RADIO2007 SPECIAL SECTION

Yol, XXII, No. 18 September 17, 2007 PUBLISHED BI-WEEKLY

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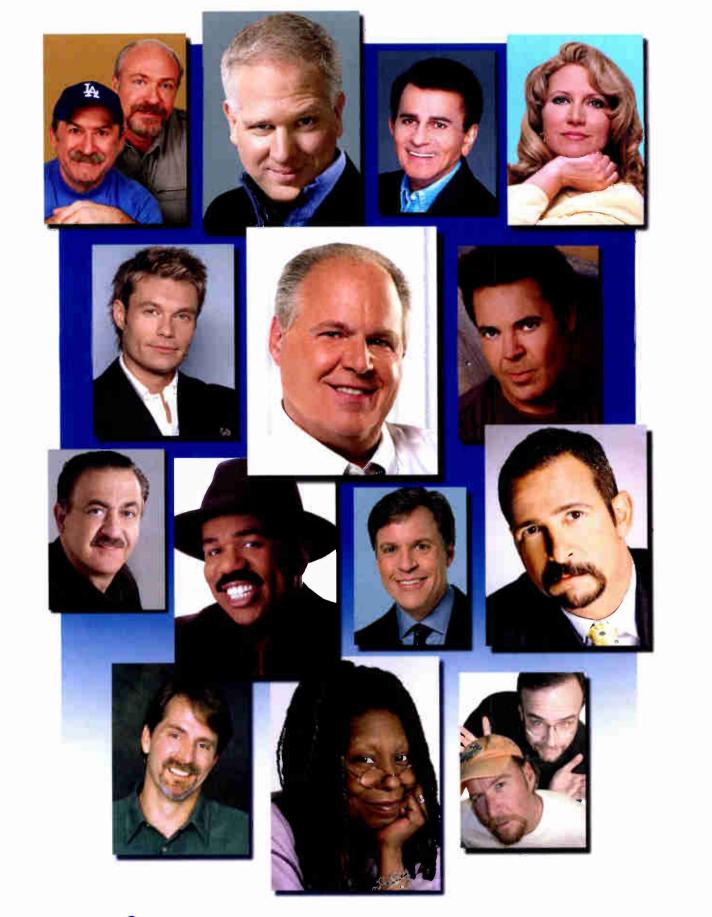
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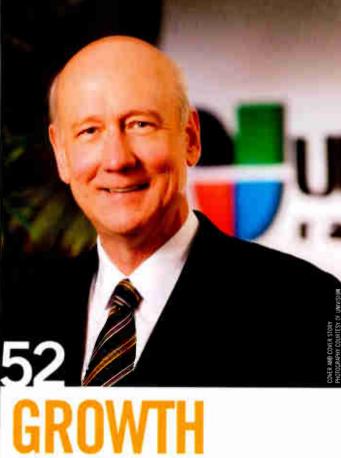


GLEWN BECK

STEVEHARVEY

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contents



Univision Radio President/COO Gary Stone was there in 2002 when Hispanic Broadcasting Corp. was acquired by Univision and became Univision Radio. This year he witnessed another ownership change, as a private investment group closed a \$12.3 billion deal to acquire all of Univision's assets. While Stone has seen some change with the radio station group he's called home for years, he believes that the company — and Hispanic media a whole — is on track for a long, robust period of growth. "Although Hispanic happenings in this country are more in the news now, it is a population that has been somewhat ignored by advertisers," he says. "It is evident, though, that for us to grow our revenues in the low teens — when the rest of the radio industry is growing at flat to 1 percent advertisers are waking up and putting dollars where the ratings indicate they ought to be. I don't expect it to subside anytime soon."



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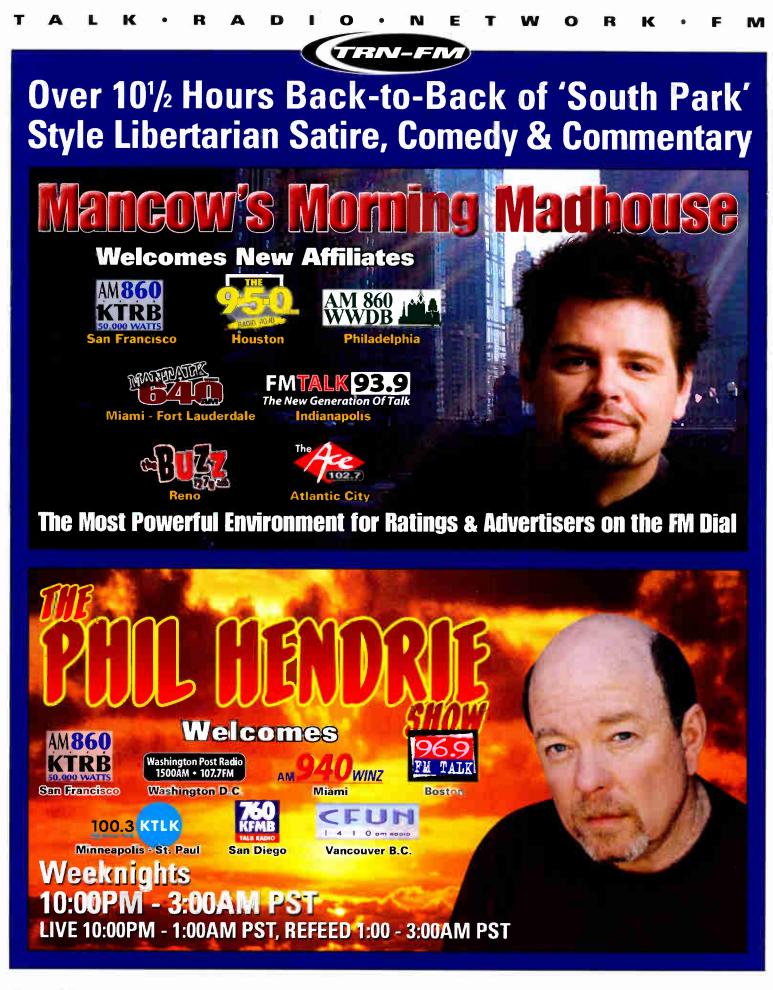
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Our Mission: Radio Ink 5 role is passionately to empower Radio management to be more successful by providing fresh, actionable, reality-based ideas, inspiration and education in a quick, easy-to-read, positive, pro-Radio environment.

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World Radio History

How To Reinvigorate Your Radio Career

There are days when I feel the doom and gloom of radio. I hear too often how the industry is not the same anymore, how the good old days were more exciting, how radio consolidators and Wall Street have ruined the business, how it's not fun anymore. It's depressing to hear it, and depressing to live it.

Are you one of those people experiencing radio depression? Would you like to reinvigorate your radio career? Here are my tips to pull you out of the doldrums, and make radio fun again.

• Change your attitude. If you follow the advice of books like The Secret, you know that your dominant thoughts and expectations worsen your conditions. If you really want to see things differently, start with your own thought patterns.

• Inventory your past. When you were really in love with radio, what were you doing that you are not doing now? List all of the things you once loved about the business, and look for ways to replicate them today.

• Take a vacation. Get off of the merry-go-round. Stress and pressure kill perspective. Get away for as long as you can. Do something fun. Don't check email, don't call in. Don't listen to the radio.

• Learn something new. I attend nonradio events to learn about other industries. Often I apply it to my business life, but I am stimulated by new people, new ideas, and mastery of new skills. I bring these new speakers, ideas, and perspectives to *Radio* Ink conferences because I find them so refreshing. Just today I learned about a housewife who is generating \$60 million a year (this is documented) with a creative online application. Rest assured, she will be invited to speak at our Convergence Internet conference! I got jazzed when I realized any radio station could do the same.

• Take up a hobby. For me its oil painting. I get lost in it — sometimes until 2 a.m.! — and find I'm not thinking about my work or other pressures. Doing this several nights a week actually makes me less tired, and better prepared once I get to work.

Exercise.

• Take a mini-sabbatical. If Bill Gates can do it, you can too. Jerry Lee, one of radio's brightest owners, does it every month. When do you ever stop and ponder your business? Of course you don't have time. All the more reason to find the time.

• Take time for the fun stuff. I used to be an on-air talent and programmer. When I got into management, I missed those jobs. Find ways to spend time around those people, those roles. Find some play time in the production room.

Make it fun for others. I once

appointed a director of fun in my company. Her sole role was to invent incentives, staff bonding events, etc. I once told my staff to wear jeans the following day for a full day of clean-up. When they arrived, I took them all on a fun outing for the day. It showed that I am not all about work.

• Accept the things you cannot control, and change the things you can. Radio has tightened its belt, is less focused on talent, and is controlled by Wall Street. Get over it. If there are things you can change in your local station, do so.

I can see people cringing in board rooms. So what. You need to make it fun, or go do something else. It may not be sanctioned from the corporate office, but once they see how productive you and your station become, they may think twice.

Radio was once fun because someone made it that way. Now it's your turn.

ZNIC

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World Radio History

From The Editor

Arbitron Chief Stands Up For PPM Data

CEO Steve Morris Issues Money-Back Guarantee For PPM Survey Samples

By Editor-In-Chief Joe Howard

Amid recent negative chatter about panel sizes for the company's ongoing Portable People Meter ratings surveys in Houston and Philadelphia, Arbitron Chairman/CEO Steve Morris recently assured both ratings clients and programming consultants that Arbitron is working to address concerns that are arising about the methodology. He also issued a money-back guarantee to prove his company is serious about recruiting large enough participant panels.

In a letter sent Aug. 31 to PPM clients, Morris acknowl-

edged that recent sample sizes have been smaller than expected, but stated that the low numbers were driven by Arbitron's desire to deliver more credible data.

"While sample sizes in Houston and Philadelphia debuted at or close to target, the total panel size dropped over the summer as we introduced a new 'tough love' panel-management approach," he wrote. "Instead of trying to coach panelists into bet-

ter compliance over a period of several months, we now give panelists significantly less time to exhibit good compliance (e.g., take the PPM from its dock in the morning, carry it throughout the day and dock it at night), or the household is removed."

Morris broke down some numbers to illustrate the point: "As we began removing panelists at a faster pace, we were unable to recruit and install new panelists quickly enough to offset the loss. As of the July survey, we were 193 panelists short versus our average daily target of 1,361 in Houston, and 179 panelists short versus our 1,530 average daily target in Philadelphia. Based on initiatives and additional dollar investments that we began earlier this summer, we fully expect to increase the panel sizes in these markets to their targets by late September/early October. We recognize that you expect us to reach our targets, and we acknowledge that our recent performance on this has fallen short."

He added, "Let me be clear about one critical point. Despite the shortfall in total in-tab, the audience data are statistically reliable, and audience trends from month to month are stable and credible. When the PPM does show differences in the ratings, clients can be confident that those differences reflect changes in programming or marketing."

The letter echoed comments Morris made a week earlier at Arbitron's Columbia, MD, offices to a special day-long meeting the company held to discuss early PPM results with programming consultants. "These issues are all perfectly valid, but they don't affect the fundamental validity of the data," he said then. "If it did, we wouldn't be sending out the data. We will continuously improve what we have out there. I don't want anyone to think we are putting out data that can't be used for buying and selling; it can be used for that."

MONEY-BACK GUARANTEE

In an effort to assuage concerns about the sample sizes, Morris announced in the letter a money-back guarantee to demonstrate Arbitron's commitment to improving sample sizes.

Philadelphia debuted at or close to target, the total panel size dropped over the summer as we introduced a new 'tough love' panel-management approach.

"The Arbitron Radio Advisory Council, led by Chairman Steve Sinicropi, has urged us to take strong steps to instill 'confidence in the currency' by holding ourselves more accountable for the delivery of key metrics on PPM," Morris wrote. "We understand that you want us to have some 'skin in the game' when it comes to our sample targets. Therefore, as of October 1, 2007, we will implement a PPM sample guarantee in which we will provide a deduction from your monthly bill if we fall below a minimum threshold of our 6+ Metro sample size target for the panel. We will work with the Radio Advisory Council on the details of the plan to make sure that it is meaningful.

"We will continue to do all we can to hit our targets, and we have put a series of initiatives into place to focus more tightly on the in-tab sample. Research like this is both art and science, and we are unlikely to be perfect each month. However, we should establish reasonable parameters and then be 'on the line' to deliver. That's what this sample guarantee is all about."

A comment Morris made at the consultants' meeting sums up where the company and the industry both stand as radio works to adjust to this drastic change in its audience-measurement methodology.

"As we roll out — and every market is different — a lot of learning will take place," Morris said. "We're learning as we go. The PPM is different from the diary. This is new ground, and there is no precedent. I wish I could say there is a leatherbound book that we can follow, but that book doesn't exist. We are writing it as we go."



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Martini Rocks! One of hundreds of hip programs on BE HD Radio



Jeff Allen, Program Director for KFTK FM

Ever feel like you're stuck on one of those traffic roundabouts, going over and over the same circle of formats in search of a way out of the formulaic programming doldrums?

You're not alone. More than 650 FM broadcasters so far have added a second program channel to their HD Radio broadcasts, and to no one's surprise, the format choices are anything but typical.

In fact, programming on these HD2 channels is all over the road, from jokes and sports to music of all flavors.

Take MyRedLounge, an HD2 station on the same dial position as KFTK Talk 97.1 FM in St. Louis, Missouri. The station is running what is described as "martini music", an interesting mix of jazz, blues, swing and lounge tunes from yesterday and today. Sinatra and Dean Martin follow newer artists such as Diana Krall, Jamie Cullum and Michael Bublé to give MyRedLounge a very unique and contemporary sound.





"We aren't at all hesitant about mixing genres, as opposed to what all of us in the industry were doing seven or eight years ago when we wouldn't dream of it," says Jeff Allen, Program Director for KFTK FM, which updated to digital HD Radio with Broadcast Electronics transmitter gear and gained an entirely new channel in the process.

"It almost harkens back before the old Top 40 days when we weren't afraid to try new things," he adds.

HD2 offers the best of both worlds as a channel separate from, but coexisting on, the same frequency as the main program. What plays on one doesn't affect the other, except to generate some market synergy. MyRedLounge is aimed at the 35- to 64-year-old age group, the very same age demographic as its main talk host, but targeted to a totally different demographic lifestyle.

myredlounge

Because MyRedLounge broadcasts from the same RF facility as the main talk program —and without a separate broadcast license from the FCC to boot—adding the channel required minimal capital outlay. In fact, Emmis Broadcasting had already invested the capital in converting KFTK FM to HD Radio, so adding the second channel became a simple matter of installing another box to generate the HD2 broadcast.

Adding text data or even a third channel will be even easier, requiring a simple setup change to the BE gear. "Another channel has come up in our discussions, yes. It's one of those situations in that the more we do with HD Radio, the more we realize what we can do with it," comments Allen. BE

New Jersey Radio on the Spot

...and on YouTube, The Sopranos and other nontraditional revenue courtesy of BE



Billy Clanton, Jr., Interactive Marketing Director for Greater Media New Jersey

Nontraditional revenue is practically an institution in New Jersey. So, when it came time to explore new ways to make money in radio, we cued up the Soprano's music and called on our good friends in the Garden State.

We only had to go as far as Greater Media, which owns two FMs near the Jersey shore, an FM and two AMs at the top of the state in Morristown and an AM and FM in central Jersey.

Greater Media's New Jersey organization gave us plenty to think about in terms of NTR, with the group's impressive lineup of income-generating Web, text, streaming and social networking opportunities.

Sure, we knew this cluster had been streaming content for some time and had ventured into Messagecasting in the last year. After all, we supplied the streaming media system, SoniXtream, and The Radio Experience product, used for Messagecasting, along with HD Radio transmitters for broadcasting digital on three of its four FM stations.

(Continued on page 2)



Speaking of Great Media

Beinterview



New Jersey Radio on the Spot

(Continued from cover)

But, the extent of this group's use of new media surprised even us. Examples include advertiser coupons text-messaged to listeners' phones, YouTube-like backstage interviews of bands sponsored by Heineken, a social network for women combining Flicker and MySpace under its Magic 98.3 website, and our favorite, a "Who Got Whacked" podcast following The Sopranos show each week that had amassed a loyal following in upper New Jersey. "The podcast was another example



of taking something literally from thin air, and making \$7,500 from nothing," says Billy Clanton, Jr., Interactive Marketing Director for Greater Media New Jersey. Clanton says NTR could easily account for 25% of the group's income in the next five years, but that

won't be because they put up a website and ran music over it. "We had to go beyond not only the traditional radio model but the traditional Internet model that radio was playing, as in just throwing up a web page and putting some pictures on it," he comments.

The group's venture into new media has the support of Greater Media corporate and is aided by vendor partnerships, according to Tony Odachowski, Executive Director Internet and Marketing Group for the cluster. "From a technical standpoint, we have tremendous support from Peter Smyth and Paul Krasinski at corporate," says Odachowski. "That has made it possible for us to move a little quicker into these new media areas," he adds.

