

WESTWOOD ONE INC /DE/
Form DEF 14A
June 04, 2009

**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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- 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):

- No fee required.
- 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:

(5) Total fee paid:

- 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 a special meeting of stockholders of Westwood One, Inc. (the Company) to be held on June 26, 2009 at 10:00 a.m., Pacific Time, at the Company s offices located at 8965 Lindblade Street, Culver City, CA 90232-2689.

The purpose of the special meeting is to consider and vote upon proposals to (1) amend the Company s Restated Certificate of Incorporation (the Certificate of Incorporation) to increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000, (2) amend the Certificate of Incorporation to effect a reverse stock split of our outstanding common stock at a ratio of two hundred to one (200:1), (3) amend the Certificate of Incorporation to define the term Continuing Directors that is used but not currently defined in the Certificate of Incorporation, (4) amend the Certificate of Incorporation to delete Article Sixteenth of the Certificate of Incorporation that sets forth higher approval thresholds than those required under the Delaware General Corporation Law with respect to certain amendments of the Certificate of Incorporation, (5) to amend the Certificate of Incorporation to delete the provision in Article Seventeenth relating to Article Sixteenth should the proposal to delete Article Sixteenth as set forth in Proposal 4 be approved, and (6) adjourn the special meeting if necessary to solicit additional proxies for approval of the foregoing proposals and conduct such other business as may properly come before the meeting.

You may also view this proxy statement by visiting www.edocumentview.com/won.

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 4, 2009

**40 West 57th Street
New York, NY 10019
NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 26, 2009
AND PROXY STATEMENT**

TO OUR STOCKHOLDERS:

Notice is hereby given that a special meeting of stockholders of Westwood One, Inc., a Delaware corporation (the Company), will be held on June 26, 2009 at 10:00 a.m., Pacific Time, at the Company's offices located at 8965 Lindblade Street, Culver City, CA 90232-2689 for the following purposes:

Proposals 1 through 5: to amend the Company's Restated Certificate of Incorporation (the Certificate of Incorporation) as follows (collectively, the Charter Amendments):

- o Proposal 1: to increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000;
- o Proposal 2: to effect a reverse stock split of our outstanding common stock at a ratio of two hundred (200) to one (1);
- o Proposal 3: to define the term "Continuing Directors" that is used but not currently defined in the Certificate of Incorporation;
- o Proposal 4: to delete Article Sixteenth of the Certificate of Incorporation that sets forth higher approval thresholds than those required under the Delaware General Corporation Law with respect to certain amendments of the Certificate of Incorporation; and
- o Proposal 5: to delete the provision in Article Seventeenth relating to Article Sixteenth should the proposal to delete Article Sixteenth as set forth in Proposal 4 be approved.

Proposal 6: to adjourn the special meeting if necessary to solicit additional proxies for approval of the proposals; and

to conduct such other business as may properly come before the meeting.

The foregoing items of business are more fully described in the Proxy Statement accompanying this notice.

At the special meeting, all holders of common stock, Class B stock ("Class B Common") and Preferred Stock at the close of business on June 3, 2009 are entitled to vote at this special meeting and any adjournment thereof. The affirmative vote of the stockholders representing (i) a majority of the Company's voting securities (represented in person or by proxy at the meeting) will be required to approve Proposal 1 and (ii) not less than seventy-five percent (75%) of the Company's voting securities (represented in person or by proxy at the meeting) will be required to approve Proposals 2 - 5.

You are cordially invited to attend the special meeting in person. 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.

By Order of the Board of Directors

David Hillman
Secretary

**40 West 57th Street
New York, NY 10019**

Proxy Statement

GENERAL

This proxy statement is furnished in connection with the solicitation of proxies by Westwood One, Inc., a Delaware corporation (the Company), for use at the special meeting of stockholders of the Company to be held on June 26, 2009 at 10:00 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 Special Meeting of Stockholders.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON JUNE 26, 2009. THIS PROXY STATEMENT AND THE ACCOMPANYING PROXY CARD ARE AVAILABLE AT WWW.EDOCUMENTVIEW.COM/WON. Under new rules issued by the Securities and Exchange Commission, we are providing access to our proxy materials both by sending you this full set of proxy materials and by notifying you of the availability of our proxy materials on the Internet.

ABOUT THE MEETING

What is the purpose of the special meeting?

At our special meeting, stockholders will act upon the matters outlined in the Notice of Special Meeting of Stockholders accompanying this proxy statement, including the approval of the Charter Amendments, the adjournment of the special meeting to solicit additional proxies for approval of the proposals, and such other business as may properly come before the meeting.

What are the Charter Amendments and why are they being proposed by the Company?

The Charter Amendments proposed by the Company would (1) increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000, (2) effect a reverse stock split of our outstanding common stock at a ratio of two hundred to one (200:1), (3) define the term Continuing Directors that is used but not currently defined in the Certificate of Incorporation, (4) amend the Certificate of Incorporation to delete Article Sixteenth of the Certificate of Incorporation that sets forth higher approval thresholds than those required under the Delaware General Corporation Law with respect to certain amendments of the Certificate of Incorporation and (5) to amend the Certificate of Incorporation to delete the provision in Article Seventeenth relating to Article Sixteenth should the proposal to delete Article Sixteenth as set forth in Proposal 4 be approved.

