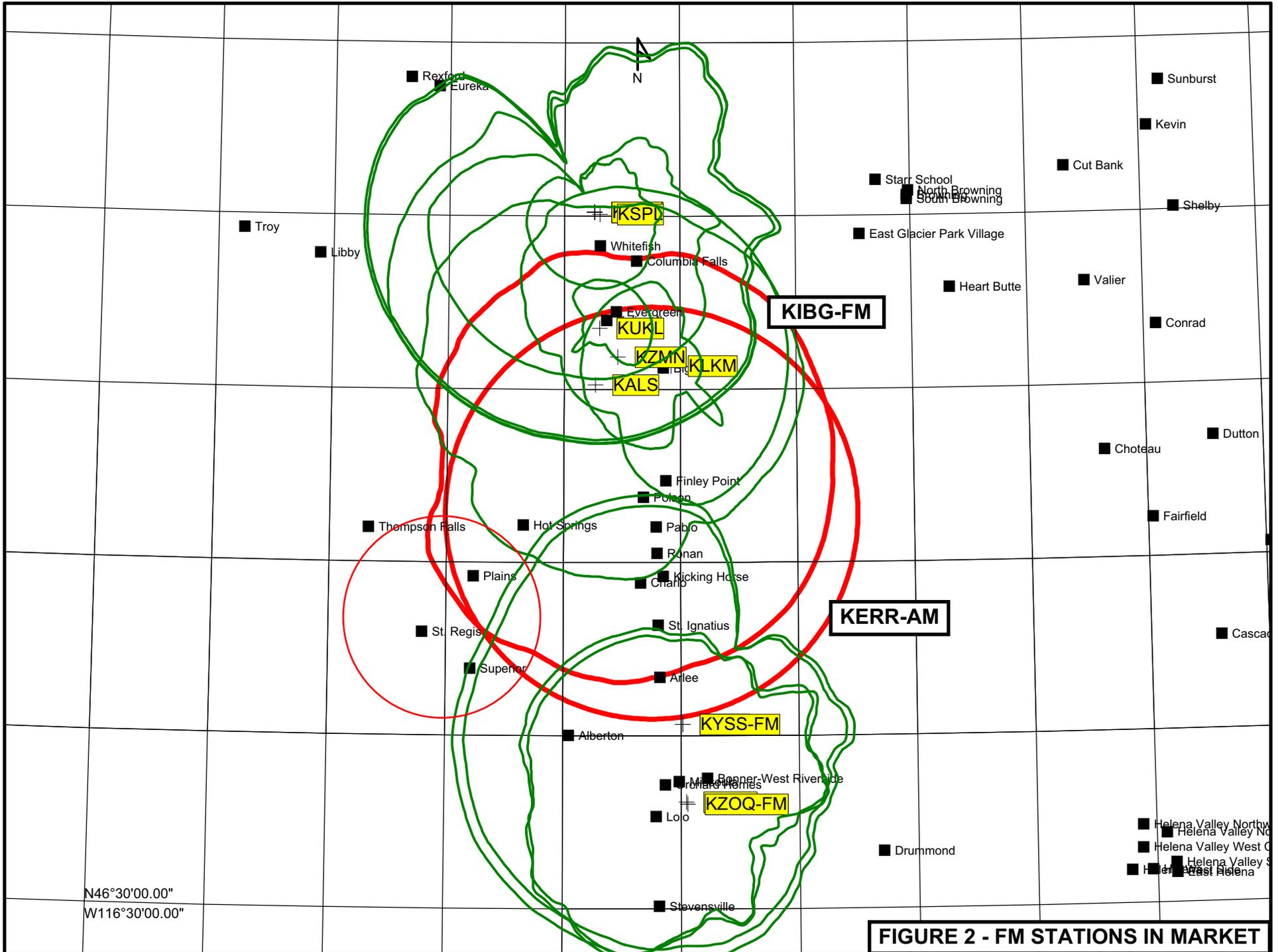


FIGURE 2 - FM STATIONS IN MARKET