Greater Media New Jersey partners with mobile phone companies as well as application vendors, and, of course, Broadcast Electronics, which is turning text into coupons and taking care of all the logistics of streaming for the stations, including bandwidth issues. BE



You name it, Greater Media New Jersey is doing it. Its rock station, WRAT 95.9 FM in Point Pleasant, was the first New Jersey FM to convert to HD Radio in 2003 using BE's transmission system. Other FMs in the group soon followed, and it wasn't long before the group went on to standardize webcasting on all six of its stations using BE's SoniXtream studio tools and backend bandwidth hosting services. More recently, the group began Messagecasting advertiser information using BE's The

Radio Experience products. We talked

Dan Finn—Vice President & Regional General Manager for Greater Media New Jersey

Greater Media New Jersey briefly with Dan Finn, Vice President & Regional General Manager for Greater Media New Jersey, about the group's bold, progressive move into new media and what advice he can offer to other broadcasters.

BE: How committed are you to HD Radio?

DF: Very committed. Our rock station down the shore was the first FM radio station in New Jersey to convert to HD Radio. I'd personally like to see all stations in New Jersey advance to HD. After all, the Garden State has always been in the forefront of new technology. Marconi, Bell, Edison and Tesla all lived and worked in the area. I almost feel a responsibility for New Jersey broadcasters to be out front with regards to radio's next evolvement.

BE: What do you think new media means for radio today?

DF: New media means more than websites and text messaging. It's all about generating creative ideas, and then having your technical staff turn those ideas into reality. Basically, we all have a clean sheet of paper, and I believe anything is possible with radio and new media.

BE: What can you tell broadcasters in small- and medium-sized markets about generating income today?

DF: It should simply be all about delivering results for advertisers. As long as we continue to succeed in that goal, our topline growth will be consistent. New media will enable us to offer our advertisers increased exposure while generating additional revenue for the stations. Sounds like a win-win to me. **BE**



Radio Disney Ups Game with HD Radio AM



Drew Korzeniewski—Vice President of Distribution and Operations for Radio Disney

For Radio Disney, HD Radio AM can't happen fast enough.

"When we started Radio Disney 10 years ago, we decided that the format itself was more important than the fidelity. We don't think that anymore," says Drew Korzeniewski, Vice President of Distribution and Operations for Radio Disney, which is converting its BE and other transmitters to HD Radio on an accelerated rollout schedule.

It's no secret that Radio Disney has a tough audience. Kids today are difficult to entertain; they've literally cut their teeth on interactive gaming and other forms of new media.

Although its programming is available on the Internet and over satellite, Radio Disney is a network of predominantly AM stations. Forty of its 42 stations are AMs, which essentially means the Mickey Mouse network is competing for the attention of the highly distractible 6- to 14-year-old with a medium that is older than most of our grandparents.

The need to upgrade to digital AM became evident when Radio Disney purchased two FM stations. It wasn't long before management began wondering how to get that same FM sound on all 40 of Radio Disney's AMs. AM HD Radio offered a boost in audio quality on par with FM, but without abandoning existing listenership. "For more than 75 years, the Disney brand has stood for quality and innovation in entertainment. That expectation of quality applies not only to creative content but to technical quality as well. At Radio Disney, we are focused on delivering listeners a high-quality listening experience, which includes HD Radio," comments Korzeniewski.

By the end of 2007, Radio Disney will have converted 70% of its AMs to HD Radio, in many cases by adding a BE unit and making a 15-minute field modification to a BE AM transmitter. The remaining majority of Radio Disney AMs will follow in 2008 in much the same way.

Meanwhile, Radio Disney's FM stations in Indianapolis and Little Rock have already converted to HD Radio though BE's upgrade path, giving these stations a CDlike sound and raising the standard yet again for quality radio. BE

Young recording artist Corbin Bleu, star of High School Musical, High School Musical 2 and Jump In, can now be heard in high quality HD Radio AM on the majority of Radio Disney's 40 AM stations nationwide.



More HD Radio on the Side Joplin group gains stations as part of BE conversion technology

Sometimes, more really is more. Consider Zimmer Radio, Inc. in Joplin, Missouri, and its conversion to HD Radio using Broadcast Electronics transmission technology.

Zimmer not only covers all the major demographic groups with its lite rock, CHR, classic rock and country stations, it's broadcasting more of the same on new HD2 channels.

For this small-market group, adding HD Radio channels onto existing FM broadcasts didn't call for a new program manual. What the opportunity called for, according to Zimmer Radio Operations Manager Chad Elliot, was simply more country, more CHR, and more rock tunes.

"We wanted the secondary format to be close to what we already do, at least for now, just because we want to keep the listener on our dial



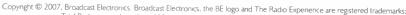
position," says Elliot, who added extra program channels to three of the group's four FM stations as part of the conversion to HD Radio using BE transmission and studio products.

With this upgrade, HD Radio listeners jumping up the dial a half-click from, say, KIXQ 102.5 Country to KIQX 102.5-HD2 Country Classics will find more of what they like, not an entirely different music format. "When they land on that dial position, it's the same brand and the same moniker but an expanded playlist of what they're used to," he explains.

Elliot believes that running complementary HD2 programming on three of the group's four FM stations—a CHR rhythmic HD2 channel for its KSYN

"Kissin" 92.5 CHR station and an active rock HD2 channel for its KXDG "Big Dog" 97.9 rock station, in addition to country classics on KIQX's HD2 channel—will retain existing listeners while attracting new listeners.

At the very least, he says, "We hope our listeners remember us when it comes time to fill in the (Arbitron) book."



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One Studio, **16 Stations**

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Audio-over-IP unit offered by BE unites stations in 8 states under one studio



Family Life Radio has one mission, one main studio and 16 radio stations. This Christian radio group spreads the Word across eight states by centralizing programming from a single studio in Tucson, Arizona, which is shared by all 16 stations through the Internet and using the AudioTX audio-over-IP unit offered by Broadcast Electronics.

Alan Cook—previous ager of 25 years, now

KFLR FM General Man- The shared studio arrangement has enabled Family Life Radio to sell off studio buildings in seven of its markets Arizona morning show at a huge capital and operational savings -not only in terms of real estate, but also in terms of insurance, personnel, electrical and other office expenses.

Specifically, the AudioTX STL-IP unit makes it possible for its radio stations to share programming from a single location, whether stations have a separate studio or not. An AudioTX STL-IP with a T1 drop is at each of the studio-less transmitter sites for direct program access to the main studio via the Internet. "This is saving us a lot of money, but just as important, it gives us program consistency that we wouldn't have with separate studios," says Alan Cook, who recently semi-retired as KFLR FM's General Manager of 25 years to anchor the group's Arizona morning show.

"Physical location is less important than it was," he adds. Cook performs his anchor duties remotely using the two-way communication features of the AudioTX STL-IP, which is manufactured by MDOUK and distributed and supported in the U.S. by Broadcast Electronics.



Family Life Radio has broadcast licenses in Michigan, Wisconsin, Georgia, Florida, Texas, Kansas, New Mexico and Arizona. It has applied for and received a provision from the FCC for shared distribution of programming from its Tucson studio. BE



Visit us in **booth 417**

We'll have the latest in radio automation, Messagecasting, transmitters for AM, FM and HD Radio and more. And we'll share valuable information with your station on keeping a competitive edge for greater listenership and revenue.

BE personnel will be making several technical presentations. Attendance at these sessions requires a paid registration.



HD Radio Technology Update

Part of the SBE Radio Engineering Forum. A practical overview of the latest developments for HD Radio, such as conditional access, electronic program guides and how these fit into the HD Radio data system, along with any updates on the system as a whole. Presenter: Ray Miklius, BE VP Studio Systems

Date/Time: Wednesday, September 26 from 8:00am to 8:30am

AM/FM Transmitter Workshop & Breakfast

How well do you understand your transmitter site? This session offers an in-depth look at transmitter troubleshooting. And, breakfast is on us!

Presenter: John Bisset, BE Northeast Regional Sales Manager Date/Time: Friday, September 28 from 8:00am to noon

Budgeting Time?

We invite you to include Radio Ink conferences in your 2008 plans:



Internet, WiFi, Interactivity, Mobilecasting, Social Networking, Podcasting, HD Radio, Blogging, Gridcasting, Microsites, Online Audio (formerly the Radio Ink Internet Conference) March 10 - 11, 2008

Dolce Haves Mansion, San Jose, CA

www.radioink.com/convergence

The convergence of technologies - audio, video, Internet, text messaging - will bring new revenue to radio. Visionaries leading this revolution in the fields of technology, broadcasting, and audience strategies are guiding radio toward this exciting future, and will reveal what radio must do to remain competitive in the digital media world.

Who Should Attend:

- Radio Broadcast Executives
- Radio Managers
- Radio Interactive Directors
- Online Broadcasters
- Industry Vendors

- Owners/Group Heads
- Radio Programmers
- Radio Advertisers
- Wall Street Analysts

Hispanic Radio Conference

The only conference devoted solely to Hispanic radio

May 19 - 20, 2008 Biltmore Hotel, Miami, FL www.radioink.com/hispanicconference

Hispanic radio is the fastest-growing segment in the radio industry. Radio Ink each year gathers leaders in Hispanic radio and those simply interested in this exciting business sector to explore the issues, opportunities, and challenges facing Hispanic radio.

Who Should Attend:

- Hispanic Radio Broadcasters
- Owners/Group Heads
- Radio Sales Managers
- Hispanic Radio Advertisers
- Industry Vendors

- Broadcasters Exploring Hispanic Radio
- Radio Managers
- Radio Programmers
- Wall Street Analysts

Forecast

The radio industry's premier finance and forecasting event December 2008 New York, NY

www.radioink.com/forecastsummit

At this highly anticipated annual event, a veritable "who's who" of radio industry leaders make predictions and analyze trends for the business in the year ahead. It's followed by our gala 40 Most Powerful People In Radio reception.

Who Should Attend:

- Radio Broadcast Executives
- Wall Street Analysts
- Investment Bankers
- Radio Investors
- Radio Advertisers
- * Dates and cities subject to change

- Owners/Group Heads
- Radio CFOs
- Private Equity Firms
- Radio Managers
- Industry Vendors

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For more information, contact Tom Elmo at 561.655.8778



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IMAGES IN INK



Academy Award-nominated actress Catalina Sandino Moreno (r) stopped by the Pulse of Radio New York studios to chat with Ana Salcido, director of affiliate relations at USRN/Univision.



Denise Jackson, wife of singer Alan Jackson, visited The Ponderosa, Kix Brooks' personal studio at the ABC Radio office in Nashville.



Singers Shannon Lawson and James Otto recently visited WQYK's Tampa studios (1-r): Music Director Jay Roberts, Lawson, Ops/Program Director Mike Culotta, and Otto.

RAB: RADIO REVENUE FLAT IN FIRST HALF OF '07 AS NON-SPOT RISES 12%

The RAB announced this month that non-spot radio revenue grew 16 percent in the second quarter of this year, to \$409 million, and 12 percent from January through June, to \$711 million, compared to the same periods in 2006. Radio ad spending overall was down 1 percent in Q2, to \$5.7 billion, and virtually flat in the first half of the year, at \$10.4 billion, with dips in local and national revenue partly offset by the non-spot gains.

For Q2, local and national revenue each fell 2 percent from a year ago, and network revenue fell by 2 percent as well. For the first half, local dipped 1 percent and national fell 2 percent, but network revenue rose by 3 percent.

Non-spot revenue is becoming increasingly important to radio; the RAB reported that non-spot dollars represented 7.2 percent of second-quarter revenue and 6.8 percent of radio spending in the first half of 2007. RAB President/CEO Jeff Haley said, "The average monthly non-spot revenue growth rate for the last two years has been 10 percent. At this rate, non-spot revenue will be over \$1.5 billion for 2008 and approach \$2 billion by the end of 2009." Most of that money, said Haley, is being generated by radio's online efforts.

INTERNET AD SPENDING TO OVERTAKE RADIO REVENUES

U.S. spending on Internet advertising is on the verge of passing radio advertising for the first time, according to a report by eMarketer analyst Ben Macklin on Forbes.com. Radio ad spending in the U.S. is expected to increase 1.5 percent in 2007, to \$20.4 billion, behind online ad spending of \$21.7 billion — up 22 percent from 2006. Macklin did point to a bright side, saying that over the next few years radio station websites and online audio advertising "will be the principal drivers for radio advertising growth." Macklin continued, "There are many synergies between radio and the Internet, and, for the most part, they complement rather than compete with each other. Advertisers should not abandon radio in favor of the web, but combine the two media to take advantage of the unique attributes of each."

XM, SIRIUS DO SOME SERIOUS SPENDING

Sirius Satellite Radio and XM Satellite Radio spent a total of \$810,000 in the first half of 2007 to lobby for the approval of their proposed merger, with XM spending \$580,000 and Sirius ponying up \$230,000. The merger is facing stiff opposition in Washington: Sens. Byron Dorgan (D-ND), Herb Kohl (D-WI), and Claire McCaskill (D-MO) are among those who have spoken out against it, citing antitrust concerns; and a bipartisan group of 72 members of Congress sent a letter to the FCC in June, urging it to reject the merger on the same grounds. The NAB is also lobbying energetically against the XM-Sirius merger, saying it would create a "government-sanctioned monopoly."

RADIO DISNEY NAMES NEW PROGRAMMING VP

Children's radio network **Radio Disney** has named **Ray De La Garza** to the post of vice president of programming. De La Garza was most recently vice president/general manager of KMXE-AM-Los Angeles. His background also includes stints as chief operating officer for Radiovisa Corporation and senior vice president of programming for Premiere Radio Networks.

RECENT SALES & CLOSINGS

WAGI-FM & WEAC-AM - Charlotte, NC - \$15 Million (Once upgraded \$22 Million) WRCK-FM Utica, NY - \$1.225 Million KNKN-FM & KRMX-AM Pueblo, CO - \$1.75 Million WTMY-AM Sarasota, FL & WRXB-AM St. Petersburg, FL - \$1.1 Million WRXS-FM Ocean City, MD - \$1.075 million KOLE-AM Port Arthur, TX - \$450K WITK-AM Wilkes Barre Scranton, PA - \$400K

WDRJ-AM - Detroit, MI - \$3.8 Million WBOE-FM & WOOB-FM Albany, NY, and WSCP-FM Syracuse, NY - \$3.5 Million KJTY-Topeka, WJTF-Panama City, WJTG-Macon, KJTA-Flagstaff and WJTY-Dubuque, IA - \$2.5 Million KBET-AM - Las Vegas, NV - \$2.5 Million WSJI-FM - Cherry Hill, NJ - \$2.45 Million WBRD-AM - Sarasota/Bradenton, FL - \$2.1 Million WDJA-AM - W. Palm Beach, FL - \$2.1 Million KFEL-AM - Pueblo, CO - \$450 K WCXN-AM - Hickory, NC - \$425K

We will be at the Westin during the NAB. To schedule an appointment. please call 859-647-0101

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ON AIR

2007 NAB Marconi Radio Awards Finalists

Legendary Station KIRO-AM Seattle, WA

KIRO-AM Seattle, WA KKOB-AM Albuquerque, NM WMMR-FM Philadelphia, PA WRVA-AM Richmond, VA WWL-AM New Orleans, LA

Network Syndicated Personality of the Year

Delilah, Premiere Radio Networks Kidd Kraddick, Yea Network Neal Boortz, Jones Radio Networks Sean Hannity, ABC Radio Network Steve Harvey, Premiere Radio Networks

Major Market Station of the Year

KHKS-FM Dallas, TX KIIS-FM Los Angeles, CA WBLS-FM New York, NY WGN-AM Chicago, IL WSB-AM Atlanta, GA

Large Market Station of the Year

KBCO-FM Denver, CO KIRO-AM Seattle, WA KSTP-FM Minneapolis, MN WDVE-FM Pittsburgh, PA WUBE-FM Cincinnati, OH

Medium Market Station

of the Year KGSR-FM Austin, TX KTTS-FM Springfield, MO WDEL-AM Wilmington, DE WFMS-FM Indianapolis, IN WWL-AM New Orleans, LA

Small Market Station of the Year

KMRY-AM Cedar Rapids, IA KOGA-AM Ogallala, NE KTLO-FM Mountain Home, AR WAXX-FM Eau Claire, WI WKDZ-FM Cadiz, KY

Major Market Personality

of the Year Big Boy, KPWR-FM Los Angeles, CA Eric Ferguson & Kathy Hart, WTMX-FM Chicago, IL Grandy & Andy, WMAL-AM Washington, DC Preston & Steve, WMMR-FM Philadelphia, PA Joe "Butterball" Tamburro, WDAS-FM Philadelphia, PA

Large Market Personality

of the Year Chuck Collier, WGAR-FM Cleveland, OH Ellen Jaffe, WLYF-FM Miami, FL Glenn Ordway, WEEI-AM Boston, MA Matt Siegel, WXKS-FM Boston, MA Mike Trivisonno, WTAM-AM Cleveland, OH

Medium Market Personality of the Year

Buzz Adams, KLAQ-FM El Paso, TX Al Caldwell, KLVI-AM Beaumont, TX Dudley & Bob, KLBJ-FM Austin, TX Mark & Danielle, WOKQ-FM Portsmouth, NH Van & Bonnie, WHO-AM Des Moines, IA

Small Market Personality

of the Year Mark Clark, KRCH-FM Rochester, MN Kate Hayes, KOZT-FM Fort Bragg, CA Mike McNamara, KNOX-AM Grand Forks, ND John Mons, KDUZ-AM Hutchinson, MN Will Payne, Barry Diamond & Van Man, KITX-FM Hugo, OK

