WESTWOOD ONE INC /DE/
Form DEF 14A
June 11, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. _____)

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

WESTWOOD ONE, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Dear Stockholders:

Enclosed with this letter is a Proxy Statement and proxy card for the Annual Meeting of Stockholders of Westwood One, Inc. (the Company or Westwood) to be held on July 30, 2010 at 8:00 a.m., Pacific Time, at the Company s offices located at 8965 Lindblade Street, Culver City, CA 90232-2689. A copy of the Company s Annual Report on Form 10-K for the year ended December 31, 2009, which report contains consolidated financial statements and other information of interest with respect to the Company and its stockholders is also included with this mailing. Those of you who are receiving this document as part of the annual meeting package should note that the enclosed copy of our Form 10-K for the year ended December 31, 2009 is being provided as our most recent annual report. Due to the time between the filing of the 10-K and this proxy statement, the most current information about our directors and named executive officers is contained in this proxy statement.

The purpose of the Annual Meeting is for the holders of common stock to elect four Class I directors, to elect three Class II directors and to approve the Company s 2010 Equity Compensation Plan and to consider and act upon such other business as may properly come before the meeting.

IT IS IMPORTANT THAT YOU MARK, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE PROVIDED POSTAGE-PAID ENVELOPE IF YOU DO NOT INTEND TO BE PRESENT AT THE MEETING. IF YOU DO LATER DECIDE TO ATTEND, YOUR PROXY WILL AUTOMATICALLY BE REVOKED IF YOU VOTE IN PERSON. ACCORDINGLY, YOU ARE URGED TO MARK, SIGN, DATE AND RETURN THE PROXY CARD NOW IN ORDER TO ENSURE THAT YOUR SHARES ARE REPRESENTED AT THE MEETING.

We appreciate your continued support.

Sincerely,

WESTWOOD ONE, INC.

Norman J. Pattiz

Chairman of the Board

June 11, 2010

1166 Avenue of the Americas, 10th Floor
New York, NY 10036

Proxy Statement

GENERAL

This proxy statement (first mailed to stockholders on or about June 14, 2010) is furnished in connection with the solicitation of proxies by Westwood One, Inc., a Delaware corporation (the Company or Westwood), for use at the Annual Meeting of Stockholders of the Company to be held on July 30, 2010 at 8:00 a.m., Pacific Time, at the Company s offices located at 8965 Lindblade Street, Culver City, CA 90232-2689, and any adjournments thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders.

The Company s Annual Report on Form 10-K for the year ended December 31, 2009, including consolidated financial statements and other information, accompanies this proxy statement but does not form a part of the proxy soliciting material.

ABOUT THE MEETING

What is the purpose of the annual meeting?

At our annual meeting, stockholders will act upon the matters outlined in the Notice of Annual Meeting of Stockholders accompanying this proxy statement, including the election of Class I and Class II directors, approval of the Company s 2010 Equity Compensation Plan and such other business as may properly come before the meeting. In addition, management will report on the performance of the Company during 2009 and respond to questions from stockholders.

Who is entitled to vote at the meeting?

Only stockholders of record at the close of business on June 10, 2010, the record date for the meeting, are entitled to receive notice of and to participate in the annual meeting. If you were a stockholder of record on that date, you will be entitled to vote all of the shares that you held on that date at the meeting, or any postponements or adjournments of the meeting. As of the record date, there were 20,544,473 shares of common stock of the Company outstanding, excluding treasury shares.

What are the voting rights of holders of the Company s Common Stock?

Under the Company s certificate of incorporation, each holder of outstanding common stock is entitled to cast one (1) vote for each share of common stock held by such holder. Our common stock is publicly traded. Holders of common stock will not have any rights of appraisal or similar dissenter s rights with respect to any matter to be acted upon at the annual meeting.

Who can attend the meeting?

All stockholders as of the record date, or their duly appointed proxies, may attend the meeting. If you attend, please note that cameras, recording devices and other electronic devices will not be permitted at the meeting.

Please also note that if you hold your shares in street name (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date in order to gain entrance.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of the aggregate voting power of the common stock will constitute a quorum, permitting the stockholders to take action on those matters.

Proxies received but marked as abstentions and broker non-votes will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining a quorum.

How do I vote?

If you complete and properly sign and date the accompanying proxy card and return it to the Company, it will be voted as you direct. If you are a registered stockholder and attend the meeting, you may deliver your completed proxy card in person. Street name stockholders who wish to vote at the meeting will need to obtain a proxy form from the institution that holds their shares.

Can I change my vote after I return my proxy card?

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised by filing with the Secretary of the Company either a notice of revocation or a duly executed proxy bearing a later date. In addition, the powers of the proxy holders will be suspended if you attend the meeting in person and vote, although attendance at the meeting will not by itself revoke a previously granted proxy.

What are the Board of Director s recommendations?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors (the Board or Board of Directors). The Board s recommendation is set forth together with the description of each item in this proxy statement. In summary, the Board recommends a vote:

- **FOR** the election of the nominated Class I directors;
- **FOR** the election of the nominated Class II directors; and
- **FOR** the approval of the Company s 2010 Equity Compensation Plan.

Management is not aware of any matters, other than those specified above, that will be presented for action at the annual meeting, but if any other matters do properly come before the meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is given, at their discretion.

What vote is required to approve each item?

The affirmative vote of a majority of the votes represented in person or by proxy at the meeting and entitled to be cast will be required to approve each such matter. A properly executed proxy marked WITHHOLD AUTHORITY with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum. A properly executed proxy marked ABSTAIN with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the effect of a negative vote.

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some or all of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such broker non-votes will, however, be counted in determining whether there is a quorum.

What is beneficial ownership?

Beneficial ownership has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act). Under Rule 13d-3, certain shares may be deemed to be beneficially owned by more than one person (such as where persons share voting power or investment power). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage of ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of such acquisition rights. As a result, the percentage of outstanding shares of any person as shown in the following table does not necessarily reflect the person s actual voting power at any particular date. Information included herein for persons who beneficially own more than 5% of our common stock is based on information contained in the most recent Schedule 13D/13G filings and other filings made by such persons with the Securities and Exchange Commission (the SEC) as well as other information made available to the Company.

How much stock do the Company s 5% stockholders own?

The following table shows the amount of the common stock beneficially owned (unless otherwise indicated) by our largest stockholders (those who own more than 5% of the outstanding class of shares). Except as otherwise indicated, the business address for each of the following persons is 1166 Avenue of the Americas, 10th Floor, New York, New York 10036. Except as otherwise indicated in the footnotes to the table or in cases where community property laws apply, we believe that each person identified in the table possesses sole voting and investment power over all shares of common stock shown as beneficially owned by the person. For purposes of calculating the percentage ownership of each large stockholder, the Company used ownership holdings as of June 10, 2010. On such date, there were 20,544,473 shares of common stock outstanding. The shares listed below reflect a 200 for 1 reverse stock split that occurred on August 3, 2009.

5% Holders	Aggregate Number of Shares Beneficially Owned (1) Common Stock	
Name of Beneficial Owner	Number	Percent
Gores Radio Holdings, LLC (2)	15,257,506	74.3%

(1) The person in the table has sole voting and investment power with respects to all shares of stock indicated above, unless otherwise indicated. Tabular information listed above is based on information contained in the most recent Schedule 13D/13G

filings and other filings made by such person with the SEC as well as other information made available to the Company.

(2) Gores Radio Holdings, LLC (Gores Radio) is managed by The Gores Group, LLC. Gores Capital Partners II, L.P. and Gores Co-Invest Partnership II, L.P. (collectively, the Gores Funds) are members of Gores Radio. Each of the members of Gores Radio has the right to receive dividends from, or proceeds from, the sale of investments by Gores Radio, including the shares of common stock, in accordance with their membership interests in Gores Radio. Gores Capital Advisors II, LLC (Gores Advisors) is the general partner of the Gores Funds. Alec E. Gores is the manager of The Gores Group, LLC. Each of the members of Gores Advisors (including The Gores Group, LLC and its members) has the right to receive

dividends from, or proceeds from, the sale of investments by the Gores Entities, including the shares of common stock, in accordance with their membership interests in Gores Advisors. Under applicable law, certain of these individuals and their respective spouses may be deemed to be beneficial owners having indirect ownership of the securities owned of record by Gores Radio by virtue of such status. Each of the foregoing entities and the partners, managers and members thereof disclaim ownership of all shares reported herein in excess of their pecuniary interests, if any.

How much stock does the Company s management, specifically named executive officers and directors, own?
The following table shows the amount of the common stock beneficially owned (unless otherwise indicated) by members of our management team, which include the current named executive officers named in the Summary Compensation Table, our directors, and our directors and executive officers as a group. For purposes of calculating the percentage ownership of each large stockholder, the Company used ownership holdings as of June 10, 2010. On such date, there were 20,544,473 shares of common stock outstanding. The shares listed below reflect a 200 for 1 reverse stock split that occurred on August 3, 2009. All numbers presented below include all shares which would be vested on, or exercisable by, a holder as of August 9, 2010, as beneficial ownership is deemed to include securities that a holder has the right to acquire within 60 days.

Named Executive Officers and Directors	Aggregate Number of Shares Beneficially Owned (1) Common Stock	
Name of Beneficial Owner	Number	Percent (1)
NAMED EXECUTIVE OFFICERS:		
Roderick Sherwood (2)	7,500	*
David Hillman (3)	1,024	*
Steven Kalin	2,208	*
Gary Schonfeld	916	*
DIRECTORS AND NOMINEES:		
Andrew P. Bronstein (2)		*
Jonathan I. Gimbel (2)		*
Scott M. Honour (2)		*
H. Melvin Ming (4)	1,004	*
Michael F. Nold (2)		*
Emanuel Nunez (4)	1,367	*
Joseph P. Page (2)		*
Norman J. Pattiz (4) (5)	6,599	*
Mark Stone (2)		*
Ronald W. Wuensch		*
All Current Directors and Executive Officers as a Group (15 persons)	21,768	*

* Represents less than 1% of the Company s outstanding shares of common stock.

(1) The persons in the table have sole voting and investment power with respects to all shares of common stock, unless otherwise indicated. The

numbers presented above do not include unvested and/or deferred RSUs which have no voting rights until shares are distributed in accordance with their terms. All dividend equivalents on vested RSUs and shares of restricted stock (both vested and unvested) are included in the numbers reported above. As described elsewhere in this proxy statement, a holder of restricted stock only (i.e., not RSUs) is entitled to vote the restricted shares once it has been awarded such shares. Accordingly, all restricted shares that have been awarded, whether or not vested, are reported in this table of beneficial ownership, even though a holder will not receive such shares until vesting. This is not the case with RSUs or stock options that are not deemed beneficially owned until 60 days prior to vesting.

(2)

Each of Messrs. Bronstein, Gimbel, Honour, Nold, Page, Sherwood and Stone disclaims beneficial ownership of the securities of the Company owned by Gores Radio, except to the extent of any pecuniary interest therein.

(3) Includes 968 vested and unexercised options granted under the 1999 Stock Incentive Plan (the 1999 Plan) and 2005 Equity Compensation Plan (2005 Plan) and 54 unvested shares of restricted stock (including dividend equivalents) granted under the 2005 Plan. Includes 2 shares of common stock held in the Company 401(k) account.

(4) Represents vested RSUs granted under the 2005 Plan. Does not include deferred RSUs which have no voting rights until shares are distributed in accordance with their terms. In connection with the conversion by Gores on July 9, 2009 of 3,500 shares of Series A-1 Preferred Stock into 517,564 shares of common stock (as adjusted for the reverse stock split), a change in control was deemed to have occurred under the terms of the Company s 2005 Plan and in connection therewith, all previously unvested RSUs granted to Messrs. Pattiz, Ming and Nunez (42, 910 and 1,185 shares, respectively) accelerated and vested in their entirety, which amounts are included above.

(5)

Includes vested and unexercised stock options for 1,242 shares granted under the 1989 Stock Incentive Plan, the 1999 Plan and the 2005 Plan. Also includes 2,250 shares of common stock pledged by Mr. Pattiz to Merrill Lynch in connection with the Merrill Contract that Mr. Pattiz entered into on September 27, 2004 with Merrill Lynch. Under the Merrill Contract, in exchange for a lump-sum cash payment of $7.2 million, Mr. Pattiz agreed to deliver upon the earlier of September 2009 or the termination of the Merrill Contract, a pre-determined number of shares of common stock pursuant to formulas set forth in the Merrill Contract. Mr. Pattiz may also settle the amount in cash. Also includes

1,500 shares of common stock held indirectly by the Pattiz Family Trust.

How is the Board structured and what are the terms for each class of directors?

The Board is divided into three classes (Class I, II, and III), each class serving for three-year terms, which terms are staggered. The Board currently is comprised of eleven individuals and we have one vacancy. Typically, only one class of directors is elected at each annual meeting, however, because the Company did not have an annual meeting in 2009, this year, two classes of directors will be elected. The Class II directors, who would have been up for election last year, are nominated this year to serve two-year terms (in order that their terms expire in 2012) and the Class I directors are nominated this year for three-year terms, as is customary.

Are there any contractual rights pursuant to which directors are nominated or elected?

The Company is a party to an Investor Rights Agreement, pursuant to which its lenders have the right to nominate one independent director to the Board. The Investor Rights Agreement provides that as long as our lenders (referred to in the Investor Rights Agreement as the Original Investor Stockholders) own at least 60% of the common stock acquired by them on April 23, 2009, the holders of a majority of the outstanding shares of common stock held by the Original Investor Stockholders have the right to nominate a member to the Board (referred to herein as the Lender designee), and Gores will vote for such director provided such director is reasonably acceptable to Gores. Gores owns 74.3% of our common stock. The Lender designee, Mr. Wuensch, is a Class II director.

How many Board members are independent under the listing standards of the NASDAQ Stock Market?

From March 16, 2009, when the Company was delisted from the NYSE, to November 20, 2009, when the Company was listed on the NASDAQ Stock Market, the Company was not subject to the listing requirements of any national securities exchange or national securities association. Effective November 20, 2009, the Company became subject to NASDAQ rules and regulations except where it relies on the controlled company exemption to the board of directors and committee composition requirements under the rules of the NASDAQ Global Market.

As a result of the exemption, the Company is not required to have a Nominating and Governance Committee, or have its Board comprised of a majority of independent directors and has the flexibility to include non-independent directors on its Compensation Committee. The controlled company exception does not modify the independence requirements for the Audit Committee, and the Company complies with the requirements of the Sarbanes-Oxley Act of 2002 (SOX) and the NASDAQ Global Market rules which require that its audit committee be composed of at least three independent directors. As a matter of practice, the Board undertakes an annual review of director independence. During this review, the Board considers all transactions and relationships between each director or any member of his immediate family and the Company and its affiliates. The purpose of this review is to determine whether any such relationships or transactions are considered material relationships that would be inconsistent with a determination that a director is independent. The Board has not adopted any categorical standards for assessing independence, preferring instead to consider and disclose existing relationships with the non-management directors and the Company. The Board observes all criteria for independence established by NASDAQ and other governing laws and regulations.

As a result of this review, the Board affirmatively determined that three directors are independent under the listing standards of NASDAQ. The independent directors are Messrs. Ming, Nunez and Wuensch. In making such determination of these directors independence , the Board used the NASDAQ standard of independence .

How does the Board select nominees for the Board?

Effective April 23, 2009, the Company no longer has a Nominating and Governance Committee. On April 23, 2009, the Board adopted and approved the Amended and Restated By-Laws (the Amended and Restated By-Laws). Section 2.16 of the Amended and Restated By-Laws added advance notice provisions relating to stockholder proposals to nominate directors for election at stockholder meetings. The following summary of such process is qualified in its entirety by reference to the copy of the Amended and Restated By-Laws attached as Exhibit 3.1 to the Company s Current Report on 8-K filed with the SEC on April 27, 2009.

Nominations of persons for election to the Board may be made at any Annual Meeting of Stockholders, or at any Special Meeting of Stockholders called for the purpose of electing directors, (1) by or at the direction of the Board (or any duly authorized committee thereof) or (2) by any stockholder of the Company (A) who is a stockholder of record on the date of the giving of the notice provided for in Section 2.16 of the Amended and Restated By-Laws and on the record date for the determination of stockholders entitled to vote at such meeting and (B) who complies with the notice procedures set forth in Section 2.16 of the Amended and Restated By-Laws.