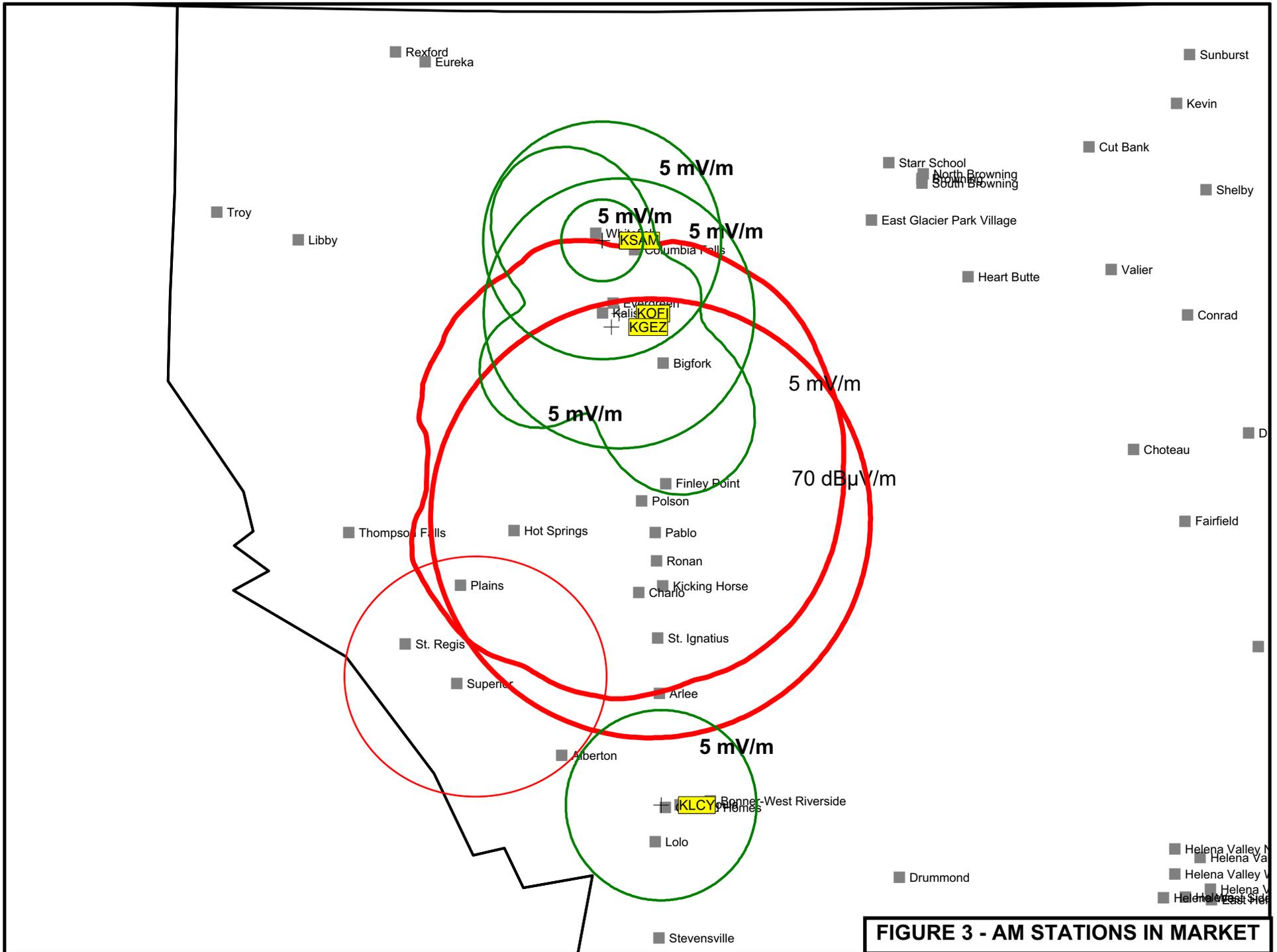


FIGURE 3 - AM STATIONS IN MARKET