Spanish Format Personality

of the Year Luz Maria Briseno, KTNQ-AM Los Angeles, CA El Chulo, KHHL-FM Austin, TX Rafael Pulido "El Pistolero," WOJO-FM Chicago, IL Javier Salas, WRTO-AM Chicago, IL Rocio Sandoval "La Peligrosa," KSCA-FM Los Angeles, CA

AC Station of the Year

KSTP-FM Minneapolis, MN WBEB-FM Philadelphia, PA WLEN-FM Adrian, MI WLYF-FM Miami, FL WTCB-FM Columbia, SC

CHR Station of the Year

KHKS-FM Dallas, TX KPWR-FM Los Angeles, CA KQKS-FM Denver, CO WNCI-FM Columbus, OH WVAQ-FM Morgantown, WV

Country Station of the Year

KSON-FM San Diego, CA KTST-FM Oklahoma City, OK KYKX-FM Longview, TX WFMS-FM Indianapolis, IN WIVK-FM Knoxville, TN

News/Talk Station of the Year

KLBJ-AM Austin, TX KSL-AM Salt Lake City, UT WBEN-AM Buffalo, NY WMAL-AM Washington, DC WWL-AM New Orleans, LA

Oldies Station of the Year

KBSG-FM Seattle, WA WCIZ-FM Watertown, NY WCRE-AM Cheraw, SC WMXJ-FM Miami, FL WWSW-FM Pittsburgh, PA



Religious Station of the Year

KFSH-FM Los Angeles, CA KLTY-FM Dallas, TX WFMV-FM Columbia, SC WTLC-AM Indianapolis, IN WVEL-AM Peoria. IL

Rock Station of the Year

KLBJ-FM Austin, TX KTCZ-FM Minneapolis, MN WDVE-FM Pittsburgh, PA WIXO-FM Peoria, IL WMMR-FM Philadelphia, PA

Spanish Station of the Year

KHHL-FM Austin, TX KLVE-FM Los Angeles, CA KOND-FM Fresno, CA KSOL-FM San Francisco, CA WAMR-FM Miami, FL

Sports Station of the Year

KFAN-AM Minneapolis, MN KGME-AM Phoenix, AZ KTCK-AM Dallas, TX KWEB-AM Rochester, MN WWLS-AM Oklahoma City, OK

Urban Station of the Year

KMEL-FM San Francisco, CA WBLS-FM New York, NY WHUR-FM Washington, DC WOWI-FM Norfolk, VA WVKL-FM Virginia Beach, VA



- Two-time Marconi Award winner, Small Market Station of the Year
- Two-time CMA Award winner, Small Market Station of the Year
- #1 in Arbitron Ratings in the two-county metro, as well as the 13-county area
- George House, WAXX morning host and station manager, Marconi Award winner for Small Market Personality of the Year and two-time CMA Small Market Personality of the Year

WAXX on-air personalities George House and Katie Bright





We like to call it WYNDICATION.

#1 W18-34!

🕇 Dàllas-Ft. Worth, TX	15.6
Baton Rouge, LA	22.6
Corpus Christi, TX	17.7
Fayetteville, AR	16.4
Biloxi-Gulfport, MS	17:9
Tyler-Longview, TX	17.1
Lubbock, TX	15.4
Tupelc, MS	27.3
Amarillo, TX	18.0
Bend, CR	33.3
Panama City, FL	17.2
Abilene, TX	28.1
Lufkin-Nacogdoches, TX	29.4
Wichita Falls, TX	26.9
Bismarck, ND	17.6

1 W18-49!

Dallas-Ft. Worth	13.6
Baton Rouge, LA	15.0
Corpus Christi, TX	11.9
Biloxi-Gulfport, MS	12.8
Lubbock, TX	12.5
Tupelc, MS	15,8
Amarillo, TX	15.4
Bend, CR	22.2
Abilene, TX	16.7
Lufkin-Nacogdoches, TX	23.0
Wichita Falls, TX	20.4
Bluefield, WV	15.0
Source: ARB Sp 07 M-F 6a-10a	

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65 MARKETS & GROWING!

"Thave worked with Kidd for nine years, he is a first-class act, as a person and entertainer. Thave him in over half of my markets and I do not have to worry that he will deliver a great product and the ratings will follow." -- George Laughlin, President & CEO, GAP Brpadcasting

"Kidd Kraddick in the Morning is an unstoppable powerhouse. If ratings drive revenue in your market, then Kidd's your guy." -- Shawn D. McCalister, Local Sales Manager, KHKS, Dallas

"The ratings for the show are unmatched. They represent more than listeners...they are real fans for the station!" - J.D. Freeman, President & Market Manager, Clear Channel Dallas

C

LETTERS

ADVOCACY ISSUES

Thanks for the thoughtful editorial in the July 23 issue ("Radio's Hill To Climb"). We need the maximum involvement of the entire industry to beat back the anti-radio initiatives and move forward with a positive agenda. I am sure you have lots of ideas for future "From the Chairman" columns, but more help in getting our people motivated to act would be great.

A big thank you from an advocacy soldier in the trenches.

David Rehr, President/CEO National Association of Broadcasters

CAN WE TALK?

I have to take exception to Jim Taszerak's remarks in "Radio's Winning Streak" (Aug. 6). Commenting on new leadership at both the NAB and RAB, Taszerak states, "The NAB and RAB are now actually talking to each other." In this case, the writer was either not informed or overlooked the real situation.

In fact from the time of my arriving at the RAB there has been and continues to be a strong multifaceted effort of communications and coordination between the two organizations. A few of the obvious results have been the fact that the RAB has produced the sales and marketing segments of both the NAB Radio Show and the Spring Convention. We have worked together on important issues such as the Automobile Leasing Disclaimer, and with the Department of Justice on consolidation. NAB Executive VP/Radio John David has been a guest at every RAB board meeting, and has given a report to the RAB board on NAB activities. I have been part of many NAB activities, including the annual Group Head Fly-In.

I would characterize the relationship between the organizations as very close, and the result has been beneficial to members of both groups. The premise has been to not duplicate our efforts.

With the change in leadership from myself and Eddie Fritts to Jeff Haley and David Rehr, I have not detected any decrease in the mutual arrangement and respect.

The statement that the groups "are now actually talking to each other" is totally inaccurate. The examples I point out are just a few; in fact, may other subjects were discussed and worked on together in the past. I would anticipate there will be more in the future as well. *Gary Fries*

RAB Chairman Emeritus

THE BATTLE FOR MINDSHARE

I couldn't agree more with Eric Rhoads' editorial, "The Pepsi Generation," in the Aug. 6 issue. The radio industry is courting disaster by not developing programming that appeals to a younger audience — those people who only a few years from now will be entering the critical Madison Avenue "must-have" demographic cells. I can't tell you how many radio executives I have heard say recently, "If Steve Jobs was really smart, he would have put a radio in the iPhone," or "those mobile carrier companies are really stupid for not putting a \$3 chip that picks up an FM signal in their cell phones." Whoa! These are the folks who are selling billions of dollars worth of devices to a willing consumer public, while radio's ad revenues (and listenership) are in decline.

Recently, at a state broadcasting association convention, a panel of group executives was asked by an audience member, "How do you think the broadcasting business will be different 10 years from now?" - obviously a question that had to do with media convergence, changing audience tastes and composition, and digital platforms. Yet each of these four group heads answered, in their own varying ways, "We're hoping the media ownership rules will have changed so we can own more stations in a market." Not the sort of answer that inspires great confidence that the leaders of our business have a full grip on a rapidly changing industry.

Everyone else in the collective media universe seems to understand where technology and trends are headed; so why is radio still so reluctant to recognize that there are myriad new consumer choices today, and ignoring them will only continue to expand an already growing audience void. It's difficult to comprehend why so many operators fail to take full advantage of their online streaming opportunities, HD 2 and HD 3 multichannel capabilities, and partnerships with companies that can provide fully interactive audience services that not only can reach a broader audience, but deliver revenue results, as well.

Reed Bunzel, President/CEO American Media Services-Internet

If content is king, you guys at Radio Ink rule. Thank you for creating the latest "Doctor, Doctor Gimme The News" issue with Larry Rosin on the cover (Aug. 6). From Eric Rhoads' editorial "The Pepsi Generation" through Daniel Anstandig's "Five Must-Know Facts About 12-24-Year-Old Listeners" and numerous other articles, it was impossible to miss the message: Radio has lost younger demos. What are we going to do about it?

At Jetcast, we found these articles to be very compelling; they made a great case for why radio and radiorelated businesses need to do lots more to stay in the battle for mindshare.

This issue of Radio Ink verifies what our research has been showing for years, and provided a needed call to arms to radio people. In these articles there was no between-the-lines meaning, it was right there on the lines. Many radio people "get it," and are looking for ways to proceed; the ones who don't should consider another line of work, maybe shoe sales or telemarketing for political candidates.

Thanks again for a terrific, compelling issue.

Tom Zarecki Senior Marketing Executive Jetcast Internet Radio

CYBER BUCKS

Is there an echo in here? (Radio Ink Headlines, Aug. 30, "Internet Ad Spending To Overtake Radio Revs")

It's A Long Way To The Top If You Wanna Rock 'N' Roll

Congratulations to Greater Media Philadelphia's WMMR-FM

on being named a finalist in three categories at the 2007 Marconi Radio Awards!

- Legendary Station
- Rock Station of the Year
- Major Market Personality of the Year WMMR's Preston and Steve



ZAM

Greater Media, Inc. a family-owned company

1 Martin-h

Congratulations!

to all our NAB Marconi Award Finalists

STATION OF THE YEAR RSONALITY OF THE YEAR SPANISH FORMAT KLVE-FM Los Angeles, CA Luz Maria Briseno, KTNQ-AM Los Angeles, CA Rafael Pulido "El Pistolero," KOND-FM Fresno, CA KSOL-FM San Francisco, CA Rocio Sandoval "La Peligrosa," WAMR-FM Miami, FL You make us iOrgullosos! Proud!

World Radio History

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December 4, 2007 The Harvard Club New York, NY



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Do You Know Where Radio Is Headed In 2008?

Join radio's top minds as they look toward the coming year for the radio business.

Forecast '08 co-chairmen Vic Miller, senior managing director of Bear Stearns, and Lew Dickey, chairman/CEO, Cumulus Media, Inc., have developed sessions that will feature insights from top radio industry figures on the challenges facing radio in the year ahead.





Forecast has become radio's most well-attended financial conference. Fostered by a no-press policy that affords panelists the freedom to remark candidly about their thoughts on the radio business, session discussions are extremely frank and deeply informative.

We expect this to be the strongest Forecast event to date. Seating is limited to 200, so we suggest that you book soon to guarantee a seat and capture the early registration price.

For reservations and agenda information, visit www/radioink.com/forecast. For information call 561-655-8778.

WHO ATTENDS?

Group Heads and Group CFOs Station Owners and Buyers Group Executives (COOs, CFOs) Regional Radio Executives Network Executives National Radio Reps Bankers Radio Investors Investment Bankers Brokers Money Managers Wall Street Analysts Major Cluster Managers Industry Vendors National Advertisers

LETTERS

This is the point I've been trying to make to radio sales reps for about five years now: Website owners are your best prospects for increased ad revenue. Website owners need radio (and/or newspaper and/or TV) ads. A website is not advertising — anymore than your telephone is — until it's advertised.

What a website is is a cheap, reliable, and efficient "receptionist" who never calls in sick, never needs a day off to take the kids to the doctor, and doesn't ignore calls while polishing her nails. It's a receptionist who always delivers to a visitor every bit of information you want available about your product, always gets as much info from the visitor as they're willing to give, and does it for around \$20 per month on average. Wow! What a deal.

But advertising, it ain't! (Unless you advertise it, of course.)

Dave Long NorthGoods Merchant Services Tomahawk,WI

NOT ENOUGH

While SoundExchange has offered a settlement to some small webcasters, this is a unilateral proposal that does not represent a settlement with the small webcasters who litigated the Copyright Royalty Board case (Radio Ink Headlines, Aug. 23, "SoundExchange Offers Discount To Small Streamers"). The offer poses a number of issues for any company that plans to grow their business in the next four years, or that plays music by artists who are not SoundExchange members. For details, see www.broadcastlawblog.com.

David Oxenford Davis Wright Tremaine LLP Washington, DC

TOO MUCH

Here's a message to all the members of AFTRA who make their daily living from radio (Radio Ink Headlines, Aug. 8, "AFTRA Broadcast Members Support Performance Right"):

Are you all INSANE??

By making radio stations pay a performance tax on the music they air, the will be less money left on the table to compensate the DJs, personalities, and newspeople at these very same stations.

We already pay through BMI, ASCAP, and SESAC for the "right" to air our music formats, and the additional tax is "double dipping" — plain and simple.

If we are forced to take money out of our budgets to pay a performance tax, I think every station ought to seriously consider going satellite or some canned format and let these ungrateful AFTRA egomaniacs see what it's like to have to go out and earn a living!

Besides, the money we save on personnel may help make up for the additional costs we will be forced to bear by the music industry.

So, where's all the gratitude for the record and disc sales we've helped generate over the years?

Sanford B. Cohen KPPV/KQNA Prescott, Arizona



RING NUMBERS BLOOM Spring is a time of growth, and once again, Dr. Laura shows double digit gains in Adults 25-54. And when she's on the air at 570 KNRS in Salt Lake City, she's not just #1 among News/Talk stations, she's #1 in the entire market! Dr. Laura delivers men AND women to talk radio and gets consistent long-term results for local advertisers.

> TUCSON UP 43%

SAN DIEGO **UP 60%**

SALT LAKE CITY

UP 81%*

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So, stop and smell the flowers... and the ratings and revenue too!

Contact Jake Russell at 212-239-2988, extension 310 or by email at irussell@totdradio.com



*When Dr. Laura is on the air from 1PIM to 4PIN, she and refine market. Sources Fall 2006/Spring 2007 Arbitron. Adults 25-54 Monday - Sunday, exact times. Selected markets.

Guest Commentary

Legislative Remedy To CRB Fees A "Capitol" Idea

Since the Copyright Royalty Board delivered its virtual death knell to the streaming radio industry in the form of rates that no webcaster can afford to pay, hundreds of thousands of Americans — voters and record buyers — have voiced their opposition to these fees with their respective members of Congress. Webcasters have tried to raise support for their cause and even staged a "day of silence," turning off their streams to demonstrate what Internet radio would be like if SoundExchange and The Recording Industry Association of America

have their way and shut down Internet radio altogether. And hundreds of musicians have paid visits to Capitol Hill, voicing their solidarity with this emerging medium and expressing dismay at the unbridled greed of a handful of music executives and lawyers.

During this process, American Media Services-Internet elected to quietly but actively educate members of Congress about the effects of the CRB decision, and urge them to legislate a permanent remedy that would render that egregious decision moot.

Of course, our efforts can never replace those of the National Association of Broadcasters, which has one of the most effective government relations teams in Washington. But leadership takes many forms, and AMS-I realized that one of the best ways to direct the attention of representatives and senators to this issue was to visit their offices to explain the issues directly to their appointed staffers and, on several occasions, directly to the member of Congress.

Interestingly, most of these congressional staffs already were well aware of the CRB royalty rate issue, primarily because they had received an outpouring of constituent e-mails and snail mails urging them to support HR2060, the Internet Radio Equality Act. In fact, every legislative liaison reported that these communications were running 100 percent in favor of an overhaul of the CRB fees.

Members of the House of Representatives tend to react more quickly to issues of critical importance to voters. This apparently is why more than 145 representatives have co-sponsored HR2060, while the Senate has been considerably slower. And, while HR2060 has the support of one-third of the House, that alone does not ensure passage. Indeed, it doesn't ensure anything except that Congress is aware of the plight of webcasters. Eventually, this legislation must go through the appropriate committee(s), and the two top candidates for that process are Commerce and Judiciary. The Commerce Committee seems a logical venue for debate on this legislation, primarily because the CRB's rates so profoundly affect Internet commerce and the ability of webcasters — large and small — to effectively develop a business model.

Unfortunately, Rep. Howard Berman (D-CA) chairs the Judiciary Subcommittee on Copyright, Intellectual Property, and the Internet, and he already has staked out this issue for himself — and for the recording industry, which he vocally supports. Berman is the driving force behind the July 30 hearing dubiously named



Ensuring Artists Fair Compensation: Updating the Performance Right and Platform Parity for the 21st Century, designed to draw attention to the plight of the major record labels and former recording artists whose fortunes, he insists, have suffered because radio stations do not pay a performance fee for over-the-air broadcasts of music. Berman is the roadblock that likely will keep HR2060 from moving to the full Justice Committee, and then to a floor vote. Only if enough congressional support for the IREA germinates will Justice

Committee Chairman John Conyers (D-MI) consider full committee debate. It's important to note that the jurisdiction of these two committees is "subsequent," which means that Judiciary has first shot at passing it through its committee — an unlikely event, given Rep. Berman's interests.

By Reed Bunzel

The Senate is considerably more contemplative about new legislation, and senators typically are a lot more cautious in determining which issues they will support. Still, bi-partisan support for the Senate version is growing, since Sens. Ron Wyden (D-OR) and Sam Brownback (R-KS) introduced it last spring. While the Senate Commerce Committee usually deals with telecom issues, the Senate parliamentarian has identified this as a copyright issue, so he sent it to the Judiciary Committee.