For a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Company.

To be timely, a stockholder s notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Company as follows: (1) in the case of an Annual Meeting, not less than ninety (90) days nor more than one hundred-twenty (120) days prior to the anniversary date of the immediately preceding Annual Meeting of Stockholders; provided, however, that in the event that the Annual Meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the Annual Meeting was mailed or such public disclosure of the date of the Annual Meeting was made, whichever first occurs; and (2) in the case of a Special Meeting of Stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the Special Meeting was mailed or public disclosure of the date of the Special Meeting was made, whichever first occurs. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any existing time period) for the giving of a stockholder s notice as described above.

To be in proper written form, a stockholder s notice to the Secretary must set forth: (a) as to each person whom the stockholder proposes to nominate for election as a director: (1) the name, age, business address and residence address of the person, (2) the principal occupation and employment of the person, (3) the class, series and number of all shares of stock of the Company which are owned beneficially or of record by the person and (4) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act; and (b) as to the stockholder giving the notice: (1) the name and record address of such stockholder, (2) (A) the class, series and number of all shares of stock of the Company which are owned by such stockholder, (B) the name of each nominee holder of shares owned beneficially but not of record by such stockholder and the number of shares of stock held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest has been entered into by or on behalf of such stockholder or any of its affiliates or associates with respect to stock of the Company and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock) has been made by or on behalf of such stockholder or any of its affiliates or associates, the effect or intent of which is to mitigate loss to, or to manage risk or benefit of stock price changes for, such stockholder or any of its affiliates or associates or to increase or decrease the voting power or pecuniary or economic interest of such stockholder or any of its affiliates or associates with respect to stock of the Company, (3) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (4) a

representation that such stockholder is a holder of record of stock of the Company entitled to vote at such meeting and that such stockholder intends to appear in person or by proxy at the meeting to nominate the person or persons named in its notice and (5) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Exchange Act. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

Nominations to the Board are typically reviewed by directors Stone and Honour, in consultation with Messrs. Sherwood and Pattiz. Nominees are then interviewed by several Board members before their presentation to the Board and/or stockholders of the Company.

How does the Board consider diversity in its selection of directors to serve on the Board?

As disclosed in more detail in this proxy statement, the Company does not have a Nominating and Governance Committee and of the ten directors on the Board, six are employed by Gores or its affiliate, Glendon Partners, and one is a designee of the Company s lenders. The Board does not have a formal written policy regarding diversity but both it and Gores, when reviewing candidates, consider the diversity as well as breadth and wealth of a director s professional experience and how such might compliment the experience currently represented on the Board. Prior to Gores ownership and particularly when the Company was managed by CBS Radio, the Board sought directors who had professional experience in the terrestrial radio industry, however, the Company now places a significant emphasis on identifying directors who have operational, financial and strategic/M&A experience. Other factors considered in evaluating a director s qualifications include educational/technical skills (MBA/CPA); exposure with turnaround situations; leadership roles (CEO, CFO, COO, CAO, CTO) and relationships in the media and entertainment industry. All directors must have a high ethical character and solid professional reputation; possess sound business judgment and be willing to be engaged in the business of the Board. Nominations may be made by any director or stockholder of the Company as described above under How does the Board select nominees for the Board?

Who are the current Board members, what Board Committees do they serve on and what are their backgrounds and qualifications?

The directors of the Company are listed below. The Company s Board is divided into three classes (Class I, II, and III), each class serving for three-year terms, which terms are staggered and expire as indicated below. Each director s class, the committees on which he serves, his age as of June 30, 2010 and the year he became a director of the Company is indicated below.

Name (I = Independent)	Age	Director Since	Class	Term Expires	Committee Assignments Audit Committee	Committee Assignments Compensation Committee
Andrew P. Bronstein	51	2009	I	2010		
Jonathan I. Gimbel	31	2009	II	2012		
Scott M. Honour	43	2008	II	2012		
H. Melvin Ming (I)	65	2006	III	2011	**	*
Michael F. Nold	39	2009	I	2010		**
Emanuel Nunez (I)	51	2008	III	2011	*	*
Joseph P. Page	56	2009	III	2011		
Norman J. Pattiz	67	1974	I	2010		*
Mark Stone	46	2008	I	2010		*
Ronald W. Wuensch (I)	68	2009	II	2012	*	

* Member

** Chair

(I) - Independent

The principal occupations and professional backgrounds of the ten directors are as follows:

Mr. Bronstein has been a director of the Company since April 23, 2009. Mr. Bronstein is a Managing Director of Glendon Partners, the operations affiliate of The Gores Group, LLC (Gores), which is the investment manager of Gores Capital Partners L.P., Gores Capital Partners II, L.P. and their related investment entities, and the manager of Gores Radio Holdings, LLC. Mr. Bronstein is responsible for portfolio company financial oversight and controls and financial due diligence activities for Gores. Before joining Glendon Partners in 2008, Mr. Bronstein was President of APB Consulting LLC, a consulting firm that solved complex financial and accounting issues and led acquisition due diligence for public and private companies. From 1992 to 2006, Mr. Bronstein was Corporate Controller and Principal Accounting Officer (and Vice President commencing in 1994) of SunGard Data Systems Inc., a Fortune 500 software and services company. Before 1992, Mr. Bronstein worked for Coopers & Lybrand, a predecessor of PricewaterhouseCoopers, as a senior manager and director of its high technology practice in Philadelphia, PA. Mr. Bronstein graduated with distinction from Northeastern University with a B.S. in Accounting and a concentration in Finance. He is a CPA.

Mr. Gimbel has been a director of the Company since April 23, 2009. Mr. Gimbel is currently a Vice President at Gores, which is the investment manager of Gores Capital Partners L.P., Gores Capital Partners II, L.P. and their related investment entities, and the manager of Gores Radio Holdings, LLC. Mr. Gimbel is responsible for the negotiation and execution of certain Gores acquisitions, divestitures and financing activities in addition to originating new investment opportunities. Prior to joining Gores in 2003, Mr. Gimbel was an analyst at Credit Suisse First Boston, where he focused primarily on mergers and acquisitions and leveraged finance transactions in the Media and Telecommunications group. Mr. Gimbel graduated with honors from the University of Texas with a Bachelor of Business Administration in Finance and Accounting and holds an M.B.A. from the Harvard Business School.

Mr. Honour has been a director of the Company since June 19, 2008. Mr. Honour joined Gores in 2002 and is currently Senior Managing Director of Gores, which is the investment manager of Gores Capital Partners L.P., Gores Capital Partners II, L.P. and their related investment entities, and the manager of Gores Radio Holdings, LLC. Mr. Honour is responsible for originating and structuring transactions and pursuing strategic initiatives at Gores. From 2001 to 2002, Mr. Honour served as a Managing Director at UBS Warburg, where he was responsible for relationships with technology-focused financial sponsors, including Gores, and created the firm s Transaction Development Group, which brought transaction ideas to financial sponsors, including Gores. Prior to joining UBS Warburg, Mr. Honour was an investment banker at Donaldson, Lufkin & Jenrette. Mr. Honour earned his B.S. in Business Administration and B.A. in Economics, cum laude, from Pepperdine University, and his M.B.A. from the Wharton School of the University of Pennsylvania with an emphasis in finance and marketing. Mr. Honour is also a director of various Gores portfolio companies.

Mr. Ming has been a director of the Company since July 7, 2006. Since October 2002, Mr. Ming has been the Chief Operating Officer of Sesame Workshop, the producers of Sesame Street and other children s educational media. Mr. Ming joined Sesame Workshop in 1999 as the Chief Financial Officer. Prior to joining Sesame Workshop, Mr. Ming was the Chief Financial Officer of the Museum of Television and Radio in New York from 1997 to 1999; Chief Operating Officer at WQED in Pittsburgh from 1994-1996; and Chief Financial Officer and Chief Administrative Officer at Thirteen/WNET New York from 1984 to 1994. Mr. Ming is a CPA and graduated from Temple University in Philadelphia, PA.

Mr. Nold has been a director of the Company since April 23, 2009. Mr. Nold is currently a Managing Director of Glendon Partners, the operations affiliate of Gores, which is the investment manager of Gores Capital Partners L.P., Gores Capital Partners II, L.P. and their related investment entities, and the manager of Gores Radio Holdings, LLC. Mr. Nold is responsible for oversight of select Gores portfolio companies and operational due diligence efforts. Before joining Glendon Partners in 2008, from 2004 to 2008, Mr. Nold was an executive at Hewlett-Packard. Mr. Nold served as VP of Strategy & Corporate Development at Hewlett-Packard, where he focused on the global Services and Technology Solutions divisions, and also co-led Hewlett-Packard s Corporate Strategy group, responsible for prioritizing and driving key transformational initiatives across Hewlett-Packard. Previously, Mr. Nold held leadership positions, in strategy and marketing, at United Technologies and Avanex Corporation from 2001 to 2004. Prior to that, Mr. Nold served as a management consultant with Bain & Company. Mr. Nold earned a B.S.E. in Industrial &

Operations Engineering from the University of Michigan and an M.B.A. in Finance and Marketing from The Wharton School.

Mr. Nunez has been a director of the Company since June 19, 2008. Mr. Nunez is currently an agent in the Motion Picture department of Creative Artists Agency (CAA), an entertainment and sports agency based in Los Angeles with offices in New York, London, Nashville, and Beijing. Mr. Nunez is involved in the representation of actors, directors, production companies and film financiers, focusing on exploring financial opportunities for the agency s clients in emerging global markets. Mr. Nunez also participates in transactions ranging from traditional talent employment and production arrangements, to the territorial sales of motion picture distribution rights worldwide, as well as the structuring of many international co-productions. Mr. Nunez joined CAA in 1991. He was previously at ICM, and prior to this was an attorney for an entertainment law firm in Los Angeles. Since 2003, Mr. Nunez has served as a commissioner for the Latin Media & Entertainment Commission, an organization that advises the Mayor of New York City on business development and retention strategies for the Latin media and entertainment industry. Since 2007, he has served on the Company s Board and also serves on its Audit Committee and Compensation Committee. Born in Cuba, Mr. Nunez resides in Los Angeles.

Mr. Page has been a director of the Company since December 9, 2009. Mr. Page is Chief Operating Officer of Gores, where he also serves as a member of the Gores investment committee and oversees Gores financial and administrative functions. Prior to joining Gores in 2004, Mr. Page was senior Principal and Chief Operating Officer for Shelter Capital Partners, a southern California-based private investment fund, from 2000 to 2004. Prior to that, he held various senior executive positions with several private and public companies controlled by MacAndrews & Forbes (M&F). While at M&F, he was Vice Chairman of Panavision, CFO of The Coleman Company and CFO of New World Communications. Prior to M&F, Mr. Page was a Partner at Price Waterhouse. Mr. Page earned a B.S. in Accounting and an M.B.A. from Loyola Marymount University of Los Angeles.

Mr. Pattiz founded the Company in 1976 and has held the position of Chairman of the Board since that time. He was also the Company s Chief Executive Officer until February 3, 1994. From 2000 to 2006, Mr. Pattiz was appointed by President Clinton and reappointed by President Bush to serve on the Broadcasting Board of Governors (BBG) of the United States of America, which oversees all U.S. non-military international broadcast services. As chairman of the Middle East Committee, Mr. Pattiz was the driving force behind the creation of Radio Sawa, the BBG s 24/7 music, news and information radio network, and Alhurra Television, the U.S. sponsored, Arabic-language satellite TV channel to the entire Middle East. Mr. Pattiz has served as a Regent of the University of California since September 2001. In that capacity, he serves as Chairman of the Board of the LLCs that operate Los Alamos and Laurence Livermore National Laboratories. He is past president of the Broadcast Education Association, and a member of the Council on Foreign Relations and the Pacific Council on International Policy. He is Director of the Office of Foreign Relations of the Los Angeles Sheriff s Department, and serves on the Region 1, Homeland Security Advisory Council. In November 2009, Mr. Pattiz was inducted into the National Radio Hall of Fame in recognition of his significant contributions to the radio industry.

Mr. Stone has been a director of the Company since June 19, 2008 and has held the position of Vice-Chairman of the Board since that time. Mr. Stone is currently President, Gores Operations Group, and Senior Managing Director of Gores, which is the investment manager of Gores Capital Partners L.P., Gores Capital Partners II, L.P. and their related investment entities, and the manager of Gores Radio Holdings, LLC. Mr. Stone has responsibility for Gores worldwide operations group, oversight of all Gores portfolio companies and operational due diligence efforts. Mr. Stone joined Gores in 2005 from Sentient Jet, a provider of private jet membership, where he served as Chief Executive Officer from 2002 to 2004. Prior to Sentient Jet, Mr. Stone served as Chief Executive Officer of Narus, a global telecommunication software company, as Chief Executive Officer of Sentex Systems, an international security and access control manufacturing company. Mr. Stone holds an M.B.A. in Finance from The Wharton School and a B.S. in Finance from the University of Maine. Mr. Stone is also a director of various Gores portfolio companies.

Mr. Wuensch has been a member of the Company s Board since July 6, 2009. In 1992, Mr. Wuensch founded Wuensch Consulting, which specializes in providing private consulting services to boards of directors and chief executive officers regarding specific issues on economic value and business design. From 1988 to 1992, Mr. Wuensch served as Group Executive for a $50 billion financial services holding company and prior thereto was Senior Vice President for a multi-bank holding company, President of a bank holding company, and a consulting partner with Arthur Young and with KPMG. In addition, Mr. Wuensch has extensive experience as a board member of several public and private companies. He is currently an Executive Professor at the University of Houston s Bauer College of Business, Wolff Center for Entrepreneurship. Mr. Wuensch is a graduate of Baylor University and a Certified Public Accountant licensed in Texas.

Qualifications of Directors

Gores Designees. Of the 10 directors that serve on the Company s Board, six were designated by Gores and another, Mr. Nunez, was nominated by Gores to serve as an independent director. The Gores directors include two directors, Messrs. Honour and Gimbel, who focus primarily on M&A opportunities, and four directors, Messrs. Bronstein, Nold, Page and Stone, who focus primarily on operational matters (*e.g.,* efficiencies in the businesses, growth opportunities, new projects, accounting/financial matters). Gores selected the following individuals to serve as directors in consideration of the following qualifications and skills. Three of the six became directors when Gores purchased $75 million of Company preferred stock in June 2008 and the remaining three became directors when Gores took control of the Company in connection with the Company s refinancing of its debt and recapitalization which closed on April 23, 2009 (the Refinancing).

Directors since June 2008:

Honour. Mr. Honour is responsible for structuring and pursuing strategic alternatives on behalf of Gores and was designated to the Board to identify potential M&A transactions on behalf of the Company. Mr. Honour has been an investment banker for 19 years and has spent his professional career identifying, negotiating and closing M&A and financial transactions.

Stone. Mr. Stone, who leads Gores Operations group and is responsible for its worldwide operations group, was designated by Gores to serve on the Company s Board primarily as a result of his extensive operational expertise. Mr. Stone s educational background in math and computer science and his experience as Chief Executive Officer for three companies makes him a crucial adviser to both Company management and the Board when key decisions, such as operational improvements, revenue growth initiatives or potential M&A activity are being considered and made by the Board.

Directors since April 2009:

Bronstein. Mr. Bronstein s extensive experience in dealing with complex financial and accounting matters, including as a consultant and corporate controller and principal accounting officer of a Fortune 500 software and services company, provides the Board with a critical resource on various operational and financial matters. Until the Company s listing on NASDAQ which required that all members of the Audit Committee be independent, Mr. Bronstein served on the Company s Audit Committee, which during 2009 dealt with several new accounting issues in connection with the Company s Refinancing.

Gimbel. Mr. Gimbel who works on exploring and negotiating M&A opportunities, has worked as a key member of the Gores M&A team, including with Mr. Honour, for approximately seven years. Mr. Gimbel s tenure as an M&A analyst in the Media and Telecommunications Group of a major investment bank brings an added dimension of M&A experience to the Board.

Nold. Like Mr. Bronstein, Mr. Nold has extensive operational experience, with a particular focus on strategy and related transformational initiatives. Mr. Nold was designated to the Board for his ability to conduct extensive diligence on a company s operations and pinpoint areas for improvement, on a timely and cost-effective basis. Beyond supporting Westwood s overall operational improvement, Mr. Nold has been deeply engaged in transforming the capabilities and performance of the Network business.

