

# Sale of Raycom expected to help syndicator grow

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The \$732 million sale of the communications company that owns Raycom Inc. will not impact the Charlotte sports syndicator's 80 local employees or affect operations at the East Boulevard headquarters.

Raycom and parent company Ellis Communications Inc. were sold May 14 to a holding company backed by an Alabama retirement fund.

Atlanta-based Ellis Communications, which owns Raycom as well as 12 TV stations and two radio properties, formed Ellis Acquisitions Inc. as a holding company to operate the business. Retirement Systems of Alabama, whose holdings include the seven-course Robert Trent Jones Golf Trail in its home state, is known for its risk-taking investments.

"Now we have a lot of money to put to use," says Rick Ray, founder of Raycom and a board member at Ellis. "This allows us additional room to grow without any major changes."

Ray, who retired as Raycom chief executive last year, says the Ellis deal allows the company to remain privately held. Ellis bought Raycom in 1994.

"I honestly don't think it's going to change anything we do," says Chuck

Steedman, Raycom vice president of events and programming. "We'll just keep trying to get bigger."

Raycom, whose holdings include broadcast rights to Atlantic Coast Conference basketball, generates annual revenue of more than \$100 million.

Ellis nearly sold 80% of Raycom to Liberty Sports Inc. last spring, but the deal collapsed. Bert Ellis, Ellis Communications chief executive, says there are no plans to sell Raycom, but the company is seeking prospective partners and investors.

"We want to grow Raycom just like we want to grow all of our other companies," Ellis says. "Now that we know what our future is, we can put 100% focus on growing and being creative."

Ellis retained Goldman, Sachs & Co. in January to seek potential acquisitions or buyers. Richmond-based Media General Inc., which owns *The Winston-Salem Journal*, is among others who discussed a deal with Ellis.

Officials expect the Ellis deal to gain Federal Communications Commission approval within four months.

Raycom manages seven sporting events, including the Harris Teeter Pepsi Challenge at Charlotte Coliseum, and controls telecasts of more than 200 college basketball games per year.