With virtually all legal remedies to the CRB rates exhausted, webcasters are looking to both houses of Congress to legislate a fair and equitable fee structure with which Internet radio can live and prosper. SoundExchange appears in to hurry to negotiate such a settlement, and even a modest amount of pressure applied by some senators and representatives has done little to bring the recording industry to the table. A good guess for this delay is that the music labels are looking to tie any CRB relief to their efforts to exact a "performance tax" from terrestrial radio.

To that end, the recording industry was wearing thick blinders when its legal experts tried to kill music downloads in order to preserve a business model that worked in favor of the labels and against consumers. That tactic didn't work, but no matter: Once again they're trying to legislate a financial remedy to preserve that same business model rather than grasp where the future is headed, and evolve with it.

This is a grassroots situation, and it will take grassroots tactics to effect an equitable remedy. Keep the pressure on Congress to support consumers, commerce, and the effective convergence of new media.

Reed Bunzel is president/CEO of AMS-I in Mt. Pleasant, SC.

Editors' Note: Letters and Guest Commentaries printed in Radio Ink represent the views of their authors and do not necessarily reflect the opinions of this publication or its editors.

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Frame:

- * 16-Gauge Aluminum Frame—no rusting
- * 40% Stronger and 25% Lighter than Steel Units
- * Zero Assembly—no loose parts or ropes.
- * Two People Set Up in 30 seconds
- * For Indoor and Outdoor Use
- * Patented Dynidiom[®] Joint Fittings
- * Free Heavy Duty Carry Bag and Field Spikes

Canopy Top:

* 250 x 500 Denier Oxford Polyester—both strong and lightweight

dye sublimation printing on the table cover and banner flag

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Indoor & Outdoor Signage Window & Floor Graphics

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\$566.00

\$609.00

\$189.00

Price as shown \$2057.00

- \$1849.00
- ** Price includes -10x10 frame
 - Canopy Top
 - Carry Bag
 - Ground Spikes
 - 10' side panel
 - (2) 10' rail curtains with hardware
 - 6'Table Cover
 - Attachable Banner Flag
 - color logo printed on all fabric items. (Increasing colors in logo will increase the cost of the canopy)

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* 16-Gauge Aluminum Frame—no rusting * 40% Stronger and 25% Lighter than Steel Units

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- * Zero Assembly—no loose parts or ropes.
- * Two People Set Up in 30 seconds
- * For Indoor and Outdoor Use

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Frame:

Planet :

- * Patented Dynidiom[®] Joint Fittings
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Canopy Top:

* 250 x 500 Denier Oxford Polyester—both strong and lightweight

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The Best Under the Sun

- * Water Resistant, Fire Retardant, and UV Protected
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- * Custom Screen-Printed Graphics
- * NEW! Full-Cover Digital Printing



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NAB Radio Show Spotlight

The Single Life

WBEB's Jerry Lee Receives The NAB's National Radio Award

By Editor-In-Chief Joe Howard

Jerry Lee is the radio industry's marquee example of a radio station owner who stands alone — and thrives — in the face of competition. The owner of WBEB-FM in Philadelphia, Lee for decades has competed toe-to-toe with radio's largest groups, and by his own estimation emerged from the age of consolidation in better shape.

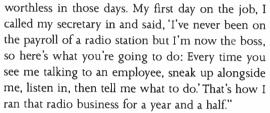
The recipient of the NAB's National Radio Award at the 2007 NAB Radio Show — which recognizes individuals who've made significant con-

tributions to the industry — Lee has spent 45 years learning what listeners want, and giving it to them. But before he made it big in the radio business, Lee discovered the power of radio while working as, of all things, a dance promoter.

"I decided I was going to run the biggest dance in Cleveland," Lee recalls of his days hosting dances in Ohio. "Legendary Cleveland disc jockey Bill Randle had the numberone dance in town. I created a competitive dance called 'Jerry Lee's 18-28 Dance,' but nobody knew the name Jerry Lee. So I flooded Cleveland with half-price tickets, and got 550 people at my dance — 50 more than Randle's. I had the largest dance in Cleveland — at least for one week!

"Randle's arch rival was a guy named Russ Hopkins at KYW, so I asked Hopkins if he wanted to run the largest dance in Cleveland — bigger than Randle's. It became 'Russ Hopkins' 18-28 Dance,' and was very successful."

In fact, it was through a dance hall colleague that Lee got his first real radio job. "A guy who'd been running one of my dances was being backed by his father-in-law to put an FM station on the air in southern Akron," Lee recalls. "He had just developed a programming service, and offered me a job selling it. I worked for him for nine weeks, didn't make a single sale, and he fired me. Luckily, one of the folks I tried to sell on the programming service — Sam Booth out of Chambersburg, PA — offered me a job running his FM station. Of course, FM was



A casual lunch with another programming service client led to the big break that pointed Lee toward his radio destiny. "The only person that I felt

had a legitimate reason for not buying the service was a station owner in Philadelphia named Dave Kurtz, because he didn't yet have his license! When I read that he'd finally received his license, I called and asked if he remembered me. He said no, but I said let's have lunch anyway. About an hour and a half into lunch he had to get back to work at Philco, where he was an engineer. So we arranged to have dinner at 7. By 10 that night I had a threeyear contract — written on the back of a napkin — saying that he could fire me within the first 12 months if we weren't the number-one station in Philadelphia. We were number one four and a half months later, and the rest is history."

Since that meeting in 1963, Lee and Kurtz indeed made history, building WBEB into one of the nation's most successful standalone stations. With Kurtz's 2005 death, Lee assumed full ownership of the station.

Looking back on the station's earliest days, Lee says he overcame the stigma that FM was worthless by offering listeners something they couldn't find elsewhere.

"There was no 24-hour stereo station in the market everybody was off the air at midnight. We were operating on a shoestring and Dave was worried about the cost, so I said I'd get Philco to become a sponsor. Dave said there was no hope, but miraculously I signed up Philco. Then I got six more charter advertisers on for 52 weeks, who could cancel at anytime. So, we were able to stay on the air after midnight.









"I also gave away over 2 million dial cards. In those days nobody knew where FMs were on the dial, so we handed out this reprint of an FM dial, with my station right in the middle. Also, we were a Beautiful Music station then, and there were four others in the market, but they only played six to seven familiar songs out of every ten. I figured people like to hear all familiar songs, so that's all I played. The combination of those things made us number one overnight."

Lee relied on that audience-first attitude when ownership deregulation threatened to muscle out singletons like WBEB. "The best thing that ever happened to me was deregulation," he says. "I could see around the corner that big groups would be forced into cutting costs to cater to Wall Street and pay for acquisitions. It was a golden opportunity for me; after deregulation, the big groups started spending less on promotion and research to find

out what the audience wanted. We do more research than anybody; we know everything about our audience. Find out what your audience wants, and give it to them exactly." Despite persistent talk that emerging technologies are threat-

ening radio's future, Lee believes the industry is poised to thrive in the years ahead. "We're going through a trough now where people are getting wooed by other things like the Internet or satellite radio. But the bloom is off satellite and I think the bloom is off the iPod to some degree. Some research has shown that people listen more to their iPods than radio for the first six months, then they get tired of their own music and are going back to radio."

From a financial standpoint, Lee believes research being done by the Radio Ad Effectiveness Lab — which he chairs — and the effects of electronic measurement will both contribute to radio's health. "The Radio Advertusing Effective Lab has produced some phenomenal research that should pay off for us big time in the next few years," he says. "We just haven't done as good of a job as we should on getting the word out. Once we do, it's going to have an immense impact on radio; we're well positioned to be an incredible force in advertising. If you have demand for the product, nothing else matters," he says. "If we increase that demand, we're solid."

A big believer in electronic measurement, Lee is also calling on the heads of the industry's largest groups to lead radio into this new paradigm. "Long term, the PPM is the best thing for radio because we will have stability in the ratings," he says. "It's about educating the advertisers, and educating the stations."

As he has since his earliest days in radio, Lee believes great content will ultimately bring the dollars into the business. "Once you have established a strong brand in the marketplace, you can screw up and people will still come back. Once you have yourself established, it's extremely stable and low risk. Listen to the audience, find out what they want, and give it to them. It's really that simple."



World Radio History

The Business Of HD Radio

NAB Drives HD Radio Rollout With "Fully Equipped" Campaign

By David Rehr

More than 1,500 radio stations around the country are broadcasting in HD Radio, reaching more than 224 million listeners. And now the HD Digital Radio Alliance and its HD Radio Technology Advancement Task Force, chaired by Caroline Beasley (see sidebar, page 26), have teamed up with the National Association of Broadcasters to further expedite the HD Radio rollout by reaching out to auto manufacturers and their customers.

Recognizing where it can touch the most potential HD Radio listeners, NAB has designed the "Fully Equipped" marketing campaign. At the heart of the campaign: the concept that your car is not "fully equipped" unless it has an HD radio. Through this marketing initiative, we hope to come closer to our goal of having every new car equipped with HD Radio as a standard feature.

In April, NAB sent a team of HD Radio ambassadors to the

New York Auto Show. Twenty ambassadors in orange jumpsuits distributed lanyards that directed attendees to a website where they could register to win a free HD radio receiver. At the same time mobile billboards circulated through the show encouraging auto manufacturers and consumers to make their cars "fully equipped." More than 40 HD radios were given away to those who visited the www.hdradio.com web-

site, which also linked to stations airing in HD in the New York Tri-State Area.

NAB has also been targeting auto manufacturers through other marketing outlets. From April to June, automakers and dealers couldn't pick up their trade magazines without seeing the "Fully Equipped" campaign's messages. Full-page advertisements ran in Automotive News and the National Automobile Dealers Association's AutoExec magazine, and NADA's website featured banner ads touting the benefits of HD Radio. Advertisements explaining the consumer benefits of HD Radio also appeared in regional editions of USA Today in the major automotive hubs.

NAB also took the "Fully Equipped" campaign to the Motor City itself. More than two dozen billboards were placed on the roads leading to and from Detroit Metro Airport, on the routes to key auto-executive neighborhoods, and near auto manufacturers' headquarters. Additionally, mobile billboards have been traveling the city, visiting retail centers and sporting events and urging consumers to ensure their cars are "fully equipped."

Meanwhile, NAB and the HD Digital Radio Alliance are employing a number of other marketing efforts. The alliance has flooded the airwaves with HD Radio spots, while NAB has focused on nontraditional outlets. Teaming with the San Antonio-based creative agency Texas Creative, NAB has been splashing HD Radio messages across the country and finding imaginative ways to get the word out about this new technology.

NAB is also working closely with local radio stations to promote HD Radio's benefits to consumers. Creative materials for stations to use are available at the NAB website at



www.nab.org. For example, stations can localize the print creative and distribute HD Radio flyers at local automotive shows and at dealerships. The HD Digital Radio Alliance has also helped stations build HD Radio listening stations so they can take the listening experience out to station events. Station resources are available at www.hdradioalliance.com.

This is truly an exciting and dynamic time for radio. Radio broadcasters are setting higher standards to respond to consumer demands and to stay relevant in the market, and the crystal-clear sound of HD Radio and new programming choices it offers speak for themselves. As more and more consumers listen to HD Radio and discover its power, we can expect demand for it to grow.

David Rehr is president and CEO of the National Association of Broadcasters.

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HD INITIATIVE GETS BOOST FROM NEW NAB TASK FORCE

By Caroline Beasley

Having served on the NAB board of directors for the past few years, I was delighted when David Field called and asked me to chair the NAB's new HD Radio Technology Advancement Task Force. HD Radio has been a recurring topic at board meetings, and the NAB's announcement that it will be devoting sizable dollars to the HD initiative speaks volumes.

As everyone in the industry is aware, listenership has declined, revenues have been sluggish at best, and we are facing more and more competition. Radio must find new ways to compete in today's environment, and HD Radio is one of those ways.

I'm proud to be a member of the NAB and to experience firsthand the association's active efforts to enhance consumer awareness of this new technology. Not only am I honored to have been asked to chair the task force, I'm humbled by the roll-up-your-sleeves attitude expressed by my fellow task-force members and the NAB staff.

The NAB's phenomenal support, the HD Digital

Radio Alliance's unyielding efforts, the real advancements being made with regard to retailers and automakers, the positive comments we receive from those who have discovered HD Radio — all these things unite broadcasters around the goal of providing the very best product for our listeners, our advertisers, and, for some of us, our shareholders.

It's exciting to be involved at this level, witnessing the advent of what is truly radio's future. I know my fellow task-force members join me in urging all broadcasters to learn as much as you can about HD Radio and encourage your colleagues to do the same.

We have an incredible opportunity to offer a new, positive experience to those who listen to, and buy, radio. If you haven't done so already, now is the time to get on board and become "fully equipped" with HD Radio.

Caroline Beasley is EVP/CFO of Beasley Broadcast Group Inc. and chair of the NAB's HD Radio Technology Advancement Task Force.



World Radio History

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The Wizard Of Ads By Roy H. Williams

What's The Problem Here?

A check arrives in my office and a one-day meeting is scheduled. The business owner arrives on the appointed day.

This is going to be tough. It always is.

To earn my money, I must take the client through five steps that are easy to understand but hard to do. This is the process my staff and I use to grow little companies into big ones. But our magic can't happen until we've extracted these answers from our client:



1. Focus. What are we trying to make happen? How will we measure success? See it clearly. Say it plainly.

2. Evaluate. What is the competitive environment? Do we understand the felt needs of our prospective customer? What is holding us back? Name the limiting factors.

3. Prioritize. When two of our goals come into conflict, which one bows the knee? Prioritize your objectives.

4. Strategize. What would be the shortest route to our primary goal? What levers might we use to dislodge impediments? How might we nullify other limiting factors? Are you willing to modify the business model? This is the moment when the future is won or lost.

5. Implement. Are you willing to pull the trigger? Let's quit talking and DO something. Nothing changes until action is taken.

Seventy-five or 80 percent of the time we can tell business owners how to get to the next level, and they're happy with us. But about one out of five business owners will fixate on a symptom, and refuse to see the root disease. Here's what it can look like:

I ask, "What are we trying to make happen?"

"Traffic is flat. We need more traffic."

After evaluating the limiting factors, I say, "Your media plan indicates that you're already reaching more than enough people to

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- Analyze the client's strategies, then give your clear recommendations — even if they don't jive with the client's own plan.
- There is no benefit in the perfect execution of a bad plan.
- Don't be afraid to tell the client: Some marketing problems can't be solved with radio.

achieve your goal. You'll have more traffic when you have a stronger message. What new message are you willing to give me?"

"Can't we just say more strongly what we've been saying all along?"

"No. The limitation isn't the language; it's the message itself.

"I don't think we need a new message. We just need to use a different media. Which one do you recommend?"

When the client's self-analysis is

wrong, they often grow frustrated when I refuse to join them in their delusion.

"But Roy, I don't think you fully understand our essence. We truly love the customer. We treat them far better than any of our competitors do. We greet them at the door with a smile, get them a cup of coffee, and then listen attentively as they tell us about their problem. We provide a far superior experience. If only you could capture this and communicate it with a really great ad or through a more effective media, I just know our company would grow."

In the old days, I would accommodate these people by telling them that they weren't on the right track and in my professional opinion their message plan couldn't be made to work, "but if you insist, we'll go ahead and do the best we can."

I no longer do this because I got tired of hearing: "Roy, we did exactly what you said, and it didn't work."

I'd rather be the jerk who refused to believe in your dream than the jerk whose radio ads didn't work.

There is no benefit in the perfect execution of a bad plan. Occasionally the client doesn't have a marketing problem that

can be solved by radio, but is limited by something else entirely.

Scott Fraser owns Milne Court, a gas station/convenience store near Halifax, Nova Scotia.

I asked him, "What are we trying to make happen?"

"I want to increase the sales volume at Milne Court."

We go to step 2 and evaluate the limiting factors. "How many cars drive past the store each day?"

"34,500"

"How much gas would a successful station sell to that much traffic? Are there any industry statistics available?"

"The oil companies say I can't expect to sell more than 4 million liters per year."

"How much are you selling right now?"

"About 5.5 million liters per year. (That's almost 40 percent above the projected best-case scenario.) But the profit isn't in the gas, it's in the coffee and cookies and stuff they buy while they're there."



See the response from **listeners** when stations decided to focus on their concerns:

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"What's the industry average for coffee and cookies bought by the typical person who stops for gas?"

"About 2 dollars and 75 cents."

"What's your average?"

"About 5 dollars."

"Scott, you are the king. I bow before you. I don't really think there's anything I can suggest that's going to make a significant difference in your sales volume."

At this point, steps 3 and 4 tumble on top of each other. "Scott, you need to open more locations."

"But I don't want to spend the million and a half dollars it costs to open each new store."

"Then become a consultant to the thousands of gas station/convenience stores that are merely average. And if that category isn't exciting enough for you, look for other retailers that have hundreds of cars parked in their parking lots, but who haven't been able to get those drivers into their stores."

"What do you mean?"

"The only reason to sell gas is to stop cars so you can sell coffee and cookies to the drivers, right?"

"Right."

"Think of all the fringe retailers around the edges of the

anchor store's parking lot in a power center. Every Home Depot is surrounded by little businesses that see cars parked outside their windows every day, but they can't figure out how to get those drivers into their stores to buy coffee and cookies. I believe you're the man who can solve that problem. In fact, you've already proven it."