The Company is proposing that stockholders adopt the Charter Amendments in connection with a series of transactions that recapitalized the Company (the Transactions). The Transactions restructured (1) substantially all of the Company's outstanding long-term indebtedness (the Debt Restructuring), including our credit facility (which matured and became due on February 27, 2009) (the Old Credit Facility) and our outstanding 4.64% Series A Senior Guaranteed Notes due November 30, 2009 and 5.26% Series B Senior Guaranteed Notes due November 30, 2012 (collectively, the Old Notes) and (2) the equity of the Company (the Equity Restructuring). In connection with the Transactions and as contemplated by each of the Certificates of Designations of the Company's 7.50% Series A-1 Convertible Preferred Stock (the Series A-1 Convertible Preferred Stock) and 8.0% Series B Convertible Preferred Stock (the Series B Convertible Preferred Stock) and, together with the Series A-1 Convertible Preferred Stock, the Preferred Stock), the shares of Preferred Stock issued and sold by the Company on April 23, 2009 pursuant to the Transactions will automatically be converted, without any further action by the Company or its stockholders, into shares of our common stock based on the Conversion Price (as defined in the applicable Certificate of Designations) then in effect, on the earliest practicable date following the stockholder approval of the Charter Amendments. At the time of conversion, the number of shares of common stock issued and outstanding will increase from 102,287,585 to 4,061,984,028 which will technically result in substantial dilution to our common stockholders. However, the ownership interest of each common stockholder will not change substantially after the conversion as the holders of the Preferred Stock already participate on an as-converted basis with respect to voting, dividends and other economic

rights as the holders of our common stock. The Charter Amendments are described in more detail beginning on page 9 of this proxy statement.

What are the Board'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 of the Company (the Board or the 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 as follows as being in the best interests of the Company and the stockholders:

FOR the approval of the Charter Amendments (including proposals 1 through 5 described in this proxy statement). Management is not aware of any matters, other than those specified above, that will be presented for action at the special meeting, but if any other matters do properly come before the meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, at their discretion.

Who is entitled to vote at the meeting?

Only stockholders of record at the close of business on June 3, 2009, the record date for the meeting, are entitled to receive notice of and to participate in the special 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 101,995,863 shares of our common stock outstanding, excluding treasury shares, 291,722 shares of our Class B Common outstanding, 75,000 shares of our Series A-1 Convertible Preferred Stock outstanding and 59,962 shares of our Series B Convertible Preferred Stock outstanding.

What are the voting rights of holders of the Company's common stock, Class B Common and Preferred Stock?

Under the 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 and each holder of Class B Common is entitled to cast fifty (50) votes for each share of Class B Common held by such holder on those matters on which the Class B Common is entitled to vote. As a result, as of the record date, holders of the common stock are entitled to an aggregate of 101,995,863 votes, (or 2.5% of the voting power) and holders of the Class B Common are entitled to an aggregate of 14,586,100 votes, (or 0.4% of the voting power). Each holder of the Preferred Stock is entitled to vote the number of votes equal to the largest number of full shares of common stock into which such respective shares of Preferred Stock could be converted into as of the record date for the meeting, without regard to whether we have the ability to issue such shares of common stock upon conversion of the Preferred Stock. As a result, as of the record date, holders of the Preferred Stock are entitled to an aggregate of 3,959,696,443 votes, of which 2,218,133,852 votes (or 54.4% of the voting power) is represented by the Series A-1 Convertible Preferred Stock and 1,741,562,591 votes (or 42.7% of the voting power) is represented by the Series B Convertible Preferred Stock, on matters where they vote on an as-converted basis with the common stock. Such amount was determined by, (1) with respect to the Series A-1 Convertible Preferred Stock, multiplying the 75,000 shares of Series A-1 Preferred Stock by \$1,065 per share and dividing such amount by the \$0.03601 per share conversion price, 2,218,133,852 and (2) with respect to the Series B Convertible Preferred Stock, multiplying the 59,962 shares of Series B Preferred Stock by \$1,000 and dividing such amount by the \$0.03443 per share conversion price, 1,741,562,591. Of the foregoing capital stock, only the 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.

Gores Radio Holdings, LLC (Gores Radio and, together with certain related entities, Gores) currently holds all of the Company's outstanding Series A-1 Convertible Preferred Stock, 28,201 shares of the Series B Convertible Preferred Stock, and 14,285,714 shares of common stock. As of the record date for the meeting, Gores owns capital stock of the Company representing 3,051,501,261 votes (or 74.9% of the voting power of the Company). The remaining holders of the Series B Convertible Preferred Stock (which are held by certain lenders under the Old Credit Facility and certain holders of the Old Notes), as of the record date for the meeting, own 31,761 shares of the Series B Convertible Preferred Stock representing 922,480,395 votes (or 22.6% of the voting power of the Company). In connection with the Transactions, such holders and Gores each have agreed to vote in favor of the Charter Amendments. As of the date of this proxy statement, approximately 97.5% of the voting power entitled to vote at the special meeting is covered by this voting agreement.

