

CURRENT REPORT

of

BARRINGTON BROADCASTING GROUP LLC BARRINGTON BROADCASTING CAPITAL CORPORATION

November 14, 2008

Pursuant to Section 4.3(a) of the Indenture, dated as of August 11, 2006, as supplemented by the Supplemental Indenture, dated as of March 19, 2008, by and among Barrington Broadcasting Group LLC, a Delaware limited liability company (“Barrington Group”), Barrington Broadcasting Capital Corporation, a Delaware corporation (“Barrington Capital”), U.S. Bank National Association, as trustee, and the guarantors named therein, relating to the 10½% Senior Subordinated Notes due 2014 (the “Notes”), Barrington Group and Barrington Capital are furnishing the information contained herein to holders of the Notes.

Earnings Release for Three and Nine Months Ended September 30, 2008

On November 14, 2008, Barrington Group issued a press release reporting its financial results for the three and nine months ended September 30, 2008 (the “Earnings Announcement”). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1.

Transcript of Earnings Call


On November 17, 2008, Barrington Group held a conference call to discuss its financial results for the three and nine months ended September 30, 2008. A copy of the transcript (the “Transcript”) of the call is attached to this Current Report as Exhibit 99.2. The Transcript has been selectively edited to facilitate the understanding of the information communicated during the conference call.

SIGNATURES

Pursuant to the requirements of Section 4.3(a) of the Indenture, Barrington Group and Barrington Capital have duly caused this Current Report to be signed on their behalf by the undersigned thereunto duly authorized.

November 19, 2008

BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION



Name: Warren Spector
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(Principal Financial Officer)



FOR IMMEDIATE RELEASE

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BARRINGTON REPORTS THIRD QUARTER OPERATING RESULTS

Hoffman Estates, IL, November 14, 2008 – Barrington Broadcasting Group LLC (“Barrington”) announced today its financial results for the three months ended September 30, 2008 and for the nine months ended September 30, 2008. Results for the three and nine months include results of WGTU and WGTQ, stations that Barrington programs and to which it provides support services, beginning April 1, 2008, the date Tucker Broadcasting of Traverse City, Inc. completed the acquisition of these stations (the “Acquired Stations”). Highlights are as follows:

- Gross revenues for the quarter ended September 30, 2008 increased 13.3% to \$35.9 million from \$31.7 million for the quarter ended September 30, 2007. Excluding results of the Acquired Stations, gross revenues increased \$3.4 million, or 10.8%, to \$35.1 million. The increase was primarily due to an increase in political revenues of \$3.8 million to \$4 million. Local revenues increased \$0.2 million, or 1.0%, to \$19.9 million. National revenues decreased \$0.6 million, or 6.3%, to \$8.7 million for the quarter ended September 30, 2008.
- Net revenues (gross revenues less agency commissions and other direct costs) for the quarter ended September 30, 2008 increased \$3.5 million, or 13%, to \$30.6 million from \$27.1 million for the quarter ended September 30, 2007. Excluding results of the Acquired Stations, net revenues increased \$2.9 million, or 10.5%, to \$30 million.
- Operating expenses for the quarter ended September 30, 2008, not including depreciation and amortization and an impairment of intangible assets and goodwill, were unchanged at \$20.6 million. Excluding results of the Acquired Stations, operating expenses decreased \$0.5 million, or 2.3%, to \$20.1 million, primarily as a result of reduced salaries and wages as a result of the workforce reduction that was substantially completed in the second quarter of 2008.
- Broadcast Cash Flow (as defined herein) for the quarter ended September 30, 2008 increased 45.2% to \$11.4 million from \$7.8 million for the quarter ended September 30, 2007. Excluding results of the Acquired Stations, Broadcast Cash Flow increased 42.9% to \$11.2 million.
- Gross revenues for the nine months ended September 30, 2008 increased 5.6% to \$101.7 million from \$96.2 million for the nine months ended September 30, 2007. Excluding results of the Acquired Stations, gross revenues increased \$3.8 million, or 3.9%, to \$100 million for the period. The increase was primarily due to an increase in political revenue of \$5.7 million to \$6.3 million. Local revenues were flat at \$60.1 million. National revenues decreased \$2.4 million, or 8.6%, to \$26 million.
- Net revenues (gross revenues less agency commissions and other direct costs) for the nine months ended September 30, 2008 increased \$4.7 million, or 5.7%, to \$86.8 million from \$82.2 million for the nine months ended September 30, 2007. Not including results of the Acquired Stations, net revenues increased \$3.2 million, or 3.9%, to \$85.4 million.