Whether or not Scott was disappointed in me for not being able to tell him how to take Milne Court any higher, I cannot say with certainty. And I also don't know whether or not I've angered you by saying radio isn't always the answer.

But I do know this: Scott Fraser doesn't have a problem that can be solved with radio.

And I know one more thing as well: It's a lot easier to get an appointment to talk with local business owners when you have a reputation for giving insightful advice.

Abraham Maslow said, "When your only tool is a hammer, every problem looks like a nail." The radio AE who doesn't investigate the limiting factors of his client is a mechanic whose only tool is a hammer.

Don't let this be you. 📾

Roy H.Williams, president of Wizard of Ads Inc., may be reached at roy @WizardofAds.com.



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How Can Radio Reach The New Influentials?

Bridge Ratings last month released an industry report on what it called the "New Influentials" — active consumers whose enthusiasm influences others to act or to consume products and services. These consumers play a big part in "conversation marketing," based on word of mouth, which is becoming increasingly significant among customers, listeners, and viewers



ages 12 to 34. Meanwhile, social networks have become so important that this life group will trust the advice of a total stranger over that of a professional marketer.

For this report, Bridge asked 3,400 consumers ages 13 and older to rate the sources of information they trust most. While friends, family, and acquaintances ranked at the top, they were followed closely by "strangers with experience" in the subject in question. Next were religious leaders and teachers, then favorite radio personalities. And, according to Bridge, 10.2 percent of radio listeners are "New Influentials" whose enthusiasm influences others.

I didn't really get the meaning of that report until recently. My two boys wanted to attend the Vans Warped Tour stop in Boise. When I went online to get tickets, the first thing I saw was an ad from anti-smoking website thetruth.com, offering free tickets in return for participating in a survey on the site. The ad also included an invitation to visit thetruth.com's booth at the show for a chance to win free merchandise through contests filled with marketing messages.

The next thing I saw was an ad by AT&T with an offer to purchase tickets in advance and then be allowed to walk right in to the show, without standing in line, simply by holding up a cell phone showing AT&T Mobility service. AT&T Mobility users were also offered special information via text message, including upto-date info on the tour's rotating performance schedule, stage lineups, and times for autograph sessions — very personal.

Once inside the gate, each band on the tour had a tent for merchandise, where brand-name clothing, accessories, shoes, skateboards, guitars, and music were all displayed, as one would expect. But I was surprised to see the bands themselves becoming marketers, driving traffic to their tents by inviting concertgoers to autograph signings and photo opportunities. They sold a lot of merchandise that way.

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- Trusted "New Influentials" have power over the marketing conversation.
- Younger consumers rely on strangers for information almost as much as family and friends.
- Texts, blogs, and message boards give younger consumers the interactivity they want and expect.

But what really caught my attention was young marketers with iPods walking through the crowd, inviting those standing in line to listen to songs from a band playing that day, or even from a new band represented by one of the labels in attendance.

Each of these successful marketing platforms drove home one point: Radio needs to become the platform of the influential if it is

going to remain relevant. Here are some ways for radio to take advantage of the persuasive power of "New Influentials":

1. Revamp your listener clubs to include new music panels. Give your audience a voice in the music played on the station to keep it cutting-edge. Develop a forum on your station website where listeners can discuss new music. Work the record labels to allow new music to be previewed at your site, and give listeners a way to purchase downloads.

2. Give listeners an opportunity to interact with the station via blogs, texts, and e-mail blasts, or through Facebook or MySpace pages. Dedicate a portion of your community web portal to this interactive audience. When Bridge asked, "When looking for product information, which do you trust most?" almost 63 percent of respondents cited bloggers or other consumers with product experience, while only 31 percent cited company websites or press releases.

3. If you don't have a new music station in your cluster, develop an Internet radio station that caters to this market and find new ways to sell it to your current advertisers. Remember, this audience is leery of traditional marketing, so don't be afraid to make nontraditional ad content from a trusted radio personality part of the show.

4. Become more active in conversation marketing. Find people who are trusted by the younger demographic, and use their social skills to create talk and influence decisions. Show up at malls and at high school football and basketball games, dances, and concerts. Pay attention to what your listeners are interested in, then find relevant ways to deliver the information. Use texts, blogs, and e-mail blasts, and recruit advertisers to display at events that result in buzz and conversation marketing.

5. Develop a panel of "Influentials" at each school in your listener area. The student council is a good place to start, but don't limit yourself — look for leaders from various back-grounds. You can also look to schools for local bands you can develop relationships with.

Are you willing to put in the time and effort to become a part of the "New Influential" network and garner more listeners and advertising dollars for your station?

Mark Maier is the head western trainer for Luce Performance Group. He can be reached at mark@luceperformancegroup.com or 208-219-3333.

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Steinberg On Creative By Steven J. Steinberg

Amortizing Creative Services

Can't Afford A Creative Services Director? Get Creative And Think Again

I frequently receive e-mails from managers who wish they could afford their own creative services director and/or department but find budgetary shortfalls a big impediment.

In 1994, I found myself negotiating with a group of Honolulu radio stations that recognized the value of creative services and had held national auditions for the position. As you might imagine, there was no shortage of applicants, and I felt lucky to have come out on top.

The problem was, the cost of living in paradise is hellish. Their top offer and my minimum requirements seemed light years apart.

The late, great Ray Barnett, GM of the group, had a thinking cap worth its weight in gold. During my interview, a few days before Christmas — a time frame no doubt meant to prod me into taking this tropical gig — he came up with a compensation plan I'll share with you. The genius of it was that the station's financial liability was leveraged by the potential creativity of the applicant.

Ray found a number of ways to bump up the basic salary package:

BONUS, BABY

On the presumption that an effective creative services director and department would have a very positive impact on revenue, because of renewed contracts, new clients brought into the fold by spec spots, and increased time spent listening (because the audience wasn't as inclined to switch stations during stopsets, thereby bumping up ratings) I was guaranteed an extra \$500 per month if the station met its budget forecasts. By the third month of my four-year tenure, I was earning that bonus regularly, upping my base salary by \$6,000 a year.

SPEC SPOT COMMISSION

I was offered a 5 percent commission on the first contract of any client — brand new or not on the air for at least a year — brought on board through the use of a spec script and/or produced spot. Spec, as I have outlined in previous columns, is a very effective bit of ammo in a station's marketing arsenal.

Again, the station's financial commitment to me was based on increased revenues, and that was a superb incentive. Ray took great pleasure in writing that commission check each month, and I enjoyed cashing it just as much.

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- Creative compensation packages can make a creative services director affordable.
- Consider bonuses, trade packages, and other incentives to bump up the base salary.



AGENCY SCRIPT FEES

Ray invited the top five Honolulu agency creative directors to lunch at the station. He introduced me, played my demo reel, and suggested that having a radio specialist on Oahu was a golden opportunity for the agencies that could not afford in-house radio mavens.

For the modest fee of \$100 per

script, paid on their clients' approval, our station would become the agency's de facto radio creative department, in a confidential relationship. Four of the five shops signed on, happy to earn the agency commission of 15 percent from the client and pay a modest fee to get great creative scripts.

OUTSIDE SCRIPT/VOICEOVER FEES

Clients were informed that any scripts or voiceovers that the creative services department produced were a value-added, nocharge service for spots running on any station in our group. However, there would be a \$100 script fee and a \$100 voiceover fee if they elected to run our spots on competitors' stations.

This was the most controversial aspect of the amortization process, but clients soon recognized the difference between commercials our stations produced and those produced by our rivals, and got with the program.

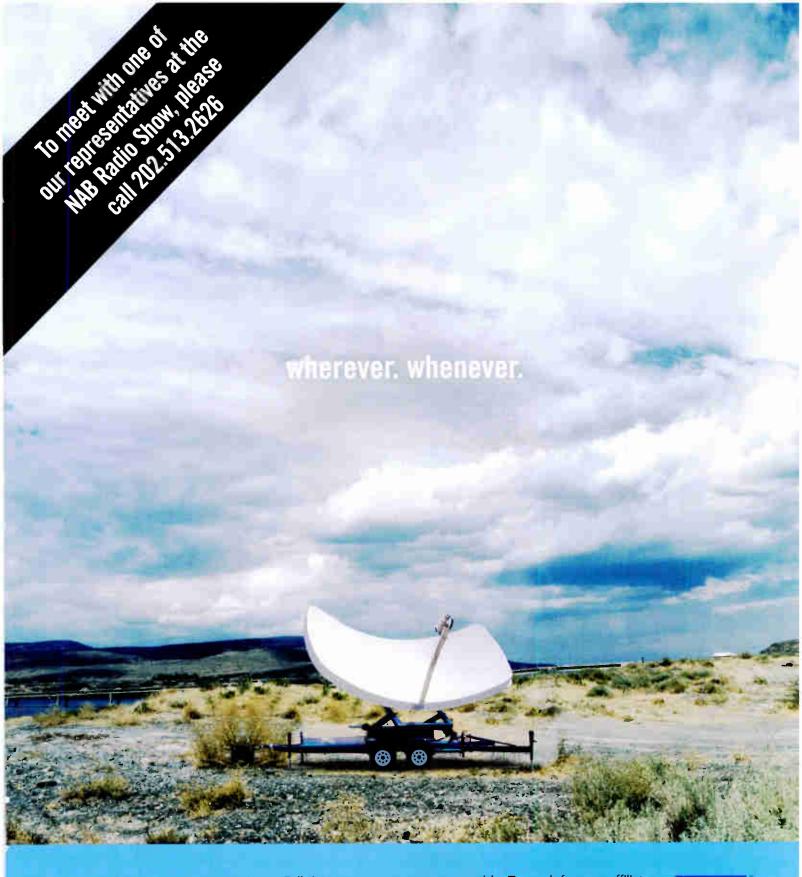
TRADE

Because the cost of living was inordinately higher in Hawaii than in my previous locale, I was offered a "trade bucks" stipend in a variety of categories: gasoline, auto repair, dining, tourist attractions, airline tickets, appliances, clothing, and even pet supplies, as a supplement to my income.

The stipulation was that trade dollars were offered to clients on top of existing cash contracts to augment their schedules, not as credits to pay for existing flights. Since ours was the number one station in the market, there was no shortage of willing participants.

The bottom line is that any or all of these creative approaches can help a station or group add a valuable member to the sales team. I've given you the bare-bones essence of these leveraging methods; if you'd like more details, feel free to drop me an e-mail.

Steven J. Steinberg is creative services director for Nassau Broadcasting Partners in Portland, ME. He can be reached at 207-272-5595, or e-mail him at ssteinberg@nassaubroadcasting.com for information on the Theater of Steve's Mind Consultation and Seminar Services.



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Native Tongue

Learn To Speak Your Advertisers' Language

Nelson Mandela said, "If you talk to a man in a language he understands, it goes to his head. If you talk to him in his language, it goes to his heart."

Professional advertising practitioners understand that we generally buy from the heart, then justify our purchase decisions from the head. They know how to harness the power of relevant language to influence the heart.

When are the advertising sales executives in our business going to get

that message? Many account executives incessantly use broadcast language and sales-speak, rather than speaking the advertiser's language.

Here's a news flash: When it comes to sales, your clients don't care if the person writing the check is a listener, a reader, a viewer, or a web surfer. Your advertisers may refer to their customers as consumers, patients, homeowners, prospects, motorists, or bikers, but they seldom call their prospects listeners, audience, readers, or viewers. Most media sales training courses address the need to get out of the media business and into the client's business, but we still fall woefully short of speaking our clients' language.

POP THE RIGHT QUESTION

I recently accompanied a media sales executive on a sales call to the principal of an automotive dealership. We went for lunch with the dealer and his son, who was being groomed as part of a succession plan. We discussed the dealership, but avoided talking about my client's radio stations.

A one point, I asked the dealer, "How is your CSI?"

In his industry, CSI stands for Customer Satisfaction Index. Each month the manufacturer surveys new car buyers to evaluate their buying experience at the dealership, and sends a summary report and CSI to the dealer.

When I popped the CSI question, the dealer looked at his soon-to-be-successor and said, "This guy knows his stuff. We can do business with him." They asked us to prepare a 52-week presentation, and the rest is history.

👸 QUICKREAD"

- Speak in the advertiser's language, not broadcast jargon or sales-speak.
- Talk about sales numbers, not audience numbers.
- Paint word pictures using language related to your clients' business.



But here's the kicker: When the dealer said, "This guy knows his stuff," what he was really saying was, "This guy knows my stuff." CSIs are about his business, not ours.

OO THE MATH

Your news director knows your audience cannot grasp the American national debt, a whopping \$9 trillion. But it sure hits home when a newscaster says, "The national debt is

approaching \$30,000 for every man, woman, and child living in the USA."

On a recent sales call with an account executive to a wood flooring company, I saw that the client was not relating to the account executive's claim to reach "70,000 listeners." So I intervened with, "Yes, we have more than 70,000 listeners, but we know that only 30,000 of them are homeowners." Cutting the number to less than half and talking only about *homeowners* took us up several rungs on the client's trust ladder.

Our presentation was for \$45,000 over 52 weeks, and the client's average sale was \$10,000. The bottom line? We needed to promise only 150 sales for him over a one-year campaign — a figure he could understand and find believable.

We explained, "Our goal is to have 1.5 percent of those homeowners shop at your location. Does that sound realistic?" An entrepreneur who is passionate about his product finds 1.5 percent of the market a very realistic target. We then suggested that he should close one-third of that 1.5 percent. In other words, we targeted only one-half of one percent of our homeowners to buy from him over the next 12 months. I could tell from his body language that his closing ratio was higher than one-third. We had given him a number that was both believable and fathomable.

When we asked the client if a \$300 cost of sale (a \$45,000 ad campaign divided by 150 sales) against an average \$10,000 sale was realistic, the answer was a nod and a big grin. Who wouldn't invest \$300 to make a \$10,000 sale?

Relevant language is the most powerful tool in the communications trade. When we talked about sales instead of audience, we had the buyer's undivided attention.

When you speak your clients' language, you will be miles ahead of your competition. 🚍

Wayne Ens of ENS Media Inc. (www.wensmedia.com) is a broadcast sales consultant who also produces SoundAdvice and SoundManagement. He can be reached at wayne@wensmedia.com or 705-484-9993.



World Radio History

Weyland On Local Direct

Two Great Local-Direct Ideas In Two Minutes

Use An Emotional Hook To Attract Customers To Your Client's Business

Here are two ideas for two completely different product/service categories. Pitch these ideas long-term to local-direct clients. They'll appreciate the thought you put into the ideas, and you'll stand out from the human spam blitz of media salespeople who offer weak ideas.

Storage warehouses: 58 percent gross margin of profit, after the cost of labor; average storage space is about 10 x 10; average sale is \$60-90 per month. Most people keep storage spaces indefinitely, so at \$75 per month you're looking at a \$900 average sale for a year. Here we'll use pure logic and fear to move people to modify their behavior and rent a storage unit.

HOW CRAZY IS THIS? YOU HAVE A MULTI-THOUSAND-DOLLAR VEHICLE PARKED OUT ON THE STREET VULNERABLE TO THIEVES, VANDALS, SEVERE WEATHER, AND POTENTIAL ACCIDENTS ...

AND FIVE HUNDRED DOLLARS WORTH OF STUFF IN YOUR GARAGE. THAT'S NUTS. THAT IS NOT WHAT YOUR GARAGE IS FOR. KEEP YOUR BELONGINGS SAFE WITH US AT _STORAGE AT (ADDRESS) AND PARK YOUR EXPENSIVE VEHICLE WHERE IT BELONGS, IN THE GARAGE. KEEP ONE, MAYBE TWO CARS PARKED INSIDE YOUR GARAGE, SAFE FROM THIEVES, CREEPS, AND WEATHER BY MOVING ITEMS YOU NEED TO KEEP INTO ONE OF OUR SAFE, SECURE, CLIMATE-CONTROLLED SPACES. RENT YOUR SPACE THIS WEEK AT STORAGE AND START PARKING YOUR CAR IN THE GARAGE WHERE IT BELONGS. _STORAGE AT (ADDRESS).

How else could this client make money? By appealing to: 1. people who are remodeling and wish to store expensive furniture and other items away from construction workers and curious neighbors;

2. business managers who need to store records and files in a safe, climate-controlled, off-site location;

3. collectors of anything from machines to memorabilia who are running out of room at home.

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 Before writing a script, think about the various ways a customer might use your client's services.

 Motivate customers to visit your client's store by addressing an emotional need.

 Appeal to a broad spectrum of people who might enter your client's business.



Music stores: 41 percent gross margin of profit, after the cost of the instrument; average sale depends on the type of instrument — horns (school band instruments) vary from \$350 to \$2,000. Here, we'll identify and solve a parent's problem, and use guilt as an emotional hook.

DID YOU KNOW THAT CHILDREN WHO PLAY MUSICAL INSTRUMENTS DO BETTER IN SCHOOL AND GET INTO LESS TROUBLE THAN CHILDREN WHO DON'T? LEARNING A MUSI-CAL INSTRUMENT LIKE A HORN, DRUMS, GUITAR, OR PIANO MEANS THAT YOUR CHILD IS LEARNING PATIENCE, PROBLEM-SOLVING, STRUCTURE, AND SOCIAL SKILLS SUCH AS GETTING ALONG WITH OTHERS. MUSIC STORE MAY HAVE THE PRECISE INSTRUMENT FOR BETTER GRADES, BETTER DISCIPLINE, AND BETTER DECISION-MAKING. COME TO _MUSIC STORE ON (ADDRESS) AND LET'S TALK MUSIC AND LESSONS. BRING YOUR CHILD AND LET'S START SOLVING PROBLEMS. MUSIC STORE AT (ADDRESS).