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?

With respect to all of the matters to be voted on at the meeting, the presence at the meeting, in person or by proxy, of stockholders representing a majority of the Company's aggregate voting power of the common stock, the Class B Common and the Preferred Stock, collectively, outstanding on the record date 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 vote is required to approve each item?

The affirmative vote of the stockholders representing (i) a majority of the Company's voting securities (represented in person or by proxy at the meeting) will be required to approve Proposal 1 and (ii) not less than seventy-five percent (75%) of the Company's voting securities (represented in person or by proxy at the meeting) will be required to approve Proposals 2-5. However, each of Proposals 1 through 5 is conditioned on the approval of the other. This means that our stockholders must approve all proposals in order for any of them to be adopted. 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 sixty 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. The following information is based on information contained in the most recent Schedule 13D/13G filings made available to the Company.

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

The following table sets forth the amount of our common stock, Class B Common, Series A-1 Convertible Preferred Stock and Series B Convertible Preferred Stock beneficially owned by the Company's largest stockholders (those who own more than 5% of the outstanding class of shares) as of April 23, 2009. On such date, there were 101,256,838 shares of our common stock outstanding, 291,722 shares of our Class B Common outstanding, 75,000 shares of our Series A-1 Convertible Preferred Stock outstanding and 59,962 shares of our Series B Convertible Preferred Stock outstanding.

Name and Address of Beneficial Owner	Aggregate Number of Shares Beneficially Owned (1)									
	Common Stock		Class B Common (2)		Series A-1 Convertible Preferred Stock		Series B Convertible Preferred Stock		Pro Forma Common Stock (8)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
CBS Radio Network Inc., a subsidiary of CBS Radio Inc. 1515 Broadway New York, NY 0036	16,000,000(3)	15.8%								
Gores Radio Holdings, LLC 10877 Wilshire Blvd. 18 th Floor Los Angeles, CA 90024	162,378,385(4)	65.1%			75,000(5)	100.0%	28,201(5)	47.0%		74.9%
Norman Pattiz 8965 Lindblade Street Culver City, CA 90232	1,206,682(6)	1.2%	291,710	99.9%						*
Hotchkiss and Wiley Capital Management, LLC 725 S. Figueroa Street, 39 th Floor Los Angeles, CA 90017	6,146,770(7)	6.1%								*
	4,056,758	3.9%					3,072	5.1%		2.2%

Reliastar Life Insurance
 Company
 c/o ING Investment Management
 LLC
 5780 Power Ferry Road NW,
 Suite 300
 Atlanta, GA 30327-4347

Allstate Life Insurance Company	5,493,527	5.1%		4,160	6.9%	2.1%
c/o Allstate Investments LLC						
3075 Sanders Road, Suite 3GA						
Northbrook, IL 60062-7127						

* 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 stock indicated above, unless otherwise indicated. Tabular information for the entities listed above 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 as well as other information made available to the Company.

- (2) Pursuant to the terms of the Certificate of Incorporation, the outstanding shares of our Class B Common will automatically be converted into the same number of shares of common stock in the event that the voting power of the Class B Common, as a group, falls below ten percent (10%) of the aggregate voting power of issued and outstanding shares of common stock and Class B Common. In connection with the Transactions, it is currently expected that the Class B Common will automatically convert on the date that all outstanding Preferred Stock of the Company is converted to common stock.
- (3) These securities are owned by CBS Radio Network Inc., a wholly-owned subsidiary of CBS Radio Media Corporation, which in turn is a wholly-owned subsidiary of CBS

Radio Inc. (CBS Radio), which in turn is a wholly-owned subsidiary of CBS Broadcasting, Inc. which in turn is a wholly-owned subsidiary of Westinghouse CBS Holding Company, Inc., which in turn is a wholly-owned subsidiary of CBS Corporation, but may also be deemed to be beneficially owned by: (a) NAIRI, Inc. (NAIRI), which owns approximately 76.4% of CBS Corporation s voting stock, (b) NAIRI s parent corporation, National Amusements, Inc. (NAI), and (c) Sumner M. Redstone, who is the controlling stockholder of NAI. As of March 3, 2008, CBS Radio Network Inc. has shared voting power and shared dispositive power with respect to 16,000,000 shares.

- (4) Includes the four-year warrants (the Warrants) (issued in three tranches at exercise prices of \$5.00, \$6.00 and \$7.00/share,

respectively) to purchase 10,000,000 shares of common stock in the aggregate, which Warrants are exercisable at any time prior to their expiration date (June 19, 2012); 138,092,671 shares of common stock issuable as of April 23, 2009 upon conversion of the Series A-1 Convertible Preferred Stock and Series B Convertible Preferred Stock held by Gores Radio. 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, the Warrants, the Series A-1 Convertible Preferred Stock and the Series B Convertible Preferred 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 managing member 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, the Warrants, the Series A-1 Convertible Preferred Stock and the Series B Convertible Preferred 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. In connection with the Transactions, it is currently expected that the Warrants would be cancelled.