Director since December 2009:

Page. Mr. Page was designated by Gores in December 2009 after Mr. Weingarten (a director elected in June 2008) resigned. Mr. Page brings to the Board significant financial, managerial and operational knowledge. In addition to having held several CFO and COO positions and being a Partner at Price Waterhouse, Mr. Page currently oversees operational and financial functions for all of Gores and has extensive media and financial experience.

Non-Gores Directors. Of the remaining four directors, one was nominated by Gores; one was nominated by the Company s lenders (pursuant to the Investor Rights Agreement which is described below in Certain Relationships and Related Transactions, and Director Independence Gores Investor Rights Agreement); one is the Company s founder and Chairman of the Board and the other is an independent director who has served on the Board since 2006.

Mr. Pattiz, the Company s founder and Chairman of the Board for nearly 35 years, has extensive experience in the radio industry and was recently inducted into the National Radio Hall of Fame in recognition of his significant contributions to the radio industry. His keen understanding of the Network business and his extensive contacts with radio executive and talent have made Mr. Pattiz a key Board member. His institutional knowledge of the Company has been an invaluable resource to the Board.

Mr. Ming was nominated by the then Nominating and Governance Committee in 2006 and became a director of the Company in July 2006 during a period when the Company was seeking additional financial expertise (Mr. Robert Herdman, a director and Chair of the Audit Committee, had resigned in April 2006). Mr. Ming s extensive roles as CFO, COO or CAO in different organizations were ideal complements to the Board. Mr. Ming has served on the Audit and Compensation Committees for much of the last four years.

Mr. Nunez was nominated by Gores because of his contacts and experience in the entertainment industry, an industry in which he has operated for over 24 years, both as an attorney and as a talent agent. His experience in helping to structure employment and production arrangements was a key consideration in his nomination and election to the Company s Board, particularly as the Company continues to explore and develop new programming.

Mr. Wuensch was nominated by the Company s lenders principally for his corporate governance experience and his service to various companies, including during times of financial transition and/or restructuring. Mr. Wuensch has been an executive, director and consultant (the latter for the last 18 years) to numerous companies over the last 40 years.

What is the Board s role in managing risk across the Company?

The Board relies on the following enterprise-wide process to assess and manage the various risks facing the business and to ensure that such risks are monitored and addressed and do not compromise the Company s ability to meet its business plan and strategic objectives. On an annual basis the Company s President and CFO, Principal Accounting Officer and certain business heads meet to assess internal and external factors that could present a risk to the Company s business plan. Once such assessment has been made, such officers produce a risk assessment report and review the risks with the Audit Committee. While the Audit Committee, which has been delegated the responsibility of reviewing the Company s annual risk assessment by the Company s Board, takes the lead risk oversight role and oversees risk management which includes monitoring and controlling the Company s financial risks as well as financial accounting and reporting risks, the Company s management is responsible for the day-to-day risk management process. As part of this risk assessment process, the Principal Accounting Officer works closely with members of the Audit Committee to ensure such risks are communicated in sufficient detail and to set forth a follow up process for managing and remediating any risk. Once this process has been completed, the Audit Committee and members of the Company s finance department review the results of the risk assessment process with the Board. To the extent any identified risks deal with compensation, the Company s Compensation Committee also becomes involved in assessing and managing such risks.

Who serves as the Company s Board Chairman and President and what is the Board s view on combining those positions?

Mr. Pattiz, who founded the Company and has served as the Chairman of the Board since 1976, has continued in this capacity to date. As evidenced by three amendments to his employment agreement executed in 2008 and 2009 to continue Mr. Pattiz s service as Board Chairman, the Board believes Mr. Pattiz s long-standing ties to the Company and his ability to chair the Board are highly beneficial to the Company s employees and stockholders. While there are no prohibitions in the Company s governing documents or policies regarding the CEO/President acting as Chairman of the Board, except for a period of time much earlier in the Company s history when Mr. Pattiz was also President of the Company (through February 1994), the roles have remained separate. The Company s Board and management believe the separation allows each party to continue its focus on its principal role, that is, overseeing the day-to-day management of the Company in the case of the President and presiding over meetings of the Board and stockholders, in the case of the Chairman. Mr. Sherwood s is physically located in the corporate headquarters in New York and Mr. Pattiz is physically located in the Company s Culver City offices.

What committees has the Board established and what are the roles of the Committees?

The Board has an Audit Committee and Compensation Committee. In connection with the Company s Refinancing and which resulted in Gores taking control of the Company, the Board adopted amended and restated written charters for each of the Audit Committee and Compensation Committee and eliminated the Nominating and Governance Committee. The full text of each committee charter is available on the Company s website at www.westwoodone.com and is available in print free of charge to any stockholder upon request. Under their respective charters, each of these committees is authorized and assured of appropriate funding to retain and consult with external advisors, consultants and counsel.

The Audit Committee

The current members of the Audit Committee are Messrs. Ming, Nunez and Wuensch (Mr. Bronstein resigned in October 2009 when the Company was listed on NASDAQ in connection with NASDAQ s requirement that a majority of the Board be independent). Pursuant to SOX and the NASDAQ standards described above, the Board has determined that Messrs. Ming, Nunez and Wuensch meet the requirements of independence proscribed thereunder. In addition, the Board has determined that each of Messrs. Ming and Wuensch is an audit committee financial expert pursuant to SOX. For further information concerning each of Mr. Ming s and Mr. Wuensch s qualifications as an audit committee financial expert, see Who are the current Board members, what Board Committees do they serve on and what are their backgrounds and qualifications? above

The Audit Committee is responsible for, among other things, the appointment, compensation, retention and oversight of the Company s independent registered public accounting firm; reviewing with the independent registered public accounting firm the scope of the audit plan and audit fees; and reviewing the Company s financial statements and related disclosures. The Audit Committee meets separately with senior management of the Company, the Company s General Counsel, the Company s internal auditor and its independent registered public accounting firm on a regular basis. For additional information on the Audit Committee s role and its oversight of the independent registered public accounting firm during 2009, see Report of the Audit Committee. There were 11 meetings of the Audit Committee in 2009.

The Compensation Committee

The current members of the Compensation Committee are Messrs. Ming, Nold, Nunez, Pattiz and Stone. The Compensation Committee has formed a subcommittee, consisting solely of the two independent directors, Mr. Ming and Mr. Nunez, for the purpose of making equity grants to the Company s key employees, including its named executive officers.

The Compensation Committee has the following responsibilities pursuant to its charter (a copy of which is available on the Company s website at www.westwoodone.com), which was amended on April 23, 2009:

- Develop (with input from the CEO/President) and recommend to the Board for approval compensation to be provided to officers holding the title of Executive Vice President and above (senior executive officers);
- Review and approve corporate goals and objectives relative to the compensation of senior executive officers;
- Review the results of and procedures for the evaluation of the performance of other executive officers by the CEO/President;
- At the direction of the Board, establish compensation for the Company s non-employee directors;
- Recommend to the Board for approval all qualified and non-qualified employee incentive compensation and equity ownership plan and all other material employee benefit plans;
- Act on behalf of the Board in overseeing the administration of all qualified and non-qualified employee incentive compensation, equity ownership and other benefit plans, in a manner consistent with the terms of any such plans;
- Approve investment policies for the Company s qualified and nonqualified pension plans (and, as appropriate, compensation deferral arrangements) and review actuarial information concerning such plans;
- In consultation with management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company s policies on structuring compensation programs to preserve tax deductibility, unless otherwise determined by the Committee;
- Prepare an annual report on executive compensation for inclusion in the Company s annual proxy statement in accordance with applicable laws and regulations; and
- Perform any other duties or responsibilities consistent with its Charter and the Company s certificate of incorporation, by-laws and applicable laws, regulations and rules as the Board may deem necessary, advisable or appropriate for the Committee to perform.

In carrying out its responsibilities, the Compensation Committee is authorized to engage outside advisors to consult with the Committee as it deems appropriate. There were four meetings of the Compensation Committee in 2009.

The Board may from time to time, establish or maintain additional committees as necessary or appropriate.

How often did the Board meet during 2009?

The Board met 11 times during 2009. Each director attended more than 75% of the total number of meetings of the Board and Committees on which he or she served, with the exception of Mr. Nunez who attended 65% of the meetings. The Board also meets in non-management executive sessions, but at this time does not have a presiding (lead) director for the non-management executive sessions. Prior to April 23, 2009, Mr. Dennis served as the Board s lead independent director. Given that Gores and the Company s lenders collectively own approximately 97% of the Company s equity, the Board does not believe a new lead independent director is necessary at this time. All directors are expected to attend the Company s Annual Meeting of Stockholders, and 9 of the 11 then-current directors were present at the Annual Meeting of Stockholders held in September 2008 (the last annual meeting held). The Company does not have a written policy with regard to attendance of directors at the Annual Meeting of Stockholders.

Does the Company have a Code of Ethics?

The Company has a written policy entitled Code of Ethics that is applicable to all employees, officers and directors of the Company, including its principal executive officer, principal financial officer, principal accounting officer or controller, or any person performing similar functions, which was amended and restated on April 23, 2009. The Company no longer has a Supplemental Code of Ethics for its Chief Executive Officer and Chief Financial Officer. The Code of Ethics is available on the Company s website (www.westwoodone.com) and is available in print at no cost to any stockholder upon request by contacting the Company at (212) 641-2000 or sending a letter to 1166 Avenue of the Americas, 10th Floor, New York, NY 10036, Attn: Secretary.

How can stockholders and/or other interested parties communicate with directors, as a group or individually?

The Board has established a process for stockholders and/or other interested parties to communicate with Board members by email or regular mail. Stockholders and/or other interested parties may contact any of the directors, as a group (*e.g.*, particular Board committee or non-management directors only) or individually (*e.g.,* the presiding director of the non-management directors only), by regular mail by sending correspondence to Westwood One, Inc., 1166 Avenue of the Americas, 10th Floor, New York, NY 10036. Any envelope mailed to the Company should include a clear and prominent notation stating to whom the letter enclosed in the envelope is to be forwarded (*i.e.,* non-management directors, as a group or individually, or to the directors, as a group or individually or to the presiding director of the non-management directors). Stockholders and/or other interested parties may also contact directors and non-management directors by sending an e-mail to dir@westwoodone.com, or to nonmanagdir@westwoodone.com, respectively. All correspondence is reviewed by the Office of the General Counsel prior to its being distributed to the parties indicated on such correspondence.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

What is the Company s policy and/or procedure for the review, approval or ratification of related party transactions?

While the Company does not have a written policy outlining such, it is the Company s practice to review all transactions with its related parties (referred to herein as related party transactions) as they arise. Related parties are identified by the finance, accounts payable and legal departments, who, among other things, review questionnaires submitted to the Company s directors and officers on an annual basis, monitor Schedule 13Ds and 13Gs filed with the SEC, review employee certifications regarding code of ethics and business conduct which are updated annually, and review on a quarterly basis, related party listings generated by the legal and finance departments, which listing includes affiliates of Gores that Gores provides to the Company. Any related party transaction is reviewed by either the Office of the General Counsel or Chief Financial Officer, who examines, among other things, the approximate dollar value of the transaction and the material facts surrounding the related party s interest in, or relationship to, the related party transaction. With respect to related party transactions that involve an independent director, such parties also consider whether such transaction affects the independence of such director pursuant to applicable rules and regulations. Customarily, the Chief Financial Officer must approve any related party transaction, however, if after consultation, the General Counsel and Chief Financial Officer determine a related party transaction is significant, the transaction is then referred to the Board for its review and approval. The Company does not anticipate that consulting services provided in the ordinary course by Glendon will be reviewed by the Board on a prospective basis; however, the debt agreements described above which permit payments to Glendon were part of the Refinancing documents approved by both the Independent Committee of the Board, comprised only of non-Gores directors, and the entire Board.

Did the Company participate in any related party transactions in 2009 or 2010 (to date), or does the Company contemplate being a participant in any related party transaction in the remainder of 2010?

Except for the transactions with Gores (including with respect to the Refinancing), Glendon Partners, CBS Radio and Norman J. Pattiz described below, the Company is not aware of any transaction entered into in 2009 or 2010 (to the date of this proxy statement), or any transaction currently proposed, in which a related person has, or will have, a direct or indirect material interest.

Gores

Senior Notes

As part of the Refinancing, the Company entered into a Securities Purchase Agreement (the Securities Purchase Agreement) with: (1) holders of the Company s then outstanding Old Notes that were issued under the Note Purchase Agreement, dated as of December 3, 2002, as amended, among the Company and the holders of the notes issued thereunder, and (2) lenders under the Facility (such lenders, collectively with the holders of the Old Notes, the Debt Holders).

Pursuant to the Securities Purchase Agreement, including the agreements and instruments attached as exhibits thereto, in consideration for releasing all of their respective claims under the Old Notes and the Old Credit Agreement, the Debt Holders (including Gores Radio), our principal stockholder, with respect to debt purchased by Gores Radio in the Cash Out, as described below) collectively received (1) $117.5 million of Senior Notes, maturing July 15, 2012, which Senior Notes represent the portion of indebtedness under the Old Credit Agreement and the Old Notes deemed to be continuing by the Securities Purchase Agreement; (2) 34,962 shares of Series B Preferred Stock; and (3) a one-time cash payment of $25.0 million. Gores Radio purchased at a discount approximately $22.6 million principal amount of the Company s then existing debt held by Debt Holders who did not wish to participate in the Senior Notes as set forth in the Securities Purchase Agreement (the Cash Out).

Gores Guarantees

In connection with the Refinancing, the Company also entered into the Senior Credit Facility with Wells Fargo Foothill, LLC (now Wells Fargo Capital Finance, LLC, Wells Fargo) as the arranger, administrative agent and initial lender, pursuant to which the Company obtained a $15.0 million revolving credit facility (which includes a $2.0 million letter of credit sub-facility) on a senior unsecured basis and a $20.0 million unsecured non-amortizing term loan. On the closing of the Refinancing, the Company borrowed the entire amount of the term loan and did not make any borrowings under the revolving credit facility. As of March 31, 2010, the Company had borrowed $8.0 million under the revolving credit facility. Loans under the Senior Credit Facility will mature on July 15, 2012. Gores has guaranteed all indebtedness under the Senior Credit Facility. As part of the March 2010 amendments to the Securities Purchase Agreement and Senior Credit Facility, Gores agreed to guarantee up to a $10.0 million pay down of the Senior Notes if the tax refund was not received by the Company on or prior to August 16, 2010. The Company received the tax refund on June 2, 2010.

Additionally, as contemplated by the Refinancing, Gores is guaranteeing payments due to the NFL in an amount of up to $10.0 million for the license and broadcast rights to certain NFL games and NFL-related programming.

In 2009, the Company reimbursed Gores for approximately $0.2 million for fees incurred by them in connection with two irrevocable standby letters of credit which equal $15.0 million in the aggregate in connection with Gores guarantee of the $15.0 million revolving credit facility. In March 2010, the Company received an invoice for approximately $0.25 million for fees related to such irrevocable standby letters of credit for 2010 and the Company intends to reimburse Gores for such fees.

Master Mutual Release

In connection with the Refinancing, the Company and the holders of the Old Notes and loans under the Old Credit Agreement (including Gores Radio with respect to debt purchased by Gores Radio in the Cash Out) entered into an agreement, pursuant to which the Company, its subsidiaries, the holders of the Old Notes and the lenders under the Old Credit Agreement released all of their respective claims for indemnity, reimbursement, expense and payment of the obligations in respect of the Old Notes and the Old Credit Agreement, except to the extent such obligations were continued under the Senior Notes.

Purchase Agreement

In connection with the Refinancing, Gores Radio (1) agreed to purchase, at a discount, approximately $22.6 million principal amount of the Company s then existing debt held by debt holders who did not wish to participate in the Senior Notes, (2) agreed to guarantee the Senior Credit Facility and the $10.0 million contractual commitment to the NFL and (3) invested $25.0 million in the Company for 25,000 shares of Series B Preferred Stock. In connection with Gores providing the guarantees and purchasing the debt from non-participating holders, the 75,000 shares of Series A Preferred Stock held by Gores Radio immediately prior to the Refinancing, which then had a liquidation preference of approximately $79.0 million, were exchanged for 75,000 shares of Series A-1 Preferred Stock.

