
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **August 13, 2007**

**Barrington Broadcasting Group LLC
Barrington Broadcasting Capital Corporation**

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

333-140510
(Commission File Number)

20-4841532
20-5172909
(IRS Employer Identification No.)

2500 W. Higgins Road, Suite 155,
Hoffman Estates, Illinois
(Address of principal executive offices)

60169
(Zip Code)

Registrant's telephone number, including area code **(847) 884-1877**

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On August 13, 2007, Barrington Broadcasting Group LLC (the “Company”) issued a press release reporting the financial results for its second quarter ended June 30, 2007 (the “Earnings Announcement”). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1 and is incorporated herein solely for purposes of this Item 2.02 disclosure.

On August 14, 2007, the Company held a conference call to discuss the financial results of the Company for its second quarter ended June 30, 2007 (the “Earnings Call”). A copy of the transcript (the “Transcript”) of the Earnings Call is attached to this Current Report as Exhibit 99.2 and is incorporated herein solely for purposes of this Item 2.02 disclosure. The Transcript has been selectively edited to facilitate the understanding of the information communicated during the Earnings Call.

Item 7.01 Regulation FD Disclosure.

A copy of the Earnings Announcement is being furnished by being attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Earnings Announcement
99.2	Transcript

The information in this Current Report, including the exhibits attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in this Current Report, including the exhibits, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION

By: /s/ Warren Spector
Name: Warren Spector
Title: Chief Financial Officer

Date: August 16, 2007



FOR IMMEDIATE RELEASE

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BARRINGTON REPORTS SECOND QUARTER OPERATING RESULTS

Hoffman Estates, IL, August 13, 2007 — Barrington Broadcasting Group LLC (“Barrington”) announced today its financial results for the three months ended June 30, 2007 and for the six months ended June 30, 2007.

Barrington’s consolidated financial results for the three and six months ended June 30, 2007 are presented below. The financial results for the comparative prior year periods are presented on a pro forma basis as if all acquisitions completed in 2006 were completed on January 1, 2006. Highlights are as follows:

- Gross revenues for the quarter ended June 30, 2007 decreased 1.8% to \$34.2 million from \$34.8 million for the quarter ended June 30, 2006. The decrease was primarily due to decreases in national revenues as well as political revenues. National revenues decreased 6.3%, or \$0.7 million, to \$10.2 million. Political revenues decreased \$1.2 million to \$0.2 million for the quarter ended June 30, 2007. Local revenues increased \$1.1 million, or 5.7%, to \$21.2 million.
 - Net revenues (gross revenues less agency commissions and other direct costs) for the quarter ended June 30, 2007 decreased 2.4% to \$29.1 million from \$29.8 million for the quarter ended June 30, 2006.
 - Operating expenses for the quarter ended June 30, 2007, not including depreciation and amortization, decreased 2.3%, to \$20.2 million from \$20.7 million for the quarter ended June 30, 2006.
 - Broadcast Cash Flow for the quarter ended June 30, 2007 was unchanged at \$10.4 million from the quarter ended June 30, 2006.
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- Gross revenues for the six months ended June 30, 2007 decreased 2.1% to \$64.7 million from \$66.1 million for the six months ended June 30, 2006. The decrease was primarily due to decreases in national revenues as well as political revenues. National revenues decreased 7%, or \$1.4 million, to \$19.2 million. Political revenues decreased \$2 million to \$0.4 million for the six months ended June 30, 2007. Local revenues increased \$2.1 million, or 5.6%, to \$40.3 million.
- Net revenues (gross revenues less agency commissions and other direct costs) for the six months ended June 30, 2007 decreased 2.5% to \$55.1 million from \$56.5 million for the six months ended June 30, 2006.
- Operating expenses for the six months ended June 30, 2007, not including depreciation and amortization, decreased 1.2%, to \$40.5 million from \$41.1 million for the six months ended June 30, 2006.
- Broadcast Cash Flow (as defined herein) for the six months ended June 30, 2007 decreased 2.8% to \$17.3 million from \$17.8 million for the six months ended June 30, 2006.