- (5) Because each of the Series A-1 Convertible Preferred Stock and Series B Convertible Preferred Stock is entitled to vote such number of shares to which it would be entitled as if such shares had been converted into common stock, as of the record date, the 75,000 shares of Series A-1 Convertible Preferred Stock held by Gores Radio are entitled to 2,218,133,852 votes and the 28,201 shares of Series B Convertible Preferred Stock held by Gores Radio are entitled to 819,082,196 votes. Such amounts were determined, in the case of the Series A-1 Convertible Preferred Stock, by multiplying the

75,000 shares by
\$1,065 and dividing
such amount by the
\$0.03601/share
conversion price
and, in the case of
the Series B
Convertible
Preferred Stock, by
multiplying the
28,201 shares by
\$1,000 and dividing
such amount by the
\$0.03443/share
conversion price.
Accordingly, as of
the record date,
Gores Radio's
preferred stock
holdings represent
approximately
74.5% of the total
voting power of the
Company.

- (6) Includes vested and unexercised stock options for 230,457 shares granted under the Company 1989 Stock Incentive Plan (the 1989 Plan), the Company 1999 Stock Incentive Plan (the 1999 Plan) and the Company 2005 Equity Compensation Plan (the 2005 Plan). Includes 8,363 vested RSUs (including dividend equivalents) granted under the 2005 Plan. Also includes 450,000 shares of common stock pledged by Mr. Pattiz to Merrill, Lynch, Pierce, Fenner & Smith Incorporated (Merrill Lynch) in connection with a prepaid variable forward contract (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 \$7,182,000, 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. When Mr. Pattiz entered into the Merrill Contract in September 2004, he converted 411,670 of his shares of Class B Common into common stock and pledged the aforementioned 450,000 shares of common stock. Also includes 300,000 shares of common stock held indirectly by the Pattiz Family Trust. Because each share of Class B Common may cast 50 votes, as opposed to one vote for each share of common stock, Mr. Pattiz's stock holdings represent approximately 0.4% of the total voting power of the Company.

- (7) As of December 31, 2008, Hotchkiss and Wiley Capital Management, LLC has sole voting power with respect to 2,577,870 shares and sole dispositive power with respect to 6,146,700 shares.

- (8) This column shows the pro forma ownership percentages that would result if the Company's stockholders approve the Charter Amendment and reflects
- (i) 100% conversion of the Series A-1 Convertible Preferred Stock and Series B Convertible Preferred Stock into common stock,
- (ii) conversion of 100% of the Class B Common which will automatically convert into common stock at a 1:1 ratio pursuant to the terms of such the Class B common and (iii) the cancellation of the Gores Warrants described in footnote 4 above.

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 and Class B Common beneficially owned (unless otherwise indicated) by members of our management team, which include the named executive officers (determined in accordance with SEC rules), our directors, and our directors and named executive officers as a group. None of such individuals hold any Preferred Stock. For purposes of calculating the percentage ownership of each of the individuals listed in the table below, the Company used ownership holdings as of April 23, 2009. All numbers presented below include all shares which would be vested on, or exercisable by, a holder as of June 22, 2009, as beneficial ownership is deemed to include securities that a holder has the right to acquire within 60 days. 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 vesting.

Name of Beneficial Owner	Aggregate Number of Shares Beneficially Owned (1)			
	Common Stock		Class B Common	
	Number	Percent (1)	Number	Percent
NAMED EXECUTIVE OFFICERS:				
Norman J. Pattiz (2)	1,206,682	1.2%	291,710	99.9%
Roderick Sherwood (3)	1,250,000	1.2%		

David Hillman (4)	236,803	*		
Jonathan Marshall	230,000	*		
DIRECTORS AND NOMINEES: (5)				
Andrew P. Bronstein (3)		*		
Jonathan I. Gimbel (3)		*		
Scott Honour (3)		*		
H. Melvin Ming (6)	19,033	*		
Michael F. Nold (3)		*		
Emanuel Nunez		*		
Mark Stone (3)		*		
Ian Weingarten (3)		*		
All Current Directors and Executive Officers as a Group (16 persons) (7)	2,942,518	2.9%	291,710	99.9%

* 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 and Class B Common, 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. The percentage calculations listed above assumes the exercise of the Warrants to purchase 10,000,000 shares of common stock issued to Gores Radio since such Warrants are exercisable at any time.

- (2) Includes vested and unexercised stock options for 230,457 shares granted under the 1989 Plan, the 1999 Plan and the 2005 Plan. Includes 8,363 vested RSUs (including dividend equivalents) granted under the 2005 Plan. Also includes 450,000 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 \$7,182,000, 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. When Mr. Pattiz entered into the Merrill Contract in September 2004, he converted 411,670 of his shares of Class B Common into common stock and pledged the aforementioned 450,000 shares of common stock. Also includes 300,000 shares of common stock held indirectly by the Pattiz Family Trust. Because each share of Class B Common may cast 50 votes, as opposed to one vote for each share of common stock, Mr. Pattiz's stock holdings represent approximately 0.4% of the total voting power of the Company.