Investor Rights Agreement

The Company also entered into an Investor Rights Agreement (the Investor Rights Agreement) with Gores Radio and the other holders of the Senior Notes (the Original Investor Stockholders). Pursuant to the Investor Rights Agreement, as long as the Original Investor Stockholders in the aggregate hold at least 60% of the common stock (including the Preferred Stock on an as-converted basis) owned by the Original Investor Stockholders on the date of the Refinancing, immediately after giving effect to the transactions contemplated by the Securities Purchase Agreement, the Board shall nominate for election as director, one nominee designated in writing to Gores Radio and the Company by the holders of a majority of the common stock (including Preferred Stock on an as-converted basis) held by such Original Investor Stockholders. Gores Radio has agreed to vote in favor of any such nominee that is reasonably acceptable to Gores Radio. In addition, as part of the Investor Rights Agreement, the Original Investor Stockholders were granted certain pre-emptive rights, tag-along rights, drag-along rights and piggyback registration rights.

Gores Registration Rights Agreement

As part of Gores Radio s original purchase of the Company s stock, Gores Radio is entitled to registration rights under the terms of a Registration Rights Agreement (the Registration Rights Agreement) for the common stock owned by Gores Radio, including shares of common stock issuable upon conversion of the Preferred Stock and/or exercise of the warrants held by Gores (collectively, the Registrable Securities). Under such agreement, the Company will file upon Gores request a resale shelf registration statement and will also provide Gores up to four (4) demand registrations. The Company is obligated to keep such shelf registration continuously effective under the Securities Act of 1933, as amended (the Securities Act), until the earliest of: (i) the fifth (5th) anniversary of such registration statement, (ii) when all Registrable Securities covered by such Registration Statement have been sold and (iii) the date as of which each of the holders of Registrable Securities is permitted to sell its Registrable Securities without registration pursuant to Rule 144 without volume limitations or any other restrictions.

In connection with the Refinancing, the Company and Gores amended the Registration Rights Agreement to, among other things, make the piggyback registration rights granted to the Original Investor Stockholders under the Investor Rights Agreement consistent with those contained in the Registration Rights Agreement.

Glendon Partners, Inc.

For consulting services rendered by Glendon Partners (Glendon), an operating group associated with Gores, our principal stockholder, in connection with the Refinancing, the Company paid Glendon on the closing date of the Refinancing (*i.e.*, April 23, 2009) $0.75 million. These fees consist of payment for services rendered by various members of Glendon, including directors Andrew Bronstein and Michael Nold, who in connection with the Refinancing provided professional services to the Company in the areas of operational improvement, tax, finance, accounting, legal and insurance/risk management. Glendon consists of experienced professionals who provide consulting services to Gores portfolio companies, including Westwood. The fee for such services was based on Glendon s hourly billing rates. From April 23, 2009 to December 31, 2009, the Company paid $0.8 million to Glendon for continued operational support. In addition, on Gores behalf, the Company paid the fees of Gores advisers (including legal counsel and financial advisers but excluding Glendon) pursuant to the terms of the Refinancing, which fees totaled approximately $2.8 million (of which approximately $0.2 million was paid in late 2008). Glendon has continued to provide these services in fiscal year 2010 and to date the Company has paid $0.6 million to Glendon in 2010 for operational support. Any payments made to Glendon for consulting services are permitted under the Company s new credit arrangements with the holders of our Senior Notes and Wells Fargo provided such payments do not exceed $1.5 million in 2009 for services provided before or during 2009 and $1.0 million in each calendar year thereafter for services provided in such year.

CBS Radio

A number of CBS Radio s radio stations are affiliated with our radio networks and we purchase programming rights from CBS Radio and its affiliates. The Company previously considered CBS Radio to be one of its affiliates because, prior to the Refinancing that closed on April 23, 2009, CBS Radio owned approximately 16 million shares of the Company s common stock (not giving effect to the 200 for 1 reverse stock split that occurred on August 3, 2009), which then amounted to approximately 16% of its outstanding equity on an as-converted basis. Additionally, CBS Radio had two directors on the Company s Board. When the Management Agreement between the Company and CBS Radio (the Management Agreement) terminated on March 3, 2008, the CBS directors resigned and CBS Radio ceased providing a CEO and CFO to the Company. Although CBS Radio s equity ownership was significantly diluted on April 23, 2009 when the Refinancing occurred, because the conversion of the Preferred Stock into common stock did not occur until August 3, 2009, the Company did not cease viewing CBS Radio as its affiliate until such date.

Until March 3, 2008, when the Company entered into a new long-term arrangement with CBS Radio, the Company had a Management Agreement and Representation Agreement with CBS Radio to operate the CBS Radio Networks. From January 1, 2009 to August 3, 2009, while CBS Radio was an affiliate of the Company, the Company incurred expenses aggregating approximately $42.5 million in connection with transactions with CBS Radio and its affiliates, including affiliation agreements and the purchase of programming rights from CBS Radio and its affiliates. The description and amounts regarding related party transactions set forth in this proxy statement also reflect transactions between the Company and Viacom. Viacom is an affiliate of CBS Radio, as National Amusements, Inc. beneficially

owns a majority of the voting powers of all classes of common stock of each of CBS Corporation and Viacom. As a result of our change in ownership and the fact that CBS Radio ceased to manage the Company in March 2008, the Company no longer considers CBS Radio to be a related party effective as of August 3, 2009. The Company and CBS Radio are parties to registration rights agreement which provides registration rights to the 80,000 shares of common stock held by CBS Radio and its affiliates.

In addition to the foregoing, the Company has entered into other transactions with affiliates of CBS Radio, including Viacom, in the normal course of business, including affiliation agreements with many of CBS Radio s radio stations and agreements with CBS Radio and its affiliates for programming rights and content from our Metro Traffic business.

As part of our prior Management Agreement with CBS Radio, CBS Radio provided the services of the Company s CEO and CFO. Based on information known to us, during such time in 2009 when CBS Radio was an affiliate of the Company, CBS Radio paid approximately $148 thousand in aggregate costs related to the termination of the services of the Company s former CFO, Andrew Zaref.

Norman J. Pattiz

Norm Pattiz, the Company s founder, Chairman of the Board and a director since the Company s founding in 1974, intends to form a production company (NPC), which he would wholly own and over which he would exercise operating control. NPC would only produce programming that the Company has considered and evaluated, and determined that the Company should not produce at its own cost and expense. On June 15, 2009, the Company s Board approved Amendment No. 5 to the Company s employment agreement with Mr. Pattiz. As part of such Amendment No. 5, the Company and Mr. Pattiz agreed that if the Company formally rejects a program that is submitted to it, Mr. Pattiz will have the right to negotiate a programming deal for himself with respect to such formally rejected content, provided that Mr. Pattiz provides the Company with a right of first refusal to distribute the programming, which right of first refusal the Company must exercise within 30 days of notice from Mr. Pattiz. In connection with this provision, the Board waived a provision of the Company s Code of Ethics which prohibits, among other things, any of the Company s directors or employees from being an owner, officer, partner or employee of an organization (other than Westwood) involved in the radio, music or entertainment business.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company s executive officers and directors and persons who own more than ten percent of a registered class of the Company s equity securities to file reports of ownership and changes in ownership with the SEC. Officers, directors and more than ten percent shareholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on its review of the copies of such forms received by it, or written representations from its directors and executive officers, the Company believes that during 2009 its executive officers, directors and more than ten percent beneficial owners complied with all SEC filing requirements applicable to them.

Report of the Audit Committee

The Audit Committee operates pursuant to its Charter, which was revised and approved by the Board and is available on the Company s website (www.westwoodone.com). The Charter, which complies with applicable SEC regulations, and NYSE rules, addresses five broad areas of responsibility of the Audit Committee:

1) Reviewing and discussing the preparation of quarterly and annual financial reports with the Company s management and its independent registered public accounting firm;
2) Supervising the relationship between the Company and its independent registered public accounting firm, including discussing the matters required by Statement on Auditing Standards No. 61, as amended, Communication with Audit Committees (SAS 61) and PCAOB Auditing Standard No. 2 An Audit of Internal Control Over Financial Reporting Performed in Conjunction with an Audit of Financial Statements (as revised by Auditing Standard No. 5, PCAOB 2) with its independent registered public accounting firm, evaluating the independence of the auditors in accordance with PCAOB Rule 3520 Auditor Independence and recommending their appointment or removal and reviewing the scope of their audit and non-audit services and related fees;

3) Overseeing management s implementation of effective systems of internal controls;

4) Reviewing and approving the internal corporate audit staff functions; and

5) Reviewing and investigating any matters pertaining to the integrity of management, including conflicts of interest, or adherence to standards of business conduct.

The Audit Committee has reviewed and discussed, with both management and its independent registered public accounting firm, all financial statements prior to their filing with the SEC. Management advised the Audit Committee in each case that all financial statements were prepared in accordance with generally accepted accounting principles, and reviewed significant issues with the Audit Committee. The Audit Committee also held discussions with the Company s independent registered public accounting firm concerning the matters required to be discussed by SAS 61, PCAOB 2 and other PCAOB and SEC regulations as such may be modified or supplemented. The Audit Committee also met separately as a group to discuss the matters contained in this proxy statement.

The Audit Committee appointed PricewaterhouseCoopers LLP (PwC) as the Company s independent registered public accounting firm for the year ended December 31, 2009 and reviewed with the Company s financial managers, the independent registered public accounting firm and the director of internal audit, PwC s overall audit scopes and plans. The Audit Committee also discussed with PwC their independence and received from PwC the written disclosures and the letter from PwC required by PCAOB Rule 3526 Communication with Audit Committees Concerning Independence . In addition, the Audit Committee pre-approved PwC s audit and audit related fees and has determined that the provision of non-audit services by PwC is compatible with maintaining their independence.

The Audit Committee also has discussed with the Company s independent registered public accounting firm, with and without management present, their recommendations regarding the Company s internal accounting controls and the overall quality of the Company s financial reporting and disclosures.

The Audit Committee frequently met in private session separately with the senior members of the Company, RSM McGladrey (the Company s director of internal audit), the Company s General Counsel and the Company s independent registered public accounting firm. Based on its reviews and discussions referred to above, the Audit Committee recommended to the Board that it approve the inclusion of the Company s audited financial statements in the Company s Annual Report on Form 10-K for the year ended December 31, 2009 filed with the SEC. The Audit Committee also recommended to the Board the approval of the Company s independent registered public accounting firm for the year ending December 31, 2009.

Fees to Independent Registered Public Accounting Firm

The following table presents fees billed for fiscal years 2009 and 2008 for professional services rendered by PwC for the audit of the Company s financial statements for fiscal years 2009 and 2008 as well as fees billed for audit-related services, tax services and all other services rendered by PwC for 2009 and 2008.

(in thousands)	2009	2008
(1) Audit Fees	$ 2,292(1)	$ 1,761
(2) Audit-Related Fees		100
(3) Tax Fees	20	
(4) All Other Fees		

(1) Such includes $557 of fees related to professional services rendered by PwC in

connection with the Registration Statement on Form S-1 filed by the Company with the SEC in 2009.

All audit-related services were approved by the Audit Committee, which concluded that the provision of such services by PwC did not impair that firm s independence in the conduct of the audit.

Audit Committee Pre-Approval Policies and Procedures

All services provided to the Company by PwC in 2009 were pre-approved by the Audit Committee. Under the Company s pre-approval policies and procedures, the Chair of the Audit Committee is authorized to pre-approve the engagement of PwC to provide certain specified audit and non-audit services, and the engagement of any accounting firm to provide certain specified audit services.

Submitted by the Audit Committee

H. Melvin Ming, Chair of the Audit Committee
Emanuel Nunez
Ronald W. Wuensch

EXECUTIVE OFFICERS

The following is a list of the Company s executive officers. Only the Chief (Principal) Executive Officer, Chief (Principal) Financial Officer (in the Company s case, Mr. Sherwood is both the President and CFO) and the three most highly compensated of the Company s executive officers (excluding the CEO and CFO) using the methodology of the SEC for determining total compensation are considered named executive officers (also referred to in this proxy statement as NEOs). The Compensation Discussion and Analysis that appears below relates only to the NEOs for fiscal year 2009.

Executive Officer	Position
Roderick M. Sherwood III	President and Chief Financial Officer
Gary Schonfeld	President, Network division
Steven Kalin	Chief Operating Officer and President, Metro Networks division
Jonathan Marshall	President and General Manager, Television and EVP, Strategic Business Development
David Hillman	Chief Administrative Officer; Executive Vice President, Business Affairs and General Counsel

The professional backgrounds of the executive officers for fiscal year 2009 who are not also directors of the Company follow:

Roderick M. Sherwood, III (age 56) was appointed Executive Vice President, Chief Financial Officer, and Principal Accounting Officer of the Company effective September 17, 2008, and President of the Company effective October 20, 2008. Mr. Sherwood served as Chief Financial Officer, Operations of The Gores Group, LLC from November 2005 to September 5, 2008, where he was responsible for leading the financial oversight of all Gores portfolio companies. From October 2002 to September 2005, Mr. Sherwood served as Senior Vice President and Chief Financial Officer of Gateway, Inc., where he was primarily responsible for overseeing financial performance and operational improvements and exercising corporate financial control, planning, and analysis. During his tenure at Gateway, he also oversaw Gateway s acquisition of eMachines. From August 2000 to September 2002, Mr. Sherwood served as Executive Vice President and Chief Financial Officer of Opsware, Inc. (formerly Loudcloud, Inc.), an enterprise software company. Prior to Opsware, Mr. Sherwood also served in a number of operational and financial positions at Hughes Electronics Corporation, including General Manager of Spaceway (broadband services), Executive Vice President of DIRECTV International and Chief Financial Officer of Hughes Telecommunications & Space Company. He also served in a number of positions during 14 years at Chrysler Corporation, including Assistant Treasurer and Director of Corporate Financial Analysis. Mr. Sherwood currently serves as a director of Dot Hill Systems Corporation, including as Chair of its Audit Committee.

Gary Schonfeld (age 58) serves as the Company s President, Network division, a position he has held since October 2008. Mr. Schonfeld co-founded radio network MediaAmerica in 1987 and served as its President. He became the President of Jones MediaAmerica upon the acquisition of MediaAmerica by Jones Media Group in July 1998. He served in that position until the acquisition of Jones Media Group by Triton Radio Network in June 2008. Prior to founding MediaAmerica, Mr. Schonfeld served as Vice-President Eastern Sales Region for Westwood, an account executive with CBS Radio Networks and in various positions with Fairchild Publications, Y&R Advertising, and ABC Radio. Mr. Schonfeld has a B.A. from the University of Vermont and an M.A. from the University of Michigan.

Steven R. Kalin (age 46) was appointed the Company s Chief Operating Officer effective July 7, 2008 and President of the Metro Networks division on October 20, 2008. Mr. Kalin has 20 years of media experience, encompassing both traditional and digital platforms and strategic, business development and operational roles. From 2002 to 2007, Mr. Kalin served as Executive Vice President and Chief Operating Officer of Rodale, Inc., a global publisher of health and wellness information. From September 2000 to January 2002, Mr. Kalin was Chief Operating Officer and then Chief Executive Officer of Astata, a business to business wireless software company. From September 1998 to June 2000, Mr. Kalin served as Chief Financial Officer and Chief Operating Officer of Medscape, a leading online website for physicians. From October 1995 to August 1998, Mr. Kalin was Vice President of Business Development for ESPN Internet Ventures and with ESPN Enterprises. At the start of his career, Mr. Kalin was a consultant with McKinsey & Company in the firm s media practice. Mr. Kalin holds a B.A. from Brown University and an M.B.A. from Harvard Business School.

Jonathan Marshall (age 47) serves as the Company s President and General Manager, Television and EVP, Strategic Business Development. He has served as EVP, Strategic Business Development since April 2008 and as President and General Manager, Television since December 2009. Mr. Marshall has experience in both deal making and the broadcast traffic business. From 2005 through 2008, Mr. Marshall was a sole practitioner at JS Marshall & Assoc., an entertainment finance law firm based in Los Angeles. Previous to that he served as COO/General Counsel to RKO Pictures, LLC in Los Angeles from 2001 through 2005 and General Counsel to The Shooting Gallery, Inc. from 1997 through 2001. Mr. Marshall was an associate at Loeb and Loeb, LLP from 1995 through 1997 and at Shearman & Sterling from 1988 through 1995. Mr. Marshall obtained his *juris doctor* from Tulane Law School in 1988 and his undergraduate degree in 1985 from Tulane University. Mr. Marshall has been a member of the California Bar since 1988.