- Operating expenses for the nine months ended September 30, 2008, not including depreciation and amortization and an impairment of intangible assets and goodwill, increased 4.3%, or \$2.6 million, to \$63.7 million from \$61.1 million for the nine months ended September 30, 2007. Excluding results of the Acquired Stations, operating expenses increased \$1.6 million, or 2.6%, primarily as a result of increased website sales and development costs of \$1.0 million, as well as severance costs of \$.7 million related to the workforce reduction initiated and substantially completed in the second quarter.
- Broadcast Cash Flow for the nine months ended September 30, 2008 increased 11.9% to \$28.1 million from \$25.1 million for the nine months ended September 30, 2007. Excluding results of the Acquired Stations, Broadcast Cash Flow increased 10.1% to \$27.7 million.

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

“In the third quarter Barrington benefitted from year over year incremental revenues associated with the political season and the Olympics, which helped to offset some of the negative impact from weak regional and national advertising revenues. In this economic environment we remain very focused on our transition to a more efficient cost structure by constantly optimizing station-level operations”, said K. James Yager, Chief Executive Officer of Barrington Broadcasting.

Impairment of Intangible Assets

As required by SFAS 142 “Goodwill and Other Intangible Assets”, in addition to the required annual test, Barrington tests the impairment of its broadcast licenses and goodwill whenever events or changes in circumstances indicate that such assets might be impaired. During the quarter Barrington determined that an interim impairment analysis was required due to unfavorable business conditions, a reduction in value of television stations, and the decline of advertising revenues. This testing resulted in a \$18.5 million non-cash impairment charge for the quarter ended September 30, 2008.

Conference Call

As previously announced, Barrington will host a conference call to discuss its third quarter results at 11:00 AM (ET) on Monday, November 17, 2008. The dial-in information for the earnings call is as follows: 1-800-257-2101. A telephonic replay of the earnings call will be available beginning on November 17, 2008 at 1:00 PM (ET) and remain available for 30 days. To access the replay, call 1-800-405-2236 (domestic callers) or 303-590-3000 (international callers) and enter access code 11121728#.

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.

Quarterly Report

The information in this press release should be read in conjunction with the financial statements and footnotes thereto contained in Barrington's quarterly report for the quarter ended September 30, 2008 which will be posted on Barrington's website (www.barringtontv.com) on November 14, 2008. Barrington's results for the quarter ended September 30, 2008 are subject to the completion of its quarterly report for such period.

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, operates, or supports the operations of twenty three network affiliated television stations. Barrington is owned and controlled by Pilot Group, with management as its partner. Pilot Group 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. Such factors include those risks described from time to time in Barrington's quarterly reports and annual reports which are furnished pursuant to the Indenture dated as of August 11, 2006, by and among Barrington, Barrington Broadcasting Capital Corporation, the guarantors named therein and U.S. Bank National Association, as trustee, as amended, and which are posted on Barrington's website. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Barrington does not undertake to update any forward-looking statements in this press release or with respect to matters described herein.

Barrington Broadcasting Group LLC
Consolidated Financial Information
Three Months and Nine Months Ended September 30, 2008 and September 30, 2007

(Dollars in thousands)	Three Months Ended		Nine Months Ended	
	9/30/2008	9/30/2007	9/30/2008	9/30/2007
Statement of Operations Data: ⁽¹⁾				
Net revenue	\$ 30,641	\$ 27,111	\$ 86,835	\$ 82,182
Expenses:				
Operating ⁽²⁾	19,423	19,428	59,504	57,517
Depreciation and amortization	7,297	6,902	20,476	22,234
Impairment of intangible assets and goodwill	18,523	-	18,523	-
Corporate	1,159	1,124	4,233	3,581
Total Operating Expenses	46,402	27,454	102,736	83,332
Loss from operations	(15,761)	(343)	(15,901)	(1,150)
Total net interest expense	6,938	6,742	19,554	19,921
Non-operating expense (income) ⁽³⁾	-	-	(472)	-
Loss before income taxes	(22,699)	(7,085)	(34,983)	(21,071)
Income tax expense (benefit) ⁽⁴⁾	79	97	223	(132)
Net loss	\$ (22,778)	\$ (7,182)	\$ (35,206)	\$ (20,939)