How else could this client make money? By appealing to: 1. adults — it's never too late to learn to play an instrument. Use unscripted testimonials from older adults who are learning to play new instruments;

2. people interested in musical taking lessons;

3. students who would prefer to lease rather than purchase an instrument. \blacksquare

Paul Weyland is a speaker, author, and trainer. He can be reached at www.paulweyland.com or by phone at 512-236-1222.



Strength in Numbers Across America

New York (WABC) 157% Los Angeles (KABC) 144% Chicago (WLS) 111% Dallas-Ft. Worth (WBAP) 113% Detroit (WJR) 30% Washington, DC (WMAL) 20% Tampa (WFLA) 45% Indianapolis (WIBC) 19%

> RADIO NETWORKS america listens to abc

SEATTLE (KVI) **1 40**% DENVER (KNUS) **1 56**% ORLANDO (WDBO) **1 95**% SAN DIEGO (KFMB) **1 38**% RALEIGH-DURHAM (WPTF) **1 136**% OKLAHOMA CITY (KTOK) **1 236**% MOBILE (WABB) **1 44**% BOISE (KIDO) **1 50**% JOHNSON CITY-KINGSPORT-BRISTOL (WJCW) **1233**% TULSA (KFAQ) **147**% EL PASO (KTSM) **133**% WICHITA (KNSS) **130**% COLUMBUS (WTVN) **1107**% KANSAS CITY (KMBZ) **133**% ANCHORAGE (KBYR) **155**%



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Source: Arbitron Metro, Previous survey vs. Spring '07, Exact Times, A25-54, AQH Share

World Radio History

Stationality By Daniel Anstandig

Five Must-Know Facts About 25-34-Year-Old Listeners

Is Your Stationality Compatible With These Listeners?

Companies like State Farm Insurance, Ford, Nabisco, Sony, Sears, and Toyota have taken a deliberate and calculated approach to growing their companies via marketing to 25-34-year-olds, and their enchantment with these young consumers is contagious. In strategic marketing and programming sessions in which I participate frequently, there is an emerging priority to reach younger listeners.

While those in the younger 12-24year-old demo are pursuing education,

living with their parents (for most of that span), and enjoying more discretionary income (to the tune of \$200 billion annually), their 25-34-year-old counterparts are starting careers, buying homes, and raising children.

Does your brand appeal to this important group? Here are five points to consider when weighing the relevance of your brand for the 25-34-year-old audience:

BULLET-POINT ME

Chase, the operations manager at Emmis Radio-Austin, summed up the 25-34 mindset. "They don't have time for you. Don't feel bad about that, because they don't have time for anyone." Long-winded pitches and excessive ramp-ups to your point will result in losing the ear of your target. This is the first generation of consumers that speaks in bullet points. In 256 characters or fewer, a text message between two members of this demographic can plan an entire weekend. Get your point across as efficiently as possible without sounding gruff. "It's important that we stop taking ourselves so seriously," Chase advises, "and start talking to our listeners on their level."

AOVERTISING IMMUNITY

Like no generation before them, 25-34-year-olds are immune to advertising and marketing clichés. This generation is coming up behind the highly targeted and desired Baby Boomer market, and they think they've seen everything. So your marketing message is immediately scrubbed against a ruthless mental filter, and evaluated simply on its inherent classification as a "marketing message." Therefore, multi-platform marketing is important to your success. Engaging street teams, using an interactive platform or website, and SMS text messaging combined with a traditional marketing plan can help you capture more "mind equity" among this scattered young audience.

TRANSITIONS IN LIFESTYLE

Breaking through and earning attention means relating to

the major life transitions that shake the world of 25-34-year-olds. The young portion of this demo (25-29) comprises people exploring and finding their place in a big world. The older members in this group (30-34) are beginning to shift their

focus to family life and starting new careers, and devoting more discretionary time and income to their families. On either end of the demo, these consumers are exploring new brands and products. Tommy Chuck, program director at WFLZ-Tampa, says, "This audience is in a lifestyle transition. At 25, you begin entering into your adult life. You try to be responsible while also holding on to your youth. CHR stations that are not childish or immature typically do

well with 25-34-year-olds. They keep their audience plugged in to the hot trends in music and pop culture."

ABUNOANT OPTIONS

It's important that your brand specifically answers a need/want with the 25-34-year-old listener. While all consumers are faced with infinite options in any product category, the 25-34-year-old demo is the first group of consumers to grow up knowing only "complete abundance." This generation fearlessly searches for new flavors, new destinations, new entertainment, new appliances, new services, new relationships, new artists, and new information. If they don't like their options, they just keep looking with confident knowledge that someone has created what they want. They just have to find it.

ECLECTIC MUSIC TASTES

Today's 25-34-year-old listeners graduated from high school between 1991 and 2000. "During their 'cool years,' rap was already an accepted form of music, and in most cases considered mainstream," says Chris Pickett, Fogram director at WNOU-Indianapolis. "Rock was cool when it was edgy, and Nirvana, STP, and Soundgarden were played on Mainstream CHRs." Pickett points out that Hot AC can easily become dull if it doesn't convey some of the edge that became hip in the '90s. Successful Hot ACs have range, meaning they do not exclude rhythmic music from the playlist entirely because it is rhythmic. While some stations must be more cautious than others based on their market, achieving variety in this demo means resonating with different types of music.

Daniel Anstandig is vice president/McVay Media Consulting. Reach him at dan@daer.com.

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World Radio History

Radio2007 By Rosemary Scott

PPM — Friend Or Foe?

Industry Leaders Weigh In On PPM's Strengths, Weaknesses

Proponents have hailed it as the salvation of the industry, while critics think it is rapidly becoming radio's greatest scourge. Whether or not you embrace it, we'd all better hold onto our hats and learn to adapt to Arbitron's Portable People Meter, because it's here. To address some of what's recently been said about the technology, a handful of experts we asked to tackle some pros and cons of the PPM.

What fundamental differences exist between PPM and the diary?



Charlotte Lawyer, vice president of audience measurement, Cumulus Media: Programmers no longer have to concentrate on-air efforts to constantly reinforce station identifiers so listeners will write down their station name. Listening information can now be examined on a much more granular level to see the

impact of contests, promotions, and short-length programming elements on ratings. Data is available now on a weekly and monthly basis, so format and other programming changes can be evaluated in a more timely manner to gauge their impact on the marketplace. Radio's newfound cume reach benefit needs to be incorporated into the planning, buying, and selling process. The value of radio's reach to the media mix needs to be backed up with a research study. Agencies are not compensating radio stations for the reach they always delivered, which now can be demonstrated with PPM.



John Snyder, vice president, PPM implementation, Arbitron: The PPM will capture a lot more occasions of listening to a lot more stations, but for shorter periods of time than with the diary. Programmers will have a level of understanding about how listeners use their station that self-reporting could

not provide, such as how listeners react to events, contests, guests, etc. The difference in how radio will sell itself to advertisers is based on the confidence in the estimates. Radio will be able to highlight certain aspects of the day and week to deliver a more targeted audience with the advertiser using the PPM.



Brad Riegel, president, Cornerstone Research: PPM passively measures exposure, and the diary measures active recording/recall of listening. PPM estimates are derived from daily and weekly participation of the panel; diary estimates are derived from the aggregate listening of those

respondents who fill out and return an acceptable weekly diary.

With the PPM SPI (sample performance indicators) for Philadelphia falling from 14.5 percent during June to 13.5 in July; and Houston losing two full points between June and July, falling to 16.5 percent, are broadcasters concerned?



Bob Patchen, chief research officer, Arbitron: Diary response rates are substantially lower in major markets like Houston and Philly, so the difference with PPM is not as great as this question implies. As diary response rates have dropped, we have not seen direct evidence that the response rate has much

impact on ratings results. Much more important is the quality of the data collected. Electronic measurement produces more detailed and complete information, with less rounding and top-of-mind bias.

It is important to note:

1. The diary survey lasts one week; PPM panelists are recruited for up to two years.

2. The diary survey does not require daily proof of compliance; the PPM panel does. Panel members are only counted as in-tab when they comply based on electronic motion data (at least 8 hours for adults and 5 hours for children and teens, with overall average carry times of 14-15 hours per day).

3. Diary response rates are substantially lower in Houston and Philly than the national metro average, which includes many small markets. The top 50 metros, and especially the largest metros where PPM is presently being deployed, are much tougher response rate markets as compared to the national averages.

4. The PPM panel has multiple stages and levels of cooperation. The household SPI measures cooperation among sampled households in joining and remaining in the panel; the monthly SPI reflects the actual number of persons who were in-tab for the published ratings; and the daily SPI reflects the average number who cooperated day by day (the most stringent metric).

Lawyer: If we knew for a fact that non-responders had the same listening habits as those who respond, then SPI or response rates wouldn't matter. But because we don't know this, we want to achieve the highest SPI or response rates possible by maintaining efforts to improve the rate of consent, return, and compliance.

Riegel: Arbitron is taking active steps to encourage those in the panel to participate, or to replace those who aren't more quickly. Everyone who's sent a diary doesn't return it, and we're finding that some who agree to be installed with a PPM don't carry it.

What initiatives is Arbitron implementing to enhance young adult sample performance?



Owen Charlebois, president, operations, technology, and research & development, Arbitron: We are pushing poor complying respondents out of the panel on a more aggressive basis, because they reduce daily in-tab rates and ultimately SPI. There is no relationship between in-tab rates or SPI and ratings.

If respondents haven't formed the habit of carrying PPM within the first 30-60 days, they are unlikely to do so, no matter

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what coaching, financial incentives, etc., we provide. Arbitron is implementing several initiatives to enhance young adult sample performance:

- Increasing the sampling rate of 18-24-year-olds in the panel
- Implementing selective use of in-person coaching

Doubling the weekly performance bonus for households with one or more black young adults 18-24

 Instituting more aggressive panel management of poor compliers

 Fast-tracking the use of additional accessories for black young females

• Expanding the panelist website

Do lower response rates mean lower ratings?

Riegel: That depends on the demo and daypart. Pouring through the data in XTrends I can see lots of places where the data has remained quite stable, and other places where there are dramatic changes. Sample performance has a varied impact depending on the estimates you are looking at, just as if you look at a discreet diary month versus a four-book average.

Lawyer: My view of sample performance and its potential impact on ratings stems from a basic concern that in-tab samples may not be large enough to accurately represent the listening habits of that cell's population. For example, are 100 intab respondents enough to portray the radio listening of the 560,000 men 18-34 it is meant to represent? Weighting is not the answer if the sample is too small to begin with.

What financial effect is PPM having on rates?

Snyder: We are seeing a lot of different things happening in the negotiation process. One is that buyers are there to negotiate rates — but we are also seeing more stations being considered for buys. In a PPM world, the top 5 stations are not head and shoulders above the rest. Buyers are now looking deeper at stations and looking beyond rating points at more qualitative data. Cost per point is going up where the agency was able to plan for PPM data. Lawyer: Many agencies are using the higher CPPs (cost per points) and lower GRPs (gross rating points) to demand and get lower rates. They are not making adjustments with the new methodology. Unfortunately, so far, I am seeing a net loss of total market revenue for radio. PPM has become a vehicle to negotiate. Although agencies perceive PPM as a more credible and accurate way to measure radio, they have not adjusted their goals to reflect the new methodology and audience results. Yes CPPs are higher and GRPs are lower, but you don't need to buy at the same level of GRPs to maintain the results you saw in the past at that level. A one-time conversion needs to take place. Stations continue to be bought based on diary cost criteria, which is founded in AQH.

What is the greatest impact PPM will have on radio's future ?

Snyder: The ability to fine-tune the product to what a specific market needs, and see results quickly. Advertisers will have more accountability and confidence in the estimates.

The weakness is that change can be disruptive. There is a need to stop, analyze the data, and figure out how to move forward.

Riegel: Isn't it great that we have this new measurement tool to talk about and all this new data to analyze? We get to take a fresh look at radio, and buzz is always a good thing. Consider the consistently larger cumes, the frequency with which you will get estimates because of the panel methodology, and the opportunities to market and evaluate radio though a new set of eyes — or ears, as is the case with the PPM!

Lawyer: The greatest impact will be if we can prove that the increased cume reach radio delivers is of value to advertisers. We can no longer base radio's value on AQH, a metric first devised to measure the audiences of 15-minute radio shows back in the 1930s. A new cume metric must be developed that can be incorporated into the planning process to capitalize on radio's expanded reach and maximize its benefits for the client.

Rosemary Scott is corporate research director for BMP Radio.



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Preparing For The Realities Of Internet Radio

The ongoing Internet royalty rate battle is a distracting sideshow in radio these days, and it will likely be a while before there's finality on these rates. While this debate may compel some to stay on the cyber sidelines, radio stations that aren't yet streaming are missing out on an opportunity to reach listeners via an outlet that is easily accessible to millions of users.

Regardless of the cost of entry, these stations should plan now to put their content where people can hear it online.

There are many myths floating around about Internet radio. In an effort to dispel those myths, and help along those still unsure about whether to strange

those still unsure about whether to stream their stations, here's an overview of what you need to know to launch your station into cyberspace.

Radio2007 By Tom Zarecki

CHECKLIST TO BEGIN STREAMING

1. A dedicated computer with audio card. This computer does only one thing: send the studio feed through the audio card to the encoder.

2. An **encoder**, which takes the audio card output and transforms it into a universal format, and then sends it to the streaming company.

3. A **streaming company** receives your encoded output and streams it over the Internet.

4. Two decisions are needed regarding spot replacement — content and delivery. What content will run on your stream to replace your terrestrial spots, and what device will break away from your terrestrial signal to play back onlineonly content and then properly rejoin the terrestrial feed?

PITFALLS TO AVOID

Pitfall #1: Audience caps from traditional streaming companies. Exceed them and pay more. New technology allows stations to have unlimited simultaneous listeners without being penalized for building online audiences.

Pitfall #2: Hardware-based **spot replacement systems** are expensive; software-only is more cost effective. Several are available based on fixed fees or percentage of revenue.

Pitfall #3: Low bit rate = low quality. Some stations stream at low bit rates (24-32K) to save money, but low-quality audio causes listener fatigue and reduces TSL. A 56K or higher bit rate provides better quality.

Pitfall #4: Paying for metrics. Some companies charge fees for statistics that should be a part of your package.

Pitfall #5: Cross-promote both ways, both services. To avoid exceeding listener caps and risking a larger streaming



bill, some stations don't promote their stream on the air. Eliminate that cap, and you're free to heavily promote the stream to at-work listeners. On your stream, remind listeners to tune in to the terrestrial station during the drive home for traffic and weather. Very few stations do this, but it's a killer cumebuilding concept.

Pitfall #6: Avoid filling online breaks with nothing but national PSAs. Have you ever listened to 10 consecutive breaks containing nothing else? PSAs are important, but must be limited and local.

BARRIERS TO ENTRY

Barrier #1. Royalties/CRB fees. Negotiations and delays continue in this internal industry battle. Regardless of the outcome, Internet radio may soon be another mandatory cost of doing business.

Barrier #2. The talent (AFTRA) fees paid to union announcers is another reason stations replace terrestrial spots with other content on their streams.

Barrier #3. Buy or find a dedicated computer, a minimum P4 PC running Windows XP Pro with half a gigabyte of RAM, a decent sound card, and a network interface card. (Your station may already own the computer you need.)

Barrier #4. Managing online spots & production will take extra time in traffic to schedule online spots, and in production to create locally voiced PSAs.

TALK THE TALK

Before you jump in, thoroughly familiarize yourself with Internet radio lingo:

- Streaming technology makes Webcasting possible. Internet audio or video in a real-time, continuous flow.
- The buffer is a temporary place in your computer's memory where information is stored until playback.
- Bandwidth or bit rate is the size of the pipe carrying your stream, expressed in kilobits per second. 56K bandwidth means 56 thousand bits every second; less bandwidth creates lower quality, less bass, and less stereo separation. Some station bandwidths top 100K, which sounds amazing even from small laptop speakers.
- An **encoder** is software that "transmits" your signal to a streaming company for distribution over the Internet.
- A **CODEC** (compression/decompression) encodes audio or video files to reduce file size and make it universally playable.
- **CDN** (content delivery network) is any streaming company delivering program material over the Web.

- A player or media player is what online listeners use to receive and play your station stream.
- Just as important as a terrestrial frequency on-air is a station's Web address or URL. From there, users click "listen live" or "listen now" to open your player and stream your audio.
- **Programming** for terrestrial radio is called **content** in the world of streaming. Since "content is king," you're in a great position these days.
- Your music log is called a playlist in the world of streaming, because of the massive popularity of the iPod and similar devices.
- **Radio promos** are called **interstitials** in streaming radio.
- Audio quality of a terrestrial station can vary when streamed, depending on the bit rate, the speed data travels (also called bandwidth).
- Ratings are called metrics in streaming. Terrestrial ratings are estimates, but metrics are exact! You can see precisely how many people are listening and when they listened.
- A session initiation ad is the short commercial you see or hear while your station stream is still loading, usually 10-15 seconds.
- Spot replacement means replacing terrestrial commercials

LEARN INTERNET RADIO LINGO WITH TERRESTRIAL TERMS

Some terrestrial radio terms can be used to help understand the new terminology of Internet radio:

Terrestrial Radio	=	Internet Radio (Streaming) equivalents
Transmitter	=	Encoder
Radio receiver	=	Player
Frequency	=	Web address (URL)
Programming	=	Content
Music log	=	Playlist
Promos	=	Interstitials
Audio quality	=	Bit rate/Bandwidth
Ratings	=	Metrics

with promos, PSAs, or other spots. Some stations play a music bed over and over, others actually program dead air, still others showcase new music.