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

- (4) Includes 187,875 vested and unexercised options granted under the 1999 Plan and 2005 Plan and 18,638 unvested shares of restricted stock (including dividend equivalents) granted under the 2005 Plan. Includes 513 shares of common stock held in the Company 401(k) account.
- (5) Does not include Norman Pattiz, who is also a named executive officer and listed with the other named executive officers.
- (6) Represents vested RSUs granted under the 2005 Plan. Does not include deferred and/or unvested RSUs which have no voting rights until shares are distributed in accordance with their terms.
- (7) Gary Schonfeld and Steven Kalin, who were appointed President, Network division and President, Metro Networks division

and Chief
Operating Officer,
respectively, are
included in the
number of
executive officers
described above.
As such
individuals were
not appointed until
October and
May 2008,
respectively, they
were not named
executive officers
for fiscal year
2008.

PROPOSALS 1 THROUGH 5:

**AMENDMENTS TO THE COMPANY'S
RESTATED CERTIFICATE OF INCORPORATION**

General

The Company proposes to amend its Certificate of Incorporation to: (1) to increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000, (2) to effect a reverse stock split of our outstanding common stock at a ratio of two hundred to one (200:1), (3) to define the term "Continuing Directors" that is used but not currently defined in the Certificate of Incorporation, (4) to delete Article Sixteenth of the Certificate of Incorporation that sets forth higher approval thresholds than those required under the Delaware General Corporation Law with respect to certain amendments of the Certificate of Incorporation and (5) to delete the provision in Article Seventeenth relating to Article Sixteenth should the proposal to delete Article Sixteenth as set forth in Proposal 4 be approved.

At the special meeting, you will be asked to consider and vote on these amendments. In order to comply with applicable rules of the SEC relating to proxy statements, we are presenting Proposals 1 through 5 to stockholders as separate proposals for approval. As a matter of state law, only the approval of the amendments to the Certificate of Incorporation, as a whole, is required. **Because we are required to present the proposals separately, a vote against any of Proposals 1 through 5 is effectively a vote against all of Proposals 1-5.**

If the Charter Amendments are adopted, they will become effective upon filing of a Certificate of Amendment to the Certificate of Incorporation with the Delaware Secretary of State, which the Company expects to occur as soon as practicable after the special meeting.

Introduction

On February 25, 2008, the Company entered into a Purchase Agreement (the "2008 Purchase Agreement") with Gores Radio, an entity managed by The Gores Group, LLC, pursuant to which Gores Radio purchased \$25.0 million of our common stock, \$75.0 million of our 7.5% Series A Convertible Preferred Stock (the "Series A Convertible Preferred Stock") and four-year warrants to purchase 10 million shares of our common stock. As previously disclosed in the Company's definitive proxy statement dated May 14, 2008 (the "2008 Proxy"), the \$100.0 million of proceeds were used to fund part of the \$22.2 million payment to CBS Radio Inc. ("CBS Radio" or "CBS") required in connection with the closing of the Master Agreement with CBS Radio, repay a portion of the Company's term loan and provide the Company with necessary additional capital to pursue its short-term and long-term strategic goals.

As previously disclosed in the 2008 Proxy, at the same time as its evaluation of various equity and equity linked transaction alternatives, the Strategic Review Committee of the Board (with the assistance of the committee's advisors and Company management) also engaged in numerous discussions with the Company's existing bank group and other potential lenders about refinancing the Company's debt. Ultimately, the Board determined not to pursue a refinancing of the Company's debt at that time based, in large part, on the difficulty of obtaining favorable pricing and other terms in what then was considered a volatile credit market environment. At that time, none of the Company, the Strategic Review Committee and the Board considered the need to refinance the Company's debt to be urgent given that the Company's bank facility was not scheduled to mature until February 2009.

In the months following Gores' investments in the Company pursuant to the 2008 Purchase Agreement, what was already a fairly significant disruption in world financial markets worsened materially in September 2008 when many credit markets experienced a severe lack of liquidity. While credit markets have recovered slightly since the fourth quarter of 2008, the credit markets remain very tight. In view of the scheduled maturities of the Company's bank facility (which matured and became due on February 27, 2009) and its Series A 4.64% Senior Guaranteed Notes (in November 2009) and because the Company also required an amendment to its leverage covenants (which were the same under the Credit Agreement and Note Purchase Agreement), the Company engaged in substantive conversations with its lenders and noteholders regarding the refinancing of the Company's debt.

During these conversations, it was determined that any refinancing would require that the Company raise additional capital. Given the tightness in the capital markets and the Company's low stock price (which closed at \$0.06 on December 31, 2008), the Company's ability to raise capital has been severely constrained. Further, under the terms of the Series A Convertible Preferred Stock (which, pursuant to the Equity Restructuring documentation, was exchanged by Gores Radio for an equal number of shares of our Series A-1 Convertible Preferred Stock), the Company could not issue more than 10 million shares of stock without Gores' consent.