Other Financial Data:

EBITDA ⁽⁵⁾	\$ 10,186	\$ 6,559	\$ 24,556	\$ 21,084
Adjusted EBITDA ⁽⁶⁾	10,250	6,696	24,613	21,563
Broadcast Cash Flow ⁽⁷⁾	11,355	7,820	28,148	25,144

Balance Sheet Data:

Cash and cash equivalents	\$ 3,380
Total long-term debt, including current portions ⁽⁸⁾	\$ 286,366

(1) Statement of operations data is based on Barrington's historical unaudited consolidated financial results for the three months and nine months ended September 30, 2008 and September 30, 2007, and includes the results of operations of Tucker Broadcasting of Traverse City, Inc. ("Tucker") beginning April 1, 2008, the date Tucker completed the acquisition of stations WGTU and WGTQ. Barrington programs these stations pursuant to a joint sales agreement with Tucker and also provides support services to these stations pursuant to a shared services agreement with Tucker. Tucker is consolidated with Barrington since it is considered a variable interest entity.

(2) Includes selling, technical, programming (including amortization of program broadcast rights) and general and administrative expenses. Also includes the net operating expenses in connection with Barrington's investment in joint ventures.

(3) Consists of gain on the exchange of fixed assets with Nextel.

(4) 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 refunds and liabilities.

Barrington Broadcasting Group LLC
Consolidated Financial Information
Three Months and Nine Months Ended September 30, 2008 and September 30, 2007

(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 Barrington's operating performance and Barrington's ability to meet its debt service requirements. A reconciliation of EBITDA to net loss is provided below.

(Dollars in thousands)	Three Months Ended		Nine Months Ended	
	9/30/08	9/30/07	9/30/08	9/30/07
Reconciliation of EBITDA:				
Net loss	\$ (22,778)	\$ (7,182)	\$ (35,206)	\$ (20,939)
Total net interest expense	6,938	6,742	19,554	19,921
Income tax expense (benefit) ^(a)	79	97	223	(132)
Depreciation and amortization	7,297	6,902	20,476	22,234
Other adjustments ^(b)	18,650	-	19,509	-
EBITDA	\$ 10,186	\$ 6,559	\$ 24,556	\$ 21,084

(a) 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 refunds and liabilities.

(b) Consists of gain on the exchange of fixed assets with Nextel of \$472, as well as fees associated with the consent solicitation of \$53 and \$697 for the three and nine months ended September 30, 2008, respectively. Also includes separation costs of \$74 and \$761 recorded during the three and nine months ended September 30, 2008 related to a workforce reduction initiated in April 2008. In addition, an impairment charge related to FCC licenses and goodwill of \$18,523 was recorded during the three months ended September 30, 2008.

(6) 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 credit 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 Barrington's operating performance and Barrington's ability to meet its debt service requirements because Adjusted EBITDA, as opposed to EBITDA, more accurately reflects Barrington's 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. A reconciliation of Adjusted EBITDA to EBITDA is provided below.

(Dollars in thousands)	Three Months Ended		Nine Months Ended	
	9/30/08	9/30/07	9/30/08	9/30/07
Reconciliation of Adjusted EBITDA:				
EBITDA	\$ 10,186	\$ 6,559	\$ 24,556	\$ 21,084
Amortization of program broadcast rights	1,254	1,305	3,559	3,771
Program broadcast rights payments	(1,201)	(1,191)	(3,544)	(3,519)
Amortization of network revenues ^(a)	(58)	(235)	(273)	(659)
Cash payments from networks	69	258	315	886
Adjusted EBITDA	\$ 10,250	\$ 6,696	\$ 24,613	\$ 21,563

(a) Represents net amounts due from networks which were deferred and amortized over the length of the respective network affiliation agreements.