For more information regarding this financial information, including certain adjustments and assumptions, and a definition of Broadcast Cash Flow, see the attachments to this press release.

Barrington's actual consolidated financial results for the quarter and six months ended June 30, 2007 compared to Barrington's actual consolidated financial results for the quarter and six months ended June 30, 2006, which 2006 results do not include substantially all stations acquired in 2006, are presented below. Highlights include:

- Net revenues for the quarter ended June 30, 2007 increased to \$29.1 million from \$10.7 million for the quarter ended June 30, 2006. Operating expenses, not including depreciation and amortization, increased to \$20.2 million from \$7.7 million for the second quarter of 2006. The increases were primarily due to the stations acquired from Raycom Media, Inc. in August 2006. The results of those stations are not included in the results for the quarter ended June 30, 2006.
- Net revenues for the six months ended June 30, 2007 increased to \$55.1 million from \$19.3 million for the six months ended June 30, 2006. Operating expenses, not including depreciation and amortization, increased to \$40.6 million from \$14.5 million for the six months ended June 30, 2006. The increases were primarily due to the stations acquired from Raycom Media, Inc. in August 2006. The results of those stations are not included in the results for the six months ended June 30, 2006.

K. James Yager, Chief Executive Officer, commented that "while I am generally pleased with growth in our local revenues for the first six months of the year, as well as our cost containment, the national spot revenue environment remains difficult in certain of our markets."

Conference Call

As previously announced, Barrington will host a conference call to discuss its second quarter results at 11:00 AM (EDT) on Tuesday, August 14, 2007. The dial-in information for the earnings call is as follows: 1-800-366-3964. A telephonic replay of the earnings call will be available beginning on August 14, 2007 at 1:00 PM (EDT) and remain available for 30 days. To access the replay, call 1-800-405-2236 (domestic callers) or 1-303-590-3000 (international callers) and enter access code 11095323#.

During the conference call, representatives of Barrington may discuss and answer one or more questions concerning Barrington's business and financial matters. The responses to these questions, as well as other matters discussed during the call, may contain information that has not been previously disclosed.

The information in this press release should be read in conjunction with the financial statements and footnotes contained in Barrington's quarterly report to be filed with the Securities and Exchange Commission.

Non-GAAP Financial Measures

Broadcast Cash Flow, EBITDA and Adjusted EBITDA (each as defined in the attachments to this press release) are non-GAAP financial measures (i.e., they are not measures of financial performance under generally accepted accounting principles) and should not be considered in isolation from or as a substitute for consolidated statements of operations and cash flow data prepared in accordance with GAAP. Broadcast Cash Flow, EBITDA and Adjusted EBITDA, as used herein, are not necessarily comparable to similarly titled measures of other companies. For definitions of and additional information regarding Broadcast Cash Flow, EBITDA and Adjusted EBITDA and a reconciliation of such measures to the most comparable measures calculated in accordance with GAAP, please see the attachments to this press release.

Broadcast Cash Flow, EBITDA and Adjusted EBITDA are measures commonly used by financial analysts in evaluating performance of companies, including broadcast companies. Accordingly, Barrington believes that Broadcast Cash Flow, EBITDA and Adjusted EBITDA may be useful in assessing Barrington's operating performance and its ability to meet its debt service requirements. Barrington also believes that these measures allow a standardized comparison between companies in the broadcast industry, while minimizing the differences from depreciation policies, financial leverage and tax strategies.

About Barrington

Barrington was formed in 2003 to acquire and operate television stations in smaller markets across the United States. Barrington currently owns and operates twenty network affiliated television stations and operates a twenty first station under a local marketing agreement. Barrington is owned and controlled by Pilot Group LP, with management as its partner. Pilot Group LP is a non-traditional private investment firm founded in 2003 by a group of operating executives who actively help its management partners achieve their goals.