On September 12, 2008, the New York Stock Exchange (the "NYSE") notified the Company that it had fallen below the NYSE's continued listing standard that a listed company have an average share price over a consecutive 30 trading day period of not less than \$1.00. On October 2, 2008, the NYSE notified the Company that it had fallen below the NYSE's continued listing standard that a listed company have an average global market capitalization during a consecutive 30 trading day period of not less than \$75 million when stockholders' equity is less than \$75 million. On November 13, the NYSE notified the Company that it had fallen below the NYSE's minimum threshold for continued listing that a listed company have an average global market capitalization during a consecutive 30 trading day period of not less than \$25 million. On March 16, 2009, the Company was delisted from the NYSE because in the opinion of the NYSE the Company's common stock was no longer suitable for continued listing and trading on the NYSE. The delisting occurred after the Company dropped its appeal of the NYSE's decision to suspend the Company from trading on the NYSE before the stock market opened on November 24, 2008 as a result of the Company's failure to meet the aforementioned minimum listing standard, which has no cure period. At this time, given the Company's low market capitalization the Company is ineligible for listing on an alternative exchange such as NASDAQ or the NYSE Amex LLC. The Company's failure to be listed on a significant stock exchange has further hindered the Company's ability to raise additional capital.

As a result of these constraints, it became apparent that the most likely partner for an additional equity investment was Gores. Given that Gores has appointed three directors on the Company's Board, the Board determined to form a special committee (the "Independent Committee"), comprised solely of non-Gores directors, to consider, evaluate and discuss any proposals made by Gores in connection with the refinancing process. In considering the latest transaction with Gores, the Independent Committee took into account a number of considerations, including:

- pursuant to the Certificate of Designations of the Series A Convertible Preferred Stock, as long as Gores owns at least 50% of the Series A Convertible Preferred Stock acquired under the Purchase Agreement, approval of the majority of the outstanding shares of Series A Convertible Preferred Stock is required to take certain significant corporate actions, including, without limitation, certain of the transactions contemplated by the debt refinancing (such as issuing additional stock, and amending the Company's charter);

- limited availability of equity and equity linked transaction alternatives, particularly in light of the Company's common stock \$0.06 market price;

- need for meaningful additional capital in order to effect the Company's Debt Restructuring;

- the financial analysis reviewed and discussed with the Board by representatives of the Company's financial advisor, as well as the opinion of the Company's financial advisor to the Board as to the fairness from a financial point of view to the holders of our common stock (other than Gores) of certain financial aspects of the Transactions; and

- Gores' experience in providing portfolio companies with financial and managerial expertise could continue to yield value and improve the Company's operational, managerial and financial performance.

In addition, the Independent Committee recognized that (1) the consummation of a new Gores transaction would provide the Company with an infusion of cash, allowing the Company to continue to improve operating efficiency and produce and acquire new properties for the Company's current and emerging media platforms, (2) it would be difficult for the Company to deliver appropriate value to its stockholders without a refinancing of the company and additional cash infusion and (3) the alternatives to the Gores transaction would have likely had a material and adverse affect on

the Company's ability to raise sufficient capital to restructure and/or refinance its debt on a timely basis.

On account of these and other factors (including the fact that the Debt Restructuring was conditioned on the consummation of the Equity Restructuring) and in connection with the Equity Restructuring, on April 23, 2009, the Company entered into a Purchase Agreement (the Purchase Agreement) with Gores. Under the terms of the Purchase Agreement, on April 23, 2009 Gores exchanged all of its Series A Convertible Preferred Stock for 75,000 shares of our Series A-1 Convertible Preferred Stock and the Company offered and sold to Gores and Gores purchased from the Company for an aggregate purchase price of \$25.0 million, 25,000 shares of our Series B Convertible Preferred Stock. Additionally, on April 23, 2009, the Board of Directors of the Company was reconstituted such that Gores has majority representation on the Board of Directors.

As part of the Transactions and under the terms of the Debt Restructuring, the Company also entered into certain agreements whereby the holders of the Old Notes and lenders under the Old Credit Facility exchanged all of their existing indebtedness in the Company (approximately \$241.0 million in aggregate principal amount) for: (1) \$117.5 million aggregate principal amount of new senior secured notes, maturing July 15, 2012; (2) shares of the Series B Convertible Preferred Stock that are convertible into approximately 25.0% of our voting power; and (3) a one-time cash payment of \$25.0 million. In addition, Gores purchased at a discount the debt held by those debt holders who did not wish to participate in the new senior secured notes. As part of the Transactions and under the terms of the Debt Restructuring, any debt purchased by Gores from these debt holders was exchanged for the same consideration of the new senior secured notes, Series B Convertible Preferred Stock and cash, as described above.