Barrington Broadcasting Group LLC
Consolidated Financial Information
Three Months and Nine Months Ended September 30, 2008 and September 30, 2007

(7) 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 Barrington's operating performance and Barrington's ability to meet its debt service requirements. A reconciliation of Broadcast Cash Flow to Adjusted EBITDA is presented below.

(Dollars in thousands)	Three Months Ended		Nine Months Ended	
	9/30/08	9/30/07	9/30/08	9/30/07
Reconciliation of Broadcast Cash Flow:				
Adjusted EBITDA	\$ 10,250	\$ 6,696	\$ 24,613	\$ 21,563
Corporate overhead costs ^(a)	1,105	1,124	3,535	3,581
Broadcast Cash Flow	\$ 11,355	\$ 7,820	\$ 28,148	\$ 25,144

(a) Corporate overhead costs were reduced by fees incurred in relation to the consent solicitation of \$53 and \$697 for the three months and nine months ended September 30, 2008, respectively, and already included as an adjustment in Adjusted EBITDA

(8) Includes (i) Barrington's guarantee of indebtedness of SagamoreHill of Carolina, LLC and SagamoreHill of Carolina Licenses, LLC, licensee of station WWMB (Barrington programs WWMB pursuant to a local marketing agreement), (ii) Barrington's guarantee of, and other credit support with respect to, Tucker's \$7 million of term loans and (iii) Tucker's \$3.3 million convertible subordinated note.

For further information, contact:

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**BARRINGTON BROADCASTING GROUP LLC #11121728
BARRINGTON BROADCASTING THIRD QUARTER RESULTS
November 17, 2008, 11:00 AM ET
Chairperson: Jim Yager (Mgmt.)**

Operator: Ladies and gentlemen thank you for standing by. Welcome to the third quarter earnings conference call. During today's presentation all parties will be on a listen-only mode. Following the presentation the conference will be open for questions. If you have a question, please press the star followed by the one on your touchtone phone. If you'd like to withdraw your question please press the star followed by the two. If you are using speaker equipment, please lift your handset before making your selection. This conference is being recorded today Monday, November 17th of 2008. I would now like to turn the conference over to Jim Yager, CEO of Barrington. Please go ahead sir.

Jim Yager: Thank you. Good morning. I am Jim Yager, Chief Executive Officer of Barrington Broadcasting and I'd like to welcome you to Barrington Broadcasting's third quarter 2008 earnings call.

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 September 30, 2008 as compared to the third quarter of 2007, as well as our results for the first nine months ending September 30 of this year compared to the results of the first nine months of 2007.

Results for the three and nine months ended September 30, 2008 include results of WGTU and WGTQ, stations that Barrington began providing programming and support services to on April 1st, 2008, the date Tucker Broadcasting of Traverse City Inc. completed the acquisition of these stations.

Gross revenues for the quarter ended September 30, 2008 increased 13.3% to \$35.9 million from \$31.7 million for the quarter ended September 30, 2007. Excluding results of WGTU and WGTQ for the quarter, gross revenues increased \$3.4 million, or 10.8%, to \$35.1 million. The increase was primarily due to an increase in political revenues of \$3.8 million to a total of \$4 million. Local revenues increased 200,000 or 1%, to \$19.9 million. National revenues were down 6.3%, or \$600,000 to \$8.7 million. Operating expenses for the quarter ended September 30, 2008, not including depreciation and amortization, and an impairment charge, were unchanged in the same period as last year at \$20.6 million. Excluding results of WGTU and WGTQ, operating expenses decreased \$500,000 or 2.3 percent, to \$20.1 million, primarily as a result of reduced salaries and wages as a result of the workforce reduction initiated substantially completed during the second quarter of 2008.

Broadcast Cash Flow for the quarter ended September 30, 2008 increased 45.2% to \$11.4 million from \$7.8 million for the quarter ended September 30, 2007. Excluding results of the WGTU and WGTQ, Broadcast Cash Flow increased 42.9% to \$11.2 million.

Now, our CFO, Warren Spector, will review in more detail our actual third quarter results as well as our results for the first nine months of the year. Warren.