Forward Looking Statements

The statements in this press release that are not historical facts are forward-looking statements that are subject to material risks and uncertainties. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results or developments may differ materially from those in the forward-looking statements as a result of various factors. These risks and uncertainties include, but are not limited to, uncertainties relating to Barrington's significant amount of debt, Barrington's ability to maintain its network affiliations, Barrington's ability to generate advertising revenues, cyclical or other trends in advertising spending, the regulatory environment for Barrington's industry, competition in Barrington's markets and Barrington's ability to integrate the acquisition of television stations from Raycom Media, Inc. and certain of its subsidiaries and achieve certain cost savings. Barrington does not undertake to update any forward-looking statements in this press release or with respect to matters described herein. Barrington's results for the quarter ended June 30, 2007 are subject to the completion and filing with the Securities and Exchange Commission of its Quarterly Report on Form 10-Q for such period.

For further information, contact:

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Barrington Broadcasting
Financial Information
Quarter Ended June 30, 2007 and June 30, 2006

(Dollars in thousands)	Three Months Ended		Six Months Ended	
	("Unaudited")		("Unaudited")	
	6/30/07	Pro forma(1) 6/30/06	6/30/07	Pro forma(1) 6/30/06
Statement of Operations Data:				
Net revenue	\$ 29,066	\$ 29,795	\$ 55,071	\$ 56,479
Expenses:				
Operating(2)	18,918	19,387	38,088	38,598
Depreciation and amortization	7,503	7,527	15,332	14,924
Corporate	1,297	1,297	2,457	2,457
Total Operating Expenses	27,718	28,211	55,877	55,979
Income (loss) from operations	1,348	1,584	(806)	500
Total net interest expense	6,679	6,954	13,179	13,512
Other expense	—	—	—	—
Loss before income taxes	(5,331)	(5,370)	(13,985)	(13,012)
Income tax expense (benefit)(3)	(224)	(15)	(229)	100
Net loss	<u>\$ (5,107)</u>	<u>\$ (5,355)</u>	<u>\$ (13,756)</u>	<u>\$ (13,112)</u>

Balance Sheet Data:

Cash and cash equivalents	<u>\$ 2,106</u>
Total long-term debt, including current portions(4)	<u>\$ 274,826</u>

- (1) Pro forma consolidated financial data is based on Barrington's historical unaudited consolidated financial results for the three and six month periods ended June 30, 2006 adjusted to give effect to the following events as if each had occurred on January 1, 2006: (i) Barrington's acquisition of WPDE and a local marketing agreement for WWMB in February 2006; (ii) Barrington's acquisition of substantially all the assets of twelve stations owned by Raycom Media, Inc. and certain of its subsidiaries; (iii) Barrington Broadcasting and Barrington Capital Corporation's offering of \$125.0 million aggregate principal amount of their 10½ % Senior Subordinated Notes due 2014; (iv) the repayment of Barrington's old credit facilities; (v) borrowings under Barrington's new credit facility; (vi) Barrington's guarantees of SagamoreHill of Carolina, LLC's and SagamoreHill of Carolina Licenses, LLC's term loan; (vii) a \$60.5 million capital contribution by Barrington's equity sponsor and (viii) the payment of fees and expenses related to the foregoing.
- (2) Includes selling, technical, programming (including amortization of program broadcast rights), general and administrative expenses.
- (3) Since Barrington is a limited liability company, federal taxes are passed through to its members and as such no provision has been made for federal income taxes. Income tax expense includes various state tax liabilities.
- (4) Includes Barrington's guarantees of indebtedness of SagamoreHill of Carolina, LLC and SagamoreHill of Carolina Licenses, LLC.

Barrington Broadcasting
Financial Information
Quarter Ended June 30, 2007 and June 30, 2006

(Dollars in thousands)	Three Months Ended		Six Months Ended	
	("Unaudited")		("Unaudited")	
	6/30/07	Pro forma(1) 6/30/06	6/30/07	Pro forma(1) 6/30/06
Reconciliation of EBITDA:				
Net (loss)	\$ (5,107)	\$ (5,355)	\$ (13,756)	\$ (13,112)
Total net interest expense	6,679	6,954	13,179	13,512
Income tax expense(benefit)(3)	(224)	(15)	(229)	100
Depreciation and amortization	7,503	7,527	15,332	14,924
EBITDA(5)	<u>\$ 8,851</u>	<u>\$ 9,111</u>	<u>\$ 14,526</u>	<u>\$ 15,424</u>

(5) EBITDA is defined as net income (loss) before provision (benefit) for income taxes, interest expense, depreciation and amortization (excluding amortization of program rights and network revenues). EBITDA is a measure commonly used by financial analysts in evaluating operating performance of companies. Accordingly, management believes that EBITDA may be useful in assessing our operating performance and our ability to meet our debt service requirements.