- Client and server are connected computers over a network. Your listeners' computers are client-side and the one streaming your station is server-side.
- Skin refers to graphics like logos and artwork on your sta-tion's streaming player.
- ASCAP, BMI, and SESAC are music publishing companies licensing public distribution of commercial music. Terrestrial and online radio and TV stations, restaurants, stores, nightclubs, even sports stadiums must have an agreement before playing any of their songs.
- AFTRA is a national labor union representing media performers. A big reason stations don't play terrestrial spots over the Internet is because running those spots could make their AFTRA fees rise considerably.
- DRM (digital rights management) is "copy protection" of commercially available CDs and digitally downloaded files. iTunes, for example, has its own proprietary DRM.
- DMCA (Digital Millennium Copyright Act): 1998 legislation that prohibits digitally copying or distributing other people's intellectual property.
- CRB (Copyright Royalty Board): A government agency of three retired judges who set the rates record labels may charge to play music over the Internet. Sound Exchange is a company the CRB selected to collect and distribute these fees.
- Copyright Office: a government agency protecting intellectual property owners from having their material used without permission.

In my next column, I'll count down the top 15 myths of Internet radio. 🚍

Tom Zarecki is senior marketing executive at Jetcast Internet Radio Streaming in New York.

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🚿 Radio 2007

By Ivan Braiker

Going Mobile

Text-Based Mobile Marketing Offers Advertisers Access, Interactivity

Gone are the days of expecting listeners to line up to be the "lucky caller." With BIA Financial Network's report that, in 2006, the radio sector's revenues grew less than one percent for the second consecutive year, broadcasters are scrambling to identify ways to revive their promotions to produce results quickly, easily, and efficiently.

Many station managers are exploring interactive mobile text-based marketing as a revenue-growth solution. It's a fresh, "turnkey" approach — easy, seamless, and fast — and that's important in today's radio campaigns.

Jupiter Research projects that advertisers will double their spending on text messaging, from \$1.4 billion last year to \$2.9 billion by 2011. Likewise, eMarketer has found that brands anticipate spending nearly \$5 billion on wireless advertising this year, up from \$421 million in 2006.

NO NEED TO SHIFT GEARS

Implementing a mobile-marketing strategy isn't about shifting gears and selling something completely different. It's about taking ads that have traditionally worked and incorporating a mobile element. It's about letting listeners retrieve special offers or get more information on a product or service in a way that gives them control. Radio has always been about engagement, and mobile is just another venue for the same interactions.

More than 136 million people in this country use text messaging, and most people have a mobile phone with them at all times. You want to be where your consumers live, and the mobile phone is undeniably there. What better way to get your message out and put your customers directly in touch with information resources?

MOBILE MARKETING DEFINED

Text messaging itself is not mobile marketing. True mobile marketing moves traditional radio marketing from passive listening into a dialogue with consumers. Basic text messaging is just advertising, while mobile marketing requires interaction, customer participation, and the development of a trusted, mutually useful relationship.

A comprehensive mobile marketing strategy can deliver measurable results and let radio broadcasters engage receptive audiences in a much more targeted way. Consider the following cases:

- At a radio station in a top 50 market, one promotional campaign generated 99,800 text messages in three weeks.
- One major-market Sports station has experienced a 61 percent response rate for text alerts and information four times the response rate of the station's traditional marketing campaigns.
- At a top 10-market Adult Contemporary station, text addons have added an average of \$50,000 per month in new non-traditional revenue.



 An Ohio station's first-quarter '07 revenues were up 24 percent in a flat market — an outcome the station attributes to the interactive campaigns it offers to advertisers.

The mission for a mobile-marketing company is to partner with station managers to develop and implement interactive marketing programs centered on the mobile phone. Integrating the mobile phone as a marketing channel and making that investment work is a great way to drive new growth, but the investment needs to work over the long term.

RESPECTING THE CONSUMER

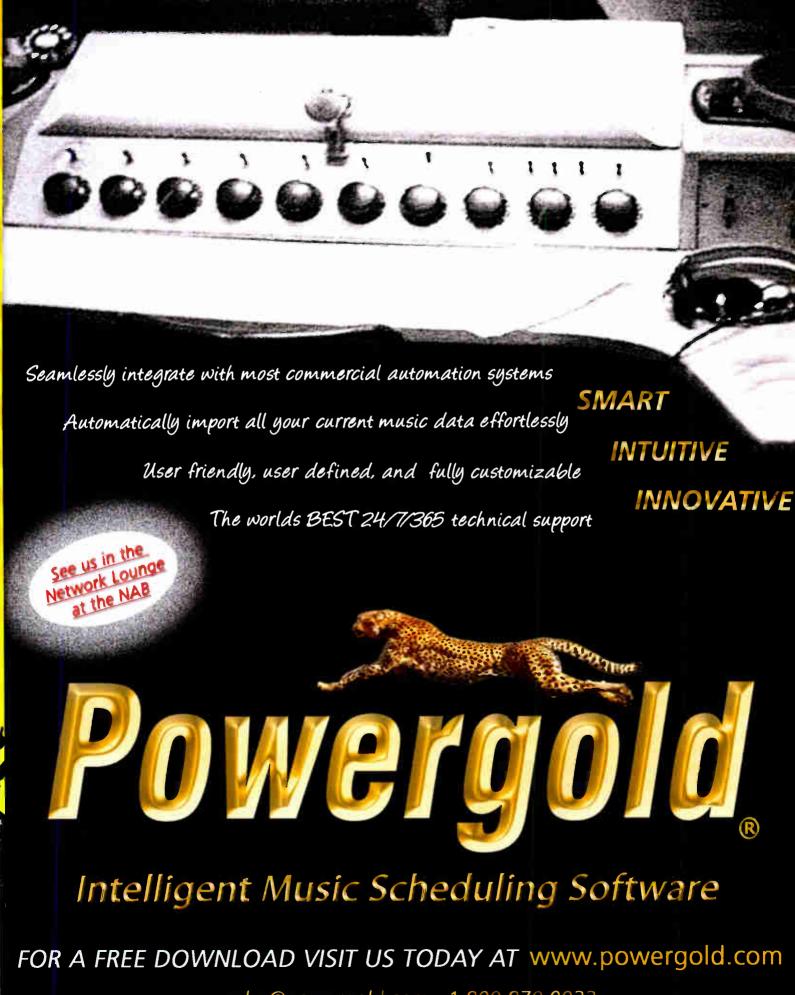
While the benefits of mobile marketing are clear, consumers continue to be skeptical of mobile advertisements. But one great thing about mobile advertising is that it allows for opt-in and other preference options. For example, a call to action can be included as part of an advertisement, prompting consumers to respond before they begin receiving messages. They're able to interact with the brand at their own discretion, and the personal information they provide helps tailor advertising to their interests. Still better, you can reach that consumer even when their radio is off!

When a commercial asks listeners to text a keyword to a five-digit short code, listeners receive the information they need, but they may also be prompted to opt in to receive other information from the station or advertiser. Once opted in, the listener is in control, as all messages must have the option to reply "Stop" to end further messages.

Mobile marketing is immediate, easy to use, and as targeted as it gets. It drives higher response rates and a more direct one-to-one relationship between advertisers and consumers. Respecting your audience and delivering value to them and to advertisers is paramount if your mobile marketing strategy is to sustain and deliver value.

Executed properly, mobile marketing allows broadcasters to engage with their audiences to increase time spent with the medium and support loyalty. Mobile-marketing campaigns open up new and immediate revenue streams and create incredibly valuable one-to-one relationships with listeners.

Ivan Braiker is chief executive officer at HipCricket Inc., www.hipcricket.com.



sales@powergold.com 1.800.870.0033

Radio2007 By Jose Cancela

Understanding Latino Values Can Be Good For Business

Study after study has proven what many marketers already know: Family comes first for Latinos. The importance of culture, tradition, religion, and family shapes the way we look at the world, and it shapes our decisions. Keeping that in mind can give you an advantage in your marketing, no matter what business you're in.

The chart developed by legendary adman Lionel Sosa highlights the fact that Latino values are rooted in our respect for tradition, faith, and love of family — and Mom is the central figure in the family.

Take a look at commercials run during cartoons on English- and Spanish-language TV. In English, "Trix are for kids!" In Spanish, the folks at Honey Nut Cheerios fill their commercials with adults talking about nutritional value and taste. The message to Latinos is, "Your kids will like it, and it's good for them"; not, "There's a prize in every box." In Spanish, Mom is the target for the advertising — not the kids.

Whether you're selling toys, kids' clothing, or laptops, show Mom the product benefits that are important to her. That the kids are happy, comfortable, and look cool in your clothing is important — but if the clothes are stain resistant, that's even better. Your toys are fun? Great. Show Mom enjoying some

LATINO VALUES

Based on Catholicism, Spanish Colonialism, and respect for tradition Anglo Values

Interdependence

Family First
Family Helps Family
Faith in God
Humility
Work Hard
Sacrifice
Stability
Respect for Authority
Modesty
God Loves the Poor
I Accept Life's Problems
Small Success is Good
Whatever God Wants
I Hope to Achieve
Vergüenza (a sense of shame)
Sacrificio (sacrifice)
Sufrimiento (suffering)
Sudor (sweat)
Responsabilidad (responsibility)
Respeto (respect)
"Lo Que Dios Quiera"
(Whatever God Wants)

ANGLO VALUES

Based on Puritan, Protestant, and Calvinistic thinking of a new and free America

Independence
Me First
Helping Self Helps Family
Faith in Self and God
Self-Expression
Work Smart
Pay Your Dues
What's New? What's Next?
Challenge Authority
Toot Your Horn
God Loves the Rich, Too
I Solve Life's Problems
Big Success is Better
What I Want, Too!
I Believe I Will Achieve
What's That?
To a Point
Avoid At All Costs
OK, But Not Forever
Of Course
Earn it First
"The Sky is the Limit."

much-needed leisure time while her kids are safe and happy playing with them.

Unilever, the maker of Hellmann's, Lipton, and Skippy, among other brands, did a study of 799 Latino shoppers in Houston, Los Angeles, Miami, and New York.

"If she's not shopping with her children, she's thinking of them," the report concluded. Latino moms are ripe targets for anything having to do with her kids. That means Mom will be attuned and receptive to ads and information about them, and products and services for them. Don't think your toy commercial should run only during cartoons and kid shows. They can be equally effective during a telenovela.

And don't forget the power of in-store promotions tied to kids, as the Unilever report noted: "Consider rewarding her spending and pleasing her family with kid-item giveaways (sweet treats, crayons, picture books), or steep discounts on a kid-item with purchases of, say, \$75 or more."

Family ties affect us in other ways that advertisers should know.

Ask Hispanics what made them go for the Toyota over a Ford, or Cheer laundry detergent over Fab, and they're likely to tell you about a friend who uses that product. We listen to the

people we know.

That's why network marketing works so well with Hispanics. Avon, Shaklee, and Tupperware sell well in the Latino market because each relies on contacts through friends and family. The sellers are people we know, or who come through people we know. That amounts to an implied endorsement, from someone we trust.

In a Yankelovich MONITOR Multicultural Marketing Study in 2006, nearly half of all Hispanics said that "when it comes to important things in my life, I almost always seek the opinion of my extended family members," compared to 33 percent of non-Hispanic whites. Almost two-thirds (60 percent) of Hispanics (compared to 45 percent of African Americans and 48 percent of non-Hispanics whites) said, "In my family, we discuss everyday things together before making a decision."

When targeting Hispanic consumers, ads can gain positive traction if they show the whole family benefiting from and enjoying your product or service. The safe bet for any business is to remember that our family values affect our every decision.

Jose Cancela is principal of Hispanic USA Inc. and author of The Power of Business en Español. E-mail him at jose@hispanicusa.net.



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El Show de Raúl Brindis y Pepito



PIOLÍN Piolín por ta M





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El Show de Pistolero y Memin



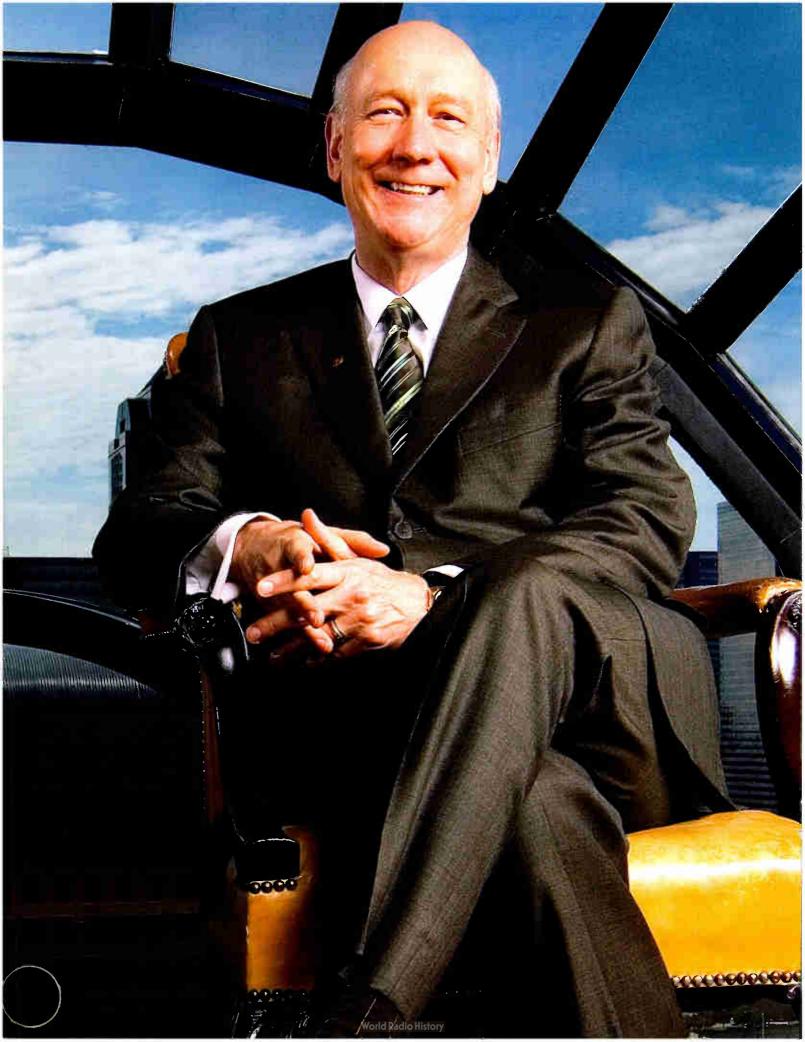
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Gary Stone COVER STOR

Univision Radio President Gary Stone Blue Skies For Hispanic Radio

By Editor-In-Chief Joe Howard

It's been a busy ye Univision Radio's parent company busy year tộr Univision Communications. Earlier this year, an investment group completed a \$12.3 billion deal to acquire the company, and swiftly it stalled a new CEO, Joe Uv 1 to

guide Univision's multi-platform operation. An integral part of that operation is Univision Radio, which owns and/or operates /0 stations in markets including Los Angeles, Miami, Chicago, and Houston. The station group generated \$381.6 million in net revenue in 2006, a 6.3 percent increase over 2005.

At the helm of Univision Radio is Gary stone. A 38-year veteran of the radio business, Stone was est things we've done. It's certainly been beneficial to named president/COO of the division in 2006, but he's actually been with the company since its days as lispanic Broadcasting Corp. Univision acquired HBC or \$3.5 billion in 2002, so getting used to new owners is nothing new to Stone. And Stone is welcoming the new regime, as he says the new leadership is rested in utilizing all of the company's platforms connect advertisers with Hispanic consumers own for their loyalty to media, especially tadio.

Joe Uva's direction is to always do what's best for the company, and for the advertiser," says Stone. "The most important thing is to meet the needs of the advention of they need to buy more television or more radio or more Internet, and we're able to offer those-various platforms, then we'll ultimately sell more product and services. We all understand that. We're trying to approach our advertisers so they get a marketing plan that generates the most results.

Stone also believes that great gains can be made by cooperatively utilizing the company's many plat-forms "The cross promotion between radio and television has done so well; it's been one of the easiradio to be on television 52 weeks out of the year, as it has for television to be on radio."

He also thinks Univision is uniquely poised to realize these synergies. "We're the right size com-pany to make some decisions and do some things that our larger counterparts might have more difficulty getting done as easily," Stone says. We all know and like each other, and the result is that we can do things together."

COVER STORY: Gary Stone

Radiolnk: Do Univision's new owners have any changes in store for the radio divsion?

Gary Stone: I don't know if there are many specifically for radio. Across the company, we're continuing to cross promote between the different platforms. We're going to be out in the marketplace more as we syndicate programming, and as we help advertisers to recognize the need to buy Spanish media. We're trying to create more awareness of the Hispanic population and how it's growing, and how that listener base relies on Univision for their entertainment.