David Hillman (age 41) serves as the Company s Chief Administrative Officer; Executive Vice President, Business Affairs and General Counsel. Mr. Hillman joined the Company in June 2000 as Vice President, Labor Relations and Associate General Counsel, which positions he held through September 2004, and thereafter became Senior Vice President, General Counsel in October 2004. He became an Executive Vice President in February 2006 and Chief Administrative Officer on July 10, 2007. Mr. Hillman has a B.A. from Dartmouth College and a J.D. from Fordham University School of Law.

There is no family relationship between any Company director and executive officer.

COMPENSATION DISCUSSION AND ANALYSIS

The following narrative describes how the Company determined compensation for its named executive officers (referred to as NEOs or executives below), including the elements of their compensation and how the levels of their compensation were determined and by whom. When references are made to key employees, we are referring to a broader group of senior managers, such as department heads, who may be eligible for a particular compensation element. The information provided below is for fiscal year 2009 unless otherwise indicated.

Overview

The Company s Compensation Committee (referred to in this Compensation Discussion & Analysis narrative as the Committee or as the Compensation Committee) is primarily responsible for determining the compensation of the Company s NEOs on an annual basis, which is comprised of three primary components, two of which are discretionary (annual bonus, if any, and the annual equity compensation award, if any). From 2003 to the time of the Company s Refinancing in April 2009, the Committee was aided in its decision-making process by an independent, nationally recognized compensation adviser, the Semler Brossy Consulting Group (SBCG), which reported directly to the Committee Chair and performed no other work for the Company. The Committee has also sought and received legal advice from its outside legal counsel as needed, including with respect to the development and adoption of the Company s 2010 Equity Compensation Plan (adopted by the Board on February 12, 2010) and the development and adoption of the Company s form employment agreement for direct reports to the Company s President.

The Committee seeks to provide appropriate and reasonable levels of compensation to its NEOs keeping in mind the Company s mission of remaining competitive with pay opportunities of comparable companies in the media industry, while accounting for individual performance and the overall performance of the Company. The Company provides minimal perquisites, consisting mainly of reimbursements for parking and car allowances and does not provide any other types of perquisites, including supplemental pension plans or other deferred compensation arrangements.

Prior to the Company s Refinancing, the Committee was comprised of three independent directors. However, on April 23, 2009, in connection with the Refinancing, the Company was recapitalized such that Gores and the Company s lenders (as a group) now own approximately 74.3% and 22.5%, respectively, of the Company s common stock. As described above, under the controlled company exemption of the NASDAQ Global Market rules, the Company is not required to have a Compensation Committee comprised of a majority of independent directors and the Committee s present structure includes the Chairman of the Board, two Gores designees and two independent directors. The Committee has formed a subcommittee, consisting solely of the two independent directors, for the purpose of making equity grants to the Company s key employees, including its NEOs.

Objectives

The objective of the Company s executive compensation policy (which affects NEOs) has been to attract, retain and motivate executives. The Committee believes that equity compensation awards serve as important contributors to the attraction, retention and motivation of the Company s executives and more closely aligns the interest of executives and management to long-term success and growth and best promote the interests of the Company s stockholders. The Committee has established the following objectives when determining the compensation for NEOs:

Pay for Performance. Corporate goals and objectives, both for an individual and for the Company as a whole, and the progress made in achievement thereof, should be a key consideration in any pay decisions;

Be Competitive. Total compensation opportunities for NEOs generally should be competitive with comparable companies in the industry, in order to attract and retain needed managerial talent;

Align Interests of Executives with Long-term Success and Stockholder Interests. Elements of compensation should be structured to give substantial weight to the future performance of the Company, which better aligns the interests of the Company s stockholders and executives;

Attract and Retain Key Employees. In the midst of a challenging business environment, the Company commenced a turnaround strategy in mid-2008 which included top-grading employees, including senior executives. Since the Company began operating as an independent company in March 2008, the Company and Committee have placed a premium on attracting and retaining key employees and talent, and accordingly, have granted higher levels of cash and equity compensation to new executives to induce them to join the Company and help execute the turnaround strategy; and

Provide a Fair and Balanced Severance Package, Where Appropriate. Severance provisions in executive contracts have been negotiated with a view towards providing a fair settlement should an executive be terminated. To such end, severance provisions have been structured to provide that any payment requires the execution of a release of any claims the executive may have against the Company, a commitment by the executive to adhere to restrictive covenants, double-trigger provisions with very limited good reason protection for the executive and severance amounts that are fixed (rather than extending for the remainder of the contract s term).

Process and Roles of Parties

As a part of the Refinancing, Gores holds approximately 74.3%, and the Company s lenders hold approximately 22.5%, of the Company s equity. In 2009 (for services rendered in 2008), the President, head of Human Resources and the General Counsel met to discuss individuals performances and make general recommendations regarding discretionary bonuses (as described below, during this time, the Company was not in a position to consider or award equity compensation). After considering these recommendations and the overall performance of the Company, the Committee determined not to award any discretionary bonuses in 2009 or 2010 as described below. Neither the President nor the General Counsel makes recommendations, reviews or otherwise participates in the process of determining his own discretionary compensation and the Chairman of the Company, who is a member of the Compensation Committee, recuses himself from any discussions relating to his own compensation. While the Committee is primarily focused on elements of discretionary compensation, it was also heavily involved in determining base salaries for the Company s President and all direct reports to the President, including the NEOs, when they were hired in 2008 and 2009.

From 2003 to the closing of the Refinancing in April 2009, the Committee retained the services of SBCG to assist it in major compensation decisions, particularly relating to new hires compensation packages, key employment agreement renewals and awards of equity compensation. In 2009, the Committee did not consider any of these types of compensation decisions; however, it did adopt a new equity compensation plan and award stock options in February 2010. In such instance, it did not engage the services of SBCG. In making these stock option awards, Company management relied heavily on Gores expertise with respect to the size and pool of grantees for such awards, and outside counsel and the Committee provided additional guidance related thereto. The Committee received significant input from management regarding the specific awards to be made to employees. For awards made to NEOs, the President worked closely with the Vice-Chairman of the Board, Chair of the Committee, Gores and remaining members of the Committee to determine the appropriate award levels and in the case of the President s equity award, the Committee and Gores made such determination.

Timing Of Discretionary Compensation Awards

Historically, the Company has awarded its annual discretionary compensation (*i.e.*, annual bonus and equity compensation) to NEOs after the performance of the immediately preceding fiscal year, including year-end earnings, has been publicly reported and is known by Board members, including the Committee. The Committee has, in certain limited circumstances, made equity compensation awards at other times in connection with a new employee s date of hire or in connection with a significant promotion. Given the general economic downturn and the Company s operating performance over the last two years (2009 and 2008, respectively), the Company determined not to award discretionary bonuses for each such year in 2010 and 2009, respectively. Contractual bonuses, such as signing and/or retention bonuses, were not affected by this decision.

Given the significant negotiations during late 2008 and the first few months of 2009 related to the Refinancing, the Company also did not award any equity compensation in 2009. In recognition of not having granted bonuses or equity awards, and given the significant transactions undertaken by the Company (*e.g.*, transition as an independently-managed company; securing a ten-year distribution arrangement with CBS Radio; consummation of a $100 million investment by Gores; completion of a significant re-engineering of the Company s Metro Networks division and the Refinancing), the Company awarded stock options to its employees, including NEOs, on February 12, 2010.

Elements of Compensation

There are three main components of compensation: (1) base salary; (2) discretionary annual bonus; and (3) equity compensation. The Company generally establishes a NEO s base salary in the individual s employment agreement, based generally on competitive pay levels, the Company s internal pay structure and appropriate fixed pay to compensate sufficiently the NEOs for performing his/her duties and responsibilities. However, for the most part with limited exceptions, all other payments (*e.g.*, signing bonus, retention bonus, annual discretionary bonus, equity compensation awards) are wholly-discretionary and/or contingent on the NEO remaining with the Company. The Committee believes discretionary annual bonuses should be used to reward a NEO s outstanding individual performance and that NEOs are more appropriately compensated, motivated and rewarded (and more likely to remain at the Company) when bonuses are paid in cash in a lump sum after the year has ended. Equity compensation awards, on the other hand, are intended to generate favorable long-term performance with a view toward providing a potential for upside should the Company s performance improve over the long-term, thereby creating a common goal of both NEOs and Company stockholders. Given the Company s stock price over the last few years, an increasingly larger portion of NEOs compensation has been their cash compensation (salary) as compared to their equity compensation. As noted above, the Company did not pay discretionary bonuses or award equity compensation to its executives in 2009. In setting the different elements of compensation, the Committee does not engage in a formal benchmarking process. However, over the years the Committee has received periodic input by SBCG, and the Committee and the Company are generally aware of compensation trends in the industry.

How does the Committee determine the allocation between the elements of compensation?

Base Salary

In determining base salary, the Committee considers an individual s performance, experience and responsibilities, as well as the base salary levels of similarly-situated employees at comparable companies in the media industry. A base salary is meant to create a secure base of cash compensation, which is competitive in the industry. The Company relies to a large extent on the President s evaluation and recommendation based on his assessment of the NEO s performance.

Salaries generally are reviewed at the time a NEO enters into a new or amended employment agreement, which typically occurs upon the assumption of a new position and/or new responsibilities or the termination of the agreement. Any increase in salary is based on a review of the factors set forth above. In most instances, the Company has moved away from guaranteeing automatic salary increases in multi-year employment agreements in favor of reviewing on an annual basis whether salary increases should occur company-wide.

Effective April 6, 2009, the Company instituted a company-wide salary reduction, ranging from 5-15% based on an employee s salary level. As part of such plan, all of the NEOs received a 15% reduction in salary, which reduction remained in place throughout the rest of 2009 and continues as of the date of this proxy statement. From the ten-week period commencing October 12, 2009 to December 21, 2009, the Company reduced employees pay on a one-time basis by an additional 10% (*e.g.*, five days of pay) and instituted a mandatory five-day furlough over the same ten-week period. All NEOs participated in this program.

Discretionary Annual Compensation Bonus

NEOs are eligible to receive discretionary annual bonuses and their employment agreements provide a target amount for which they are eligible. The target is set based on the NEO s position and responsibilities and the Company s overall pay positioning objectives. While the target bonus amounts differ from agreement to agreement, all such bonuses are in the sole and absolute discretion of the Board or the Committee or their designee. Historically, management would make a recommendation regarding discretionary bonuses and equity compensation for key employees to the Committee which the Committee and management would discuss. After reviewing its decisions with the full Board and taking into account the views expressed by members of the Board, the Committee would make its final determination. As previously stated, the Committee has not awarded discretionary bonuses in the last two years given the weakened economy and the Company s performance. When making bonuses, the Committee s policy is to take into account a NEO s base salary and views cash compensation as a whole when making its determinations regarding bonuses.

While the Committee does not have a written policy regarding bonuses payable upon attaining certain financial metrics, bonuses for all members of management will continue to be reviewed on the basis of the Company s overall performance and to the extent applicable, on their individual performance and the performance of departments over which they exercise substantial control.

Equity Compensation

The Company considers equity compensation to be a key part of a NEO s compensation. On April 23, 2009, when the Company s debt was refinanced, the Company s capital structure was recapitalized such that its common stockholders were diluted to approximately 2% of the Company s equity. While the Company s employees have outstanding equity compensation issued under the 2005 Plan (which was effective prior to the Board s adoption of the 2010 Plan as described below) and 1999 Plan, such equity compensation is significantly underwater (i.e., the Company s current stock price, on a split-adjusted basis, is substantially below the exercise price of such stock options) and has *de minimis* value. As a point of reference, the aggregate fair value of equity compensation awards to NEOs was $856,158 for the three years ended December 31, 2009 as described in more detail under the Summary Compensation Table that appears below. The intrinsic value of these awards as of December 31, 2009 was $0 for option awards and $243 for stock awards. Because of the timing of the Refinancing, the Company was not in a position to develop a new equity compensation plan in late 2008 or early 2009 and accordingly, no awards to NEOs were made in 2009.

In the second half of 2009, the Company along with the Chair of the Committee and Vice-Chairman of the Board (who also sits on the Compensation Committee), reviewed the Company s equity compensation levels and determined the 2005 Plan should be revised to increase the shares of common stock available for issuance under such plan. Gores believed the amount of the equity compensation awards should be meaningful, in part because previously issued equity compensation no longer has much value and in part because no awards or bonuses were awarded in the previous two years. On February 12, 2010, the Board amended and restated the 2005 Plan (which was renamed the 2010 Equity Compensation Plan, the 2010 Plan) to increase the number of shares available for issuance to 2,650,000 shares, subject to stockholder approval, which reflected an allocation of approximately 10% of the Company s equity (on a fully-diluted basis taking into account the stock options to be awarded) for equity awards. Thereafter, the Company s President and Chair of the Committee recommended award levels for top executives, including NEOs (with the exception of the President), and thereafter, the President and Chair of the Committee, along with the General Counsel and key members of management, recommended levels of individual employee awards. The Vice-Chairman of the Board, Chair of the Committee and remaining Committee members determined the award for the President. Approximately 2,000,000 shares were awarded on February 12, 2010, subject to stockholder approval, and accordingly, approximately 650,000 of the 2,650,000 shares remain available for issuance under the 2010 Plan.

Under the 2010 Plan, the maximum number of shares subject to any stock option, stock appreciation right or any equity-based award that is intended to be performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (along with related regulations, the Code) that may be granted to each participant may not exceed 1,000,000 shares (subject to adjustment as provided in the 2010 Plan) during any one year period, of which up to 350,000 (subject to adjustment as provided in the 2010 Plan) may be used for restricted stock, restricted stock units (RSUs), deferred stock units and equity-based performance awards that are intended to be

performance-based compensation. Other than the definition of change in control and default vesting terms relating to a change in control , no other material changes were made to the 2005 Plan and the types of awards available under the 2005 Plan remain the same under the 2010 Plan. However, the change in control definition in the 2005 Plan was amended to more closely match the definition set forth in the Company s credit agreements. In addition, the Committee determined that instead of all equity compensation automatically vesting in connection with a termination upon a change in control, any accelerated vesting termination provisions should be determined on a case-by-case basis.

The 1999 Plan expired on March 31, 2009 but approximately 25,503 shares remain outstanding thereunder pursuant to prior awards. The awards made under the 1999 Plan also expressly incorporate the defined terms cause and change in control and the effect of such terms from the 2005 Plan. Unless expressly negotiated otherwise, unvested stock options continue to be forfeited upon an employee s termination, including by death or disability.

Under the Company s equity compensation plans, various forms of equity compensation awards are available, including (1) full value share equity compensation awards (*e.g.,* restricted stock, RSUs, performance shares and deferred stock) that are measured by the actual stock price, and (2) stock options, which have value to an employee only to the extent the price of the Company s common stock increases after the date the stock options are granted. The Company began to include restricted stock and RSUs in its equity compensation awards in May 2005, after the 2005 Plan was approved by Company stockholders. The last time the Committee awarded restricted stock or RSUs to its employees was in 2007.

In determining awards to NEOs, the Committee reviews both the value of equity compensation, individual responsibilities and performance, and other equity awards granted to executive officers at the Company. The following awards were made under the 2010 Plan to the NEOs on February 12, 2010, subject to stockholder approval:

Roderick M. Sherwood, III received a stock option to purchase 400,000 shares of common stock;
Gary Schonfeld received a stock option to purchase 200,000 shares of common stock;
Steven Kalin received a stock option to purchase 200,000 shares of common stock; and
David Hillman received a stock option to purchase 150,000 shares of common stock.