(Dollars in thousands)	Three Months Ended		Six Months Ended	
	("Unaudited")		("Unaudited")	
	6/30/07	Pro forma(1) 6/30/06	6/30/07	Pro forma(1) 6/30/06
Reconciliation of Adjusted EBITDA:				
EBITDA	\$ 8,851	\$ 9,111	\$ 14,526	\$ 15,424
Amortization of program broadcast rights	1,217	1,335	2,465	2,499
Program broadcast rights payments	(1,132)	(1,322)	(2,327)	(2,626)
Amortization of network revenues(6)	(203)	(135)	(442)	(256)
Cash payments from networks	383	113	646	329
Adjusted EBITDA(7)	<u>\$ 9,116</u>	<u>\$ 9,102</u>	<u>\$ 14,868</u>	<u>\$ 15,370</u>

(6) Represents revenues from networks which were deferred and amortized over the length of the respective network affiliation agreements.

(7) Adjusted EBITDA is defined as EBITDA before the provision for amortization of program and broadcast rights, network revenues, other non-cash charges, gains or losses on dispositions of assets and other non-recurring items and after program broadcast rights payments and payments from networks. Certain financial covenants in Barrington's facility contain ratios based on Adjusted EBITDA and the restricted payment and debt incurrence covenants in the indenture governing Barrington's senior subordinated notes are based on Adjusted EBITDA. In addition, management believes that Adjusted EBITDA may be useful in assessing our operating performance and our ability to meet our debt service requirements because Adjusted EBITDA, as opposed to EBITDA, more accurately reflects our operating performance as it takes into account industry specific adjustments such as amortization of program broadcast rights, program broadcast rights payments, amortization of network revenues, cash payments from networks, as well as gains and losses on dispositions of assets and other non-recurring items.

Barrington Broadcasting
Financial Information
Quarter Ended June 30, 2007 and June 30, 2006

	Three Months Ended		Six Months Ended	
(Dollars in thousands)	("Unaudited")		("Unaudited")	
	6/30/07	Pro forma(1) 6/30/06	6/30/07	Pro forma(1) 6/30/06

Reconciliation of Broadcast Cash Flow:

Adjusted EBITDA	\$ 9,116	\$ 9,102	\$ 14,868	\$ 15,370
Corporate overhead costs	1,297	1,297	2,457	2,457
Broadcast Cash Flow(8)	\$ 10,413	\$ 10,399	\$ 17,325	\$ 17,827

(8) Broadcast Cash Flow is defined as Adjusted EBITDA before provision for corporate overhead costs. Broadcast Cash Flow is a measure commonly used by financial analysts in evaluating operating performance of broadcast companies. Accordingly, management believes that Broadcast Cash Flow may be useful in assessing our operating performance and our ability to meet our debt service requirements.

BARRINGTON BROADCASTING GROUP, #11095323
Second Quarter Earnings Conference
August 14, 2007, 10:00 a.m. ET

Operator Good morning, ladies and gentlemen. Thank you for standing by. Welcome to the Barrington Broadcasting Group's second quarter 2007 earnings conference call. During today's presentation, all parties will be in a listen-only mode and following the presentation the conference will be open for questions. If you have a question, please press the star key followed by the number one key on your touchtone phone. If you would like to withdraw your question, please press the star key followed by the number two key. If you're using speaker equipment you will need to lift the handset before making your selection. This conference is being recorded today, Tuesday, August 14, 2007.

I would now like to turn the conference over to Mr. Jim Yager, Chief Executive Officer. Please go ahead, sir.