As a result of the Transactions, Gores currently holds all of the Company's outstanding Series A-1 Convertible Preferred Stock, 28,201 shares of the Series B Convertible Preferred Stock and 14,285,714 shares of common stock, which, in the aggregate, represents, as of the record date for the meeting, 74.9% of the voting power of the Company. As a result of Gores' control of the Board of Directors and its ownership of securities of the Company representing a majority of its voting power effective as of April 23, 2009, Gores has acquired control of the Company and, generally, has the power to control the outcome of matters submitted to stockholders requiring a majority vote.

The foregoing discussion includes the material factors considered by the Independent Committee. Given the variety, complexity and interrelatedness of the factors considered as part of its evaluation of the Transactions, the Independent Committee did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Independent Committee approved the Transactions, including the Purchase Agreement and each of the Charter Amendments, based upon the totality of the information presented to and considered by it.

On April 20, 2009, each of: (x) the members of the Independent Committee and (y) the entire Board, declared advisable and approved by a vote of 7-0-0 of the Independent Committee and 10-0-0 of the full Board, the adoption of amendments to the Certificate of Incorporation as being in the best interests of the Company and the stockholders.

Proposal 1: Proposal to increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000.

In this proposal, the Company is seeking approval to amend its Certificate of Incorporation to increase the number of authorized shares of the Company's common stock from 300,000,000 to 5,000,000,000.

Background of, and Reasons for, the Increase in the Number of Authorized Shares of Our Common Stock

The authorized capital of the Company currently consists of 300,000,000 shares of common stock. This amount of authorized shares of common stock is not enough for issuance upon the conversion of the Preferred Stock issued in connection with the Transactions. The number of shares of common stock outstanding as of the record date for the special meeting was 102,287,585. As of such date, 4,844,707 shares were reserved for issuance upon exercise of currently outstanding warrants, RSUs and options, and 192,867,708 shares were reserved for issuance under the Company's currently outstanding Preferred Stock, which is 3,779,088,370 shares less than the number of shares of common stock that is issuable upon full conversion of the Preferred Stock. The Company currently does not have enough authorized shares of common stock to allow for the conversions of such Preferred Stock and exercises of such warrants. Shares of common stock are also required for benefit plans for employees and directors.

As noted above, as a result of the Transactions, the Company currently does not have enough authorized common stock to issue upon conversion of all of its Preferred Stock. However, approval of the proposed amendment will result in the automatic conversion of all shares of Preferred Stock and Class B Common into common stock and the cancellation of the Warrants. Therefore, upon approval of the proposed amendment there will be no longer be issued and outstanding any warrants to purchase common stock or any shares of capital stock of the Company that have any preference over the common stock with respect to voting, liquidation, dividends or otherwise. Under the proposed amendment, each of the newly authorized shares of common stock will have the same rights and privileges as currently authorized common stock. Adoption of the proposed amendment will not affect the rights of the holders of currently outstanding common stock of the Company nor will it change the par value of the common stock. At the time of conversion, the number of shares of common stock issued and outstanding will increase from 102,287,585 to 4,061,984,028, which will technically result in substantial dilution to our common stockholders. However, the ownership interest of each common stockholder will not change substantially after the conversion as the holders of the Preferred Stock already participate on an as-converted basis with respect to voting, dividends and other economic rights as the holders of our common stock.

Approval of the proposed amendment will also allow the Company to maintain sufficient shares of common stock for future business and financial purposes. The proposed amendment would increase the number of authorized shares of common stock from 300,000,000 shares to 5,000,000,000 shares. Authorized but unissued shares of common stock may be used by the Company for any purpose permitted under Delaware law, including but not limited to, paying stock dividends to stockholders, raising capital, providing equity incentives to employees, officers and directors, and entering into transactions that the Board believes provide the potential for growth and profit. Authorized but unissued shares of common stock may also be used to oppose a hostile takeover attempt or to delay or prevent a change in control of the Company, although the Company has no present intention to issue shares for such purpose. Further, future acquisitions are a key component of growth and, from time to time, consideration for acquisitions may include the issuance of common stock. Other than the conversion of the Preferred Stock or the consideration by the Company of certain items described above, the Company currently has no arrangements, agreements or understandings for the issuance or use of the additional shares of common stock proposed to be authorized.

Proposal 2: Proposal to effect a reverse stock split of our outstanding common stock at a ratio of two hundred to one (200:1).

In this proposal, the Company is seeking approval to amend its Certificate of Incorporation to effect a reverse stock split at a ratio of two hundred to one (200:1). To avoid the existence of fractional shares of common stock, fractional shares will be rounded up to the next whole share, including fractional shares that are less than one half of one share. The number of authorized shares of common stock will not change as a result of the reverse stock split, if effected.

Background of, and Reasons for, the Reverse Stock Split

As part of the Transactions, the Company agreed to use its reasonable best efforts to effect a reverse stock split and to increase the number of authorized shares of the common stock. In addition, the Board believes that the recent per share price of the common stock has had a negative effect on the marketability of the existing shares and the potential ability of the Company to raise capital by issuing new shares. As described above, the Company's ability to raise capital has been meaningfully constrained as a result of the low market price of the Company's common stock, the thin trading of the common stock and the delisting of the common stock from the NYSE. These circumstances have also significantly reduced the number of potential investors, increased the cost of raising capital and limited the types of offerings that can be made. By reducing the number of shares of common stock outstanding and as a result increasing the price level, there may be greater interest in the common stock by the financial community and the investing public.