Terms of Vesting

Under the 2005 Plan and 2010 Plan, unvested awards generally are forfeited upon an employee s termination, including by death or disability. However, under the 2005 Plan, if termination occurs within a 24-month period after a change in control (as such term is defined in the 2005 Plan), the award generally will become fully vested. Once granted, an individual is entitled to the benefits of an award of equity compensation upon vesting, provided, such individual remains employed by the Company at the time of vesting. In the case of certain NEOs and key employees, an award (or portion of an award) may vest when termination is without cause or for good reason,

All equity compensation issued under the 2005 Plan and the 2010 Plan (including those awards made on February 12, 2010) have three-year vesting terms, with the exception of awards made in January 2006 which vested over four years. Stock options issued under the 1999 Plan have five-year vesting terms, with the exception of awards made in March 2008 which vested over three years. Options that remain outstanding under the 1999 Plan and 2005 Plan will vest upon a participant s termination within a 24-month period after a change in control (as such term is defined in the 2005 Plan, not taking into an account the amended definition under the 2010 Plan) has occurred. In the case of all of the NEOs, this is also true of the awards made on February 12, 2010.

Definition of Change in Control

Under the 2010 Plan, adopted on February 12, 2010: a change in control generally is: (i) the acquisition by any person, other than Gores, of a majority of the equity interests of the Company entitled to vote for members of the Board or equivalent governing body; (ii) a change in the individuals constituting a majority of the Board, or (iii) the consummation of any other transaction involving a significant issuance of the Company s securities, a change in the Board composition or other material event that the Board determines to be a change in control.

Under the 2005 Plan, a change in control generally is: (i) the acquisition by any person of 35% or more of the Company s outstanding common stock; (ii) a change in the individuals constituting a majority of the Board; (iii) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets or stock of another corporation resulting in a change of ownership of more than 50% of the voting securities entitled to vote generally in the election of directors, (iv) a stockholder approved complete liquidation or dissolution of the Company; or (v) the consummation of any other transaction involving a significant issuance of the Company s securities, a change in the Board composition or other material event that the Board determines to be a change in control.

For the definitions used in NEOs employment agreements, please refer to the summaries under the heading Employment Agreements which appears below.

Payments Upon Termination

The Company has entered into employment agreements with each of the NEOs in order to promote stability and continuity of management. Under certain employment agreements, NEOs are entitled to cash payments upon various termination scenarios, including upon a change in control, death or disability, termination by the executive for good reason, or termination by the Company without cause. These payments are more particularly described under the table entitled Potential Payments upon Termination or Change in Control ; the summaries of employment agreements that follow under the heading entitled Employment Agreements ; and the narrative that follows regarding such payments. The Company does not have any arrangements with its NEOs, written or otherwise, for 280G gross-up or similar type payments.

What other factors does the Committee consider when making its decisions regarding compensation to NEOs?

Section 162(m) of the Code, limits the annual tax deduction a Company may take on compensation it pays to the NEOs (other than the CFO in certain instances) to covered pay of $1 million per executive in any given year. The Committee s general policy is to structure compensation programs that allow the Company to fully deduct the compensation under Section 162(m) requirements. However, the Committee seeks to maintain the Company s flexibility to meet its incentive and retention objectives, even if the Company may not deduct all of the compensation.

Beginning in 2005, with the adoption of the 2005 Plan by the Board, the Committee has the option to grant RSUs and restricted stock to NEOs. The Committee has retained the right to grant such equity awards because although the amount of RSUs and restricted stock that qualify for a deduction under Section 162(m) may be limited, equity-based awards have the potential to be a significant component of compensation that promotes long-term Company performance and management retention, and strengthens the mutuality of interests between the awardees and stockholders. Stock options granted by the Company are generally intended to qualify for a deduction under Section 162(m).

The Committee also considers the accounting cost and the dilutive effect of equity compensation awards when granting such awards and the impact of Section 409A of the Code relating to deferred compensation. To the extent permitted by the Committee, a participant may elect to defer the payment of RSUs in a manner that is intended to comply with Section 409A of the Code.

With respect to accounting considerations, the Committee examines the accounting cost associated with equity compensation in light of requirements under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 (formerly, FASB Statement 123R) (FASB ASC 718).

What role does the Committee play in establishing compensation for directors?

The Committee reviews and evaluates compensation for the Company s non-employee directors on an annual basis, in consultation with its outside legal counsel prior to making a recommendation to the Board. The elements of director compensation and more particulars regarding the elements are described in this proxy statement under the table appearing below the heading Director Compensation.

Compensation Committee Report

The Committee has reviewed and discussed with Company management the Compensation Discussion and Analysis which appears above. Based on its review and discussions with management, the Committee recommended to the Board that it approve the inclusion of the Compensation Discussion and Analysis in this proxy statement filed with the SEC.

Submitted by the members of the Compensation Committee:

Michael Nold, Chair
H. Melvin Ming
Emanuel Nunez
Norman J. Pattiz
Mark Stone

SUMMARY COMPENSATION TABLE

The following table and accompanying footnotes set forth the compensation earned, held by, or paid to, each of the Company s named executive officers for the years ended December 31, 2007, December 31, 2008 and December 31, 2009, respectively. In 2009, the Company instituted cost-reduction measures which included a 15% salary reduction effective April 6, 2009 for each of the NEOs and a 10% salary reduction, along with five unpaid furlough days, for the period from October 19, 2009 to December 28, 2009. The effect of these cost reductions on NEOs salaries are reflected in the table below.

Name and Principal Position (a)	Year (b)	Salary ($) (c)	Bonus ($) (d)(1)	Stock Awards ($) (e) (2)	Option Awards ($) (f) (2)	Non-Equity Incentive Plan Compensation ($) (g)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (h)	All Other Compen-sation ($) (i)(3)	Total ($) (j)
CURRENT NEOS:									
Roderick M. Sherwood, III	2009	$ 520,892					N/A	$	$ 520,892
President (as of 10/20/08)	2008	$ 168,462	$ 15,000		$ 152,700		N/A	$ 115,000	$ 451,162
and CFO (as of 9/20/08) (4)									
Gary Schonfeld	2009	$ 432,728					N/A		$ 432,728
President, Network division (as of 10/20/08) (5)	2008	$ 96,154			$ 56,100		N/A		$ 152,254
Steven Kalin	2009	$ 431,135					N/A		$ 431,135
President, Metro Networks division (as of 10/20/08) and COO (as of 7/7/08) (6)	2008	$ 225,962			$ 266,050		N/A		$ 492,012
David Hillman,	2009	$ 388,021					N/A		$ 388,021
CAO, EVP, Business Affairs and GC (7)	2008	$ 425,000	$ 33,334		$ 145,950		N/A		$ 604,284
	2007	$ 373,846	$ 208,333	$ 134,358	$ 101,000		N/A		$ 817,537

(1) The Committee did not award bonuses

for service in 2008 and 2009.

(2) The amounts reported in columns (e) and (f) represent the grant date fair value all stock and option awards granted in fiscal 2009, calculated in accordance with FASB ASC 718. For a more detailed discussion of the assumptions used by the Company in estimating fair value, refer to Note 11 (Equity-Based Compensation) of the Notes to the Consolidated Financial Statements in the Company s Annual Report on Form 10-K for the year ended December 31, 2009. The vesting terms of the stock awards and option awards reported in the table above are described below.

(3) The Company does not provide perquisites to its employees, including the named executive officers. Under the terms of his employment agreement, Mr. Pattiz has the right to purchase at any time the

Company car he uses at the fair market value as such is reported in the Kelly Blue Book. Prior to April 3, 2009, the Company made a matching contribution of 25% of all employees contributions to their 401(k) Plan in an amount not to exceed 6% of an employee s salary. Such matches were in Company stock, until January 1, 2007, when the Company began making such matches in cash. Employees vest in the Company match based on years of service with the Company as follows: 20% for one year of service; 40% for two years of service; 60% for three years of service; 80% for four years of service and 100% for five years of service. On March 24, 2009, the Company announced it would cease making matching contributions to employees contributions to their 401(k) Plans, effective April 3, 2009. The values of the Company

matching contributions in 2009 were: $1,151, $433, $865 and $1,558, with respect to Messrs. Sherwood, Schonfeld, Kalin and Mr. Hillman, respectively.

(4) Roderick M. Sherwood, III earned base salary at an annual rate of $600,000 from September 20, 2008 through December 31, 2008 and received a $15,000 signing bonus at the time he entered into his employment agreement. Mr. Sherwood earned base salary at an annual rate of $600,000 for calendar year 2009, which amount was reduced in connection with the cost-reduction measures described above. Prior to his employment by the Company, Mr. Sherwood also received $115,000 from Gores in connection with consulting work rendered to the Company in July-September 2008 in connection with the Metro reengineering plan and other cost initiatives, which amount is included as part of all other compensation and not in salary .

(5) Gary Schonfeld earned base salary at an annual rate of $500,000 from

October 20, 2008 through December 31, 2008 and for calendar year 2009, which amount was reduced in connection with the cost-reduction measures described above.

(6) Steven Kalin earned base salary at an annual rate of: (i) $450,000 from July 7, 2008 through October 19, 2008 for services rendered as COO and (ii) $500,000 from October 20, 2008 to December 31, 2009 for services rendered as President, Metro Networks division, which amount was reduced in connection with the cost-reduction measures described above.

(7) David Hillman earned base salary at an annual rate of $425,000 for calendar year 2008 and his base salary increased to $450,000 on January 1, 2009. He also received a $100,000 retention bonus at the time he entered into the first amendment to his employment agreement effective January 1, 2006, of which $33,333.36 was earned in each of 2006, 2007 and 2008.

Mr. Hillman s salary was also reduced in connection with the cost-reduction measures described above.

GRANTS OF PLAN-BASED AWARDS IN 2009

As discussed elsewhere in this proxy statement, no awards of stock options, restricted stock or RSUs were made to NEOs during the 2009 calendar year. Accordingly, this table which would otherwise provide information for equity compensation awards to the Company s named executive officers during the year ended December 31, 2009 has been omitted.

The following summary is applicable to the equity compensation awarded in 2008 and 2007 to the NEOs reported in the table entitled Summary Compensation Table which appears above.

Vesting

All awards of stock options listed in the Summary Compensation Table were granted under the 2005 Plan or the 1999 Plan and vest in equal installments over a three-year period, commencing on the first anniversary of the date of grant. Upon a participant s termination, all vested stock options remain exercisable as follows, but in no event later than ten years after the grant date: (i) three years in the event of the participant s retirement; (ii) one year in the event of the participant s death (in which case the participant s estate or legal representative may exercise such stock option) or (iii) three months for any other termination (other than for cause) unless negotiated otherwise in an executive s employment agreement. Under the terms of the 2005 Plan, a participant forfeits any unvested stock options on the date of his termination.

When terms such as participant, termination, retirement, cause and change in control are used for purposes of referring to equity compensation, such have the meaning set forth in the 2005 Plan. A participant means a recipient of awards under an equity compensation plan (for purposes of this proxy statement, the employee).

Change in Control Provisions

With respect to all equity compensation awards made under the 2005 Plan (or those issued in March 2008 and thereafter under the 1999 Plan incorporating 2005 Plan terms relating to a change in control), if an employee is terminated without cause during the 24-month period following a change in control, all unvested stock options, restricted stock and RSUs (as described above) shall immediately vest provided an employee is still a participant on that date. As described in the CD&A above, this provision was changed in February 2010 but does not impact any of the awards disclosed in the tables above.

Termination without Cause

Certain equity awards may be subject to modified vesting provisions based on the terms of employment agreements negotiated by and between the Company and certain NEOs, specifically Messrs. Sherwood and Kalin, which terms are described in more detail under the summaries of their respective employment agreements which appear below.

Dividends; Transfer Restrictions; Voting Rights

RSUs and restricted stock accrue dividend equivalents when dividends are paid, if any, on the common stock beginning on the date of grant. Such dividend equivalents are credited to a book entry account, and are deemed to be reinvested in common shares on the date the cash dividend is paid. Dividend equivalents are payable, in shares of common stock, only upon the vesting of the related restricted shares. Until the stock vests, shares of restricted stock and RSUs may not be sold, pledged, or otherwise transferred; however, once a grant of such is made, the holder is entitled to receive dividends thereon (as described above). In the case of restricted stock only (*i.e.*, not RSUs), a holder is entitled to vote the shares once he has been awarded such shares. A holder may not vote shares associated with RSUs until the shares underlying such award have been distributed (which occurs upon vesting, unless the RSUs have been deferred as described below).

Right to Defer; Mandatory Deferral in 2005

A participant may elect to defer receipt of his RSUs in which case shares and any dividend equivalents thereon are not distributed until the date of deferment. A decision to defer must be made a minimum of twelve (12) months prior to the initial vesting date and a participant may choose to defer his award until the last vesting date applicable to such award or his date of termination. In 2005, the deferral of equity compensation awards until a participant s termination was mandatory. Accordingly, the grants made to all directors on May 19, 2005 and the grants made to Mr. Pattiz in December 2005 were deferred until such individual s termination. Since the 2005 awards, no grants of equity compensation have been deferred, with the exception of the RSU award made to Mr. Dennis on September 22, 2008. With the exception of deferred awards to Mr. Pattiz, all previously-deferred awards have been distributed as such directors have resigned from the Company.

OUTSTANDING EQUITY AWARDS AT 2009 FISCAL YEAR-END

The following table sets forth, on an award-by-award basis, the number of shares covered by exercisable and unexercisable stock options and unvested restricted stock and RSUs outstanding to each of the Company s NEOs as of December 31, 2009. The following share numbers and prices reflect a 200 for 1 reverse stock split that occurred on August 3, 2009.

	Option Awards **(1)**					Stock Awards **(2)**			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Un-exercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($) (h) **(3)**	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (i)	Equity Incentive Plan Awards: Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) (j)
NEOs:									
Sherwood	1,000	2,000		$ 98.00	09/17/18		$		$
	250	500		36.00	10/20/18				
Schonfeld	916	1,834		$ 36.00	10/20/18		$		$
Kalin	708	1,417		$ 250.00	7/7/18		$		$
	250	500		36.00	10/20/18				
Hillman	3			$ 3,834.00	09/28/10		$		$
	45			4,292.00	09/20/11				
	60			7,038.00	09/25/12				
	60			6,038.00	09/30/13				
	150			4,100.00	10/05/14				
	100	25		4,194.00	03/14/15				
	126	43		2,854.00	02/10/16				
	133	67		1,234.00	03/13/17				
	291	584		398.00	03/14/18				

21	95
33	149

(1) The stock options listed in the table above vest as follows:

- All stock options listed in the above table granted prior to January 1, 2005 (*i.e.*, with an expiration date on or before December 31, 2014) were granted pursuant to the terms of the 1999 Plan and are subject to five-year vesting terms in equal installments, commencing on the first anniversary of the date of grant.
- All stock options listed in the table above with an expiration date on or after May 19, 2015 but granted prior to March 14, 2008 were granted pursuant to the terms of the 2005 Plan. Such options vest in equal installments over four years commencing on the first anniversary of the date of grant except for stock options listed in the table above with an expiration date on or after March 13, 2017, all of which have a three-year (not four-year) vesting term.
- All stock options listed in the table above with an expiration date on or after March 14, 2018 were granted pursuant to the terms of the 1999 Plan (as described elsewhere in this proxy statement) and, as stated in the immediately preceding bullet, vest in equal installments over three years commencing on the first anniversary of the date of grant.

(2) All stock awards listed in the above table were granted pursuant to the terms of the 2005 Plan and are subject to four-year vesting terms commencing on the first anniversary of the date of grant, except for: (x) stock awards issued in 2007 and later, all of which have a three-year vesting term; and (y) Mr. Hillman s award of 75 shares of restricted stock awarded in July 2007 which had a two-year vesting term (such award has been adjusted to reflect the 200 for 1 reverse stock split that occurred on August 3, 2009). As discussed elsewhere in this proxy statement, restricted stock granted on February 10, 2006 had an initial vesting date of January 10, 2007 (11 months after the grant date), with subsequent vesting dates tied

to the anniversary of the vesting date. The numbers disclosed in column (g) above include all dividend equivalents that have accrued on such shares.

(3) The value of the awards disclosed in column (h) above is based on a per share closing stock price on NASDAQ for the common stock of $4.50 ($0.0225, if not adjusted for the 200 for 1 reverse stock split that occurred on August 3, 2009) on December 31, 2009 (the last business day of 2009).