J. Yager Thank you and good morning. Before we begin I'd like to remind you that certain statements made during this conference call which are not based on historical facts may be deemed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements. Such factors include those risks described in Exhibit 99.1 to the quarterly report. All information is current as of the date of this call and the company undertakes no duty to update this information.

With me this morning are Warren Spector, our Chief Financial Officer, and Chris Cornelius, our Chief Operating Officer.

Today we will cover our actual results for the three months ended June 30 2007 as well as results for the six months ended June 30, 2007 as compared on a proforma basis for our original Barrington stations and the Raycom stations we acquired in August 2006. In addition, we'll bring you up-to-date on the progress we are making in local sales, local news and the internet at all our stations.

On a comparable basis the combined Barrington Raycom stations' gross revenue in the second quarter of 2007 were down 1.8% to \$34.2 million from \$34.8 million for the quarter ended June 30, 2006. The decrease was primarily due to decreases in national and political revenues. National revenues were down 6.3% or \$700,000 to \$10.2 million. Political revenues decreased \$1.2 million to \$200,000 for the quarter. Local revenues on the

other hand, increased \$1.1 million or 5.7% to \$21.2 million during the quarter.

Operating expenses for the quarter ended June 30, 2007, not including depreciation and amortization, decreased 2.3% to \$20.2 million from the quarter ended June 30, 2006.

Broadcast cash flow for the second quarter of 2007 was unchanged at \$10.4 million from the second quarter of 2006.

At this point, I'd like ask Warren Spector to review in more detail our actual second quarter results for Barrington and proforma results for Barrington plus Raycom on a six month and three month basis ending June 30, 2007. Warren?

W. Spector

Thank you, Jim. The 10-Q that will be filed later today with the SEC will include results for the stations that Barrington owned and operated during its three and six months ended June 30, 2007 and June 30, 2006 reporting periods. Therefore the results from the three and six months ended June 30, 2006 do not include results for stations that were acquired from Raycom in August 2006 and include results from the Myrtle Beach stations acquired in early February 2006. That is the primary reason that you will find large increases in revenues and expenses for the three and six month periods ended June 30, 2007 versus 2006.

I'm going to focus in on the actual results for the quarter and six months ended June 30, 2007 to the results, on a pro forma basis, for the three and six months ended June 30, 2006 as if all acquisitions completed in 2006 were completed on January 1, 2006.

As Jim stated earlier, gross revenues for the second quarter decreased 1.8% to \$34.2 million from \$34.8 million for the same period a year ago, primarily due to decrease in political revenues of \$1.2 million and a decrease in national revenues of \$700,000 or 6.3% for the quarter. Jim also stated that local revenues increased \$1.1 million or 5.7% for the quarter to \$21.2 million.

Net revenues for the quarter decreased 2.4% to \$29.1 million from \$29.8 million for the second quarter in 2006.

Operating expenses for the quarter, as Jim stated earlier, not including depreciation and amortization decreased approximately \$500,000 or 2.3% to \$20.2 million due primarily to decreases in film payments and programming and production expenses.

Broadcast cash flow for the quarter was unchanged at \$10.4 million.

For the six month period, gross revenues decreased 2.1% to \$64.7 million from \$66.1 million for the six months ended June 30, 2006. The decrease was primarily due to a decrease in political revenues of \$2 million as well as a decrease in national revenues of \$1.4 million or 7% to \$19.2 million. Local revenues increased \$2.1 million for the 6 month period or 5.6% to \$40.3 million.

Net revenues for the six month period decreased 2.5% to \$55.1 million from \$56.5 million for the same period in 2006.

Operating expenses for the 6 month period ended June 30, 2007, not including depreciation and amortization, decreased \$0.5 million or 1.2%, again primarily due to decreases in film payments and programming and production expenses.

Broadcast cash flow for the six months ended June 30, 2007 decreased 2.8% to \$17.3 million from \$17.8 million for the six months ended June 30, 2006.

With that, I'll turn it back over to Jim.