Warren Spector:

Thank you Jim. The 10-Q that was filed last night on Barrington's website includes results for the quarter and nine months ended September 30, 2008. Those results include the results and balance sheet of Tucker Broadcasting which includes the result of stations WGTU and WGTQ in Traverse City, Michigan that were acquired by Tucker Broadcasting on April 1st, 2008. Barrington includes Tucker's balance sheet and results since Tucker is considered a variable rate entity.

In order to look at comparable results for the quarter and nine months, I'll report on those periods, not including the results for Tucker for those periods although the results are not material.

As Jim mentioned earlier Gross revenues increased \$3.4 million, or 10.8%, to \$35.1 million. The increase was primarily due to an increase in political revenues of \$3.8 million to \$4 million. Local revenues increased \$0.2 million, or 1.0%, to \$19.9 million. National revenues decreased \$0.6 million, or 6.3%, to \$8.7 million for the quarter ended September 30, 2008

Net revenues for the quarter increased \$2.9 million, or 10.5%, to \$30 million from \$27.1 million for the quarter ended September 30, 2007.

Operating expenses for the quarter, not including depreciation and amortization, and an impairment charge to broadcast licenses and goodwill, decreased 2.3%, or \$0.5 million, to \$20.1 million primarily as a result of expenses related to the workforce reduction that was substantially completed in the 2nd quarter of 2008.

Broadcast Cash Flow for the quarter increased 42.9% to \$11.2 million from \$7.8 million for the quarter ended September 30, 2007.

Gross revenues for the nine months ended September 30, 2008 increased \$3.8 million, or 3.9%, to \$100 million for the period. The increase was primarily due to an increase in political revenue of \$5.7 million to \$6.3 million. Local revenues were unchanged at \$60.1 million while National revenues decreased \$2.4 million, or 8.6%, to \$26 million.

Net revenues for the nine months ended September 30, 2008 increased \$3.2 million, or 3.9%, to \$85.4 million.

Operating expenses for the nine months ended September 30, 2008, not including depreciation and amortization and the impairment charge to broadcast licenses and goodwill, increased \$1.6 million, or 2.6%, to \$62.7 million, primarily as a result of severance costs of \$.7 million related to the workforce reduction mentioned earlier as well as increased website sales and development costs of \$1.0 million.

Broadcast Cash Flow for the nine months ended September 30, 2008 increased 10.1% to \$27.7 million from \$25.1 million for the nine months ended September 30, 2007.

We mentioned an Impairment Charge and during the 3rd quarter Barrington tested to determine whether there was any impairment of its broadcast licenses and goodwill due to unfavorable business conditions and credit markets. The testing resulted in a non-cash impairment charge of \$18.5 million.

Jim, I'll turn it back over to you.

Jim Yager:

Thank you, Warren. As we have mentioned in previous calls, our primary operating objective at all of our stations is to grow truly local revenues and monetize our internet initiatives. In addition, we continue to take steps to improve operating efficiencies at all of our stations through cost reductions. To bring you up to date on our progress in that regard, I'm going to turn the call over at this point to Chris Cornelius, our Chief Operating Officer.

Chris Cornelius:

Thanks Jim. I'll start with a quick breakdown of third quarter revenues, and then a couple of comments on efficiencies and costs. On a same station basis Barrington's 2008 third quarter local direct revenues increased 6.2% to 5.6 million over the same period in 2007. 2008 third quarter local and retail agency revenues decreased 1.6% to 14.76 million versus the same period in '07.

Barrington's national revenues decreased 6.3% to 8.7 million versus the same period in '07. Political, however, added 4 million bucks [ph] pushing the total time revenues up 11.1%.

Our positive local performance is a result of a strategy we implemented over a year ago. The strategy was designed to better handle negotiated local agency and regional business as well as create a stronger focus on developing local direct business through competitive media conversion. Each station's sales staff has been divided into two teams with specific responsibilities. The market development team is responsible for agency negotiations and end-market merchandising and the local retail development team is responsible for developing new business. We believe we're on the right track with this structure when we compare our local growth versus the 454 stations reporting their third quarter results to TVB. As Warren mentioned earlier, Barrington's third quarter 2008 local revenues were up 1% third quarter 2008; the TVB average was down 5.5%.