Risks Associated with the Reverse Stock Split

There can be no assurances, however, that the market price of the common stock, immediately after implementation of the proposed reverse stock split, will increase to a level at or near 200 times the market price before the proposed reverse stock split, or if it will increase at all, and there is no assurance that such potential increase can be maintained for any period of time. In some cases, the total market capitalization of a company following a reverse stock split is lower, and could be substantially lower than the total market capitalization before the reverse stock split. In addition, the fewer number of shares that will be available to trade publicly may cause the trading market of the common stock to become less liquid, which could have an adverse effect on the price of the common stock. The market price of our common stock is based on our performance and other factors, some of which may be unrelated to the number of our shares outstanding.

In addition, there can be no assurance that the reverse stock split will result in a per share price that will attract additional brokers and investors or that it will increase the Company's ability to attract and retain employees and other service providers.

Effects of the Reverse Stock Split

General Effects. If this Proposal 2 is approved by the stockholders, the principal effect of the reverse stock split will be to decrease the number of outstanding shares of common stock from 102,287,585 to approximately 511,438, based on share information as of June 3, 2009. The reverse split is not part of any plan or proposal to take our company private.

Existing RSUs, Options and Warrants. Upon approval of Proposal 2, the number of shares of common stock subject to stock options or other similar rights authorized under the Company's stock option, stock equity incentive or stock purchase plans will automatically be proportionately adjusted for the two hundred to one ratio provided for by the reverse stock split. Further, the number of shares of common stock, subject to RSUs and stock options granted to our directors, officers and employees under our stock option or equity incentive plans and the per share exercise price of these RSUs and options will automatically be proportionately adjusted for the reverse stock split so that the aggregate exercise price thereunder remains unchanged (i.e., adjusted exercise price times number of RSUs and options remains unchanged).

Fractional Shares. In order that the Company may avoid the expense and inconvenience of issuing and transferring fractional shares of common stock after giving effect to the reverse stock split, fractional shares will be rounded up to the next whole share, including fractional shares that are less than one half of one share.

Effective Increase in Authorized Shares of Common Stock. The reverse stock split, if implemented, would not change the number of authorized shares of our common stock under the Certificate of Incorporation. Therefore, because the number of issued and outstanding shares of the Company's common stock would decrease, the number of shares remaining available for issuance would increase. These additional shares of common stock would be available for issuance from time to time for corporate purposes such as acquisitions of companies or assets, sales of stock or securities convertible into common stock and raising additional capital. We believe that the availability of the additional shares will provide us with the flexibility to meet business needs as they arise, to take advantage of favorable opportunities and to respond to a changing corporate environment. For additional information on the effect of having additional authorized but unissued shares of common stock, see the discussion above under "Proposal 1: Proposal to increase the number of authorized shares of our common stock from 300,000,000 to 5,000,000,000 Background of, and Reasons for, the Increase in the Number of Authorized Shares of Our Common Stock."

Effect on Registration of Common Stock Under the Securities Exchange Act of 1934. The common stock is currently registered under the Exchange Act. A reverse stock split would not affect the registration of our common stock under the Exchange Act. After the reverse stock split, the common stock would continue to be reported on the Over-The-Counter (OTC) Bulletin Board market under the symbol WWON, or such other trading symbol as may be applicable at the time.

Effect on Market for Common Stock. The reverse stock split may leave certain stockholders with one or more odd-lots of common stock, i.e., stock in amounts of less than 100 shares. These odd-lots may be more difficult to sell or require greater transaction cost per share to sell, than shares in even multiples of 100. On April 23, 2009, the closing sale price of the common stock on the OTC Bulletin Board was \$0.08 per share. Upon the effectiveness of the reverse stock split, the Board shall make a proportional downward adjustment to the number of shares subject to outstanding RSUs, options and warrants and Preferred Stock, and a corresponding upward adjustment in the per share exercise or conversion prices to reflect the reverse stock split.

Changes in Stockholders' Equity. As an additional result of the reverse stock split, the Company's stated capital, which consists of the par value per share of common stock multiplied by the number of shares of common stock issued, will be reduced by approximately \$40 million to \$0.2 million on the effective date of the filing of the Charter Amendments. Upon effectiveness of the reverse stock split, the stated capital will be decreased because the number of shares issued and outstanding will be reduced without an offsetting increase in the par value of the share. Correspondingly, the Company's capital in excess of par value, which consists of the difference between the Company's stated capital and the aggregate amount paid to the Company upon the issuance by the Company of all currently outstanding common stock, will be increased by approximately \$40 million.

Effect on Registered and Beneficial Stockholders. Upon the reverse split, we intend to treat stockholders holding stock in street name, through a bank, broker or other nominee, in the same manner as registered stockholders who