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ACME Communications Inc. Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Certainly, sir. (Operator Instructions) And our first question comes from Eric Vonderporten from Leeward Investments, please go ahead.

Eric Vonderporten – Leeward Investments

Thank you; a couple here. On Daily Buzz, can you tell us how it performed with the cash flow for the quarter?

Douglas Gealy

It's pretty transparent actually, Eric. In the press release you'll see the revenues, and in the reconciliation of cash-based operating expenses, you will see the station expenses, so the revenues for the show, net revenues for the show – let me get these numbers for you here – were \$685,000 against show costs, if you will, of \$859,000.

So, we did lose money on the show. It was a smaller loss than we incurred a year ago. The revenues we hope, especially with the clearances Doug has alluded to that we've just gained in New York and have others pending, that will continue to ramp up those revenues as we go through the year.

Thomas Allen

At some times, if I'm not mistaken, but already in the third quarter, we have almost \$100,000 more in the books than we did in second quarter. Second quarter kind of hit a wall until we got to the middle of May.

Eric Vonderporten – Leeward Investments

Are you still hoping or expecting that the Buzz will be cash flow positive for the year?

Thomas Allen

Yes.

Eric Vonderporten – Leeward Investments

Okay, and regarding those station impairments, can you tell us how many stations you impaired?

Douglas Gealy

All but one market.

Eric Vonderporten – Leeward Investments

All but one, okay. Thanks, all. That's all for now.

Operator:

And our next question comes from [Harvey Hannaport] from West Street Capital. Please go ahead.

Harvey Hannaport – West Street Capital

Hello, and thank you for the relatively good results. On the Daily Buzz; I'm sorry, Doug, which station in New York did you say it's going to be picked up on and who owns the station?

Douglas Gealy

It's airing on WVVH, the Hamptons' independent station. I think you can – what system are you on? How do you receive your TV, Harvey?

Harvey Hannaport – West Street Capital

Cable, Comcast.

Douglas Gealy

Comcast, so you're not in New York either, are you?

[Harvey Hannaport] - West Street Capital

No, no I'm not.

Douglas Gealy

Oh never mind, but it's on Cablevision, and it's on Direct, and it's on all the systems out there. It's basically an independent station. There are like four or five of them out there, and kind of have – you can go to their website. It's wvhtv.com, I believe. It's a pretty doggone good website. They have some kind of very forward-looking management up there, and the Buzz is kind of, I guess one of their featured shows, so we're very excited.

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