Barrington continues to be aggressive in the national marketplace and our stations have done a great job in protecting their market share. Our managers are making local contacts with national clients and they're merchandising the stations with buyers and planners and working to influence national spending on a local basis.

The third quarter automotive spending was down 20 to 50% depending on the market. We have no confidence it will bounce back any time soon. But in anticipating that slowdown our transactional teams have begun developing new national revenues through co-op plans, they're having discussions with large metro area advertisers, discussions with colleges and educational institutions that are out of the market and large regional medical centers.

Barrington's year to date internet revenue growth is also outpacing the third quarter TVB average. Barrington grew 102% over '07 versus 21.9% for the combined TVB group.

On the operating side we continue to look for efficiencies. As Jim mentioned in our second quarter call, we were able to reduce head count by 8%. We've continued to evaluate and restructure our news and technical operations which has, or will, result in another 4% reduction in station populations by the end of this year. News is the backbone of our local identity and profitability. Barrington is focused on building stronger news margins through a proprietary top-line strategy and new ways to gather and produce news with fewer people. Recently FOX and NBC announced an agreement to pool news resources in an effort to save costs on commodity news coverage. Earlier this year Barrington initiated news pooling discussions with several of our markets and we've begun testing the concept for a couple of months in one market. We think we can expand the concept into most of our markets and this could extend them to other areas of our operations also.

Finally, I'll finish with retransmission consent. Warren has been leading the negotiations on our retrans agreements. In third quarter he successfully completed agreements with two of our providers including a group deal

with DISH and he's in discussions with all major operators in almost all of our markets. We feel confident he'll be successful in getting fairly compensated for our signals. Jim.

Jim Yager:

Thanks, Chris. In conclusion, we remain committed to a strategy of developing strong, local sales departments and implementing cost savings initiatives while improving operating efficiencies at each of our stations, irrespective of their market size. We also remain committed to maintain a deep and talented management team at both the corporate level and I might add, a management team at the station level, that fully supports the changes we have made in re-engineering our operations from the traditional way we have done business in the past. As a result of re-engineering, as Chris mentioned, was an 8% reduction in our overall workforce in the second quarter of 2008 and a 4% reduction in staffing this quarter. I should add that we have not reduced the number of hours of news or the quality of our news at any of our stations as a result of these staff reductions.

On August 31 of last year we entered into a transaction to acquire the assets of WGTU and WGTQ, the ABC and CW affiliates in Traverse City, Michigan and simultaneously assigned our rights under that agreement to Tucker Broadcasting. We have a series of agreements with Tucker to manage the station as of March 31 of this year, the date the transaction was completed. This arrangement with Tucker gives us the benefits of a duopoly in the Traverse City, Michigan market and brings us to a total of five markets where we are operating virtual duopolies.

And finally, we continue to focus on driving our broadcasting and interactive revenues, local initiatives in all of our markets. We continue to believe this basic strategy remains sound even in the softening national advertising economy.

Now let's open the phones to questions.

Operator:

Ladies and gentlemen, we will now begin the Question and Answer Session. As a reminder, if you have a question please press the star followed by the one on your touchtone phone. If you would like to withdraw your question, please press the star followed by the two. If you are using speaker equipment you will need to lift your handset before making your selection. And our first question comes from the line of Bishop Cheen with Wachovia. Please go ahead.

Bishop Cheen:

Hi, thanks. Hi Jim, Warren, Chris. Thanks for the detailed update. I have a couple of questions. Let me just billboard them for you. An obvious one with the covenant step-down, if you can give us some color on where you are to rectify your credit ratios as per the credit facility. And then I want to just get a beat again on the number of homes duplicated and unduplicated we're talking about. It helps us to keep in mind the upsides for retrans. Lastly, on your internet initiatives, if you can just give us kind of a feel for what percentage of your revenue does, just the internet, not

retrans, contribute and whether it actually generates positive cash flow.

Jim Yager: Okay. Let's start with the covenant question and Warren I'll let you handle that.

Warren Spector: As we disclosed in the Q, we have had discussions with our bank, and we do have a cure available, our equity sponsor has a cure available to cure any defaults that we have and we continue to pursue each avenue. When the time comes, with our equity sponsor we'll decide which road we're going to go down.