OPTIONS EXERCISED AND STOCK VESTED

During the year ended December 31, 2009, none of the Company s named executive officers exercised any stock options. Shares of restricted stock and RSUs previously awarded to them were acquired as follows:

	Options Awards		Stock Awards	
Name (a)	Number of Shares (#) (b)	Value Realized on Exercise ($) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (1) ($) (e)
NEOS:				
Sherwood				
Schonfeld				
Kalin				
Hillman			92	$ 1,008

(1) Value realized on vesting represents the number of shares acquired on vesting multiplied by the market value of the shares of common stock on the vesting date.

PENSION BENEFITS

None of the Company s named executive officers are covered by a pension plan or similar benefit plan that provides for payment or other benefits at, following, or in connection with retirement.

NONQUALIFIED DEFERRED COMPENSATION

None of the Company s named executive officers are covered by a deferred contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified. Accordingly, this table which would otherwise provide nonqualified deferred contribution information for the Company s named executive officers during the year ended December 31, 2009 has been omitted.

Employment Agreements

General

The Company has written employment agreements with each of the NEOs, the material terms of which are set forth below. These summaries do not purport to be exhaustive; in particular, financial terms (*e.g.,* salary, bonus) for years prior to 2009 are not included in the summaries below. You should refer to the actual agreements for a more detailed description of the terms. As indicated below, all of the employment agreements contain non-competition and non-solicitation provisions which extend after the termination of such agreements for the period indicated below.

More detailed terms and provisions of equity compensation held by the following NEOs can be located in the table entitled Outstanding Equity Awards At 2009 Fiscal Year-End which appears above.

Defined Terms: Cause, Good Reason, Change in Control

When terms such as cause, good reason or cause event (for Messrs. Sherwood, Schonfeld and Kalin only), or chan in control are used, for a complete description of such terms, please refer to such NEO s employment agreement. Generally speaking, with limited exceptions, NEOs are terminable for cause (referred to as a cause event in the case of Messrs. Sherwood, Schonfeld and Kalin) if they have: (1) failed, refused or habitually has neglected to perform their duties, breached a statutory or common law duty or otherwise materially breached their employment agreement or committed a material violation of the Company s internal policies or procedures; (2) been convicted of a felony or a crime involving moral turpitude or engaged in conduct injurious to the Company s reputation; (3) become unable by reason of physical disability or other incapacity to perform their duties for 90 continuous days or 120 non-continuous days in a 12-month period (or 180 non-continuous days in a 12-month period with respect to Mr. Sherwood); (4) breached a non-solicitation, non-compete or confidentiality provision; (5) committed an act of fraud, material misrepresentation, dishonesty related to his employment, or stolen or embezzled assets of the Company; or (6) engaged in a conflict of interest or self-dealing. Each of Messrs. Sherwood s, Schonfeld s and Kalin s employment agreement has a good reason termination, which is described below. When reference is made to a change in control, the 2005 Plan meaning is used, except in the case of Messrs. Sherwood, Schonfeld and Kalin, where clause (i) of the 2005 Plan change in control definition instead means: the acquisition by any person of 50% or more of the outstanding common stock, other than an acquisition by the Company or any Person that controls, is controlled by or is under common control within the Company or other than a non-qualifying business combination (as defined in the 2005 Plan).

Mr. Sherwood, Chief Financial Officer (effective September 17, 2008) and President (effective October 20, 2008)

Term expires on September 17, 2010.

Annual salary of $600,000, with potential annual increases of up to 5% in the sole and absolute discretion of the Committee. This salary does not reflect the 15% salary reduction described above which became effective on April 6, 2009 and continues to date.

Discretionary annual bonus of up to $400,000 for each of 2009 and 2010 (pro rated for a partial year), in the sole and absolute discretion of the Board or the Committee or their designee.

Mr. Sherwood received a signing bonus of $15,000 in 2009 for services rendered in 2008.

On February 12, 2010, Mr. Sherwood received an option to purchase 400,000 shares of common stock.

Mr. Sherwood is eligible to receive additional equity compensation beginning in 2010 (see above).

If Mr. Sherwood continues to be employed by the Company after the term, the agreement is terminable by either party upon 30 days written notice (the Company will provide Mr. Sherwood with 90 days prior written notice if it does not wish to renew or extend the agreement).

Agreement terminates automatically in the event of death; terminable by the Company immediately upon notice of a cause event or upon ten days prior written notice in the event of disability; terminable by Mr. Sherwood upon prior written notice (given within 30 days after the event giving rise to the good reason if the Company fails to cure within 30 days after notice) to the Company for good reason.

For purposes of Mr. Sherwood s employment agreement, good reason is: (1) a material diminution in his authority or responsibilities; or (2) a material diminution in his base salary.

If terminated by the Company for any reason other than for a cause event, or by Mr. Sherwood for good reason, Mr. Sherwood will receive (in addition to Sherwood Accrued Amounts (see next bullet point)): (x) one times his base salary, payable in equal periodic installments for one year following his termination; (y) the pro rata portion of his 2010 discretionary bonus to the extent such termination occurs in 2010; and (z) payment of his premiums by the Company for continued coverage under COBRA for twelve (12) months after his termination, or such earlier time until he ceases to be eligible for COBRA or becomes eligible for coverage under the health insurance plan of a subsequent employer.

If terminated for a cause event (with the exception of clause (ii) which shall not apply in such instance) or due to his death or disability, or if Mr. Sherwood terminates without good reason, Mr. Sherwood is entitled solely to the following: (i) his base salary prorated to the date of termination; (ii) any annual bonus earned but not yet paid for any completed full calendar year immediately preceding the date of termination; (iii) reimbursement for any unreimbursed expenses properly incurred through date of termination; and (iv) any entitlement under employee benefit plans and programs (collectively, Sherwood Accrued Amounts). If Mr. Sherwood is terminated for a cause event, all equity awards will be forfeited except for exercised stock options.

If terminated by the Company for any reason other than for a cause event or by Mr. Sherwood for good reason, each in connection with a change in control, Mr. Sherwood will receive (x) the lesser of: (i) one times his base salary or (ii) his base salary for the duration of the employment term; and (y) the pro rata portion of his 2010 discretionary bonus to the extent such termination occurs in 2010.

Non-compete: If Mr. Sherwood is terminated, then for the Restricted Period, Mr. Sherwood may not engage in any Restricted Activity, compete with the Company or its affiliates or solicit employees or customers of the Company or its affiliates. For Mr. Sherwood, the Restricted Period is a period equal to: (i) the one year period for which he receives severance after his date of termination if he is terminated for a reason other than for a cause event or he terminates his employment for good reason; or (ii) the original scheduled term of his employment (with shall not be less than 90 days after his termination) if Mr. Sherwood is terminated for a cause event (*i.e.,* cause, by Mr. Sherwood without good reason or by death or disability).

Generally speaking, in the case of Messrs. Sherwood, Schonfeld, Kalin and Hillman, a Restricted Activity consists of: (i) providing services to a traffic, news, sports, weather or other information report gathering or broadcast service or to a radio network or syndicator, or any direct or indirect competitor of the Company or its affiliates; (ii) soliciting client advertisers of the Company or its affiliates and dealing with accounts with respect thereto; (iii) soliciting such client advertisers to enter into any contract or arrangement with any person or organization to provide traffic, news, weather, sports or other information report gathering or broadcast services or national or regional radio network or syndicated programming; or (iv) forming or providing operational assistance to any business or a division of any business engaged in the foregoing activities.

Mr. Schonfeld, President, Network division (effective October 20, 2008)

Term expired on October 20, 2009.

Annual salary of $500,000 (not including the 15% salary reduction).

Discretionary annual bonus of up to $500,000 (pro rated for any partial calendar year), in the sole and absolute discretion of the Board or the Committee or their designee.

On February 12, 2010, Mr. Schonfeld received an option to purchase 200,000 shares of common stock.

As Mr. Schonfeld continues to be employed by the Company after the stated term, the agreement is terminable by either party upon 45 days written notice (either party will provide the other party with 45 days prior written notice if it does not wish to renew or extend the agreement).

Agreement terminates automatically in the event of death; terminable by the Company immediately upon notice of a cause event or upon ten days prior written notice in the event of disability; terminable by Mr. Schonfeld upon prior written notice (given within 30 days after the event giving rise to the good reason if the Company fails to cure within 30 days after notice) to the Company for good reason.

For purposes of Mr. Schonfeld s employment agreement, good reason is: (1) a material diminution in his authority or responsibilities; or (2) a material diminution in his base salary.

If terminated by the Company for any reason other than for a cause event, or by Mr. Schonfeld for good reason, Mr. Schonfeld will receive (in addition to Schonfeld Accrued Amounts (see next bullet point)) his remaining base salary for the duration of the employment term, payable in equal periodic installments.

If terminated for a cause event or due to his death or disability, or if Mr. Schonfeld terminates without good reason, Mr. Schonfeld is entitled solely to the following: (i) his base salary prorated to the date of termination; (ii) reimbursement for any unreimbursed expenses properly incurred through date of termination; and (iii) any entitlement under employee benefit plans and programs (collectively, Schonfeld Accrued Amounts). If Mr. Schonfeld is terminated for a cause event, all equity awards will be forfeited

except for exercised stock options.

Non-compete: If Mr. Schonfeld is terminated, then for the Restricted Period, Mr. Schonfeld may not engage in any Restricted Activity, compete with the Company or its affiliates or solicit employees or customers of the Company or its affiliates. For Mr. Schonfeld, the Restricted Period is a period equal to: (i) the period for which he receives severance after his date of termination if he is terminated for a reason other than for a cause event or he terminates his employment for good reason; or (ii) the original scheduled term of his employment (with shall not be less than 90 days after his termination) if Mr. Schonfeld is terminated for a cause event (*i.e.,* cause, by Mr. Schonfeld without good reason or by death or disability).

Mr. Kalin, COO (effective July 7, 2008) and President, Metro Networks division (effective October 20, 2008)

Term expires on July 7, 2011.

Annual salary of $500,000 (not including the 15% salary reduction).

Discretionary annual bonus of up to $450,000 (pro rated for any partial calendar year), in the sole and absolute discretion of the Board or the Committee or their designee.

On February 12, 2010, Mr. Kalin received an option to purchase 200,000 shares of common stock.

If Mr. Kalin continues to be employed by the Company after the term, the agreement is terminable by either party upon 30 days written notice (the Company will provide Mr. Kalin with 90 days prior written notice if it does not wish to renew or extend the agreement).

Agreement terminates automatically in the event of death; terminable by the Company immediately upon notice of a cause event or upon ten days prior written notice in the event of disability; terminable by Mr. Kalin upon prior written notice (given within 30 days after the event giving rise to the good reason) to the Company for good reason.

For purposes of Mr. Kalin s employment agreement, good reason is: (1) a material diminution in his authority or responsibilities; or (2) a material diminution in his base salary or title.

If terminated by the Company in connection with a change in control, Mr. Kalin will receive (in addition to Kalin Accrued Amounts (see next bullet point)) the lesser of: (i) two times his base salary or (ii) his base salary for the duration of the employment term, payable in equal periodic installments.

If terminated for a cause event (with the exception of clause (ii) which shall not apply in such instance) or due to his death or disability, or if Mr. Kalin terminates without good reason, Mr. Kalin is entitled solely to the following: (i) his base salary prorated to the date of termination; (ii) any annual discretionary bonus earned but upaid for any completed calendar year immediately preceding the date of termination; (iii) reimbursement for any unreimbursed expenses properly incurred through date of termination; and (iv) any entitlement under employee benefit plans and programs (collectively, Kalin Accrued Amounts). If Mr. Kalin is terminated for a cause event, all equity awards will be forfeited except for exercised stock options.

If terminated by the Company by the Company for any reason other than for a cause event in the second or third year of his employment term or by Mr. Kalin for good reason, Mr. Kalin will receive: (i) two times his base salary if terminated in the second year of his employment term or (ii) one times his base salary if terminated in the third year of his employment term.

Non-compete: If Mr. Kalin is terminated, then for the Restricted Period, Mr. Kalin may not engage in any Restricted Activity, compete with the Company or its affiliates or solicit employees or customers of the Company or its affiliates. For Mr. Kalin, the Restricted Period is a period equal to: (i) the period for which he receives severance after his date of termination if he is terminated for a reason other than for a cause event or he terminates his employment for good reason; or (ii) the original scheduled term of his employment (with shall not be less than 90 days after his termination) if Mr. Kalin is terminated for a cause event (*i.e.,* cause, by Mr. Kalin without good reason or by death or disability).

Mr. Hillman, Chief Administrative Officer; EVP, Business Affairs and General Counsel

Term expired on December 31, 2009.

Annual salary of $450,000 (not including the 15% salary reduction).

No discretionary annual bonus specified for 2009.

On February 12, 2010, Mr. Hillman received an option to purchase 150,000 shares of common stock.

Terminable automatically upon Mr. Hillman s death or loss of legal capacity.

As Mr. Hillman continues to be employed by the Company after the stated term, the agreement is terminable by either party upon 90 days written notice.

In the event of termination without cause, Mr. Hillman will receive his base salary for the remainder of the term and any earned but unpaid discretionary bonus.

If Mr. Hillman is terminated for cause or upon death or loss of legal capacity, Mr. Hillman shall be entitled to his base salary through the date of termination and any entitlement under Company benefit plans and programs.

Non-compete: If Mr. Hillman is terminated, he may not engage in any Restricted Activity, compete with the Company or its affiliates or solicit employees or customers of the Company or its affiliates for a period of one year from and after the term.

Potential Payments upon Termination or Change in Control

The Company has employment agreements with Messrs. Sherwood and Kalin that require it to make payments upon a change in control as described below. We have included a table setting forth the amounts of various payments for convenience. The table should be reviewed with the narrative that follows for a more complete description of such amounts.

Potential Payments upon Termination or Change in Control Pursuant to Employment Agreements (assuming a termination occurred on December 31, 2009)

Name	Termination Scenario	Amount Payable (A)	Equity Compensation (1)
Sherwood	For Cause; Not Good Reason; Death/Disability	Accrued (but unpaid) salary/benefits (3)	
	Without Cause; For Good Reason	$612,425 (4)	$0
	Change in Control (2)	$427,397 (4)	$0 (all outstanding equity awards vest upon termination)
Schonfeld	For Cause; Not Good Reason; Death/Disability	Accrued (but unpaid) salary/benefits	
	Without Cause; For Good Reason	Accrued (but unpaid) salary/benefits	
	Change in Control (2)		$0 (all outstanding equity awards vest upon termination)
Kalin	For Cause; Not Good Reason; Death/Disability	Accrued (but unpaid) salary/benefits (3)	
	Without Cause; For Good Reason	$1,000,000	$0
	Change in Control (2)	$757,534	$0 (all outstanding equity awards vest upon termination)
Hillman	For Cause; Not Good Reason; Death/Disability	Accrued (but unpaid) salary/benefits	
	Without Cause	Accrued (but unpaid) salary/benefits	
	Change in Control (2)		$243 (all outstanding equity awards vest upon termination)

(A) All amounts are based on salary rates set forth in the employment agreements and do not give effect to salary reductions enacted in 2009 as described in this proxy statement.

(1) The values ascribed to equity compensation awards and listed in the table above as well as in the paragraphs below relating to payments to NEOs upon different termination events are the actual value to the executive if such had been paid on the last business day of 2009, which is different than the theoretical value at grant for equity awards. Stock options only have value to an executive if the stock price of the Company s common stock increases after the date the stock options are granted, and such value is measured by the increase in the stock price (which is the value shown in the table above). This is different from the values listed in the compensation tables above (*i.e.*, Summary Compensation Table,

Outstanding Equity Awards at 2009 Fiscal Year-End, Options Exercised and Stock Vested) which represent the grant date fair value, computed in accordance with FASB ASC 718.

(2) As described elsewhere in this proxy statement, pursuant to the terms of the 2005 Plan, the equity compensation of any employee (including NEOs) terminated within 24 months of a change in control will vest immediately upon his/her termination. In the case of Messrs. Sherwood, Schonfeld and Kalin, amounts (other than those listed for equity compensation as described above) are payable only upon if a NEO is terminated in connection with a change in control. All stock options held by NEOs are currently underwater and accordingly, have no value. Mr. Hillman, unlike Messrs. Sherwood, Schonfeld and Kalin, owns restricted stock and/or RSUs which have the value indicated above based on a per share closing stock price on NASDAQ of $4.50 ($0.0225, if not adjusted for

the 200 for 1 reverse stock split that occurred on August 3, 2009) on December 31, 2009 (the last business day of 2009).