J. Yager

Thanks, Warren. As mentioned at the start of the call, we continue to focus all of our stations on growing their local sales, local news programming as well as their internet initiatives. To bring you up to date on our progress in that regard, I'd like to turn the call over at this point to Chris Cornelius, our Chief Operating Officer. Chris?

C. Cornelius

Thanks, Jim. Here's an update from our last call. The final piece of our news room automation project, the robotic cameras, have been installed at four of the Raycom stations and this completes our project on schedule and meets all of our pro forma targets.

As part of our strategy to build a strong local news presence in our markets, we have expanded local news at several of our stations. The stations acquired from Raycom in Colorado Springs, and Columbia, South Carolina, both brought news in-house and both stations are doing an hour of local news in prime time and three hours of local news in the morning. Both stations' prime time newscasts have had great rating success in the last three rating periods and the addition of the morning news offers a great local alternative to the morning network news programs.

Also, WFXL in Albany, Georgia added a half an hour of local news at 6:30 p.m. and by using existing resources they did it without adding any additional costs. WEYI in Flint, Michigan added a 7:00 p.m. news at a duopolized CW affiliate and in September at our NBC affiliate in Traverse City, Michigan we'll add another half hour of local news in the morning coming straight out of the *Today Show*.

We believe adding all of this valuable local news inventory strongly positions us with local news consumers and advertisers especially as we enter a political year.

In Toledo, WNWO is moving its hour long 5:00 p.m. news block to 7:00 p.m. This program shift gives the news consumer a newscast that will better fit a busy lifestyle, gives the station a counter-programming advantage as well as more commercial inventory in the valuable prime access day part.

Also, Barrington has developed an online business directory to vigorously compete with Yellow Pages. This product resides on the station's website and gives the local advertiser the potential to tie their on-air strategy to an online component that more fully delivers information to potential customers. This product will be fully rolled out at all of our stations by the end of October.

Finally, the 2008 planning process begins in earnest in the next few weeks. The stations have already begun to utilize our new traffic system to model the increased demand expected from a busy political cycle and we expect 2008 to be busy. Jim?

J. Yager

Thank you, Chris. As a company we remain committed to a strategy of first building a strong local news presence in all of our markets. As Chris mentioned, in three Raycom station markets we have already increased local news.

In Columbia, South Carolina and Colorado Springs we are now producing 3.5 hours more of news per day, Monday through Friday, than the stations aired under Raycom ownership.

In Albany, Georgia we have added a 30 minute daily newscast and next week we move a one hour news block in Toledo to the 7:00 to 8:00 p.m. Monday through Friday time period.

We also believe our strategy of developing strong local sales departments and implementing cost savings initiatives at each of our stations irrespective of market size has been effective in the first half of 2007. We remain committed to maintaining a deep and talented management team at the department level in our individual stations.

As I mentioned in our last call, we have replaced general managers at two of the acquired stations and required and hired new news directors at five of the twelve Raycom stations and the vice president of our internet division came from our corporate programming area here in Chicago. In that regard our strategy remains to use the power of television to build traffic to our stations' internet sites, which as Chris said, are focused on their local communities and developing a unique way to connect local on-air advertisers to local

consumers.

We believe our basic strategy is working at all Barrington stations and remain excited about the future and potential of Barrington and commercial over-the-air broadcast television, particularly in small markets.

Now, let's open the phones to questions.

Operator Thank you, sir. We will now begin the question and answer session. As a remainder if you have a question, please press the star key followed by the number one key on your touchtone phone. If you would like to withdraw your question, please press the star key followed by the number two key. And if you're using speaker equipment, you will need to lift the handset before making your selection.

Our first question comes from the line of Stephen Weiss with Bank of America. Please go ahead.

S. Weiss Hi, Good morning.

Management Good morning, Steve.

S. Weiss A couple questions. First, I just wanted to ask you, you did a very good job again on the cost side, down 2.3% for the quarter. I guess the question is how much longer do you think expenses can grow at this moderate rate or decline?