Bishop Cheen: Okay. But again, just as a reminder for everyone, we're doing the math on an average eighth quarter trailing EBITDA basis, correct? When we do the EBITDA?

Warren Spector: That is absolutely correct, Bishop.

Bishop Cheen: And of the 286 and change I think 3.5 or 3.4 million, is that include the equity sponsor note to Tucker?

Warren Spector: That is correct.

Bishop Cheen: Okay. People can do their own math on let's say the missing equitization is in the capital structure. Okay. Moving toward retrans, can you remind us again when we think of Barrington how many, in terms of broadband negotiable homes, how many are duplicated and unduplicated.

Warren Spector: I believe that there are in excess of about 2.2 million homes that are available.

Bishop Cheen: Okay, and that is unduplicated, that's-

Warren Spector: That is unduplicated.

Bishop Cheen: Right. And then when you duplicate that there's some sort of magic number in there, but-

Warren Spector: There is, and I believe it gets to about 2.7, 2.8 million.

Bishop Cheen: That is very helpful. And then last, on the web, I mean everybody needs to be doing it because it's a marvelous tool, but I often wonder about the contribution to profitability at this stage.

Jim Yager: Well, let me say that we have been in the startup stage on Barrington Interactive primarily this year. We brought somebody in at the very beginning of the year who is an experienced interactive veteran from IB where he handled some major market internet startups and we, unlike a lot of our friends in the business, decided we would do our own internet kind of content management here out of Chicago for all of our stations. We are now geared up on that and we are beginning to monetize that. We have some very ambitious goals. We have sales departments at each of our

stations with dedicated interactive media reps and we are controlling those here out of Chicago.

Bishop Cheen: It sounds like Chris's fingerprints are all over that.

Chris Cornelius: You better believe they're all over that.

Jim Yager: Quite honestly, so are mine and so are Warren's. We think this is the way to go.

Bishop Cheen: So, for lack of a better word, it's nascent, it's new, you're kind of getting it as you go.

Jim Yager: Warren will scold me for saying this. But we look at 2009 as the year we'll probably come out of the development phase on this.

Bishop Cheen: Okay. So in 2010 we can look at it and say, okay here's the contribution of our web to our top-line and to our EBITDA, and actually have it mean something.

Warren Spector: Bishop, we hope we have the issue of it becoming materially enough where we actually break it out.

Bishop Cheen: Okay. That is very helpful. I will pass it along. Thank you guys.

Operator: Thank you. Ladies and gentlemen, if there are any additional questions at this time, please press the star followed by the one. As a reminder, if you are using speaker equipment you will need to lift your handset before making your selection. Our next question comes from the line of Simon Yuan with MJX Asset Management. Please go ahead.

Simon Yuan: Hi. My question has been answered. Thank you.

Operator: Our next question comes from the line of Michael Plancey with Credit Suisse. Please go ahead.

Michael Plancey: Hi. Could you just comment on what percentage of the total homes in your markets were covered by the two retrans agreements that were completed in the third quarter.

Warren Spector: This was a group deal and you don't disclose the number of households as we're bound by confidentiality agreements.

Michael Plancey: Is it a small percentage, medium?

Warren Spector: We don't disclose that. And the other one we didn't disclose either. I can't disclose that. Any further questions?

Operator: At this time there are no further questions in the queue, I'd like to turn the call back over to management. Oh – we have a question from the line of Lisa Piker with Hartford Investment Management. Please go ahead.

Lisa Piker: Hi. I was just wondering, do you have the ability to buy back bonds in the open market?

Warren Spector: We do not have that ability, Lisa.

Lisa Piker: Okay. You have to get permission from your lenders to do that.

Warren Spector: Yes, we would.

Lisa Piker: Okay, thank you.

Warren Spector: Thank you.

Operator: At this time there are no questions in the queue, you may continue.

Jim Yager: Thank you, again, for joining us for this third quarter call. We will be talking to you when we have fourth quarter results early in 2009. So thank you very much.

Operator: Ladies and gentlemen, this concludes the third quarter earnings conference call. If you would like to relisten to a replay of today's conference, please dial 303-590-3000 or 800-405-2236 with the access code of 11121728#. We thank you for your participation and you may now disconnect.

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