(3) Such includes in the case of Mr. Sherwood and Mr. Kalin only, any annual discretionary bonus earned for any completed calendar year of employment but not yet paid at the time of termination except with respect to a termination due to a cause event.

(4) Includes $12,425 associated with 12 months of COBRA coverage.

Payments upon Change in Control

Change in Control Mr. Sherwood

If, in connection with a change in control (as defined in the 2005 Plan), Mr. Sherwood had been terminated on December 31, 2009, Mr. Sherwood would have received $427,397 (his base salary for the remainder of the stated term) payable in accordance with the Company s normal payroll practices, and any unvested portion of the equity compensation awarded to Mr. Sherwood prior thereto (*i.e.*, stock options to purchase 3,750 shares in the aggregate; such award has been adjusted to reflect the 200 for 1 reverse stock split that occurred on August 3, 2009) would have vested immediately upon the effective date of termination.

Change in Control Mr. Kalin

If, in connection with a change in control (as defined in the 2005 Plan), Mr. Kalin had been terminated on December 31, 2009, Mr. Kalin would have received $757,534 (his base salary for the remainder of the stated term) payable in accordance with the Company s normal payroll practices, and any unvested portion of the equity compensation awarded to Mr. Kalin prior thereto (*i.e.*, stock options to purchase 2,875 shares in the aggregate; such award has been adjusted to reflect the 200 for 1 reverse stock split that occurred on August 3, 2009) would have vested immediately upon the effective date of termination.

Change in Control All NEOs

If a change in control occurred and any of Messrs. Sherwood, Schonfeld, Kalin and Hillman was terminated in connection therewith within a twenty-four month period, each individual s outstanding unvested options, restricted stock and RSUs granted under the 2005 Plan (or the 1999 Plan if such grants were made in or after March 2008 in accordance with certain terms of the 2005 Plan) would immediately vest. Assuming such change in control and termination occurred on December 31, 2009 (the last business day of the year), the value of the equity compensation payable to each of Messrs. Sherwood, Schonfeld, Kalin and Hillman would be: $0, $0, $0 and $243, respectively. All

such values are based on a per share closing stock price on NASDAQ for the common stock of $4.50 ($0.0225, if not adjusted for the 200 for 1 reverse stock split that occurred on August 3, 2009) on December 31, 2009 (the last business day of 2009). Of the foregoing values for Messrs. Sherwood, Schonfeld, Kalin and Hillman, none is ascribed to the stock options held by such individuals as all of the options held by such NEOs are underwater (*i.e.*, the exercise price of such stock options exceed the current common stock price).

Payments upon Disability or Death

As part of the Company s employment agreement with its NEOs, the following terms are in effect in the event of such officer s disability or death. In the event of death or disability, the NEOs would be entitled to the following payments:

Messrs. Sherwood, Schonfeld, Kalin and Hillman. In the event of their death or disability, each of Messrs. Sherwood, Schonfeld, Kalin and Hillman (or their estates in the case of death) are entitled to any accrued and unpaid salary and any then entitlement under employee benefit plans and stock options, subject to reduction for any disability payments made under the Company s policies.

Payments upon Termination Without Cause or For Good Reason

If any NEO were terminated without cause or terminated for good reason on December 31, 2009, as applicable on December 31, 2009, the following amounts would be payable by the Company:

Mr. Sherwood: $612,425 (one times his base salary plus $12,425 associated with 12 months of COBRA coverage) payable in accordance with the Company s normal payroll practices, and Mr. Sherwood would be entitled to receive Company payment of his premiums for continued coverage under COBRA for 12 months after his termination. Assuming a termination without cause occurred on December 31, 2009 (the last business day of the year), the value of the equity compensation payable to Mr. Sherwood would be $0 (as Mr. Sherwood only owned stock options which were underwater as of December 31, 2009).

Mr. Kalin: $1,000,000 (his base salary for two years) payable in accordance with the Company s normal payroll practices. Assuming a termination without cause occurred on December 31, 2009 (the last business day of the year), the value of the equity compensation payable to Mr. Kalin would be $0 as the stock options held by Mr. Kalin as of December 31, 2009 were underwater.

DIRECTOR COMPENSATION

The following table sets forth the compensation for the Company s directors who served during the year ended December 31, 2009.

Name (a)	Fees Earned or Paid in Cash ($) (b)	Stock Awards ($) (c)	Option Awards ($) (d)	Non-Equity Incentive Plan Compensation ($) (e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (f)	All Other Compensation ($) (g)	Total ($) (h)
Current directors:							
Bronstein (1)	$	$	$	$	$	$	$
Gimbel (1)	$	$	$	$	$	$	$
Honour (1)	$	$	$	$	$	$	$
Ming	$ 92,500	$	$	$	$	$	$ 92,500
Nold (1)	$	$	$	$	$	$	$
Nunez	$ 54,375	$	$	$	$	$	$ 54,375
Page (1)	$	$	$	$	$	$	$
Pattiz (2)	$	$	$	$	$	$	$
Stone (1)	$	$	$	$	$	$	$
Wuensch	$ 32,500	$	$	$	$	$	$ 32,500
Former directors: (3)							
Carnesale	$ 65,625	$	$	$	$	$	$ 65,625
Dennis	$ 84,375	$	$	$	$	$	$ 84,375
Little	$ 76,875	$	$	$	$	$	$ 76,875
Smith	$ 58,750	$	$	$	$	$	$ 58,750
Weingarten	$	$	$	$	$	$	$

(1) As reflected above, as employees of Gores Radio Holdings, LLC (or

its affiliate Glendon Partners), Messrs. Bronstein, Gimbel, Honour, Nold, Page and Stone do not receive equity compensation for their services as directors of the Company and since the Refinancing closed on April 23, 2009, they have also not received cash for their services. Prior to April 23, 2009, cash fees of $180,000 were paid to The Gores Group, LLC for the services of the Gores directors in 2008 and 2009. Of such amount, $75,000 was for services rendered by the Gores directors in 2009.

(2) As an employee of the Company, Mr. Pattiz does not receive compensation in addition to that specified in his employment agreement for acting as a director.

(3) Messrs. Carnesale, Dennis, Little and Smith resigned from the Board on April 23, 2009 in connection with the closing of the Company s

Refinancing.
Mr. Weingarten
resigned on
December 4, 2009
in connection with
his resignation
from The Gores
Group, LLC.

On April 23, 2009, several directors resigned in connection with the Company s Refinancing, which constituted a change in control under the terms of the 2005 Plan as described in the section entitled Terms of Vesting above. In connection with the change in control, all of the equity awards held by the resigning directors vested on April 23, 2009, the date of the change in control. This also included all equity compensation previously awarded to, and deferred by, the directors, except that in the case of Mr. Pattiz, who deferred certain equity compensation in 2005, while such equity awards have vested in their entirety, Mr. Pattiz will not receive such awards until the date of his termination pursuant to the terms of the 2005 Plan. As a result of the foregoing, no unvested stock awards or unvested stock options is reflected in the table presented below as no unvested equity awards are held by directors (who served in 2009) as of December 31, 2009.

The table below sets forth information regarding the amount of outstanding stock options granted to the listed directors and held as of December 31, 2009. With the exception of Mr. Pattiz, no director holds vested, unexercised stock options.

Name	**Stock Awards**	**Stock Options**
Pattiz		2,188

General. The Committee reviews and evaluates compensation for the Company s non-employee directors on an annual basis, in consultation with its outside compensation adviser (until April 23, 2009 as described in more detail above) and the Board prior to making a recommendation to the Board. The Board then considers the recommendation of the Committee and generally approves such recommendation at the Board meeting held directly after the Company s annual meeting of stockholders.

Fees (2009). In 2009, directors of the Company who are not officers received $5,000 per meeting attended for their services as directors and $1,875 per meeting attended for their services as committee members. Directors of the Company who served as chairs of the Audit Committee, Compensation Committee and Nominating & Governance Committee (until such was disbanded on April 23, 2009) received $15,000, $10,000 and $10,000, respectively, for their services as the chairs of such committees. As described above, Gores directors were compensated for their services as directors until April 23, 2009, when the Refinancing closed. As a result, Mr. Bronstein did not receive any cash compensation for his service as Chair of the Audit Committee. Additionally, no payments have been made to Chairpersons since April 23, 2009.

Fees (2010). In 2010, the Company moved to a retainer fee structure to compensate its directors. Effective January 1, 2010, directors will be compensated: (x) $35,000 a year for their services as directors in addition to (y) $1,500 per in-person Board or committee meeting attended and (z) $1,000 per telephonic Board or committee meeting attended. Audit Committee members will receive a $10,000 annual retainer and the Chair of the Audit Committee will receive an additional $15,000 for services rendered. Compensation Committee members will receive a $5,000 annual retainer and the Chair of the Compensation Committee will receive an additional $10,000 for services rendered.

Equity Compensation:

Annual Grant.

2009. Beginning with the adoption of the 2005 Plan until the Refinancing that occurred on April 23, 2009, newly appointed directors who were not officers received a mandatory grant of $150,000 in value of RSUs on the date of their appointment and directors of the Company who were not officers received a mandatory grant of $100,000 in value of RSUs each year, typically on the date of the Company s annual meeting of stockholders. The terms of the awards are governed by the terms of the 2005 Plan. In connection with the Refinancing, the Board adopted a resolution that directors will no longer receive automatic annual grants of equity compensation.

2010. As part of the change to Board fees described above, effective January 1, 2010, directors will once again receive annual awards of RSUS valued in an amount of $35,000. The terms of the awards will be governed by the terms of the 2010 Plan. Such RSUs will be granted on July 30, 2010, the date of the annual stockholder meeting.

Dividends; Vesting.

2009. Recipients of RSUs are entitled to receive dividend equivalents on the RSUs (subject to vesting) when and if the Company pays a cash dividend on its common stock. RSUs awarded to outside directors, vest over a three-year period in equal one-third increments on the first, second and third anniversary of the date of the grant, subject to the director s continued service with the Company. Directors RSUs vest automatically, in full, upon a change in control or upon their retirement, as defined in the 2005 Plan. RSUs are payable to outside directors in shares of the common stock.

2010. RSUs awarded to outside directors will vest over a two-year period in equal one-half increments on the first and second anniversary of the date of the grant, subject to the director s continued service with the Company. Directors RSUs will vest automatically, in full, upon a change in control or upon their retirement, as defined in the 2010 Plan.

Waivers of Compensation

Mr. Pattiz does not receive any additional remuneration for his service as a director of the Company. Directors of the Company who are/were employed by Gores and/or its affiliates (e.g., Glendon Partners), more specifically Messrs. Bronstein, Gimbel, Honour, Nold, Stone and Weingarten, receive(d) cash compensation only until the time the Refinancing closed on April 23, 2009.

Compensation Committee Interlocks and Insider Participation

From January 1, 2009 to April 23, 2009, the Compensation Committee was comprised solely of independent outside directors, Messrs. Ming (Chair), Dennis and Smith. The Company had no interlocking relationships or other transactions involving any of the aforementioned Committee members that are required to be reported pursuant to applicable SEC rules. Effective April 23, 2009, the Compensation Committee was reconstituted so that such is comprised of two independent outside directors, Messrs. Ming and Nunez; two Gores designees, Messrs. Nold and Stone; and the Company s founder and Chairman, Mr. Pattiz. With the exception of Mr. Pattiz, Board Chairman, and Mr. Stone, Vice-Chairman of the Board, none of the members of the Committee served as an officer or employee of the Company or any of its subsidiaries during the fiscal year ended December 31, 2009. There were no material transactions between the Company and any of the members of the Committee during the fiscal year ended December 31, 2009, although Mr. Pattiz and the Company negotiated and subsequently entered into an amendment to Mr. Pattiz s employment agreement on June 15, 2009. None of the Company s executive officers serves as a member of the Board or the Committee, or committee performing an equivalent function, of any other entity that has one or more of its executive officers serving as a member of the Board or Committee.

PROPOSAL 1 ELECTION OF CLASS I DIRECTORS

At the annual meeting, holders of common stock will elect four Class I directors. Each Class I director will serve for three-year terms, until their successors are elected and qualified. The Board has nominated Andrew P. Bronstein, Michael F. Nold, Norman J. Pattiz and Mark Stone, to serve three-year terms ending in 2013. All nominees currently serve as Class I directors of the Company. Unless otherwise indicated on any proxy, the persons named as proxy voters on the enclosed proxy card intend to vote the stock represented by each proxy to elect these nominees. The nominees are willing to serve as directors, but should any or all refuse to or be unable to serve, the named proxy holders will vote for one or more other persons nominated by the Board.

The election of Messrs. Bronstein, Nold, Pattiz and Stone will require the affirmative vote of a majority of the votes entitled to be cast and represented in person or by proxy at the meeting.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF ANDREW P. BRONSTEIN, MICHAEL F. NOLD, NORMAN J. PATTIZ AND MARK STONE AS CLASS I DIRECTORS.

PROPOSAL 2 ELECTION OF CLASS II DIRECTORS

At the annual meeting, holders of common stock will elect three Class II directors, which directors would have been up for election if the Company had held an annual stockholders meeting in 2009. Each Class II director will serve for two-year terms, until their successors are elected and qualified. The Board has nominated Jonathan I. Gimbel, Scott M. Honour and Ronald W. Wuensch, to serve two-year terms ending in 2012 (2012 is the year the term of the Class II directors would have expired had they been elected in 2009). All nominees currently serve as Class II directors of the Company. Unless otherwise indicated on any proxy, the persons named as proxy voters on the enclosed proxy card intend to vote the stock represented by each proxy to elect these nominees. The nominees are willing to serve as directors, but should any or all refuse to or be unable to serve, the named proxy holders will vote for one or more other persons nominated by the Board.

The election of Messrs. Gimbel, Honour and Wuensch will require the affirmative vote of a majority of the votes entitled to be cast and represented in person or by proxy at the meeting.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF JONATHAN I. GIMBEL, SCOTT M. HONOUR AND RONALD W. WUENSCH AS CLASS II DIRECTORS.

PROPOSAL 3 APPROVAL OF THE WESTWOOD ONE, INC. 2010 EQUITY COMPENSATION PLAN

Our stockholders are being asked to approve an amendment and restatement of the Company s 2005 Equity Compensation Plan (the 2005 Plan), which has been renamed the 2010 Equity Compensation Plan (the 2010 Plan). The purpose of the 2010 Plan is to enable the Company to offer employees, consultants, officers and non-employee directors equity based and cash awards. We believe this will help us attract, retain and reward our employees, consultants, officers and non-employee directors, and strengthen the mutuality of interests between such individuals and the Company s stockholders.

The 2005 Plan was initially adopted by the Board on March 15, 2005 and thereafter approved by stockholders on May 19, 2005. The Board unanimously approved the 2010 Plan on, and effective as of, February 12, 2010 (the Restatement Date), subject to stockholder approval. The 2010 Plan generally incorporates the provisions of the 2005 Plan and includes the following key modifications:

Increase of the aggregate share reserve. The current aggregate share reserve will be increased by an additional 2,620,311 shares for a total share reserve of 2,650,000 shares under the 2010 Plan (which includes, without limitation, 29,689 shares that were authorized for issuance under the 2005 Plan prior to the Restatement Date). The 2010 Plan will continue to maintain a fungible share limit where each share of common stock subject to full value awards (e.g., restricted stock, performance awards, restricted stock units or deferred stock) will be counted as three shares against the aggregate share reserve under the 2010 Plan. The Board believes that stock ownership by employees, consultants, officers and directors provides performance incentives and fosters long-term commitment to our benefit and the benefit of our stockholders and that the proposed increase in the share reserve is necessary to insure that a sufficient reserve of common stock remains available for issuance to allow us to continue

to utilize equity incentives to attract and retain the services of key individuals essential to our long-term growth and financial success.

Avoidance of liberalized share counting. To protect our stockholders interests and to reflect corporate governance best practices, the 2010 Plan clarifies that the total number of shares of common stock available for awards will be reduced by (i) the total number of stock options or stock appreciation rights exercised, regardless of whether any of the shares of common stock underlying such awards are not actually issued to the participant as the result of a net settlement and (ii) any shares of common stock used to pay any exercise price or tax wit