J. Yager I would say certainly for the balance of this year. It's interesting to note that we added all of these news costs, I mean the 3.5 hours in both Columbia and Colorado Springs which were increased costs over the first quarter or second quarter of last year. But I think we will maintain our level of expenditures. We developed I think pretty good budget disciplines at all of our stations. (I hope that's not too forward looking, Warren)

S. Weiss So a couple more quarters and then maybe moving back toward an inflationary type growth again?

J. Yager We certainly hope not. We hope we can maintain a level of expenditures through the automation procedures that we've done through the centralization of traffic and we think we can do some more kinds of central type things. We've already inner connected our station in Columbia, South Carolina with our station in Myrtle Beach so we can share news back and forth.

We think there are a number of things we can do without affecting the product or the delivery of the product to keep the cost in line as we go forward.

S. Weiss Okay, very good. In your markets are you seeing a wide disparity in the performance of your markets by region? In other words, how different is the Midwest from the Southeast at this point?

J. Yager The Midwest is really not that much different, but we do have a couple of markets that were heavily automotive type markets, both in Flint/Saginaw and in Toledo. They're both NBC affiliates I might add, which are probably taking a little bit harder hits than any of our other markets particularly on the national basis.

S. Weiss Okay and then on the M&A front, obviously there's been a lot of assets transacted recently, some more maybe to come if the markets calm down. Any thoughts on the size of the company at this point relative to where you want it to be?

J. Yager Stephen, we think we took an awful big bite last August when we acquired those twelve Raycom stations. We're just now getting our hands around those stations. We would love to have a couple more duopolies but there's an awful lot of product out in the market right now that we've just kind of passed on.

S. Weiss So theoretically you don't even think you'd be ready to take on additional inventory at this point?

J. Yager Not at this point. We have no ... again if the right duopoly situation came to our attention, we might be talking to our Pilot friends very seriously about those.

S. Weiss Got it. Last question then I'll turn it over. Can you explain a little bit more about the online directory product you mentioned? How does that exactly tie in on a business standpoint?

J. Yager Chris.

C. Cornelius The online directory is a searchable function directory that we've populated with anywhere from 8,000 to 15,000 businesses in each one of our local marketplaces and each one of these businesses has an opportunity to upgrade a listing to provide more robust information about their own business and if they're an on-air advertiser.

 The directory component can be sold individually or it can be sold in conjunction with an on-air schedule in which we put a unique icon in the corner of the commercial spot, promote the fact that that icon represents more information available on the web and direct consumers to the web product for more information about that advertiser. In the markets we've rolled this out in, we're beginning to get some reasonably good traction with

this concept.

- S. Weiss So the on-air ad will direct people to the directory site on your website or it takes them right to their website?
- C. Cornelius It first comes to our directory and then goes to their website.
- J. Yager We want all of the users to come first to our site before they branch out.
- C. Cornelius And these directory listings are really more like micro websites and it gives us an opportunity to create a unique URL for those small businesses that don't have websites so it's an interesting concept that seems to be gaining some traction.
- S. Weiss Okay, very good. Thank you.
- Operator Thank you. Our next question comes from the line of Bishop Cheen with Wachovia. Please go ahead.
- B. Cheen Good morning, Jim, Chris, Warren. How are you doing?
- Management Good morning, Bishop.
- B. Cheen Okay. A couple of follow ups. We know that political is huge every 2 years and your goal has been to try to replace as much as you can by new business, by maybe the online directory, etc. There's roughly ... it looks to me give or take, you would like to replace as much as incrementally \$10 million more this year, if I've got that right, \$10 or \$12 million. How much do you think you're going to be able to replace by developing new business and enhancing local, etc.? I know that national is not helping you out.
- J. Yager I'm going to let Warren take that.
- W. Spector Bishop, as you can see from the results, we've really focused on trying to replace it with a local focus and local initiatives within our markets. That's one reason why you see results as they are. That's why local has been up over 5% for the quarter and for the year. The predominant part of our business is local and that's where our focus is.
- There are a number of programs we've put in place and Chris can speak to some of those, but we've really tried to focus on local.
- C. Cornelius Bishop, we've beefed up our local staff. We've separated the transactional, regional business out of their hands and had them focus primarily on developing local business. We've implemented several programs that have generated significant amounts of new direct local business in each one of our marketplaces.

