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Citadel Broadcasting Corporation Q3 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

At this time if you would like to ask an audio question, that is star and the number one using your telephone keypad. We will pause for just a moment to compile the Q&A roster. Our first question will go to the line of Marci Ryvicker.

Marci Ryvicker - Wachovia

Good morning. Farid, can you talk about [unclear] specifically and how your stations are pacing. Are you getting a benefit from political?

Farid Suleman

Sure, I think the pacing is probably down double digits for the quarter, although we started out double digits in October, and we're able to pick some up which was probably due to political. It is just a very difficult environment because of the last-minute nature of how the revenues are coming in as to where we can make a reliable forecast. But pacing is down double digits in revenues right now.

Marci Ryvicker - Wachovia

Do you have any thoughts about 2009?

Farid Suleman

We had expected that CapEx this year would have been somewhere between \$15 million and \$20 million and we've really been able to watch it and it's come in, I think it'll come in, under \$10 million. My guess is that next year it'll be in that same 10 to \$12 million range

Marci Ryvicker - Wachovia

Great, my last question is can you give us any color on the deal between Comcast and ABC Radio networks that was just announced?

Farid Suleman

Sure. One of the challenges in the network is to pick up programming that is targeted to women ages 25 to 54, and this relationship with Comcast, because of all the cable networks that they have that are specifically targeted lines in all the other networks, is to develop programming that will specifically targeted to that demo.

We can't project what the revenue's impact will be, but it's really a good long term relationship to get away from some of the traditional programming that we've historically relied on.

Marci Ryvicker - Wachovia

Thank you

Operator

Your next question will go to Dennis Leibowitz of Act II Partners

Dennis Leibowitz - Act II Partners

I just wanted to ask when you say that you think that the free cash flow of \$120 million could be sustained next year, what kind of environment does that assume as far as revenue declines, I assume, and or growth?

Secondly, you said you expect to be in compliance with the covenants in the fourth quarter. Could you remind us what the covenants are?

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