RI: Do you feel that the new owners have a commitment to radio?

GS: Absolutely. The cross promotion between radio and television has done so well; it's certainly been beneficial to radio to be on television 52 weeks out of the year, as it has for television to be on radio. That is a nice marriage right there.

I think we're the right size company to make some decisions and do some things that our larger counterparts might have more difficulty getting done as easily. We have a handful of people who are running the various divisions. We all know and like each other, and the result is that we can do things together. CEO Joe Uva's direction is to always do what's best for the company, and for the advertiser. The most important thing is to meet the needs of the advertiser. If they need to buy more television or more radio or more Internet, and we're able to offer those various platforms, then we'll ultimately sell more product and services. We all understand that. We're trying to approach our advertisers so that they get a marketing plan that generates the most results.

RI: How does the Internet work into the mix?

GS: The Internet is a big part of it. One of the things we keep hearing from advertisers is that they want to reach the audience in 360 degrees — when they wake up in the morning to when they go to bed at night. By putting together the different platforms — television, radio, and online — we're able to do that.

R1: Are you making progress with advertisers who haven't in the past spent money to reach Hispanic consumers?

GS: We are, because our growth rates for revenue are so healthy. We've seen tremendous growth, especially compared to English-language counterparts. Our ratings are better than ever. In many markets we've got two stations in the Top 5 in the ratings, where we used to have only one. As the Hispanic population grows, and as we have the platform and the footprint in each of our markets, it's hard for an advertiser not to address the Hispanic audience, and that's evident in our growth rates for radio.

RI: Sharp growth in most any business eventually levels off. Do you have a forecast for when Hispanic radio's growth might slow?

GS: I don't expect it to subside anytime soon. Hispanics are still having a good number of children; 18-34 is our strongest demo, and even younger. We're just trying to make sure we have all the products the client wants to consume for entertainment.

RI: Do you attribute the growth more to new revenue or population growth?

GS: With the 2000 Census, Hispanics really hit critical mass. They have surpassed the black population, and continue to grow. Although Hispanic happenings in this country are more in the news now, it is a population that has been somewhat ignored by advertisers. It is certainly evident, though, that for us to grow our revenues in the low teens — when the rest of the radio industry

SIDELINES

RI: What is your favorite movie?

GS: It would have to be the first *Pirates of the Caribbean*.

RI: What is your favorite TV show?

GS: I watch Discovery Channel and National Geographic and things like that outside of the times that I watch Univision television.



RI: What is your favorite radio format?

GS: The more romantic music, the Luis Miguels. My wife and I love to listen and dance to that more romantic Spanish music.

RI: What is your favorite website?

GS: The only websites I look at have some financial news — Yahoo's finance website, or checking out our own websites on Univision.

RI: What are your favorite hobbies?

GS: I'm a musician, so I play guitar and drums and a little piano, and I'm a pretty bad golfer.

RI: What kind of guitars do you have?

GS: I've had an Aria since 1969; it's a classical guitar with nylon strings. Plus I have a Gibson Les Paul and the Neil Diamond Ovation.

RI: What is your favorite vacation spot?

GS: If my wife and I had the perfect world, we'd spend all our time in L.A. or New York, and occasionally go to Cabo San Lucas.

RI: If you could go back in time to any era, where would you go?

GS: Back in the very early 1990s when we got our first FM station, because we had only AM radio stations when I joined the company in 1985. When we got our first FM station, we hired Raul Brindis to be our morning show host, and the ratings just took off. I remember jumping up and down as some of the ratings started coming out for that radio station. We had so much camaraderie and teamwork among the radio station people. It was a great time. We've gotten a little used to having these ratings successes, so I'm not jumping up and down as much. It's still very sweet, but I wouldn't mind doing that all over again.

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COVER STORY: Gary Stone

is growing at flat to 1 percent — advertisers are waking up and putting dollars where the ratings indicate they ought to be, and we're benefiting from that. Advertisers realize that we're not getting the same [revenue] share as share of listening audience, and will put more dollars toward that. We see great results with these advertisers. But we still have something of a gap to close.

We have syndicated some of our big morning shows, and we have some unique talent that has generated ratings. The cross promotion between TV and radio that I mentioned has also moved our ratings up.

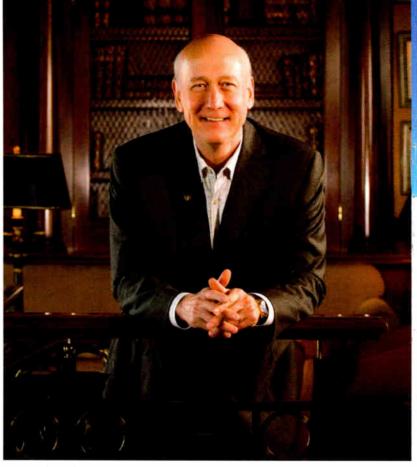
RI: What programming trends are generating the most response from your listeners?

GS: We have a bilingual format called La Kalle in four or five markets, and it's doing quite well. We even have some Hip Hop stations. That's still not the major part of the growth. I think what you'll see, particularly as the new Census comes out in 2010, is even greater growth in middle and small markets with the Hispanic population moving out across the United States. That's one reason why we're interested in syndication of some of our unique programming, because we see an opportunity there. It may take some time before we start buying into those markets to own new radio stations, so we'll concentrate on the markets we're currently in for the foreseeable future.

Our footprint is so large in the markets we're already in that there is a limited number of formats we can do. We can tweak those one way or the other, but who wants to be the fourth- or fifth-ranked radio station in a market where we already have the top two or three? As the population grows in the markets where we already operate, there will be room for yet another format, but that will take a number of years. Hopefully, we'll be positioned to purchase another station or make other adjustments that will allow us to maintain the kind of footprint we have now.

R1: It sounds like syndication is a key area of growth for the company.

GS: It is. It hadn't been our focus in the past because we



were busy buying more radio stations. Now, seeing the opportunity in the Hispanic growth in those markets, we think it would be nice for broadcasters to carry some of our proven programming. We just named a person to head that up for us, and we already have 20 or 30 stations syndicating our morning shows. We think we can double or triple that before too long.

RI: Are there specific regions where you see opportunity for growth?

GS: I'm always surprised by the percentage increases in some markets where you never thought there were Hispanics, and all of a sudden they are 20 or 30 percent of the population. You would think that the population growth would be in the southwest area

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View the trailer at www.jacobsmedia.com



The Bedroom Project: How Young Americans Use and Interact with Media

NAB Radio Show "Super Session" Wednesday, September 26 3:45PM – 5:00PM Charlotte Convention Center Overview on Media and Technology

The Bedroom Project: Radio Uncovered

Jacobs Summit 12 Thursday, September 27 2:15PM – 3:15PM Charlotte Convention Center Radio-specific Insights



COVER STORY: Gary Stone

of the United States, but I'm surprised by what I see in North Carolina, for example. It usually has to do with where the work is, and it is hard to know exactly where the workers are migrating. I think there is going to be a surprising population base of Hispanics in New Orleans rebuilding after Katrina.

RI: Do podcasting and streaming fit into the mix?

GS: We're doing both of those, but we haven't spent an inordinate amount of time on them. We're looking at text messaging as well, and of course we're building out the HD stations. As there's client demand and as we get more comfortable with how to supply these things to the advertiser, they become more menu items that our salespeople can offer as we try to reach the consumer on that 360-degree basis.

RI: What are Univision Radio's plans for HD Radio?

GS: We already have about 20 stations broadcasting in HD, and we're doing a Tejano syndicated HD2 network in Texas. As we



develop other formats, HD2 is a good place to put them. We simulcast some of our AM stations on the HD2 FM channels, and based on signal coverage, we might also simulcast different primary FM stations. We're not trying to sell advertising on those side channels yet, but as the receivers get out in the marketplace and we start seeing ratings, we'll certainly want to monetize that. It gives us a great opportunity to try some different formats. But, it's really limited for Spanish; we don't really know how we're going to fill up all of that programming, when you consider that you get about two extra channels for every FM. But, our programmers are excited about it.

RI: Is the Tejano syndicated network exclusively on HD2?

GS: It is. Our Tejano in San Antonio — KHTN — does quite well. Since we had all that music, we thought we'd put it on a format and operate it. Tejano is such a niche in Texas, and as we promote that availability, we'll see if it will help sell some more HD receivers to people who want to listen in markets outside of San Antonio.

RI: You also mentioned that you're simulcasting AM on the FM in some areas...

GS: There's a little bit of that, yes. It's interesting to hear what the AM sounds like when you listen to it on HD on the FM. One of the easiest things to do to get an FM presence for an AM station is to put it on HD2. Over time, maybe the audience will prefer to hear our AM programming on HD2 — or maybe not, because the digital for AM will sound really good too. We'll have to see how that evolves.

RI: Let's shift to ratings. How satisfied are you with the language weighting process Arbitron has developed to capture Hispanic listeners' consumption of radio?

GS: I think it's done pretty well. I don't think it's perfect, but it is a step in the right direction. We've always felt that the more predominant Spanish-speaking person has been underrepresented, so the weighting process is an effort to balance that better. I don't know if there is a next step; we're looking to see how the PPM will effect the ratings for Hispanic radio.

RI: What are your thoughts on how electronic measurement may affect Hispanic listening? Are you concerned it might dent the loyal listening Hispanic stations have historically enjoyed?

GS: It's hard to compare diary to electronic measurement because the whole methodology is different. We've had about a year to learn how to program to PPM in Houston. I don't think the news for Spanish is any different than when you convert an English station from diary to electronic measurement. If there are problems getting certain cells of Hispanics because of the electronic measurement, I think Arbitron will figure that out. I don't know if you can say what we're getting today is 100 percent right, but they're certainly working on it. I have a lot of respect for Arbitron, and they will do what's right to be able to reflect the audiences as best they can with PPM.

RI: What are you hearing from advertisers about the change in methodology?

GS: Some want more commercials in order to increase

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Kent Phillips Program Director KPLZ/FM- Seattle



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COVER STORY: Gary Stone

their gross ratings points, others think they don't need to do anything, and a smaller majority want us to bring our rates down as a result. But that is true for all of radio, so I don't feel like Spanish is necessarily being singled out.

RI: What are the key areas where the radio industry as a whole should focus to jumpstart growth?

GS: Electronic measurement is a step in the right direction; it might make radio a little snazzier for people who want to buy it as media. But I think salespeople need other alternatives for selling their product. We've got to look at it more in terms of marketing, look at the needs of the advertiser, and be able to offer more than just commercials, a remote, and a promotion as the solution for every client's needs. One thing nice about being in Univision is that we have all of these platforms, and we can offer a lot of different things. Radio has to reinvent itself a little bit with some of these new media, not just make more sales calls asking people to buy more radio advertising.

R1: How is Univision capitalizing on its various platforms?

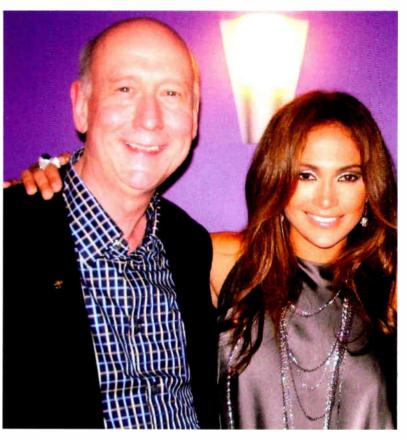
GS: We do a program together with the television division that looks for a new singing star, kind of like American Idol, and there is opportunity for people to text message who they want to vote for. We're just getting started, and we've got Joe Uva and the new owners helping us.

RI: What is the atmosphere with the new owners?

GS: They're very logical, and they understand that you need to spend money to make money. Our consultants are looking at synergies for operating the company; the idea is, how do you grab the advertiser and say "Look, you need to be buying Spanish media"; something compelling enough for them to say "You know, you're right, we haven't been putting enough dollars toward that." We're trying to make the kind of noise with advertisers that the Hispanic community really deserves. Hispanics look at commercials for how to improve their lifestyle; they don't see as much of the negative because our audience is interested in how to do better. "Who wants me to come buy my shirts and pants and furniture and cars from them?" They want to know those things. As we can help advertisers realize that opportunity, it has helped drive our growth rate.

RI: Why are Hispanic consumers so much more receptive to these advertising messages?

GS: They have a strong work ethic, they have larger families, and they're trying to have a better lifestyle. They don't feel it is owed to them, they have to earn it. They rely on media — be it radio or television — to give them the comfort level that the advertisers want their business, and if they go to that advertiser's business, they'll get a fair deal. And this company carries some added responsibility; the name Univision means so much to the consumers. We get all kinds of questions from our audience, like "Where do I go to get this?" or "How do I do these things?" Just



like radio a number of years ago, when you felt like the disc jockey was your friend, somebody you felt comfortable calling up and saying "Hey, should I go buy this product?" That's why we do so many endorsements for our talent; they have that umbilical cord with the listener — they are connected — and it is a win-win situation for the consumer, the advertiser, and the company. I don't say that's a unique situation, but for the Hispanic community — with their family attitude and desire to improve their lifestyles — they have a greater dependency on Spanish media to know how to assimilate into the country, to be able to get products and services that will help their lifestyle.

That invitation to buy, that knowledge that you really want a person who speaks Spanish to come into your business, that they'll get good service and attention from the person selling the product, makes the customers want to go see those people. It's been a great success for our promotions and everything else that we do. And getting advertisers that aren't buying Spanish media to realize that is an opportunity.

RI: What are you doing to maintain that listener loyalty?

GS: It comes down to how unique your programming is and what kind of marketing we do to the listener — everything from the TV commercials we run to the promotions we do on the radio to how we play one song after the other. We have a pretty large inhouse research company, and we spend a lot of time testing the audience on what their preferences are. I think we have a real good lead on our competitors in the markets where we operate. We have the heritage of having been there first. If our salespeople are oriented to create solutions for advertisers, and we help them put the right kind of products and services on the radio, then we're doing what's best for the clients and for the audience. We have loyalty from clients and loyalty from the audience, and everybody wins. We approach it that way so we build those bonds with the consumer and the advertiser. **⊟**

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A LITTLE ACTION — As radios got smaller and more portable in the 1980s, listening increased. GE's Matt Orioh inspects an AM/FM Action Radio; the micro-sized headset stereos were water resistant, and designed for outdoor use.

Photo courtesy of Frank Boyle

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EVENTS

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Spring 2007: April 5 - June 27 Summer 2007: June 28 - Sept. 19 Fall 2007: Sept. 20 - Dec. 12

SEPTEMBER

Sept. 26-28 — NAB Radio Show, Charlotte, NC. www.nabradioshow.com Sept. 26 — NABEF Radio Show Career Fair, Charlotte, NC www.nab.org Sept. 20 — Power of Urban Radio, New York, NY. www.powerofurbanradio.com

OCTOBER

Oct. 5-8 — 123rd AES Convention, New York City. = 212-777-4711 www.aes.org Oct. 11-12 — Maine Association of Broadcasters 60th Annual Convention, Rockport, ME. www.mab.org Oct. 11-14 — Association of National Advertisers Annual Conference, Phoenix. https://annual.ana.net/

Oct. 12 --- Commercial Radio Australia National Radio Conference, Melbourne, www.commercialradio.com.au/ Oct. 15-Nov. 16 - International Telecommunications Union World Radiocommunication Conference and Assembly 2007, Geneva, Switzerland, www.nabanet.com Oct. 16-18 — Kentucky Association of Broadcasters Annual Conference. Frankfort, KY. www.kba.org Oct. 21-23, Kansas Association of Broadcasters Convention, Mayetta, KS. www.kab.net/Events Oct. 28-30 — Community Broadcasters Association 2007 Convention, Las Vegas. www.dtvnow.org

NOVEMBER

Nov. 4-6 — NAB European Radio Conference, Barcelona, Spain. www.nab.org/meetings/europe Nov. 4-6 — Canadian Association of Broadcasters 2007 Convention, Ottawa. www.cab-acr.ca/ Nov. 14-16 — National Association of Farm Broadcasters Annual Convention, Kansas City, MO. = 612-224-0508 Nov. 17 — The Radio Club of America

97th Anniversary Annual Awards Banquet, New York City. = 303-988-3515 www.radioclubofamerica.org Nov. 26-30 — IEEE GLOBECOM 2007, Washington, DC. www.ieee-globecom.org/2007

DECEMBER

Dec. 4 — *Radio Ink*'s Forecast 2008, New York City. **5** 561-655-8778.

JANUARY 2008

Jan. 22-24, 2008 — IEEE Radio & Wireless Symposium, Orlando, FL. www.ieee.org

FEBRUARY 2008

Feb. 17-20, 2008 — 46th annual Music Personnel Conference of the Association of Music Personnel in Public Radio, Mobile, AL. www.amppr.org

MARCH 2008

March 7-12, 2008 — NRB2008, Nashville, TN. www.nrb.org March 26-29, 2008 — 33rd Annual Community Radio Conference, Atlanta. www.nfcb.org

APRIL 2008

April 12-17, 2008 — NAB2008, Las Vegas, NV www.nab.org April 16-19, 2008 — BEA2008, Broadcast Education Association 53rd Annual ConventionLas Vegas www.nab.org

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