I think we just have to continue the momentum of converting competitive media advertisers to TV. There's a lot of money being spent in these marketplaces that's not being spent on television, but it's being spent locally. We just have to continue to train our people to get better at converting that money to television.

B. Cheen Understood. The Auto category, do you have a feel for how much auto is down this year overall?

J. Yager I wish I could tell you we're down. You've got to remember, our size markets don't always swing with where your major market reporters may swing. We are actually up a little bit in terms of our auto industry business in the first half of the year.

C. Cornelius Through the first half we're up 5.7%. I can tell you that our large automotive dealer groups are down in most of our markets, but we have a couple of growth markets that offset some of that, Arlington, Texas, Myrtle Beach and Columbia, South Carolina, where these guys are on fire. We have great support in the other marketplaces in developing that local dealer business on the local level. We've worked real hard to continue to try to replace that market.

B. Cheen So net/net anything that you count as "auto" business you're up 5.7% overall?

Management That's correct.

J. Yager The auto category includes the manufacturer's money, the dealer group money and the individual dealer monies in all of our markets.

B. Cheen Right, no, that's the ballgame. Alright and the digital transition: (A) do you still in your heart of hearts believe it's going to take place in February of '09; and (B) how ready are you for the digital transition? How much more do you need to spend to be ready?

J. Yager Let me answer the second part of your question first. We are there for the digital transition. We have a few little tweaking things, but I don't think our total cost will be much more than a couple hundred thousand dollars.

W. Spector Let me just say I think there are three or four channel allocations that we're going to change next year with a minor amount of cost, but other than that we've completed all our costs.

B. Cheen Great.

J. Yager From that perspective, Bishop, I can only say in terms of ... let me put my

NAB hat on for a minute. As you know the NAB is working very diligently to make the February 17th date in 2009 a reality. It is the position of broadcasters that we have led this transition. We've had little support from manufacturers. We've had little support from cable. We've had little support even from the FCC in terms of the billions of dollars broadcasters have set forth to convert their signals to digital.

We still have a lot of hurdles to jump and by those hurdles I'm talking about include is cable going to carry both a down converted digital signal to analog to some 50 million homes that don't have anything but an analog set in them and they've got a cable connection, but those are second, third, fourth and fifth sets.

How is a subsidy program going to work? I mean NTIA is supposed to be administering that program in every home. Every owner of any home that applies first will get a \$40 certificate and you can get two per home which means that Warren and Chris can get two certificates, but because they'll be first, they'll get a converter box but it doesn't have anything to do with income, it doesn't have anything to do with anything and there's only a \$1.5 billion in that program.

The digital transition is something we are working on very, very hard. There's no point in trying to educate the public on what's going to happen until we have converter boxes and you can't go into Best Buy tomorrow and try to buy a converter box that's not a TiVo or some kind of DVD set up.

We are watching it very, very carefully. We're ready. The question I have is are the other industries that have to be part of this ready.

- B. Cheen Yeah, it is high drama for sure. One last question and I'll roll on. How many markets overall do you have the online business directory rolled out in?
- C. Cornelius We've got it rolled out in approximately 7 markets right now and we'll roll them out over the rest of the year.
- B. Cheen You can give me the call letters of a station that has it on its website?
- C. Cornelius Just go look at KRCG if you want an example of what the directory looks like. Columbia, Missouri.
- B. Cheen Okay, very good. Thank you guys.
- Management Thank you.
- Operator Thank you. There are no further questions at this time. Mr. Yager, I'll turn it back to you for any closing remarks.

J. Yager

Thank you. And thank you for those questions, both Stephen and Bishop. Again thank you for joining us for the call and with that we'll conclude. I'll have our operator give you the call-in number. Vince, if you'd take over, I'll let you do that.

Operator

Ladies and gentlemen, this concludes the Barrington Broadcasting Company second quarter 2007 earnings conference call. If you would like to listen to a replay of today's conference, please dial 800-405-2236 or 303-590-3000 using the access code 11095323 followed by the pound sign.

ACT would like to thank you for your participation. You may now disconnect.